



Australian
National
University

ANU Student Managed Fund

Mid-semester report – Semester 2, 2026

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Notes:

All dollar amounts in this report are Australian dollars.

This report is written by the members of the Relationship Team (RT) of The Australian National University (ANU) Student Managed Fund (SMF), in conjunction with other SMF team members. It has been reviewed by the SMF Convenors, the Director of the Research School of Finance, Actuarial Studies and Statistics (RSFAS) and the Communications team of the ANU College of Business and Economics (CBE). Any enquiries, feedback or comments can be directed to smf.rsfas@anu.edu.au.

Further information on the ANU SMF can be found at: <https://rsfas.anu.edu.au/study/student-managed-fund>.

Disclaimer:

The sole purpose of this document is to report on the activities of the SMF and its related courses. It has been prepared by ANU staff and students who are not licensed to provide financial product advice under the *Corporations Act 2001*. The information provided on the investments does not constitute, and should not be relied upon as, financial product advice. For financial product advice that takes account of your particular objectives, financial situation and needs, readers should consider seeking that advice from an Australian Financial Services licensee.

Glossary

Abbreviation	Definition
AA	Asset Allocation (Team)
AAE	Active Australian Equities (Team)
ANN	Ansell Limited
ANU	The Australian National University
AUM	Assets Under Management
BBRMF	Behavioural Bias Risk Management Framework
CBE	ANU College of Business and Economics
CIO	Chief Investment Officer
CPI	Consumer Price Index
CRO	Chief Risk Officer
CSA	Candidate Stock Analysis
CSL	CSL Limited
EM	Emerging Markets Equities
ESG	Environmental, Social and Governance
ETF	Exchange-Traded Fund
IAC	Investment Advisory Committee
IPS	Investment Policy Statement
IOZ	iShares Core S&P/ASX 200 ETF
LLC	Lendlease Group
ORA	Orora Limited
PA	Performance Attribution
PC	Portfolio Construction
p.a.	Per Annum
R&C	Risk and Compliance (Team)
ROE	Return on Equity
RT	Relationship Team
RWC	Reliance Worldwide Corporation
SMF	ANU Student Managed Fund
SRI	Socially Responsible Investment
SUN	Suncorp Group Limited
YTD	Year to Date

Chief Investment Officer (CIO) report

It is my pleasure to report on the Student Managed Fund's (SMF) performance and activities during the first half of Semester 2, 2026. The SMF delivered a year-to-date (YTD) return of 3.14%, falling short of our target return of 4.5% + CPI by 2.54% and short of the reference portfolio by 2.91%. Since inception, the SMF has achieved an annualised return of 8.94% per annum (p.a.) remaining ahead of our target return by 1.18% p.a., though it trails the reference portfolio by 0.36% p.a. As of 4th September 2026, the Fund's assets under management (AUM) are \$966,211.

The YTD -2.91% relative performance of the Fund is due to a -3.08% contribution from the Active Australian Equities (AAE) portfolio against the benchmark iShares Core S&P/ASX 200 ETF (IOZ). The Asset Allocation (AA) team contributed 0.58%, which included a 1.04% outperformance of the Emerging Market Equities ETF. Within the AAE portfolio, notable holdings include ANN, which outperformed the IOZ by 2.44%, and CPU by 1.82%, with negative attribution coming from LLC (-3.84%), ORA (-3.27%) and WOR (-2.77%).



*Flynn Henry,
Chief Investment Officer*

The AAE team has further prioritised stewardship of existing holdings over the addition of new positions this semester. Revaluations of current holdings have taken place over a period of two weeks, compared to the standard one-week duration in previous semesters. This additional time allows the team to more thoroughly stress-test the original investment thesis, giving the team greater confidence in its recommendations. AAE conducted revaluations of Computershare (CPU), SUN and CSL. Following these revaluations, the team put forward a recommendation to sell CPU, which was endorsed by the Investment Advisory Committee (IAC) in Week 6. The team also recommended selling CSL and intends to take this recommendation to the IAC later this semester.

The AA team delivered its macroeconomic outlook underpinning the inputs for the Fund's Portfolio Construction (PC) model, to re-optimize the portfolio using utility functions. The team then undertook a comprehensive review of the Fund's Emerging Markets ETF. While it has been AA's best performer YTD, the analysis determined that the increased concentration in a structurally volatile information technology sector meant the increased risks outweighed future growth potential. The team is currently working towards an IAC recommendation to sell down 5% of EM (currently 10%) in favour of a 5% increase in Australian equities.

The Risk and Compliance (R&C) team has worked on updating the Socially Responsible Investment (SRI) policy to remove any ambiguity. The team has been reviewing ORA to determine whether the company's materially greater indirect exposure to alcohol, since the Fund acquired it in 2024, violates the Fund's SRI policy. The team ultimately determined that ORA presented a reputational risk to the Fund and subsequently violated the Funds SRI policy. Furthermore, the team has successfully trained the junior analysts on the Performance Attribution (PA) model and is continuing to implement the Behavioural Bias Risk Management Framework (BBRMF).

