S&P Dow Jones Indices

A Division of S&P Global

SPIVA® Australia Scorecard

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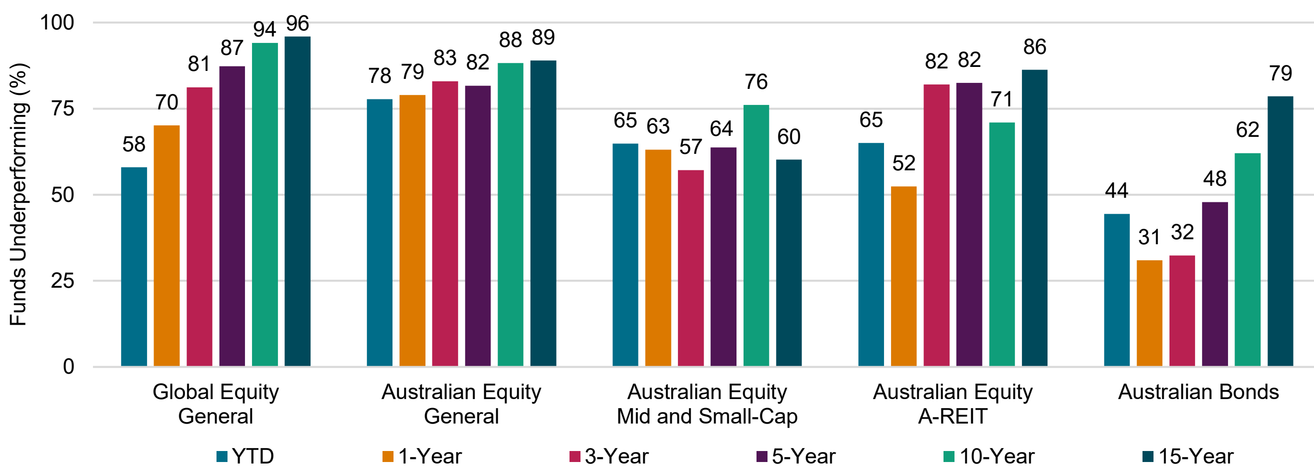
Experience the active vs. passive debate on a global scale.

The SPIVA Australia Scorecard measures the performance of actively managed funds relative to benchmarks over various time horizons, encompassing equity, real estate and bond funds, while providing statistics on outperformance rates, survivorship rates and fund performance dispersion.

Mid-Year 2026 Highlights

The first half of 2026 proved challenging for active managers across Australian equity categories. A majority of funds underperformed their respective benchmarks in every reported equity category. By contrast, Australian Bonds was the only category in which a slim majority of active funds outperformed the benchmark. Over longer horizons, active funds continued to face considerable headwinds, with underperformance remaining elevated across all categories.

Exhibit 1: Percentage of Underperforming Active Australian Funds



Source: S&P Dow Jones Indices LLC, Morningstar. Data as of June 30, 2026. The S&P World Index (AUD) was launched May 28, 2020. The S&P/ASX Mid-Small was launched July 29, 2011. The S&P/ASX Australian Fixed Interest 0+ Index (Legacy) was launched Feb. 13, 2025. See the Appendix for more details on benchmarks used. All data prior to such date is back-tested hypothetical data. Past performance is no guarantee of future results. Chart is provided for illustrative purposes and reflects hypothetical historical performance. Please see the Performance Disclosure at the end of this document for more information regarding the inherent limitations associated with back-tested performance.

- **Global Equity General Funds:** Global equities posted moderate gains in the first half of 2026, with the S&P World Index advancing 5.3%. Actively managed Global Equity General funds struggled to keep pace with the broad market, delivering an average return of 2.7% on an equal-weighted basis and 3.0% on an asset-weighted basis, with 58% of funds underperforming. Underperformance rates increased substantially over longer horizons, reaching 94% over 10 years and 96% over 15 years.

- **Australian Equity General Funds:** The S&P/ASX 200 gained 2.4% in H1 2026, while the average actively managed Australian Equity General fund returned only 0.2% on an equal-weighted basis and 0.4% on an asset-weighted basis. Three out of four funds (78%) failed to beat the benchmark, putting 2026 on track to record the second-highest underperformance rate since 2013 (see Exhibit 7). Over the 15-year period, 89% of funds underperformed.

- **Australian Equity Mid- and Small-Cap Funds:** Smaller Australian companies lagged their large-cap counterparts in H1 2026. The S&P/ASX Mid-Small declined 5.9%, while the average Australian Equity Mid- and Small-Cap fund returned -7.6% on an equal-weighted basis and -8.7% on an asset-weighted basis. Consequently, 65% of funds underperformed the benchmark. Although long-term outcomes remained challenging, with underperformance rates rising to 76% over 10 years, this category continued to fare somewhat better than Australian Equity General funds.

- **Australian Equity A-REIT Funds:** Listed property securities also struggled during the first half of 2026. The S&P/ASX 200 A-REIT fell 5.2%, while the average Australian Equity A-REIT fund declined 5.6% on both equal-weighted and asset-weighted bases. As a result, 65% of funds underperformed the benchmark. Underperformance rates remained elevated over longer horizons, reaching 71% over 10 years and 86% over 15 years.

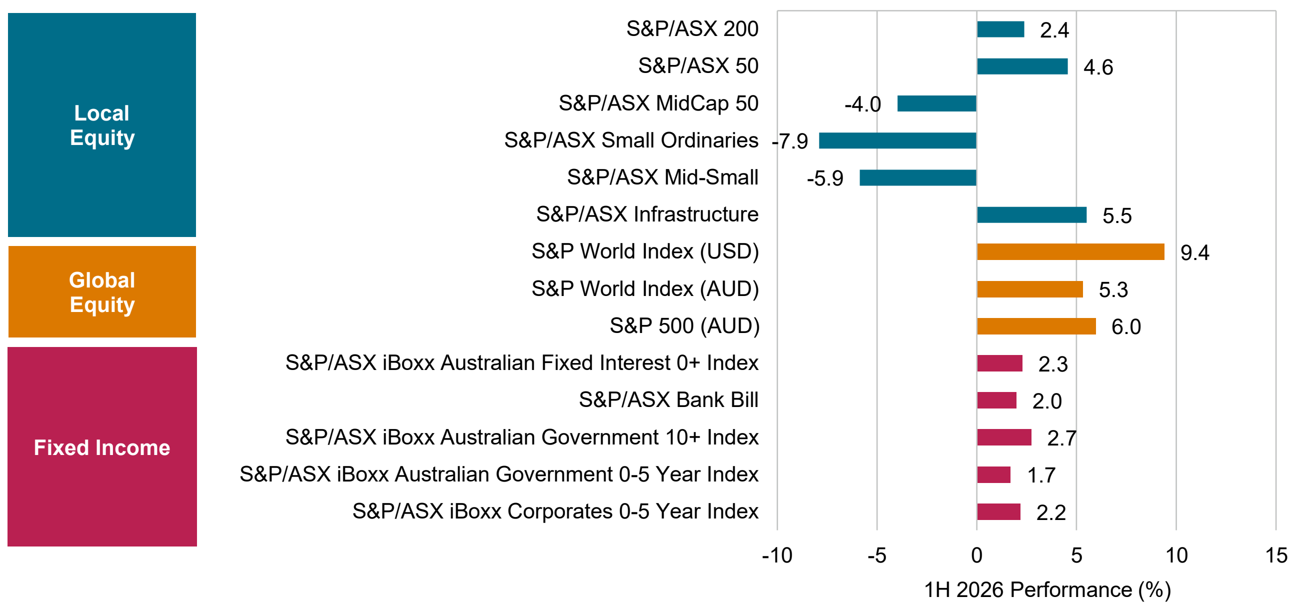
- **Australian Bonds Funds:** The S&P/ASX iBoxx Australian Fixed Interest 0+ Index (Legacy) gained 2.3% in H1 2026, while active Australian Bonds funds slightly exceeded benchmark performance on average, generating returns of 2.4% on both equal-weighted and asset-weighted bases. Nevertheless, 44% of funds underperformed the benchmark, up from 27% in calendar year 2025 (see Report 1c). Long-term results remained challenging, with underperformance rates reaching 62% and 79% over the 10- and 15-year horizons, respectively.

