Growth Opportunities Fund

Portfolio performance outlook commentary for the 12 months ended 30 June 2026.

Published 24 Jul 2026 | 10 min read

Feedback

The Fund delivered a return of 21.2% (gross of fees) for the 12 months to 30 June 2026, exceeding its long-term target return objective of 11-13% p.a. The Fund has continued to build a diversified portfolio of private market investments across its key thematics including decarbonisation, circular economy, digitalisation, urbanisation and changing demographics. At period end, the Fund had invested in 16 private market investments representing over 50 underlying assets, providing diversified exposure across infrastructure, real assets and growth-oriented businesses.

The year was characterised by a challenging market environment. Persistent inflation, higher interest rates, geopolitical instability and a continued slowdown in private market fundraising and transaction activity created a more cautious backdrop for investors. While these conditions weighed on broader transaction activity, they also supported attractive investment opportunities for long-term investors with available capital. Real assets remained relatively resilient throughout the period, supported by essential service characteristics, inflation-linked revenues and increasing investment in areas such as energy transition and digital infrastructure.

Overall, the portfolio performed strongly during the year, benefiting from increased valuations across a majority of the portfolio. We have also seen several follow-on capital deployment opportunities across existing investments to fund future growth and expansion opportunities identified. Our investment in Aligned Data Centers increased in value due to the announced sale to a consortium including Nvidia, Microsoft and Blackrock. Aligned has grown rapidly given AI tailwinds, achieving leasing targets well ahead of schedule. We expect to receive the first proceeds from the sale by calendar year-end, with a healthy pipeline of opportunities under evaluation for redeployment. The Fund also has approximately $100 million of committed but uncalled capital which we expect to be deployed over the coming one-to-two years.

Over the quarter, the Fund reached final completion of the previously announced transaction with the Clean Energy Finance Corporation (CEFC). The transaction saw the CEFC transfer five assets into the Fund, materially increasing the Fund's scale, diversification and exposure to high-quality climate and sustainability-aligned assets. The transaction also established the CEFC as a $125 million cornerstone investor in the Fund, bringing a long-term, highly aligned institutional partner and further strengthening the Fund's position as a leading investor in sustainability-focused private markets opportunities.

Outlook

While uncertainty remains around inflation, interest rates and geopolitical developments, we continue to see an attractive environment for patient private market investors. A more selective transaction market, combined with ongoing demand for capital across infrastructure, energy transition and resource efficiency opportunities, continues to support compelling investment opportunities for investors with a long-term investment horizon. More recent signs that inflationary pressures may ease and interest rates stabilise could also support an improvement in private market activity over time. Until then, we continue to be highly selective about new investments. Our five key thematics display differing risk-return dynamics depending on market conditions, which allows us to continue to evaluate investment opportunities through different market cycles.

Growth Opportunities Fund Performance (gross of fees)

As at 30 June 2026*

	FUND	BENCHMARK*	EXCESS RETURNS
1 Month	1.2%	0.8%	+0.4%
3 Months	0.8%	2.4%	-1.6%
6 Months	13.1%	4.9%	+8.2%
1 Year	21.2%	10.0%	+11.2%
Since Inception P.A.	18.9%	10.0%	+8.9%

Inception date: 31/12/2024. Past performance is not a reliable indicator of future returns.

*Absolute return benchmark of 10%

Portfolio Summary

Unlisted Investments	Net Asset Value (NAV)	Gross performance since inception	Assets	Net Asset Value (NAV) + undrawn commitments	Asset realisations
16	$601m	18.9%	57	$704m	1

Thematics

Decarbonisation	38%
Digitalisation	17%
Urbanisation	2%
Circular Economy	31%
Changing Demographics	11%