The Relationship Team (RT) has continued to build on the Fund's external engagement and branding initiatives established in prior semesters. Further initiatives to expand the Fund's reach to ANU colleges are being implemented, including an SMF information session run by RT and the team heads at Burgmann College in Week 5.

This semester, the Fund has welcomed 10 new junior analysts who have quickly adapted to the Fund's demanding workload and already made meaningful contributions to sub-team activities and Fund-wide discussions. The new senior analysts have continued to embody the Fund's five key values, stepping up into mentorship roles for the juniors and leading by example through engagement and analytical rigour.

Outside the Fund's operations, we were pleased to welcome Wilbur Li, a macro portfolio manager with prior experience at Goldman Sachs and an Australian superannuation fund, as a guest speaker at one of the Fund meetings. Wilbur shared his experiences working across asset management and hedge fund management. He provided valuable expertise on portfolio construction and risk management, and the Fund is grateful for the opportunity.

Overall, the Fund has used this period to sharpen its investment discipline, deepen its analytical frameworks, and reinforce its approach to real capital value preservation. The work underway across each team, combined with the strong continuity built across previous semesters, leave the Fund well placed to navigate the remainder of this semester.

Flynn Henry, Chief Investment Officer (CIO)

Team updates

The following updates introduce new members, detail activities and outline upcoming priorities for each sub-team.

Active Australian Equities (AAE) team

This semester, the AAE team welcomed four junior analysts: Aakash Senthil, Callum Baran, Georgie Warfield, and Jason Zhao, who have joined the returning senior analyst cohort comprising Lavanya Singhal and me. The new members have settled in quickly and already made strong contributions to the AAE team's output, demonstrating genuine interest in the equity research process and adding valuable insights to the team's analysis. I look forward to seeing how they continue to grow in their roles and contribute to the Fund's legacy.

As the Fund matures and the AAE portfolio has grown to seven active holdings, the team has continued to prioritise stewardship, placing further emphasis on revaluations as opposed to increasing the number of active holdings. The AAE team started the semester by conducting Candidate Stock Analysis (CSA) on six candidate stocks across financials, industrials, materials, healthcare, and information technology. Following extensive discussion and debate, the team decided that, at current market prices, none of the candidate stocks provided the Fund with enough upside potential to justify taking on further idiosyncratic risk.

Following the release of preliminary FY26 results, the team conducted comprehensive revaluations of current holdings of CPU, SUN, and CSL.

The team decided to sell the Fund's position in CPU after holding the company for only three months. The foundation for this decision was that while the company's market valuation had risen significantly since purchase, there were minimal changes to the company's fundamentals. Key risks from technological disruption and changes in client cash management behaviour, which are outside the company's control, created an asymmetric risk/return profile and a significant opportunity cost of not divesting. This recommendation was presented to and endorsed by the IAC in Week 6.

The AAE team has also spent much of this semester scrutinising the valuation models and forecasting methodologies used to make investment decisions for each current holding. As part of this process, the team determined that the current SUN discounted cash flow (DCF) model does not accurately reflect the current business, which has undergone significant changes since it was first added to the portfolio, primarily due to the sale of SUN's banking segment to ANZ. The team intends to create a new valuation model and critically evaluate the investment thesis for SUN later this semester before concluding on the recommendation.

The team has recommended selling CSL and intends to take this recommendation to the IAC. The position has appreciated ~90% since early June, largely on market optimism regarding CSL's management transition, substantial goodwill and intangibles write-downs in FY26, and upgraded ongoing earnings growth guidance. The AAE team believes that the growth required to justify the current share price is higher than is reasonable, and that uncertainty regarding plasma collection, margin compression, and the delayed demerger of CSL's Seqirus segment are creating significant risks for the company.

For the remainder of the semester, the team has planned revaluations of ANN, LLC, RWC, and WOR, ensuring that our valuations and expectations for these companies are updated to provide the Fund with the best possible information to inform capital allocation decisions. In addition to completing revaluations and taking the CSL sell recommendation to the IAC, the team will spend time improving internal documentation related to current holdings to provide future cohorts with the necessary information to understand the positions they inherit.

Rory Mckinnon, Head of Active Australian Equities (AAE)

Asset Allocation (AA) team

This semester, the AA team was pleased to welcome two junior analysts, Arith Roy and Aiyi (Catriona) Fu, who joined returning seniors Matthew Young-Thompson, Shreyanka Sarmah and Tishan Kundu. The new juniors have already adapted well to the new environment, proving their passion, analytical skills and professional capabilities through their thorough economic research and high-quality presentations.

The semester opened with an overview of the AA and SMF processes, with presentations on the SMF Charter and Governance Structure in Week 1 and the AA Investment Process in Week 2. With the groundwork established, the team then completed its macroeconomic analysis, an integral part of AA's research during the semester. This focuses on examining the key underlying drivers of the PC model, inflation, cash rate, gross domestic product and the market's price-to-earnings and return-on-equity ratios. Following a discussion of initial findings with the rest of the team, the resulting well-grounded forecasts were presented in Week 4 and now anchor key inputs in the PC model. A Week 5 model update presentation then reviewed inputs, scenario probabilities and parameters, re-optimised the portfolio using the utility function, and explained the resulting changes to the Fund.