- **Fund Survivorship:** Fund liquidation remained moderate during the first half of 2026, averaging 3% across all categories. Australian Equity A-REIT funds experienced the highest liquidation rate, at 8%. Survivorship declined significantly over longer horizons; after 15 years, more than one-half of funds had either merged or liquidated, highlighting fund closures as an additional risk for fund selectors.

Market Context

Australian equities delivered mixed results during the first half of 2026. Large-cap stocks outperformed smaller companies, with the S&P/ASX 50 gaining 4.6% while the S&P/ASX Mid-Small Index declined 5.9%. Developed equities generally performed better, with the S&P World rising 5.3% in AUD terms. Meanwhile, Australian fixed income markets generated positive returns, with the S&P/ASX iBoxx Australian Fixed Interest 0+ Index (Legacy) advancing 2.3%, as the Reserve Bank of Australia increased the cash target rate three times from 3.60% to 4.35%.

Exhibit 2: Performance of Australia Fund Category Benchmarks and Select Indices

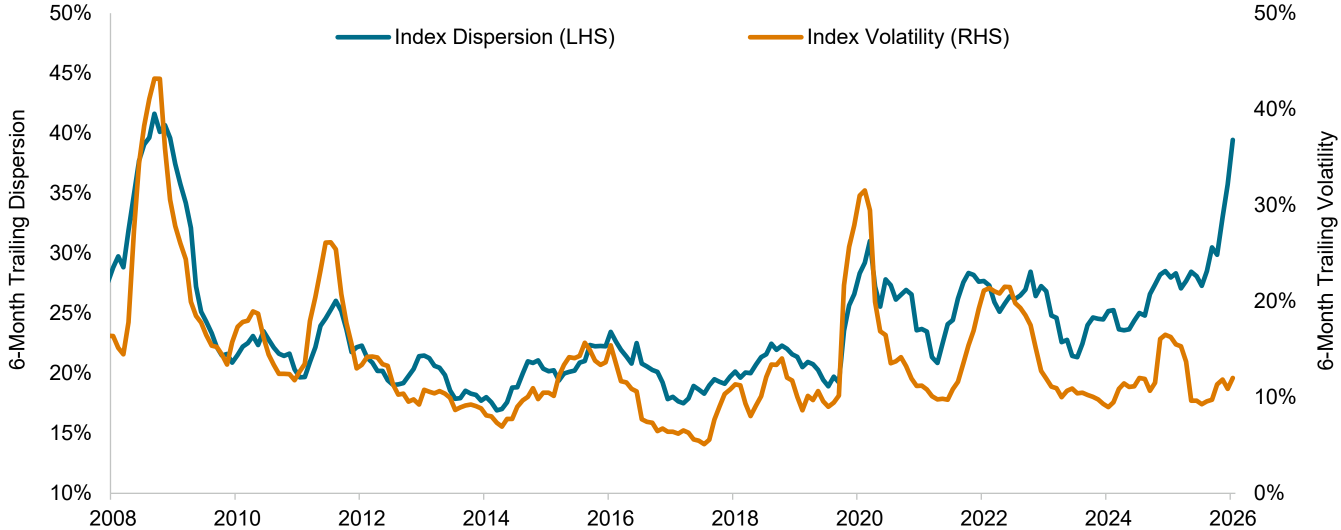


Source: S&P Dow Jones Indices LLC. Data as of June 30, 2026. Index performance based on total return in AUD unless specified otherwise. Past performance is no guarantee of future results. Chart is provided for illustrative purposes.

The market environment appeared broadly supportive of active management. Dispersion[1] among S&P World constituents widened sharply in H1, reaching levels last seen during the 2007-2008 Global Financial Crisis. Elevated uncertainty surrounding oil prices, AI-related growth expectations and rising long-term yields contributed to substantial performance differences across sectors and companies. While heightened diversification across sectors and stocks helped keep overall market volatility contained, dispersion created a potentially broader opportunity set for active stock selection (see Exhibit 3).

[1] Index dispersion is calculated as the standard deviation of the monthly returns of index constituents, weighted by each constituent's index weighting. For further insight, see Edwards, Tim, "Dispersion: Measuring Market Opportunity," S&P Dow Jones Indices LLC, December 2013.

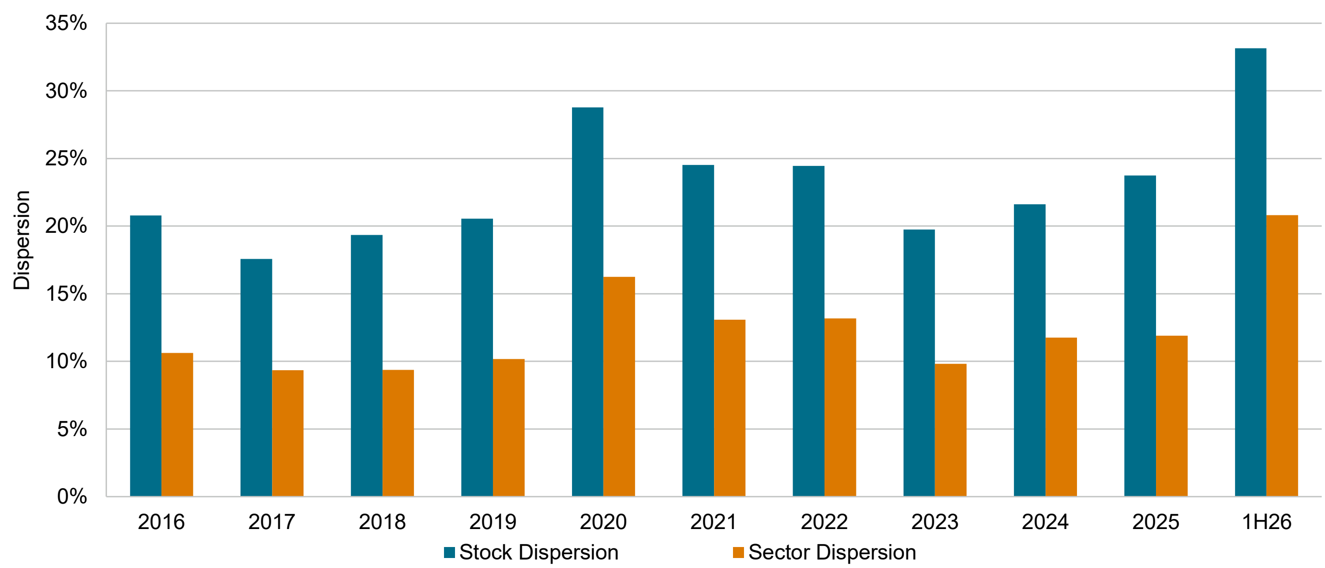
Exhibit 3: S&P World Dispersion and Volatility Diverged Markedly



Source: S&P Dow Jones Indices LLC. Data as of June 30, 2026. Past performance is no guarantee of future results. Chart is provided for illustrative purposes.

