



Australian
National
University

ANU Student Managed Fund

Mid-Semester Report – Semester 2, 2025

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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 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 enquires, feedback or comments can be directed to smf.rsfas@anu.edu.au.

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

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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
BXB	Brambles Limited
CBE	ANU College of Business and Economics
CIO	Chief Investment Officer
CMT	Cash Management Trust
CPI	Consumer Price Index
CRO	Chief Risk Officer
CSA	Candidate Stock Analysis
CSL	CSL Limited
DM,H	Hedged developed market equities
DM,U	Unhedged developed market equities
ESG	Environmental, social and governance
ETF	Exchange-traded fund
EM	Emerging markets equities
FMG	Fortescue Metals Group
IAC	Investment Advisory Committee
IPS	Investment Policy Statement
IOZ	iShares Core S&P/ASX 200 ETF
ORA	Orora Limited
LLC	Lendlease Group
PC	Portfolio Construction
PE	Price-to-earnings ratio
R&C	Risk and Compliance (Team)
ROE	Return on equity
RSFAS	Research School of Finance, Actuarial Studies and Statistics
RT	Relationship Team
RWC	Reliance Worldwide Corporation
SMF	ANU Student Managed Fund
SRI	Socially Responsible Investment
SUN	Suncorp Group Limited
WBC	Westpac Banking Corporation
YTD	Year to date

Chief Investment Officer (CIO) Report

I am pleased to report on the Student Managed Fund's (SMF) activities and performance for the first half of Semester 2, 2025. The semester began with a focus by senior members to question and refine existing processes, ensuring the Fund is set up for efficiency, and collaboration among the teams. We were also excited to welcome 10 new members, who have hit the ground running and made valuable contributions to sub-teams and Fund-wide discussions.

Markets over this period have been shaped by central banking decisions, uncertain global macroeconomic forecasts and a mixed reporting season domestically. Against this backdrop, the Fund has maintained focus on its long-term target of Consumer Price Index (CPI) + 4.5% returns while showing disciplined risk management. With a year-to-date (YTD) return of 7.52%, the Fund exceeds the target return by 3.94% but falls short of its reference portfolio by 2.61%. The Fund's assets under management (AUM) have grown to A\$960,190 as of 29 August 2025.



*Owen Street,
Chief Investment Officer*

Underperformance was largely driven by the Active Australian Equities (AAE) portfolio with negative attribution from CSL Limited (CSL) and Orora Limited (ORA), partially offset by a strong YTD performance from Brambles Limited (BXB). While this weakens relative returns, the result is consistent with the Fund's objectives of following the Investment Policy Statement (IPS) and pursuing long-term capital preservation.

Two trades were made in the AAE portfolio over the first half of the semester, as set out below.

- CSL: Following earnings news of reduced growth prospects and a demerger of its Seqirus line into a new ASX-listed entity, the Fund's CSL holding fell below the lower limit of 7% of the AAE portfolio. The decision was subsequently made to rebalance the Fund's CSL holding to 10% of the AAE portfolio, in line with the SMF IPS.
- BXB: Heading into the semester, BXB accounted for over 13% of the AAE portfolio and recent positive earnings pushing the share price above the 15% upper limit in place. In line with the SMF IPS, shares in BXB were sold down until the remaining position was 10% of the AAE portfolio.

The Asset Allocation (AA) team-managed portion of the portfolio attributed strong positive returns over the benchmark, led by an overweight position in Emerging Market Equities (EM), benefiting from China's market rebound and capital rotation away from political instability in Developed Markets. A core focus of the AA team this semester includes scrutinising the existing rationale behind holdings and developing a more systematic approach to setting macroeconomic inputs into the Portfolio Construction (PC) Model.

Members of the Fund were privileged to have Benji Klotz and Angus McCulloch share their time, offering insights drawn from their professional experiences. Both Senior AAE Analysts in Semester 1, 2024, Benji has started his career in Equity Research, while Angus has experienced roles across private equity and credit. This mix of experience in both private and public markets presented interesting perspectives across investment processes, providing context for how skills developed in the SMF translate into professional settings. Members of the Fund additionally look forward to hearing from more guest speakers over the second half of the semester, including Ryan Phillips (SMF alumni) and his team at Antipodes.

Overall, the Fund has continued to deliver returns above its long-term objective while following the dual objective of providing a valuable educational experience for those involved. The Fund will continue to refine its processes and implement new initiatives, which are outlined in detail in the following sections.

Owen Street, 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

During the current semester, our AAE team welcomed five talented junior analysts to the team: Gauri Arora, Ishaan Kapoor, Lachlan Kendrick, James Purcell and Shaun Partick. This growth brings the total analyst count to eight. The new team members have demonstrated exceptional dedication, strong work ethic and genuine enthusiasm for equity research, making substantial contributions to our analytical capabilities. Their professional development has been particularly notable in investment presentation skills and comprehensive security analysis. This advancement was facilitated through the strong mentorship by our senior analysts, Rhodri Bjerke and Enrique Sinha, who have provided comprehensive guidance throughout the semester.