The AA team's primary focus for this semester is a comprehensive review of the Fund's EM exposure. In a Week 6 presentation, the team revisited the original rationale, questioning if the assumptions on volatility, valuation, political risk and diversification that had supported the current weighting still held. After both quantitative and qualitative analysis, the team found that while the growth outlook remains strong, the index has changed materially due to increasing concentration in a structurally volatile information technology sector. It is the AA team's view that a 10% weighting to EM no longer places the Fund in the best position to achieve its objectives. The team will continue to conduct more rigorous analysis to support a recommendation to sell down 5% of EM to fund a 5% increase in Australian equities.

Alongside this, the team has continued to deepen its proficiency with the PC model so that all members can understand and critique its assumptions and outputs, ensuring higher quality quantitative analysis and smoother handovers between cohorts. Our work so far has highlighted areas where the model's treatment of historical data can be clarified and refined, which the team intends to pursue in the second half of the semester.

Looking forward, the AA team will finalise its EM analysis with a view to bringing a formal recommendation to the IAC and will continue reviewing the appropriateness of the Fund's remaining holdings and their weightings. The team remains committed to the Fund's long-term objectives and will continue in its role as long-term asset managers, ensuring the maintenance of a deep understanding of the portfolio through total portfolio analysis.

Matthew Young-Thompson, Head of Asset Allocation (AA)

Risk and Compliance (R&C) team

This semester, returning members of the R&C team, Annabelle Daniels and Conor Mahoney, have been joined by two junior analysts, Junyan (Andy) Li and Blake Jones. The team has hit the ground running and has been able to deliver early on several key responsibilities.

During the first half of the semester, R&C placed a renewed focus on investigating the SRI credentials of companies currently held within the AAE component, sparked by the risk assessment of ORA. The team trialled completing an SRI screen of current holdings in the first week of the semester, an initiative I hope will be carried on by future cohorts. In an exciting first for R&C, an update on the ORA risk assessment was presented to the IAC, providing the team with valuable insights and guidance that will be used to shape our approach to similarly ambiguous situations moving forward.

Additionally, R&C has continued its successful implementation of the BBRMF, with observations of the AA, AAE, and RT teams taking place in Week 4. An early first round of observations allowed R&C to deliver the findings to team heads quickly, ensuring any issues were identified and addressed promptly. A second round of observations is planned for later in the semester to monitor the effectiveness of feedback on team dynamics and decision-making processes.

Looking ahead, the team has a range of initiatives that will be prioritised for the remainder of the year. Building on work completed by previous cohorts, the quantitative measures of risk initiative is ongoing this semester. Further, an SRI review of comparable ETFs to those currently held in the AA portfolio is planned, ensuring that the Fund remains SRI conscious while still capturing the benefits offered by investing outside of the Australian market. Finally, as AA and AAE prepare for potential their investment recommendations for the IAC, R&C will engage in red-teaming of the teams' work by challenging investment theses, model inputs, and assumptions, reinforcing the integrity of the Fund's investment processes.

Conor Mahoney, Chief Risk Officer (CRO)

Relationship Team (RT)

This semester, RT welcomed two new juniors, Cara Britton and Clare Gurney, as Relationship Officers. Their addition has provided valuable support under Team Head Sofia Karis and Senior Engagement Manager Pearl Guma, enhancing the team's capacity to pursue both new and ongoing initiatives. Having concentrated last semester on the QS Reimagine Education Awards application, RT shifted its focus this semester towards broadening outreach across the ANU community, with the goal of boosting applications for Semester 1, 2027.

To this end, the team collaborated with a wider array of ANU stakeholders than before, including on-campus residents and an approved event with the ANU Actuarial, Finance, Economics and Commerce Students' Society (AFEC), to expand engagement and support recruitment. RT ran an on-campus information session at Burgmann College on Tuesday 25 August, following a proposal that was developed and accepted. The session introduced the Fund to residential college students, many of whom are not typically exposed to CBE societies and drew 20 attendees. The team also participated in the CBE Info Market Day on Tuesday 4 August to raise awareness of the Fund among the broader student body.

Alongside these events, RT continued to engage the community through the Fund's Instagram, LinkedIn and Facebook pages, publishing bi-weekly posts covering portfolio updates, team spotlights and application workshop reminders. The team also delivered in-lecture talks to promote the Fund to prospective applicants, a series that will continue into the start of next semester.

RT delivered the CBE School Holiday Program Finance Workshop on Tuesday 29 September. The session was delivered by the SMF leadership team alongside RT, with the attendees being Year 10 and 11 students from the ACT and NSW. Looking ahead, the team is also developing two further

proposals to extend RT's outreach: an annual initiative with AFEC comprising a Week 8 information session and an additional College Careers Week information session at Wright Hall during Careers Week (Week 8), building on RT's existing Week 5 college engagement to reach residential students ahead of Semester 1, 2027 application closes.