Australian equities also exhibited elevated stock- and sector-level dispersion (see Exhibit 4). Sector performance within the S&P/ASX 200 varied widely during the period, with Materials and Energy posting double-digit gains, while Health Care and Information Technology declined 21.9% and 15.7%, respectively.[2] Such dispersion typically increases opportunities for active managers to differentiate themselves through sector allocation and security selection.

Exhibit 4: S&P/ASX 200 Dispersion Jumped on Both Stock and Sector Levels

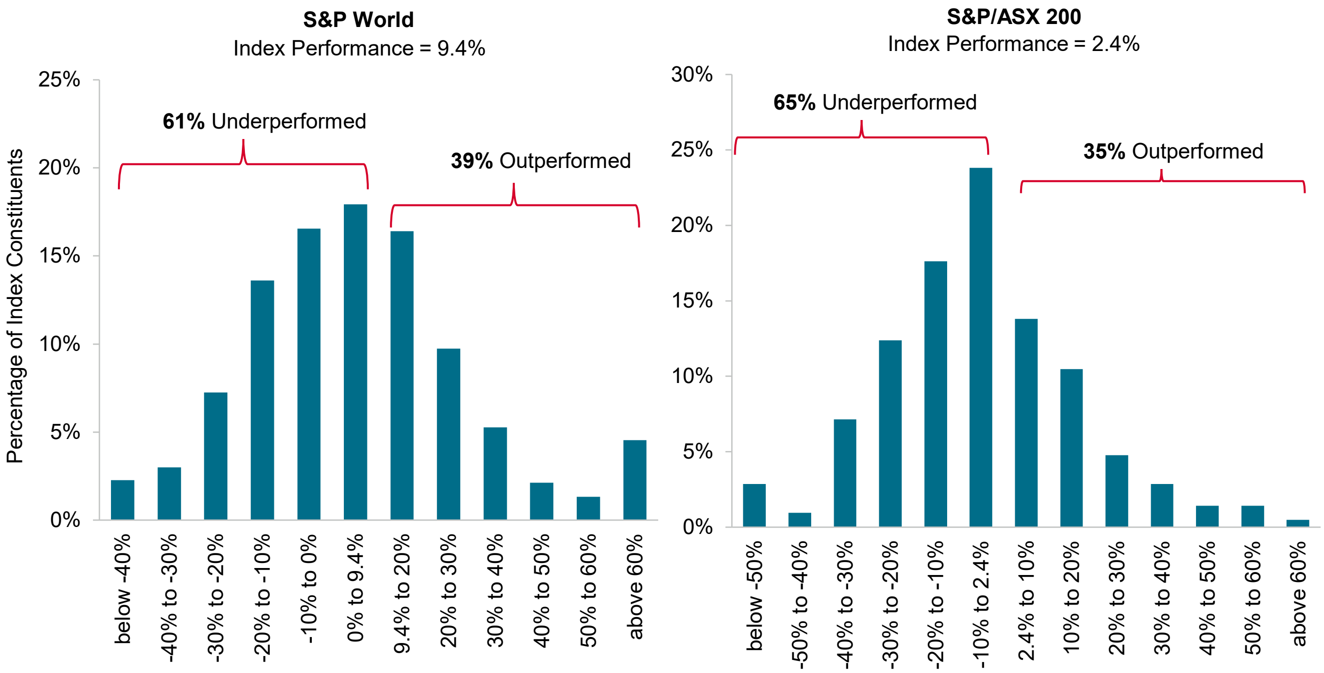


Source: S&P Dow Jones Indices LLC. Data as of June 30, 2026. Stock (or sector) dispersion is calculated as the standard deviation of the monthly returns of index constituents or sectors, as applicable, weighted by index weight. Past performance is no guarantee of future results. Chart is provided for illustrative purposes.

[2] See "Australia & New Zealand Dashboard: June 2026," S&P Dow Jones Indices LLC.

However, there were also some headwinds for active equity managers. As shown in Exhibit 5, fewer than half of index constituents outperformed their respective benchmarks; only 39% of S&P World constituents and 35% of S&P/ASX 200 constituents outperformed their indices during the first six months of 2026. When the pool of outperforming stocks narrows, the probability of successfully identifying them declines, making active stock selection more difficult.

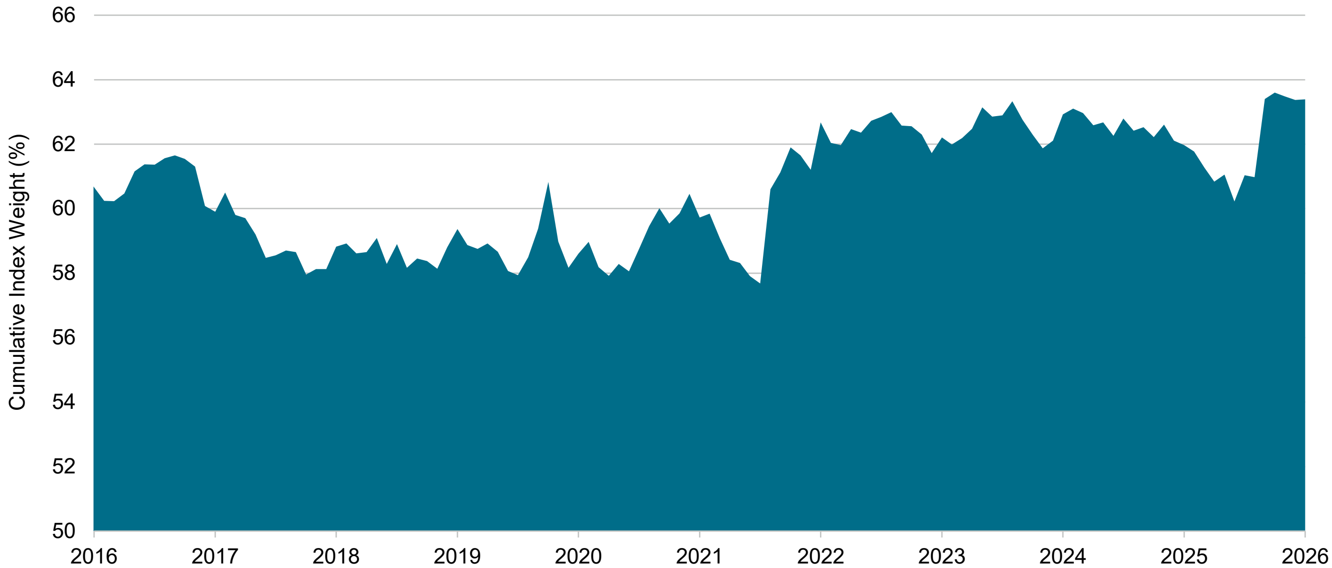
Exhibit 5: Stock Return Distribution in the S&P World and the S&P/ASX 200 in H1 2026



Source: S&P Dow Jones Indices LLC, Morningstar. Data as of June 30, 2026. S&P World Index and constituent performance based on total return in USD, while S&P/ASX 200 and constituent performance based on total return in AUD. Past performance is no guarantee of future results. Charts are provided for illustrative purposes.