*Safi Wheeldon, Active
Australian Equities Team*

The team initiated the semester by conducting comprehensive Candidate Stock Analysis (CSA) across 18 companies, strategically diversified across growth, cyclical, and defensive sectors. Our selection methodology focusing on identifying strong businesses with compelling valuations that aligned with the Fund's core investment philosophy while ensuring appropriate portfolio diversification. The screening framework incorporated rigorous quantitative-valuation metrics alongside environmental, social, and governance (ESG) considerations, developed in collaboration with the Risk and Compliance (R&C) team.

Following thorough evaluation and team deliberation, Worley Limited (WOR) and Reliance Worldwide Corporation (RWC) advanced to the in-depth analysis phase. WOR was selected based on its market-leading position in engineering consulting services, particularly serving mining companies transitioning toward renewable energy solutions, coupled with its demonstrated track record of generating consistent cash-flow growth. RWC presented compelling investment potential driven by its sustainable growth trajectory and strong competitive advantage in the US.

The first semester coincided with full-year earnings releases for several portfolio holdings, necessitating two strategic rebalancing decisions. CSL was rebalanced in August 2025 following a significant share price decline of approximately 20% after the release of their FY25 results and announcement of the Seqirus vaccine division demerger. This price movement pushed CSL below the target weighting within the AAE portfolio, triggering a rebalancing decision in accordance with our IPS. The senior team unanimously agreed to restore CSL to its 10% target allocation, as our fundamental revaluation confirmed the company's intrinsic value proposition remains intact despite the strategic transformation.

BXB underwent rebalancing following exceptional FY25 performance, with the share price rising substantially after reporting strong financial results including 24% revenue growth and 18% increase in underlying net profit after tax (NPAT). This appreciation elevated BXB above the maximum weighting threshold, prompting the senior team to reduce the position back to the 10% target weight. The company's impressive performance reflected successful transformation initiatives, strong cash-flow generation and announcement of additional share-buyback programs worth US\$400 million. Further analysis of BXB's investment case will be conducted in the upcoming semester.

During the first half of the semester, comprehensive revaluations were also completed for Westpac Banking Corporation (WBC) and ORA. WBC's analysis reflected improved financial metrics and stable operating conditions. The team recommended maintaining the WBC position based on the bank's transformation progress, capital strength and anticipated efficiency improvements. ORA's revaluation followed the company's strategic transformation including the divestment of its Orora Packaging Solutions (OPS) business for \$1.8 billion, establishing it as a

focused beverage packaging manufacturer. The team maintained the holding based on ORA's market-leading positions in cans and premium packaging, efficient operational footprint and growth prospects in beverage packaging demand.

The team's priorities for the remainder of the semester include conducting comprehensive in-depth analysis on WOR and RWC in preparation for potential Investment Advisory Committee (IAC) recommendations. WOR's analysis will focus on its strategic positioning in the energy-transition market, engineering services demand and cash-flow sustainability. RWC's evaluation will examine its global market position in plumbing and heating products, operational efficiency improvements, and recovery potential from current valuation levels.

Additionally, planned revaluations will be undertaken for BXB, Suncorp Group Limited (SUN), Ansell Limited (ANN) and Lendlease Group (LLC) as part of our ongoing portfolio review process. These assessments will ensure our investment theses remain current and positions continue to align with fundamental value propositions in evolving market conditions. I am looking forward to seeing how the rest of the semester will go!

Safi Wheeldon, Head of Active Australian Equities

Asset Allocation (AA) Team

This semester the AA team was excited to welcome two exceptional students, Alice Weber and Rhiannon Walker, joining returning seniors Sophia Laverty and Hugo Hegi. The new juniors have already embraced the opportunity, demonstrating strong analytical rigor, curiosity, diligence and enthusiasm through comprehensive economic research and high-quality presentations.

The semester began with an introductory overview on AA and SMF processes, presenting the AA Investment Process in Week 2 and the AA Crash Course in Week 3. We then completed our macro analysis – deep-diving into drivers of the Fund's asset classes (growth, inflation, cash rate, PE, ROE), with a focus on the Australian environment over the next three years. Following a presentation 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.



Sophia Laverty, Asset Allocation

AA seniors were rejoined by CIO Owen (Junior AA Analyst in Semester 1, 2025) and delivered a reflection on last semester's unsuccessful IAC pitch to introduce a 5% weighting in International Real Estate Investment Trusts (REITs) funded by a sell-down in DM,U. The presentation to the wider Fund distilled IAC feedback, highlighted improvements for thesis development and modelling, and outlined the macro backdrop for REITs – creating a clear legacy reference framework for future AA cohorts interested in exploring REITs.