Sofia Karis, Head of Relationship Team (RT)

SMF team photos and roles

Convenors



Dr Hua Deng, Course Convenor



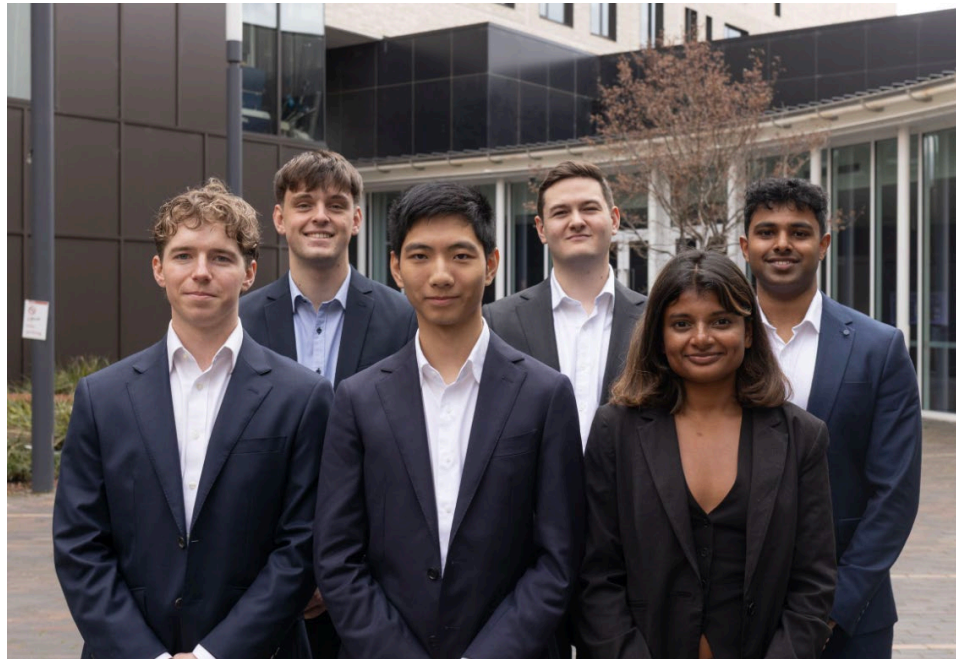
Dr Dean Katselas, Fund Convenor

Team heads



L-R: Conor Mahoney, Sofia Karis, Flynn Henry, Matthew Young-Thompson, Rory McKinnon

AAE team



L-R: Geordie Warfield, Callum Baran, Jason Zhao, Rory McKinnon, Lavanya Singhal, Aakash Senthil

AA team



L-R: Aiyi (Catriona) Fu, Shreyanka Sarmah, Matthew Young-Thompson, Arith Roy, Tishan Kundu

R&C team



L-R: Conor Mahoney, Blake Jones, Junyan (Andy) Li, Annabelle Daniels

Relationship Team



L-R: Clare Gurney, Pearl Guma, Sofia Karis, Cara Britton



L-R: Annabelle Daniels, Conor Mahoney, Cara Britton, Matthew Young-Thompson, Clare Gurney, Aiyi (Catriona) Fu, Pearl Guma, Tishan Kundu, Arith Roy, Junyan Li, Shreyanka Sarmah, Blake Jones, Lavanya Singhal, Callum Baran, Sofia Karis, Flynn Henry, Hua Deng, Aakash Senthil, Jason Zhao, Rory McKinnon, Geordie Warfield, Dean Katselas

Portfolio overview

Portfolio structure

As of 4 September 2026, the total value of the Fund's portfolio was \$966,211. Every component of the portfolio sat within its permitted target range under Figure 2 of the IPS, including the growth/defensive split, which is structured around 80% growth assets and 20% defensive assets. Growth assets include Australian equities (AE), hedged developed market equities (DM, H), unhedged developed market equities (DM,U), and emerging market equities (EM), while defensive assets include Australian fixed income (AFI) and Australian cash (AC). A detailed breakdown is provided in Figure 1.

As illustrated in Figure 2(a), the portfolio's allocation across developed market equities, both hedged and unhedged, and emerging markets remains broadly aligned with the reference portfolio, while emerging market equities, at 12.20%, is the Fund's largest active position. The Australian equity allocation of 48.76% represents the most notable divergence, sitting 6.26% below the IAC-endorsed weight of 55.00%, reflecting broader domestic market headwinds. The defensive allocation remains broadly on track, with Australian fixed income closely tracking its 15.00% target at 14.30%, while cash and accruals sit above their 5.00% target at 7.55%. The Asset Allocation team continues to monitor market conditions and will seek to realign the portfolio with IAC-endorsed targets over the remainder of the semester.

The AAE portion of the portfolio currently holds seven active positions: ANN, CSL, LLC, ORA, RWC, SUN and WOR, as illustrated in Figure 2(b). Each of these positions has a target weight of 10%. As of 4 September 2026, following the divestment of CPU, the proceeds were redeployed into the iShares Core S&P/ASX 200 ETF (IOZ) to maintain the portfolio's broad Australian equity exposure. ANN, LLC and ORA each recorded deviations exceeding the $\pm 3\%$ rebalancing threshold specified in the IPS, and the AAE team continues to monitor these positions as it evaluates the most appropriate course of action.