For Australian equities, the outperformance of large-cap stocks drove the market capitalization-weighted benchmark higher, resulting in a smaller proportion of constituents surpassing the index. Market concentration remained elevated throughout the period as the combined weight of the largest 20 constituents in the S&P/ASX 200 rose from 61.0% to 63.4% (see Exhibit 6), creating additional challenges for active funds with lower allocations to the market's largest stocks.

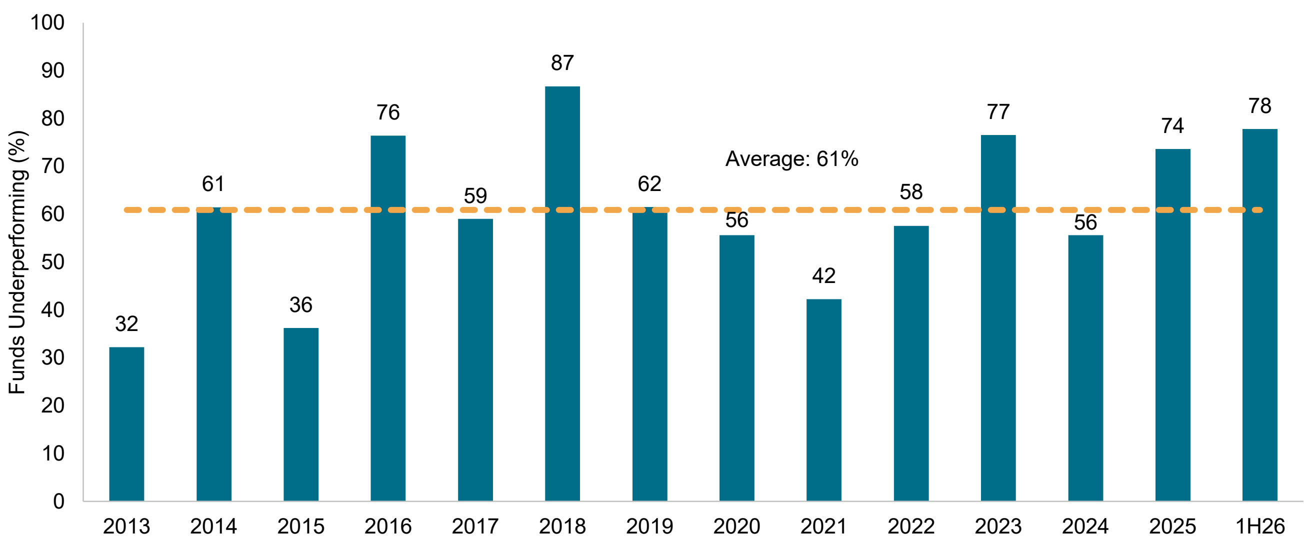
Exhibit 6: S&P/ASX 200 Top 20 Constituent Weight



Source: S&P Dow Jones Indices LLC. Data as of June 30, 2026. Past performance is no guarantee of future results. Chart is provided for illustrative purposes.

Against this mixed backdrop, a firm majority (78%) of Australian Equity General funds lagged the performance of the S&P/ASX 200. Based on the first-half results, 2026 is on pace to record the second-highest underperformance rate since the launch of the SPIVA Australia Scorecard in 2013 (see Exhibit 7).

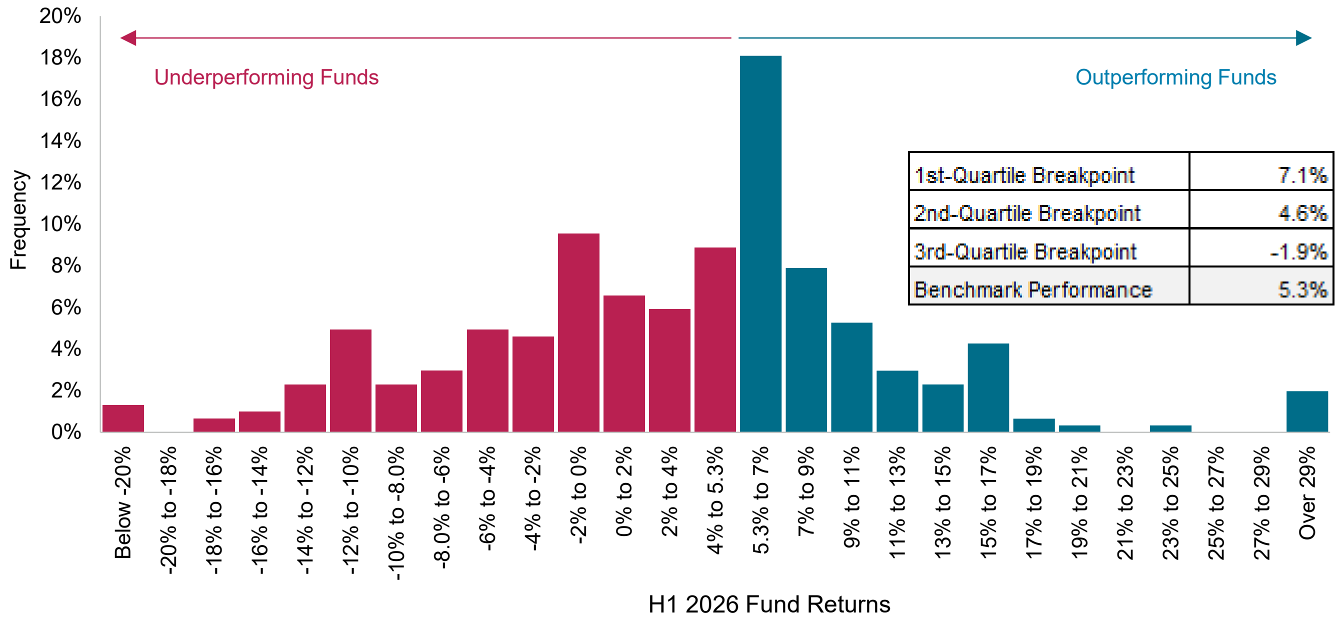
Exhibit 7: Percentage of Australian Equity Funds Underperforming the S&P/ASX 200 Each Year



Source: S&P Dow Jones Indices LLC, Morningstar. Data as of June 30, 2026. Past performance is no guarantee of future results. Chart is provided for illustrative purposes.

In comparison, the H1 2026 underperformance rate of Global Equity General funds was lower at 58%. A weakening U.S. dollar during this period may have positively affected funds that employed currency hedging.[3] A further examination of fund return distributions reveals several notable observations (see Exhibit 8). First, fund returns were widely dispersed during the period, reflecting the elevated stock-level dispersion illustrated in Exhibit 3. Second, many of the outperforming funds exceeded the benchmark only marginally, whereas underperforming funds tended to lag by much larger amounts. As a result, bottom-quartile funds underperformed the benchmark by 7.2% or more, while top-quartile funds outperformed the benchmark by only 1.8% or more. This asymmetry highlights an important feature of manager-selection risk: the downside associated with selecting a poor-performing fund was considerably greater than the upside associated with selecting an outperforming fund.