This semester, a core focus is deepening proficiency with the PC model so that every team member can understand and critique its assumptions and outputs, thus ensuring smoother handovers. This has included in-tutorial model learning sessions, a watching of legacy model videos, and a refreshed Week 6 Model Update presentation led by the juniors. This involved reviewing inputs, scenario probabilities, and parameters to ultimately re-optimize the portfolio using the utility function and explaining any new updates to the model to the SMF.

Looking forward, through a new initiative 'Portfolio Revaluations', the team will shift towards a more holistic approach to the work in AA. As part of the process, we will seek to reassess long-term outlooks, original investment theses, key assumptions, and model inputs for each holding, and reconsider each asset classes' role against SMF objectives. This builds deep familiarity with the whole portfolio and provides an opportunity for constant re-evaluation of the portfolio. The AA team is passionate about learning more about the existing holdings and will primarily

investigate our fixed income and EM holdings. The team is also excited to explore new opportunities in modelling, as well as collaborating with the R&C team to incorporate new risk-quantification measures into the existing investment process.

Overall, the work we will endeavour to achieve this semester will be instrumental in realigning the team's work with asset-allocation principles and the objectives of the SMF, ensuring future decisions are driven by an aim to hold the most optimal allocation.

Sophia Laverty, Head of Asset Allocation

Risk and Compliance (R&C) Team

The R&C team this semester consists of returning senior analysts William Higgins, Harrison Trinick and Angela Romero Martinez alongside new members Howard (Zhenghao) Zhang and Simon Trenerry. The team has quickly found its rhythm, combining experience and fresh perspectives to deliver significant progress on key initiatives.

This semester, R&C is preparing an update to the SMF Socially Responsible Investment (SRI) policy. The draft refresh clarifies existing practice by separating enduring policy from day-to-day procedures, removing outdated references, and describing external ESG ratings as supporting inputs alongside primary disclosures and our analysis. It also proposes to reflect recent ANU Council updates in our documentation. Until adopted, the Fund continues to operate under the current SMF SRI policy and remains fully compliant with the University's SRI policy; exclusions, carbon-intensity targets, decision rights, and reporting arrangements are unchanged.



*Angela Romero Martinez,
Chief Risk Officer*

On the quantitative front, senior analyst William Higgins has been developing new quantitative risk measures, including ongoing factor modelling. These tools are designed for internal use, providing valuable inputs to the AAE and AA teams in a cross-team collaboration that will strengthen investment decision-making.

R&C has also placed particular emphasis on the Performance Attribution model. The team is undertaking a thorough review to identify and correct any errors in the file, while also considering potential refinements to improve usability and clarity for future cohorts.

Looking ahead, the team's priorities are to secure approval for the revised SRI policy in the coming weeks and to expand our red-teaming efforts. This will involve scrutinising the assumptions and theses at the core of AAE's investment cases and models in preparation for IAC presentations, continuing to position R&C as a key contributor to the integrity and rigour of the Fund's investment process.

Angela Romero Martinez, Chief Risk Officer (CRO)

Relationship Team (RT)

This semester, RT has welcomed Maia Collins as a Junior Relationship Officer. Throughout the first half of the semester, Maia has actively worked alongside Jeremy, our Engagement Manager and the Relationship Team Head, Tanya Lee to promote the Fund amongst external stakeholders from ANU students to industry professionals.

RT has focused on strengthening the Fund's branding and outreach strategy this semester. We introduced consistent branding across all social media channels and committed to publishing content at least once per week. Engagement statistics indicate that this revised strategy has already improved audience reach and interaction.

To further showcase the Fund's operations, RT is producing an interview series with SMF Convenors, Hua Deng and Dean Katselas, which will be released in three short videos. We also launched a CIO Spotlight to highlight the responsibilities and importance of the CIO role in managing the Fund.



Tanya Lee, Relationship Team Head

RT began the semester by taking part in the CBE Info Market, which provided an opportunity to engage with students across the College's disciplines. Building on this, RT has continued to engage with student societies across CBE. In collaboration with ANU Actuarial, Finance Economics & Commerce Society and Financial Management Association of Australia ANU, we successfully hosted the event "How Does the ANU SMF Invest?", which attracted 34 attendees and featured seven panellists across different SMF teams. The event not only provided students with insights into how the Fund operates but also served as a key promotional channel for the Semester 1, 2026 intake.

To directly target prospective applicants, RT delivered short presentations in undergraduate and postgraduate finance and statistics lectures during Weeks 5 and 6, with further presentations scheduled for Week 7. These efforts form part of our broader strategy to boost applications and awareness of the Fund within the ANU community.