Figure 1: Portfolio structure as of the 4 September 2026

Portfolio component	ETF used as benchmark	Asset values \$	SMF portfolio weight %	Reference portfolio weight %	Over (under) weight %
Australian equities					
<i>AAE portfolio:</i>					
iShares Core S&P/ASX 200 ETF		172,492	17.85		
Ansell Limited		62,249	6.44		
CSL Limited		41,531	4.30		
Lendlease		28,611	2.96		
Orora Limited		28,943	3.00		
Reliance Worldwide Corporation		49,665	5.14		
Suncorp Group Limited		39,902	4.13		
Westpac Banking Corporation		0	0.00		
Worley Limited		34,398	3.56		
Computershare Limited		0	0.00		
Total AAE portfolio	iShares Core S&P/ASX 200	457,791	47.38	50	-2.62
<i>Held within AA portfolio:</i>					
iShares Core S&P/ASX 200 ETF		13,381	1.38	10	-8.62
Total Australian equities	iShares Core S&P/ASX 200	471,172	48.76	60	-11.24
Developed markets, hedged	Vanguard International Shares Index, Hedged	63,417	6.56	10	-3.44
Developed markets, unhedged	Vanguard International Shares Index	102,592	10.62	10	0.62
Emerging market equities	iShares MSCI Emerging Markets Index	117,899	12.20	0	12.20
Total international equities		283,908	29.38	20	9.38
Total equities		755,080	78.15	80	-1.85
Australian fixed income	Vanguard Australian Government Bond Index	138,214	14.30	15	-0.70
<i>Australian cash and accruals:</i>					
BetaShares Australia High Interest Cash ETF		21,188	2.19		
BT Cash Management Trust		38,383	3.97		
Accrued interest and dividends		5,328	0.55		
Accrued franking credits		8,019	0.83		
Total cash and accruals	BetaShares Australia High Interest Cash	72,917	7.55	5	2.55
Total fixed income and cash		211,131	21.85	20	1.85
Total value of SMF assets		966,211	100.00	100.00	0.00
Total portfolio value as reported in BT Panorama		958,192			
Accrued franking credits		8,019			
Total value of SMF assets		966,211			