Exhibit 8: Global Equity General Fund Return Distribution in H1 2026



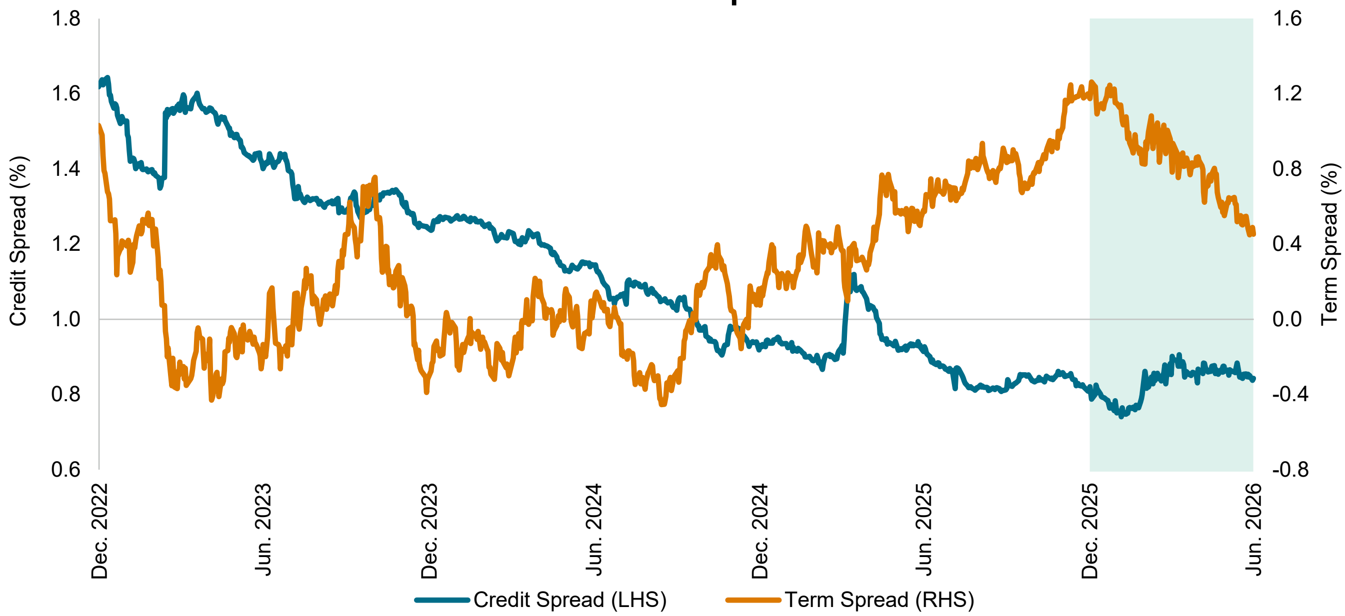
Source: S&P Dow Jones Indices LLC, Morningstar. The fund universe includes 304 funds in the Global Equity General category which survived and reported returns for the period between Dec. 31, 2025, and June 30, 2026. Past performance is no guarantee of future results. Chart is provided for illustrative purposes.

Australian active bond managers faced less favorable market conditions during the first half of this year. Credit spreads in Australian corporate bonds, which had steadily tightened from 2023 through 2025, remained largely flat at historically compressed levels during H1 2026, implying relatively limited opportunities to generate excess returns through credit risk exposure. Meanwhile, the yield curve flattened as short-term rates increased rapidly amid the Reserve Bank of Australia's tightening cycle. With inflation remaining above target and policy uncertainty persisting, opportunities to add value through duration positioning also remained constrained (see Exhibit 9).

3 Historically, Global Equity General funds tended to have lower underperformance rates during periods when the U.S. dollar depreciated against the Australian dollar. See Lee, Sue et all, "SPIVA Australia Mid-Year 2025 Scorecard," S&P Dow Jones Indices LLC, September 2025.

Taken together, these developments created a less supportive backdrop for active bond managers than in recent years. Consistent with this shift in market conditions, the proportion of active managers underperforming the benchmark increased from 27% in 2025 to 44% in the first half of 2026.

Exhibit 9: Australian Bonds – Credit and Term Spread Trends



Source: S&P Dow Jones Indices LLC. Data as of June 30, 2026. Credit spread is calculated as the yield differential between the S&P/ASX iBoxx Corporates 0-5 Year Index and the S&P/ASX iBoxx Australian Government Bond 0-5 Year Index. Term spread is calculated as the yield differential between the S&P/ASX iBoxx Australian Government Bond 10-15 Year Index and the S&P/ASX Bank Bill. The S&P/ASX iBoxx Indices were launched Nov. 15, 2024. All data prior to such date is back-tested hypothetical data. Past performance is no guarantee of future results. Chart is provided for illustrative purposes and reflects hypothetical historical performance. Please see the Performance Disclosure at the end of this document for more information regarding the inherent limitations associated with back-tested performance.

A Unique Scorecard for the Active Versus Passive Debate

For over two decades, S&P Dow Jones Indices' SPIVA Scorecards have compared the performance of actively managed funds to appropriate benchmarks. Initially covering just U.S.-domiciled funds, our scorecards now cover funds operating in markets from New Zealand to Chile. They are rooted in the following fundamental principles:

- **Survivorship Bias Correction**: Many funds might be liquidated or merged during a period of study. However, for someone making an investment decision at the beginning of the period, these funds are part of the opportunity set. Unlike other commonly available comparison reports, SPIVA Scorecards account for the entire opportunity set—not just the survivors—thereby eliminating survivorship bias.

- **Apples-to-Apples Comparison**: Fund returns are often compared to popular benchmarks such as the S&P 500, regardless of size or style classification. SPIVA Scorecards avoid this pitfall by measuring a fund's returns against the returns of a benchmark appropriate for that particular investment category.

- **More than Just Underperformance Rates**: As well as the most quoted statistics of percentage underperformance rates, SPIVA Scorecards also include additional data on average fund returns, quartile ranges, survivorship rates and other factors—including the market context—to offer a robust perspective on active performance.

- **Data Cleaning**: SPIVA Scorecards avoid double-counting multiple share classes in all count-based calculations, using only the share class with greater assets. Since this is meant to be a scorecard for active managers, it excludes index funds, leveraged and inverse funds and other index-linked products.

Reports

Report 1a: Percentage of Funds Underperforming Their Benchmarks (Based on Absolute Return)

Fund Category	Comparison Index	YTD (%)	1-Year (%)	3-Year (%)	5-Year (%)	10-Year (%)	15-Year (%)
Global Equity General	S&P World	58.0	70.1	81.2	87.3	94.1	95.9
Australian Equity General	S&P/ASX 200	77.8	78.9	82.9	81.6	88.2	89.0
Australian Equity Mid- and Small-Cap	S&P/ASX Mid-Small	64.8	63.1	57.1	63.7	76.1	60.2
Australian Equity A-REIT	S&P/ASX 200 A-REIT	65.0	52.4	82.0	82.5	71.0	86.3
Australian Bonds	S&P/ASX iBoxx Australian Fixed Interest 0+ (Legacy)	44.4	31.0	32.4	47.9	62.1	78.6

Source: S&P Dow Jones Indices LLC, Morningstar. Data for periods ending June 30, 2026. The S&P World Index (AUD) was launched May 28, 2020. The S&P/ASX Mid-Small was launched July 29, 2011. The S&P/ASX Australian Fixed Interest 0+ Index (Legacy) was launched Feb. 13, 2025. All data prior to such dates is back-tested hypothetical data. Past performance is no guarantee of future results. Table is provided for illustrative purposes and reflects hypothetical historical performance. Please see the Performance Disclosure at the end of this document for more information regarding the inherent limitations associated with back-tested performance.