Looking ahead, RT will continue its marketing push through lecture engagements in Week 7 and the SMF Application Workshop, where we will assist students with stock pitches and answer application-related questions. We will also keep external stakeholders updated as the Fund approaches the IAC meetings, and deliver a finance workshop at the CBE Showcase during the School Holiday Program in Week 9.

RT remains committed to advancing the visibility and reach of the Fund through consistent branding, active engagement, and strategic collaborations with both student societies and external stakeholders. By strengthening awareness within the ANU community and fostering connections with alumni and industry, we ensure that the SMF continues to be recognised as a unique and impactful initiative. Our focus is on delivering initiatives that support student recruitment, highlight the Fund's values in practice, and showcase the opportunities it provides.

Tanya Lee, Head of Relationship Team

SMF Team Photos and Roles

Convenors



Dr Hua Deng, Course Convenor



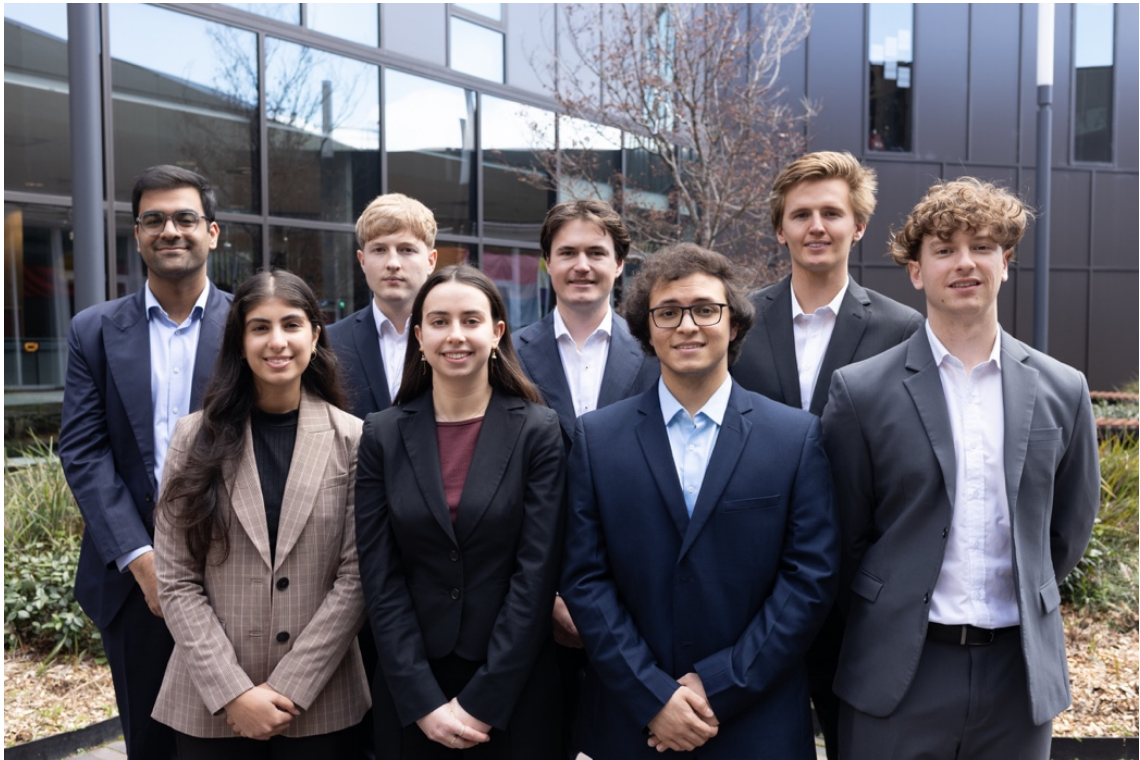
Dr Dean Katselas, Fund Convenor

Team Heads



L-R: Sophia Laverty, Safi Wheeldon, Owen Street, Tanya Lee, Angela Romero Martinez

Active Australian Equities Team



L-R: Ishaan Kapoor, Gauri Arora, Lachlan Kendrick, Safi Wheeldon, Rhodri Bjerke, Enrique Sinha, James Purcell, Shaun Patrick

Asset Allocation Team



L-R: Hugo Hegi, Rhiannon Walker, Sophia Laverty, Alice Weber

Risk & Compliance Team



*L-R: Simon Trenery, Harrison Trinick, William Higgins,
Angela Romero Martinez, Zhenghao Zhang*

Relationship Team



*L-R: Tanya Lee, Jeremy Zhu, Maia Collins, Ambery Harris**

** Has since left the Fund following the photoshoot.*



L-R: Dr. Dean Katselas, Maia Collins, Rhodri Bjerke, Harrison Trinick, William Higgins, Gauri Arora, Simon Trenery, Jeremy Zhu, Hugo Hegi, Alice Weber, Sophia Laverty, Rhiannon Walker, James Purcell, Ambery Harris, Safi Wheeldon, Ishaan Kapoor, Zhenghao Zhang, Tanya Lee, Lachlan Kendrick, Shaun Patrick, Enrique Sinha, Owen Street, Angela Romero Martinez, Dr. Hua Deng