Figure 2(a): Asset allocation and active stock weights as of 4 September 2026

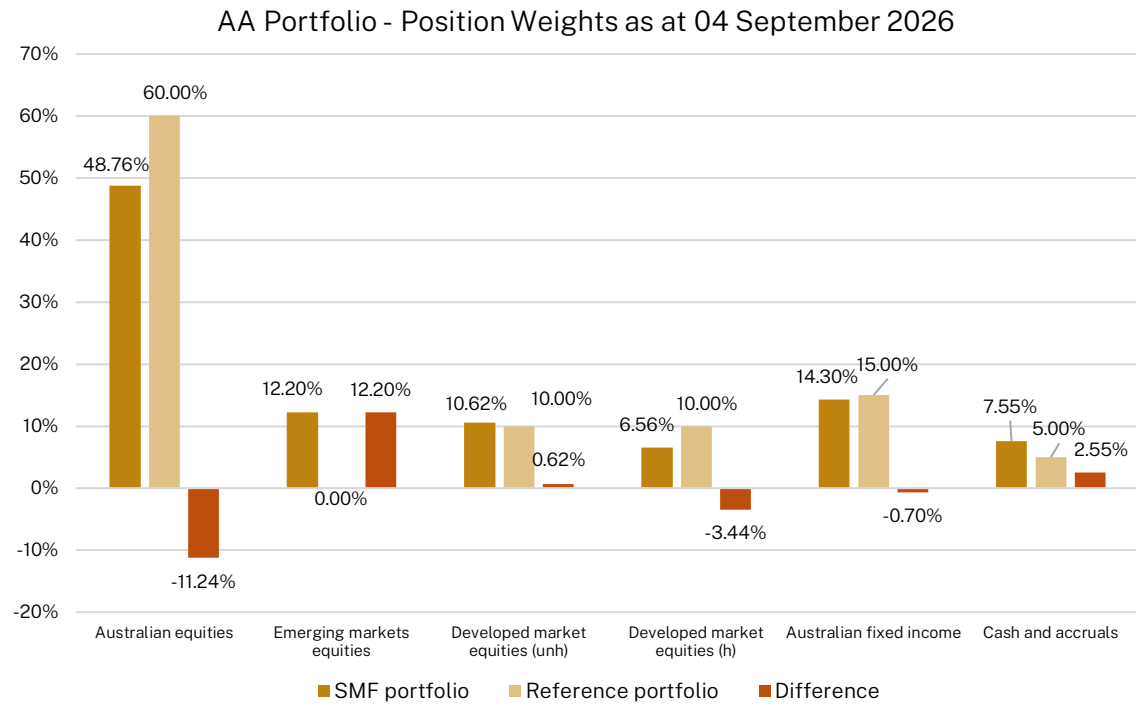
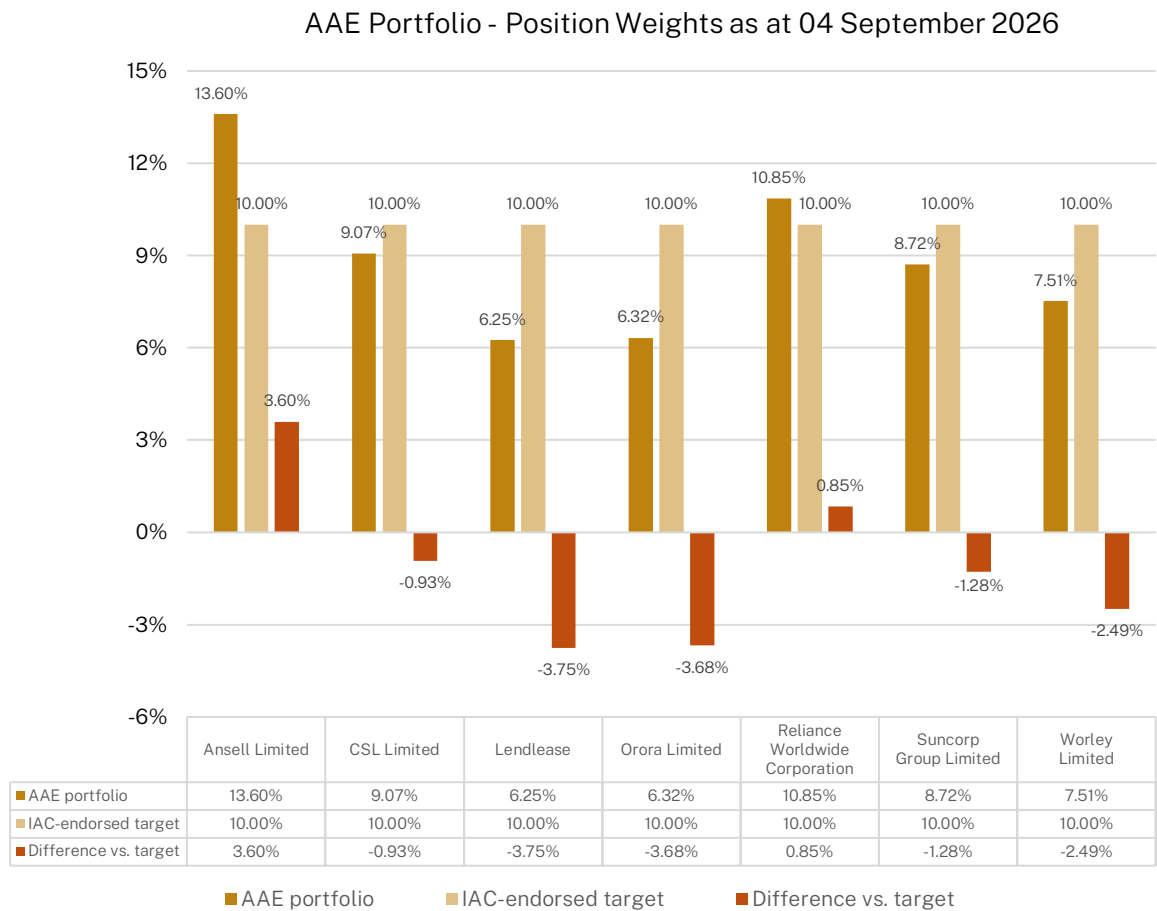


Figure 2(b): AAE portfolio – active stock weights as of 4 September 2026



Portfolio performance¹

The SMF has recorded a year-to-date (YTD) return of 3.14%, underperforming its target return by 2.54% and the reference portfolio by 2.91%. Since inception, the Fund has delivered a cumulative return of 105.01%, representing an annualised return of 8.94% (see Figure 3). This is 0.36% below the reference portfolio on an annualised basis, and 6.22% below on a cumulative basis. However, the Fund has remained ahead of its target return of 4.5% + CPI since inception, outperforming the target return by 1.18% and 17.52% on an annualised and cumulative basis respectively. While YTD performance has been disappointing, the long-term result indicates that the Fund has preserved real value since inception and continues to support the SMF's philanthropic objective. The following attribution analysis discusses performance contributions relative to the reference portfolio.

Attribution analysis

Figure 4 presents the performance attribution of the SMF portfolio relative to the reference portfolio. The attribution is shown separately for each security held in both the AA and AAE segments, based on their respective portfolio weights. The AAE portion of the portfolio is benchmarked against the iShares Core S&P/ASX 200 ETF (IOZ). Because the AAE portfolio holds individual active equity positions rather than an overall passive exposure to IOZ, its performance will differ from the benchmark depending on the relative performance and weights of those holdings. After deducting administration fees, the residual difference compared to the total portfolio returns reported in Figure 3 is estimated and shown under "Aggregation, cash portfolio and other effects" in Figure 4. This item reflects the approximate nature of attribution analysis.

Year-to-date in 2026, the AAE portfolio contributed -3.08% to the total portfolio's performance, delivering a portfolio relative return of -5.31% against the IOZ. Several key holdings within the AAE portfolio notably underperformed the benchmark: LLC (-3.84%), ORA (-3.27%), and WOR (-2.77%). In contrast, ANN (+2.44%), CPU (+1.82%), RWC (+0.58%) and SUN (+0.91%) contributed positively to AAE portfolio performance. The ASX 200 exposure, held via IOZ and representing 37.68% of the AAE portfolio, performed broadly in line with the Australian equity market.