Report 1b: Percentage of Funds Underperforming Their Benchmarks (Based on Risk-Adjusted Return)

Fund Category	Comparison Index	3-Year (%)	5-Year (%)	10-Year (%)	15-Year (%)
Global Equity General	S&P World	82.2	84.0	98.2	98.4
Australian Equity General	S&P/ASX 200	84.0	80.1	86.5	87.8
Australian Equity Mid- and Small- Cap	S&P/ASX Mid-Small	58.9	64.9	79.0	64.2
Australian Equity A-REIT	S&P/ASX 200 A-REIT	68.0	82.5	69.6	81.3
Australian Bonds	S&P/ASX iBoxx Australian Fixed Interest 0+ (Legacy)	35.3	49.3	60.3	75.0

Source: S&P Dow Jones Indices LLC, Morningstar. Data for periods ending June 30, 2026. The S&P World Index (AUD) was launched May 28, 2020. The S&P/ASX Mid-Small was launched July 29, 2011. The S&P/ASX Australian Fixed Interest 0+ Index (Legacy) was launched Feb. 13, 2025. All data prior to such dates is back-tested hypothetical data. Past performance is no guarantee of future results. Table is provided for illustrative purposes and reflects hypothetical historical performance. Please see the Performance Disclosure at the end of this document for more information regarding the inherent limitations associated with back-tested performance.

Report 1c: Percentage of Funds Underperforming Their Benchmarks Each Year

Fund Category	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	1H26
Global Equity General	77.6	80.6	72.3	86.0	52.5	70.4	71.3	64.7	80.4	56.3	81.5	85.4	70.5	58.0
Australian Equity General	32.2	61.4	36.2	76.4	59.0	86.7	61.5	55.6	42.2	57.6	76.5	55.6	73.6	77.8
Australian Equity Mid- and Small-Cap	-	-	27.3	81.7	74.0	51.9	46.9	53.0	42.4	76.6	35.8	37.4	63.7	64.8
Australian Equity A-REIT	59.6	91.7	84.1	77.1	43.9	78.9	65.2	54.5	72.1	41.2	69.2	86.3	40.5	65.0
Australian Bonds	44.6	94.1	85.7	63.0	68.6	98.4	72.2	39.4	58.5	69.2	26.5	29.9	27.1	44.4

Source: S&P Dow Jones Indices LLC, Morningstar. Data for periods ending June 30, 2026. The S&P World Index (AUD) was launched May 28, 2020. The S&P/ASX Mid-Small was launched July 29, 2011. The S&P/ASX Australian Fixed Interest 0+ Index (Legacy) was launched Feb. 13, 2025. All data prior to such dates is back-tested hypothetical data. Past performance is no guarantee of future results. Table is provided for illustrative purposes and reflects hypothetical historical performance. Please see the Performance Disclosure at the end of this document for more information regarding the inherent limitations associated with back-tested performance.

Report 2: Survivorship of Funds

Fund Category	Number of Funds at Start	Survivorship (%)
YTD		
Global Equity General	319	96.24
Australian Equity General	279	97.85
Australian Equity Mid- and Small-Cap	182	97.80
Australian Equity A-REIT	40	92.50
Australian Bonds	72	97.22
All Categories	**892**	**96.97**
1-Year		
Global Equity General	321	91.90
Australian Equity General	285	94.74
Australian Equity Mid- and Small-Cap	179	97.21
Australian Equity A-REIT	42	88.10
Australian Bonds	71	94.37
All Categories	**898**	**93.88**
3-Year		
Global Equity General	314	84.71
Australian Equity General	293	84.64
Australian Equity Mid- and Small-Cap	175	90.86
Australian Equity A-REIT	50	70.00
Australian Bonds	68	85.29
All Categories	**900**	**85.11**

Source: S&P Dow Jones Indices LLC, Morningstar. Data for periods ending June 30, 2026. Past performance is no guarantee of future results. Table is provided for illustrative purposes.

Report 2: Survivorship of Funds (cont.)

Fund Category	Number of Funds at Start	Survivorship (%)
5-Year		
Global Equity General	300	73.00
Australian Equity General	316	74.37
Australian Equity Mid- and Small-Cap	171	84.80
Australian Equity A-REIT	57	57.89
Australian Bonds	71	76.06
All Categories	**915**	**74.97**
10-Year		
Global Equity General	271	57.56
Australian Equity General	348	56.03
Australian Equity Mid- and Small-Cap	138	68.12
Australian Equity A-REIT	69	46.38
Australian Bonds	58	62.07
All Categories	**884**	**58.03**
15-Year		
Global Equity General	244	44.67
Australian Equity General	353	47.59
Australian Equity Mid- and Small-Cap	123	55.28
Australian Equity A-REIT	80	35.00
Australian Bonds	56	53.57
All Categories	**856**	**47.08**

Source: S&P Dow Jones Indices LLC, Morningstar. Data for periods ending June 30, 2026. Past performance is no guarantee of future results. Table is provided for illustrative purposes.

Report 3: Average Fund Performance (Equal-Weighted)

Index/Fund Category	YTD (%)	1-Year (%)	3-Year (%)	5-Year (%)	10-Year (%)	15-Year (%)
S&P World	5.31	14.79	18.21	13.72	14.46	14.73
Global Equity General	2.74	8.52	13.26	9.30	11.46	11.88
S&P/ASX 200	2.37	6.11	10.62	7.76	9.45	8.76
Australian Equity General	0.15	2.31	7.88	5.97	7.95	7.70
S&P/ASX Mid-Small	-5.87	7.06	9.76	5.20	8.87	7.78
Australian Equity Mid- and Small-Cap	-7.56	3.18	9.60	3.61	8.50	8.81
S&P/ASX iBoxx Australian Fixed Interest 0+ (Legacy)	2.29	1.54	3.99	0.34	1.75	3.37
Australian Bonds	2.35	2.44	4.68	0.98	1.92	3.25
S&P/ASX 200 A-REIT	-5.17	-2.24	11.57	5.67	5.73	9.69
Australian Equity A-REIT	-5.56	-1.96	10.66	5.10	5.09	8.85

Source: S&P Dow Jones Indices LLC, Morningstar. Data for periods ending June 30, 2026. Returns for periods greater than one year are annualized. Index performance based on total return in AUD. The S&P World Index (AUD) was launched May 28, 2020. The S&P/ASX Mid-Small was launched July 29, 2011. The S&P/ASX Australian Fixed Interest 0+ Index (Legacy) was launched Feb. 13, 2025. All data prior to such dates is back-tested hypothetical data. Past performance is no guarantee of future results. Table is provided for illustrative purposes and reflects hypothetical historical performance. Please see the Performance Disclosure at the end of this document for more information regarding the inherent limitations associated with back-tested performance.