Portfolio Overview

Portfolio structure

As of 29 August 2025, the total value of the Fund's portfolio was \$960,190.06. The SMF portfolio remains compliant, with its reference allocation of approximately 20% to defensive assets including Australian fixed income (AFI) and Australian cash (AC), and 80% to growth assets including Australian equities (AE), Hedged developed market equities (DM,H), Unhedged developed market equities (DM,U), and Emerging market equities (EM).

All positions are within tolerance limits specified in the SMF IPS. The SMF currently holds an overweight cash position, notably within the CMT account. This position may be shifted to higher-yielding assets based on the IAC's response to the AA team's report, which may recommend changes to the SMF portfolio's target weights.

The AAE portion of the portfolio currently holds seven active positions: ANN, BXB, CSL, LLC, ORA, SUN and WBC. Each of these positions has a target weight of 10%. As at 29 August 2025, no active position exceeds its target weight by more than the 3%, the rebalancing decision threshold, per the IPS.

Figure 1: Portfolio structure as of 29 August 2025

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		175,619	18.29		
Ansell Limited		49,994	5.21		
Brambles Limited		48,527	5.05		
CSL Limited		50,668	5.28		
Lendlease		39,322	4.10		
Orora Limited		40,269	4.19		
Suncorp Group Limited		43,837	4.57		
Westpac Banking Corporation		60,734	6.33		
Total AAE portfolio	iShares Core S&P /ASX 200	508,967	53.01	50	3.01
<i>Held within AA portfolio:</i>					
iShares Core S&P/ASX 200 ETF		13,289	1.38	10	-8.62
Total Australian Equities	iShares Core S&P /ASX 200	522,256	54.39	60	-5.61
Developed markets, hedged	Vanguard International Shares Index, Hedged	58,216	6.06	10	-3.94
Developed markets, unhedged	Vanguard International Shares Index	112,453	11.71	10	1.71
Emerging market equities	iShares MSCI Emerging Markets Index	95,338	9.93	0	9.93
Total international equities		266,007	27.70	20	7.70
Total equities		788,264	82.09	80	2.09
Australian fixed income	Vanguard Australian Government Bond Index	113,634	11.83	15	-3.17
<i>Australian cash and accruals:</i>					
BetaShares Australia High Interest Cash ETF		15,072	1.57		
BT Cash Management Trust		30,955	3.22		
Accrued interest and dividends		3,880	0.40		
Accrued franking credits		8,386	0.87		
Total cash and accruals	BetaShares Australia High Interest Cash	58,292	6.07	5	1.07
Total fixed income and cash		171,926	17.91	20	-2.09
Total value of SMF assets		960,190	100.00	100.00	0.00
Total portfolio value as reported in BT Panorama		951,804.40			
Accrued franking credits		8,385.66			
Total value of SMF assets		960,190.06			
Estimated distribution with respect to 2025 (4.5% of assets at 31 December, paid after year-end)		43,208.55			