The AA portfolio made a contribution of 0.58% YTD, primarily driven by the Emerging Market Equities, which contributed 1.04%. Developed Market Equities, unhedged, also made a small positive contribution of 0.03%, while Australian equities, Developed Market Equities, hedged, Australian fixed income, and cash and accruals each had negative contributions.

Since inception in 2018, the Fund has underperformed the reference portfolio by 0.36% per annum (on average), to which the AAE portfolio contributed -0.32% per annum, while the AA portion contributed 0.21% per annum, with administration fees and aggregation effects accounting for the remaining difference.

¹ All return calculations include franking credits.

Figure 3: Portfolio performance since inception as of 4 September 2026

Year	2022	2023	2024	2025	2026	Since inception	
Opening date	1 January 2022	1 January 2023	1 January 2024	1 January 2025	1 January 2026	10 April 2018	
Closing date	31 December 2022	31 December 2023	31 December 2024	31 December 2025	4 September 2026	4 September 2026	
PORTFOLIO VALUES							
Opening portfolio value in BT Panorama*	\$796,753.31	\$722,051.16	\$800,951.02	\$915,009.06	\$938,873.66		
+ Accrued franking credits	\$7,806.53	\$9,938.76	\$14,926.07	\$12,589.27	\$10,469.87		
Opening portfolio value	\$804,559.84	\$731,989.92	\$815,877.09	\$927,598.33	\$949,343.53		
Closing portfolio value in BT Panorama	\$722,051.16	\$800,951.02	\$915,009.06	\$938,873.66	\$958,192.08		
+ Accrued franking credits	\$9,938.76	\$14,926.07	\$12,589.27	\$10,469.87	\$8,018.72		
Closing portfolio value	\$731,989.92	\$815,877.09	\$927,598.33	\$949,343.53	\$966,210.80		
Change in portfolio value	-9.02%	11.46%	13.69%	2.34%	1.78%		
CASH FLOWS							
- Distribution related to prior period	-\$36,205.19	-\$33,127.65	-\$36,714.47	-\$41,707.58	-\$42,693.65		
+ Amount held by CBE, offset against distribution	\$0.00	\$4,189.31	\$6,403.00	\$6,326.67	\$4,440.53		
- Contributions	\$4,188.00	\$18,190.00	\$910.00	\$500.00	\$25,625.00		
Total cash flows	-\$32,017.19	-\$10,748.34	-\$29,401.47	-\$34,880.91	-\$12,628.12		
RETURNS (%)						Cumulative	Per annum
SMF portfolio return (based on adjusted portfolio values)	-5.25%	13.16%	17.89%	6.31%	3.14%	105.01%	8.94%
Target return (estimated as CPI + 4.5%)**	12.41%	8.55%	6.80%	7.77%	5.69%	87.48%	7.77%
SMF return less target return	-17.66%	4.61%	11.09%	-1.45%	-2.54%	17.52%	1.18%
Reference portfolio return	-4.09%	13.36%	13.43%	10.25%	6.05%	111.23%	9.31%
SMF return less reference portfolio return	-1.15%	-0.20%	4.46%	-3.93%	-2.91%	-6.22%	-0.36%
Note: Administration fees - BT Panorama	0.23%	0.22%	0.21%	0.20%	0.15%	1.48%	0.18%