Report 4: Average Fund Performance (Asset-Weighted)

Index/Fund Category	YTD (%)	1-Year (%)	3-Year (%)	5-Year (%)	10-Year (%)	15-Year (%)
S&P World	5.31	14.79	18.21	13.72	14.46	14.73
Global Equity General	2.98	8.98	13.62	9.19	11.25	11.91
S&P/ASX 200	2.37	6.11	10.62	7.76	9.45	8.76
Australian Equity General	0.44	3.13	8.42	6.21	8.30	8.09
S&P/ASX Mid-Small	-5.87	7.06	9.76	5.20	8.87	7.78
Australian Equity Mid- and Small-Cap	-8.70	-0.44	8.62	2.91	7.68	8.24
S&P/ASX iBoxx Australian Fixed Interest 0+ (Legacy)	2.29	1.54	3.99	0.34	1.75	3.37
Australian Bonds	2.40	2.53	4.78	1.24	2.16	3.49
S&P/ASX 200 A-REIT	-5.17	-2.24	11.57	5.67	5.73	9.69
Australian Equity A-REIT	-5.63	-1.52	10.85	5.15	5.16	8.99

Source: S&P Dow Jones Indices LLC, Morningstar. Data for periods ending June 30, 2026. Returns for periods greater than one year are annualized. Index performance based on total return in AUD. The S&P World Index (AUD) was launched May 28, 2020. The S&P/ASX Mid-Small was launched July 29, 2011. The S&P/ASX Australian Fixed Interest 0+ Index (Legacy) was launched Feb. 13, 2025. All data prior to such dates is back-tested hypothetical data. Past performance is no guarantee of future results. Table is provided for illustrative purposes and reflects hypothetical historical performance. Please see the Performance Disclosure at the end of this document for more information regarding the inherent limitations associated with back-tested performance.

Report 5: Quartile Breakpoints of Fund Performance

Fund Category	Third Quartile	Second Quartile	First Quartile
YTD			
Global Equity General	-1.88	4.58	7.06
Australian Equity General	-1.23	0.64	2.25
Australian Equity Mid- and Small-Cap	-11.22	-7.68	-4.00
Australian Equity A-REIT	-6.46	-5.74	-4.37
Australian Bonds	2.18	2.35	2.49
1-Year			
Global Equity General	-0.56	10.85	16.94
Australian Equity General	-0.60	2.85	5.82
Australian Equity Mid- and Small-Cap	-4.18	4.39	10.33
Australian Equity A-REIT	-2.81	-2.03	-1.36
Australian Bonds	1.52	1.85	2.76
3-Year			
Global Equity General	8.85	13.70	17.75
Australian Equity General	5.77	8.12	10.15
Australian Equity Mid- and Small-Cap	5.74	9.35	12.49
Australian Equity A-REIT	10.34	11.22	11.62
Australian Bonds	4.09	4.37	4.95
5-Year			
Global Equity General	6.39	9.06	12.18
Australian Equity General	4.99	6.12	7.71
Australian Equity Mid- and Small-Cap	0.61	4.07	6.84
Australian Equity A-REIT	4.96	5.34	5.82
Australian Bonds	0.27	0.53	0.86
10-Year			
Global Equity General	9.87	11.60	13.10
Australian Equity General	7.00	8.11	9.28
Australian Equity Mid- and Small-Cap	6.21	7.83	9.32
Australian Equity A-REIT	5.42	5.93	6.53
Australian Bonds	1.58	1.95	2.06
15-Year			
Global Equity General	10.87	12.19	13.20
Australian Equity General	7.12	8.01	8.65
Australian Equity Mid- and Small-Cap	7.10	8.59	9.67
Australian Equity A-REIT	8.83	9.42	10.01
Australian Bonds	2.96	3.23	3.59

Source: S&P Dow Jones Indices LLC, Morningstar. Data for periods ending June 30, 2026. Returns based on total returns and annualized for periods greater than one year. Past performance is no guarantee of future results. Table is provided for illustrative purposes.

Appendix A

SPIVA Styles and Morningstar Fund Classifications

Data from Morningstar are obtained for all managed funds[4] domiciled in Australia for which month-end data is available during the performance period. The data include the most comprehensive fund data on active and finalized (merged or liquidated) funds over the chosen period. Funds are classified based on the Morningstar fund classification system, and the SPIVA Australia Scorecard covers Australian-domiciled funds in the Global Equity General, Australian Equity General (large-cap equity), Australian Equity Mid- and Small-Cap, Australian Equity A-REIT and Australian Bonds categories.

The Morningstar classification system produces narrow, style-based classifications for funds. S&P Dow Jones Indices has consolidated the style-based categories in order to generate a larger sample size and develop a broad-market comparison to market-based benchmarks. A narrow, style-based comparison would yield a limited sample size, given value and growth style segments are not consistently discernible over the past five years. Morningstar categories have been mapped to SPIVA peer groups in the following manner.

Exhibit 10: Australian Equity Funds – SPIVA and Morningstar Categories

SPIVA Category	Morningstar Category
Global Equity General	Australia Fund Equity - World Large Blend
	Australia Fund Equity - World Large Growth
	Australia Fund Equity - World Large Value
Australian Equity General	Australia Fund Equity - Australia Large Blend
	Australia Fund Equity - Australia Large Growth
	Australia Fund Equity - Australia Large Value
Australian Equity Mid- and Small-Cap	Australia Fund Equity - Australia Mid/Small Blend
	Australia Fund Equity - Australia Mid/Small Growth
	Australia Fund Equity - Australia Mid/Small Value
Australian Bonds	Australia Fund Bonds - Australia
Australian Equity A-REIT	Australia Fund Equity - Australia Real Estate

Source: S&P Dow Jones Indices LLC, Morningstar. Table is provided for illustrative purposes.

Note that the Global Equity General fund category is equal to the International Equity General category in SPIVA Scorecards prior to 2024, with the fund benchmark being changed from the S&P Developed ex-Australia LargeMidCap to the S&P World Index.

[4] Includes open-ended managed funds and ETFs.

Benchmarks

The chosen benchmarks are shown in Exhibit 11. Index returns are total returns (i.e., include dividend reinvestment) in Australian dollars. There has been no deduction from index returns to account for fund investment expenses. It is important to note that active fund returns are after expenses, but they do not include loads and entry fees. To ensure the study is robust and fair, representative benchmarks were selected for each fund category, but not all funds adopt the benchmarks stipulated. However, many funds do set their performance hurdle based on either the assigned benchmarks in this report, or a similar alternative.

Exhibit 11: SPIVA Categories and Their Benchmarks

SPIVA Category	Benchmark Index
Global Equity General	S&P World Index
Australian Equity General	S&P/ASX 200
Australian Equity Mid- and Small-Cap	S&P/ASX Mid-Small
Australian Equity A-REIT	S&P/ASX 200 A-REIT
Australian Bonds	S&P/ASX iBoxx Australian Fixed Interest 0+ Index (Legacy)

Source: S&P Dow Jones Indices LLC, Morningstar. Table is provided for illustrative purposes.

The benchmark for the Australian Bonds fund category was the S&P/ASX Australian Fixed Interest 0+ until the current edition of the SPIVA Scorecard. In November 2024, S&P Dow Jones Indices launched the S&P/ASX iBoxx Australian Fixed Interest 0+, which has a different methodology. Additionally, the original S&P/ASX Australian Fixed Interest 0+ Index continues to be published, but using the new methodology since Jan. 1, 2025, under the name of the S&P/ASX iBoxx Australian Fixed Interest 0+ Index (Legacy). This is the version of the index used in our scorecard.[5]

Appendix B: Glossary

Percentage of Funds Outperformed by the Index

To correct for survivorship bias, we use the opportunity set available at the beginning of the period as the denominator. We determine the count of funds that have survived and beat the index. We then report percentage of funds that did not survive and beat the index.

Survivorship (%)

The survivorship measure represents the percentage of funds in existence at the beginning of the time period that are still active at the end of the time period.

[5] Further details may be found in the S&P/ASX iBoxx Australian Fixed Interest Index Series Methodology.

Equal-Weighted Fund Performance

Equal-weighted returns for a particular style category and time horizon are determined by compounding the simple average of the monthly returns of all active funds that were available at the start of the period.