Figure 2 (a): Asset allocation and active stock weights as of 29 August 2025

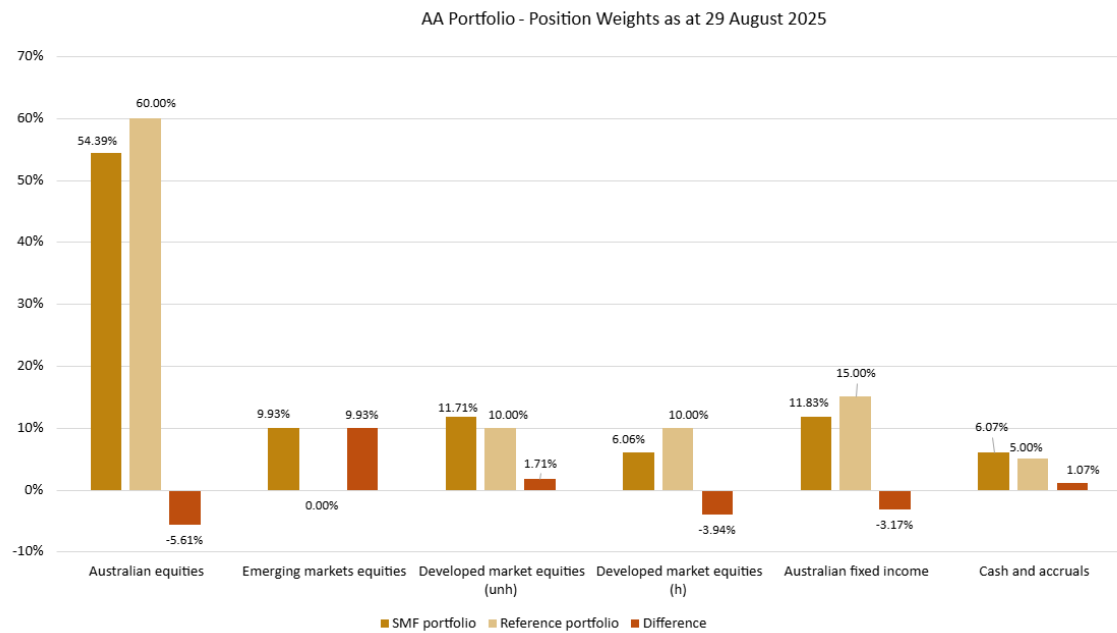
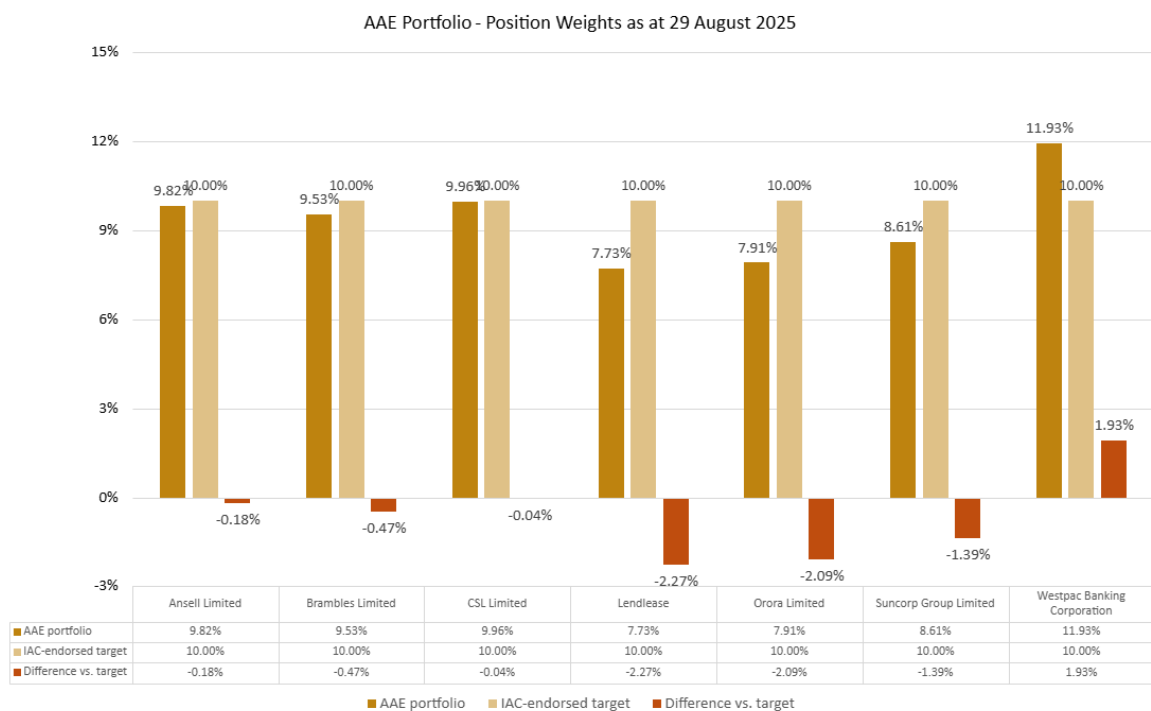


Figure 2 (b): AAE portfolio – active stock weights as of 29 August 2025



Portfolio performance¹

The SMF achieved a YTD return of 7.52%, exceeding its target return by 3.94% but trailing the benchmark by 2.61%. Since inception, the Fund has delivered a cumulative return of 101.02%, representing an annualised return of 9.94% (see Figure 3). This corresponds to an outperformance of the reference portfolio and target return by 0.18% and 2.45% on an annualised basis, or 2.06% and 30.52% on a cumulative basis, respectively. Despite a volatile international environment and ongoing tariff uncertainties, the SMF's strong YTD performance positions it well to achieve its annual objectives, having already surpassed the portfolio's target return. The Fund's primary investment objective – to support the RSFAS SMF Equity Scholarship by preserving real value and generating distributions – requires returns exceeding 4.5% plus inflation, as stipulated in the IPS. The following attribution analysis discusses performance contributions relative to the reference portfolio.