Figure 4: Performance attribution since inception as of 4 September 2026

Contributions to performance vs. reference portfolio							
Period	2022	2023	2024	2025	2026	Since inception	
	%	%	%	%	%	Cumulative	Per annum
Opening date	1/1/22	1/1/23	1/1/24	1/1/25	1/1/26	10/4/18	
Closing date	31/12/22	31/12/23	31/12/24	31/12/25	4/9/26	4/9/26	
SMF portfolio vs. reference portfolio							
Asset allocation	0.50%	-1.39%	0.06%	0.87%	0.58%	1.78%	0.21%
Security selection - AAE portfolio	-1.13%	0.58%	4.58%	-3.42%	-3.08%	-2.69%	-0.32%
Contribution from positions held (prior BT fees)	-0.63%	-0.81%	4.64%	-2.55%	-2.49%	-0.90%	-0.11%
Administration fees - BT Panorama	-0.23%	-0.22%	-0.21%	-0.20%	-0.15%	-1.48%	-0.18%
Aggregation, cash portfolio and other effects	-0.29%	0.83%	-0.06%	-0.96%	-0.26%	-3.84%	-0.07%
Total relative performance	-1.15%	-0.20%	4.46%	-3.93%	-2.91%	-6.22%	-0.36%
Asset allocation attribution							
Australian equities	-0.23%	-0.01%	0.01%	-0.01%	-0.08%	0.12%	0.01%
Developed market equities, hedged	0.00%	-0.08%	-0.23%	-0.34%	-0.23%	-0.93%	-0.11%
Developed market equities, unhedged	0.24%	-0.57%	0.04%	0.01%	0.03%	-0.35%	-0.04%
Emerging market equities	-0.68%	-0.65%	0.23%	1.18%	1.04%	0.88%	0.10%
Australian fixed income	0.47%	-0.01%	0.11%	0.12%	-0.03%	3.11%	0.37%
Cash and accruals	0.71%	-0.05%	-0.12%	-0.09%	-0.15%	-0.95%	-0.11%
Time aggregation effect	-0.03%	-0.01%	0.01%	0.00%	0.00%	-0.06%	-0.01%
AA contribution to total portfolio performance	0.50%	-1.39%	0.06%	0.87%	0.58%	1.78%	0.21%
AAE portfolio vs iShares Core S&P/ASX200 ETF (IOZ)							
iShares Core S&P/ASX 200 ETF	0.00%	-0.21%	-0.01%	-0.01%	-0.03%	-0.45%	-0.05%
Ansell Limited		-0.95%	1.85%	-0.44%	2.44%	2.89%	0.34%
Bingo Industries Limited						-0.65%	-0.08%
Brambles Limited	1.62%	0.62%	2.66%	2.34%		6.74%	0.78%
Computershare Limited					1.82%	1.82%	0.21%
CSL Limited		0.34%	-1.25%	-4.64%	-0.04%	-5.54%	-0.68%
Lendlease			-1.08%	-2.19%	-3.84%	-6.96%	-0.85%
Downer EDI Limited	-0.51%	1.23%	0.57%			1.29%	0.15%
Inghams Group Limited	-2.19%	-0.28%				-4.78%	-0.58%
Orora Limited			0.44%	-1.44%	-3.27%	-4.24%	-0.51%
Reliance Worldwide Corporation				-0.57%	0.58%	0.01%	0.00%
Worley Limited				0.35%	-2.77%	-2.42%	-0.29%
Rio Tinto Limited						1.02%	0.12%
Sonic Healthcare Limited						2.50%	0.29%
Telstra Corporation Limited	0.45%					2.61%	0.31%
Suncorp Group Limited	-0.66%	0.81%	2.99%	-0.65%	0.91%	3.39%	0.40%
Westpac Banking Corporation	0.58%	-0.57%	2.59%	1.59%	-0.61%	1.31%	0.16%
Time aggregation effect	-0.05%	0.02%	-0.02%	0.02%	-0.51%	-0.61%	-0.07%
Relative performance vs. IOZ	-1.92%	1.01%	8.73%	-5.64%	-5.31%	-4.24%	-0.51%
Average AAE portfolio weight in SMF portfolio	58.61%	57.47%	52.47%	53.21%	47.63%		
AAE contribution to total portfolio performance	-1.13%	0.58%	4.58%	-3.42%	-3.08%	-2.69%	-0.32%

Socially Responsible Investment (SRI) report

The SMF portfolio is managed in accordance with the Fund's SRI policy, which is directly derived from the University's SRI policy with a few minor additions. This policy aims to encourage the Fund to support sustainable business practices beneficial for society while discouraging those that may cause social injury, all while considering potential implications for investment returns.

The policy includes the following conditions:

- (i) Exclude companies that draw more than 20% of revenues from adult entertainment, coal, gambling, tobacco, alcohol, armaments, and exploitative lending practices.
- (ii) Hold an active equity portfolio with 30% less carbon intensity than the S&P/ASX 200.
- (iii) Avoid investments that are likely to cause an unacceptable level of 'social injury'.
- (iv) Favour investments with 'social benefit'.
- (v) Preference companies that actively pursue sustainable business activities as determined by the Fund, with a current focus on the following activities and practices related to ESG categories:

E. climate change action.

S. equity, diversity and inclusion.

G. corporate trustworthiness - transparency, compliance and accountability.

All active stock positions in the SMF portfolio are currently compliant with the industry exclusion list outlined in condition (i). The industry exclusion list is applied to reviews of the SMF portfolio by narrowing down the list of candidate stocks considered at the CSA stage through the stock filtering process.

Figure 5 reports on the Fund's compliance on carbon intensity condition (ii) with respect to the active stock positions of the AAE portfolio as of 4 September 2026. Sourced from the ANU Investment Office, the carbon intensity of the AAE component of the SMF portfolio is calculated from active stock positions using tonnes of CO₂ produced per \$1 million of revenue, on a holdings-weighted basis. This value is then compared with the carbon intensity of the S&P/ASX200, estimated on a market-capitalisation basis. The Fund is pleased to report a net carbon intensity for the AAE portfolio that is -73.68% below the S&P/ASX 200 index, exceeding the 30% threshold target by a margin of +43.68%.

Figure 5: Carbon intensity of the AAE component as of 4 September 2026.

	ASX200	ANN	CSL	LLC	ORA	RWC	SUN	WOR	Total AAE	Total AAE vs ASX200	Target improvement	Margin
Weight in AAE portfolio	37.68%	13.60%	9.07%	6.25%	6.32%	10.85%	8.72%	7.51%	62.32%			
Carbon intensity	175.21	112.23	30.72	15.82	102.96	23.15	1.52	7.29	46.11	-73.68%	-30.00%	43.68%

Declaration

The Fund declares that it has complied with the University's SRI policy while effectively implementing the SMF SRI policy throughout 2026. The Fund remains committed to consistently reviewing and refining its SRI policy to support sustainable business practices while pursuing long-term returns.

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