Asset-Weighted Fund Performance

Asset-weighted returns for a particular style category are calculated similarly, except based on a weighted average return of fund returns each month, with each fund's return weighted by its total net assets. Asset-weighted returns can be a better indicator of category performances because they reflect the returns of the total money invested across the sample of funds.

Quartile Breakpoints

The p^{th} percentile for a set of data is the value that is greater than or equal to p% of the data but is less than or equal to (100-p)% of the data. In other words, it is a value that divides the data into two parts: the lower p% of the values and the upper (100-p)% of the values. The first quartile is the 75^{th} percentile, which is the value separating the elements of a population into the lower 75% and the upper 25%. The second quartile is the 50^{th} percentile, and the third quartile is the 25^{th} percentile. For fund category quartiles in a particular time horizon, the data used is the return of the largest surviving share class of the fund net of fees, excluding loads.

Survivorship Bias

Many funds might liquidate or merge during a period of study. This usually occurs due to continued poor performance by the fund. Therefore, if index returns were compared to fund returns using only surviving funds, the comparison would be biased in favor of the fund category. The SPIVA reports remove this bias in three ways. The first method to remove the bias is to use the entire investment opportunity set, made up of all funds in that particular category at the outset of the period, as the denominator for outperformance calculations. The second is explicitly to show the survivorship rate in each category. The final way is to construct a peer average return series for each category based on all available funds at the outset of the period.

Fees

The fund returns used are net of fees, excluding loads.

Indices

A benchmark index provides an investment vehicle against which fund performance can be measured. For every index, we used the total return version of the index as calculated in Australian dollars.

S&P/ASX 200

The S&P/ASX 200 is recognized as the institutional investable benchmark in Australia. The index covers approximately 80% of Australian equity market capitalization. Index constituents are drawn from eligible companies listed on the Australian Securities Exchange. The S&P/ASX 200 is a highly liquid and investable index that is designed to address investment managers' needs to benchmark against a portfolio characterized by sufficient size and liquidity.

S&P/ASX Mid-Small

The S&P/ASX Mid-Small is designed to measure performance of companies included in the S&P/ASX 300 but not in the S&P/ASX 50. It is a combination of the S&P/ASX MidCap 50 and the S&P/ASX Small Ordinaries. The index covers approximately 18% of Australian equity market capitalization.

S&P/ASX 200 A-REIT

The S&P/ASX 200 A-REIT is a sector subindex of the S&P/ASX 200. The index seeks to provide exposure to Australian real estate investment trusts (A-REITs), which are captured under the Global Industry Classification Standard (GICS®) Tier 2.

S&P/ASX iBoxx Australian Fixed Interest 0+ Index

The S&P/ASX iBoxx Australian Fixed Interest 0+ Index is part of the S&P/ASX iBoxx Australian Fixed Interest Index Series, a broad benchmark index series designed to measure the performance of Australian bonds meeting investability criteria. The S&P/ASX iBoxx Australian Fixed Interest Index Series was launched Nov. 15, 2024. The S&P/ASX iBoxx Australian Fixed Interest 0+ (Legacy) is used in this scorecard, which is designed to continue the history of the S&P/ASX Australian Fixed Interest 0+ Index, using the new methodology effective Jan. 1, 2025.

S&P World Index

The S&P World Index tracks the performance of large- and mid-cap stocks from 24 developed markets. With data extending over several economic cycles, the index provides a consistent universe for historical market analysis and back-testing investing strategies. Subindices are broken down by GICS sector, style and currency, allowing market participants to track the developed market opportunity set from more targeted perspectives.

Performance Disclosure/Back-Tested Data

The S&P World Index (AUD) was launched May 28, 2020. The S&P/ASX Mid-Small was launched July 29, 2011. The S&P/ASX iBoxx Australian Fixed Interest 0+ (Legacy) index was launched February 13, 2025. The S&P/ASX iBoxx Corporates 0-5 Year Index, the S&P/ASX iBoxx Australian Government Bond 0-5 Year Index, and the S&P/ASX iBoxx Australian Government Bond 10-15 Year were launched November 15, 2024. All information presented prior to an index's Launch Date is hypothetical (back-tested), not actual performance, and is based on the index methodology in effect on the index launch date. However, when creating back-tested history for periods of market anomalies or other periods that do not reflect the general current market environment, index methodology rules may be relaxed to capture a large enough universe of securities to simulate the target market the index is designed to measure or strategy the index is designed to capture. For example, market capitalization and liquidity thresholds may be reduced. In addition, forks have not been factored into the back-test data with respect to the S&P Cryptocurrency Indices. For the S&P Cryptocurrency Top 5 & 10 Equal Weight Indices, the custody element of the methodology was not considered; the back-test history is based on the index constituents that meet the custody element as of the Launch Date. Also, the treatment of corporate actions in back-tested performance may differ from treatment for live indices due to limitations in replicating index management decisions. Complete index methodology details are available at www.spglobal.com/spdji. Back-tested performance reflects application of an index methodology and selection of index constituents with the benefit of hindsight and knowledge of factors that may have positively affected its performance, cannot account for all financial risk that may affect results and may be considered to reflect survivor/look ahead bias. Actual returns may differ significantly from, and be lower than, back-tested returns. Past performance is not an indication or guarantee of future results.

Please refer to the methodology for the Index for more details about the index, including the manner in which it is rebalanced, the timing of such rebalancing, criteria for additions and deletions, as well as all index calculations. Back-tested performance is for use with institutions only; not for use with retail investors.

S&P Dow Jones Indices defines various dates to assist our clients in providing transparency. The First Value Date is the first day for which there is a calculated value (either live or back-tested) for a given index. The Base Date is the date at which the index is set to a fixed value for calculation purposes. The Launch Date designates the date when the values of an index are first considered live: index values provided for any date or time period prior to the index's Launch Date are considered back-tested. S&P Dow Jones Indices defines the Launch Date as the date by which the values of an index are known to have been released to the public, for example via the company's public website or its data feed to external parties. For Dow Jones-branded indices introduced prior to May 31, 2013, the Launch Date (which prior to May 31, 2013, was termed "Date of introduction") is set at a date upon which no further changes were permitted to be made to the index methodology, but that may have been prior to the Index's public release date.

Typically, when S&P DJI creates back-tested index data, S&P DJI uses actual historical constituent-level data (e.g., historical price, market capitalization, and corporate action data) in its calculations. As ESG investing is still in early stages of development, certain datapoints used to calculate S&P DJI's ESG indices may not be available for the entire desired period of back-tested history. The same data availability issue could be true for other indices as well. In cases when actual data is not available for all relevant historical periods, S&P DJI may employ a process of using "Backward Data Assumption" (or pulling back) of ESG data for the calculation of back-tested historical performance. "Backward Data Assumption" is a process that applies the earliest actual live data point available for an index constituent company to all prior historical instances in the index performance. For example, Backward Data Assumption inherently assumes that companies currently not involved in a specific business activity (also known as "product involvement") were never involved historically and similarly also assumes that companies currently involved in a specific business activity were involved historically too. The Backward Data Assumption allows the hypothetical back-test to be extended over more historical years than would be feasible using only actual data. For more information on "Backward Data Assumption" please refer to the FAQ. The methodology and factsheets of any index that employs backward assumption in the back-tested history will explicitly state so. The methodology will include an Appendix with a table setting forth the specific data points and relevant time period for which backward projected data was used.

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