Attribution analysis

Figure 4 contains the performance attribution of the SMF's portfolio versus the reference portfolio. It attributes this for each security held by both AA and AAE's share of the total portfolio. The AAE segment of the portfolio is benchmarked against the iShares Core S&P/ASX 200 ETF (IOZ), meaning our overweight positions in our seven individual equity holdings have potential to deviate the relative performance. The AAE segment, while closer to the reference portfolio, does include the EMs, allowing for potential outperformance. After accounting for administration fees, a residual difference versus the total portfolio returns as reported in Figure 3 is estimated and reported under 'Aggregation, cash portfolio and other effects' (Figure 4). This item reflects the approximate nature of attribution analysis.

In the 2025 YTD, the AAE portfolio contributed to -2.23% of the underperformance of the total portfolio, with -4.21% relative performance versus IOZ. The underlying holdings of AAE's portfolio had a few significant underperformers relative to IOZ, including CSL at -3.03% off the back of weaker-than-expected FY25 results, ORA at -2.25%, and LLC at -1.89%. Though, BXB has notably outperformed, with a relative performance of 2.59% versus IOZ. The ASX200, held through IOZ at a 34.50% weighting of the AAE portfolio, initially faced losses on tariff uncertainty and accompanying recession fears, but has since climbed back on more positive sentiment. The AAE team is not pursuing a sell recommendation for the second semester of 2025.

The positive 0.21% AA performance contribution continues to stem from the EMs holding at 0.35%, with an additional 0.16% contribution from the Australian fixed income Exchange-traded fund (ETF). Opened in 2021, the emerging markets holding started off as an underperformer. However, the past two years have seen positive contributions to the performance attribution, further emphasising the team's commendable ability to stay true to their initial investment thesis. The remaining holdings performed broadly in line with their expected returns given their weighting. This marks the highest performance contribution of AA since 2022.

Since the Fund's 2018 inception, there has been an average 0.36% per annum outperformance of the reference portfolio. Of this, 0.22% is attributed to the AAE contribution, while the remaining 0.07% is attributed to AA.

¹ All return calculations include franking credits.

Figure 3: Portfolio performance since inception as of 29 August 2025

Year	2021	2022	2023	2024	2025	Since inception	
Opening date	1 January 2021	1 January 2022	1 January 2023	1 January 2024	1 January 2025	10 April 2018	
Closing date	31 December 2021	31 December 2022	31 December 2023	31 December 2024	29 August 2025	29 August 2025	
PORTFOLIO VALUES							
Opening portfolio value in BT Panorama*	\$704,774.44	\$796,753.31	\$722,051.16	\$800,951.02	\$915,009.06		
+ Accrued franking credits	\$7,719.98	\$7,806.53	\$9,938.76	\$14,926.07	\$12,589.27		
Opening portfolio value	\$712,494.42	\$804,559.84	\$731,989.92	\$815,877.09	\$927,598.33		
Closing portfolio value in BT Panorama	\$796,753.31	\$722,051.16	\$800,951.02	\$884,320.49	\$951,804.40		
+ Accrued franking credits	\$7,806.53	\$9,938.76	\$14,926.07	\$10,967.31	\$8,385.66		
Closing portfolio value	\$804,559.84	\$731,989.92	\$815,877.09	\$895,283.82	\$960,190.06		
Change in portfolio value	12.92%	-9.02%	11.46%	9.73%	3.51%		
CASH FLOWS							
- Distribution related to prior period	-\$32,067.23	-\$36,205.19	-\$33,127.65	-\$36,714.47	-\$41,707.58		
+ Amount held by CBE, offset against distribution	\$0.00	\$0.00	\$4,189.31	\$6,403.00	\$6,326.67		
- Contributions	\$150.00	\$4,188.00	\$18,190.00	\$910.00	\$500.00		
Total cash flows	-\$31,917.23	-\$32,017.19	-\$10,748.34	-\$29,401.47	-\$34,880.91		
RETURNS (%)							
SMF portfolio return (based on adjusted portfolio values)	18.20%	-5.25%	13.16%	13.79%	7.52%	101.02%	9.94%
Target return (estimated as CPI + 4.5%)**	8.00%	12.41%	8.55%	5.94%	3.58%	70.51%	7.49%
SMF return less target return	10.20%	-17.66%	4.61%	7.86%	3.94%	30.52%	2.45%
Reference portfolio return	15.55%	-4.09%	13.36%	9.44%	10.13%	98.96%	9.76%
SMF return less reference portfolio return	2.65%	-1.15%	-0.20%	4.36%	-2.61%	2.06%	0.18%
Note: Administration fees - BT Panorama	0.21%	0.23%	0.22%	0.14%	0.14%	1.26%	0.17%

Figure 4: Performance attribution since inception as of 29 August 2025

Contributions to performance vs. reference portfolio							
Period	2021	2022	2023	2024	2025	Since inception	
	%	%	%	%	%	Cumulative	Per annum
Opening date	1/1/21	1/1/22	1/1/23	1/1/24	1/1/25	10/4/18	
Closing date	31/12/21	31/12/22	31/12/23	31/12/24	29/8/25	29/8/25	
SMF portfolio vs. reference portfolio							
Asset allocation	-0.24%	0.50%	-1.39%	0.06%	0.21%	0.54%	0.07%
Security selection - AAE portfolio	2.50%	-1.13%	0.58%	4.58%	-2.23%	1.64%	0.22%
Contribution from positions held (prior BT fees)	2.26%	-0.63%	-0.81%	4.64%	-2.02%	2.18%	0.29%
Administration fees - BT Panorama	-0.21%	-0.23%	-0.22%	-0.22%	-0.14%	-1.26%	-0.17%
Aggregation, cash portfolio and other effects	0.60%	-0.29%	0.83%	-0.06%	-0.46%	1.13%	0.06%
Total relative performance	2.65%	-1.15%	-0.20%	4.36%	-2.61%	2.06%	0.18%
Asset allocation attribution							
Australian equities	0.02%	-0.23%	-0.01%	0.01%	-0.13%	0.08%	0.01%
Developed market equities, hedged	-0.03%	0.00%	-0.08%	-0.23%	-0.04%	-0.40%	-0.05%
Developed market equities, unhedged	-0.15%	0.24%	-0.57%	0.04%	-0.03%	-0.42%	-0.06%
Emerging market equities	-0.24%	-0.68%	-0.65%	0.23%	0.35%	-0.98%	-0.13%
Australian fixed income	1.31%	0.47%	-0.01%	0.11%	0.16%	3.19%	0.43%
Cash and accruals	-1.13%	0.71%	-0.05%	-0.12%	-0.10%	-0.82%	-0.11%
Time aggregation effect	-0.03%	-0.03%	-0.01%	0.01%	0.00%	-0.06%	-0.01%
AA contribution to total portfolio performance	-0.24%	0.50%	-1.39%	0.06%	0.21%	0.54%	0.07%
AAE portfolio vs. iShares Core S&P/ASX200 ETF (IOZ)							
iShares Core S&P/ASX 200 ETF	-0.06%	0.00%	-0.21%	-0.01%	0.00%	-0.41%	-0.05%
Ansell Limited			-0.95%	1.85%	-1.06%	-0.18%	-0.02%
Bingo Industries Limited	1.50%					-0.65%	-0.09%
Brambles Limited	-0.63%	1.62%	0.62%	2.66%	2.59%	7.01%	0.92%
CSL Limited			0.34%	-1.25%	-3.03%	-3.91%	-0.54%
Downer EDI Limited		-0.51%	1.23%	0.57%		1.29%	0.17%
Inghams Group Limited	0.23%	-2.19%	-0.28%			-4.78%	-0.66%
Rio Tinto Limited						1.02%	0.14%
Sonic Healthcare Limited	0.75%					2.50%	0.34%
Orora Limited				0.44%	-2.25%	-1.83%	-0.25%
Telstra Corporation Limited	2.06%	0.45%				2.61%	0.35%
Suncorp Group Limited		-0.66%	0.81%	2.99%	0.43%	3.58%	0.48%
Westpac Banking Corporation	0.77%	0.58%	-0.57%	2.59%	1.04%	1.37%	0.18%
Lendlease				-1.08%	-1.89%	-2.95%	-0.40%
Time aggregation effect	0.01%	-0.05%	0.02%	-0.02%	-0.03%	-0.14%	-0.02%
Relative performance vs. IOZ	4.64%	-1.92%	1.01%	8.73%	-4.21%	2.67%	0.36%
Average AAE portfolio weight in SMF portfolio	53.83%	58.61%	57.47%	52.47%	53.00%		
AAE contribution to total portfolio performance	2.50%	-1.13%	0.58%	4.58%	-2.23%	1.64%	0.22%

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. This policy aims 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, including transparency, compliance and accountability.

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

Figure 5 reports on compliance on carbon intensity (condition ii) with respect to the active stock positions with the AAE portfolio as of 29/08/2025. 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 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 -73.25% below the S&P/ASX200 index, which exceeds the 30% threshold target with a margin of +43.25%.

Figure 5: Carbon intensity of the AAE component as of 29 August 2025.

	S&P/ ASX200	ANN	BXB	CSL	LLC	ORA	SUN	WBC	Total AAE vs ASX200	Target Difference	Margin
Weighting in AAE portfolio	34.50%	9.82%	9.53%	9.96%	7.73%	7.91%	8.61%	11.93%			
Carbon intensity	145.26	116.97	8.75	33.74	15.82	102.96	1.52	2.2	-73.25%	-30.00%	43.25%

Declaration

The Fund declares that it has complied with the University's SRI policy while effectively implementing the SMF SRI policy throughout 2025. 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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