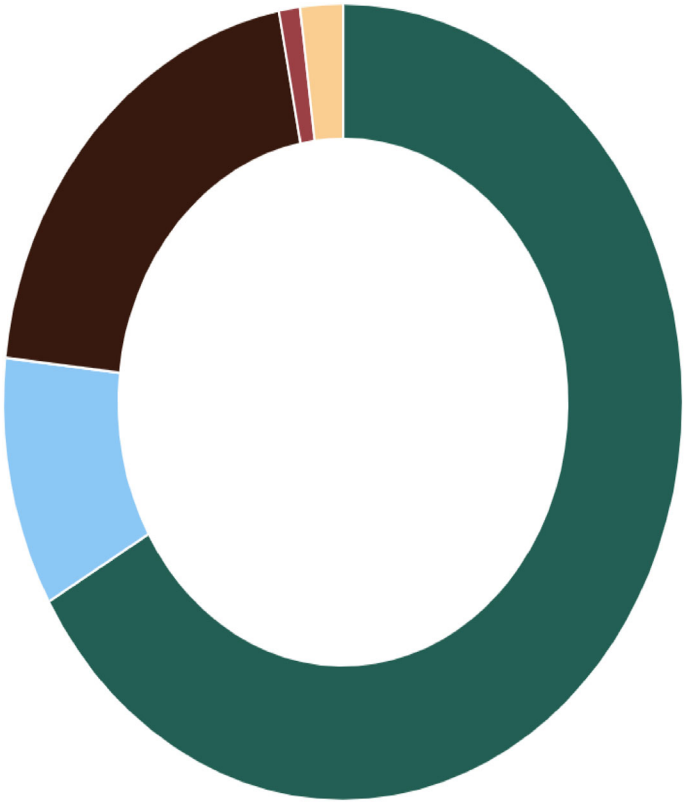
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Location

Australia	66%
North America	10%
Europe	20%
South and South East Asia	1%
Latin America	2%
Other Emerging Markets	0%

Feedback



New Investments / Divestments

Since the last quarterly update, the Fund completed its previously announced transaction with the Clean Energy Finance Corporation (CEFC), resulting in the acquisition of five new investments, enhancing the scale, diversification and maturity of the portfolio.

- **Macquarie Agriculture Fund – Crop Australia (MAFCA):** An Australian agricultural fund managed by Macquarie that owns a diversified portfolio of 23 cropping assets across key agricultural regions. The portfolio includes a mix of row cropping and permanent cropping assets across Western Australia, New South Wales, South Australia and Queensland, spanning grains, oilseeds, cotton and horticultural crops through a combination of owned-and-operated and owned-and-leased farmland.

- **Octopus Australia Sustainable Investments Fund:** A renewable energy fund managed by Octopus Investments that provides exposure to a diversified portfolio of Australian solar, wind and battery storage assets spanning operational, construction and development stage projects.

- **IFM Growth Partners Fund II:** A private equity fund managed by IFM Investors that focuses on software, technology-enabled services and healthcare businesses, providing the Fund with additional exposure to growth-oriented private market opportunities.

- **PEP Secure Assets Fund II (PEP SAF II):** A mid-market infrastructure fund managed by Pacific Equity Partners that owns four infrastructure and infrastructure-like platforms across residential land lease communities, waste-to-energy, aged care and data centres in Australia and New Zealand. The strategy targets businesses with secure or contracted cashflows and opportunities for operational improvement and growth.

- **Xpansiv:** A leading environmental commodities marketplace that facilitates the trading of carbon credits, renewable energy certificates and other sustainability-linked environmental products.

Feedback



Our investment in **Aligned Data Centers** increased in value due to the announced sale to a consortium including Nvidia, Microsoft and Blackrock. Aligned has grown rapidly given AI tailwinds, achieving leasing targets well ahead of schedule

Portfolio holding weights

Investment	Weighting (%)
Morrison Growth Infrastructure Fund	16.6%
OASIS	10.1%
Southern Water	10%
IFM Australian Infrastructure Fund	8.7%
MAFCA	8.3%
Aligned Data Centres	7.8%
RepurposeIT	5.9%
IFM Growth Partners	5.8%
PEP SAF II	5.5%
Octopus Energy	4.1%
For Purpose Aged Care Australia	3.8%
Neoen	3.7%
GigaComm	2.7%
Macquarie Green Energy Climate Opportunities Fund	2.6%
Xpansiv	2.0%
Vertelo	0.3%
Global Listed Infrastructure	1.5%
Cash and cash equivalents	0.9%

Case Study: For Purpose Aged Care Australia

Feedback



Australia's ageing population continues to drive increasing demand for high-quality residential aged care, with the sector facing a well-documented shortage of beds, significant capital requirements and increasing regulatory expectations following the Royal Commission into Aged Care Quality and Safety[1]. These dynamics create an attractive opportunity for well-capitalised operators that can expand capacity while maintaining high standards of care.

The Fund has exposure to the Changing Demographics thematic through its investment in For Purpose Aged Care Australia (FPACA), a rapidly growing not-for-profit aged care platform, via innovative social loan notes. FPACA operates more than 2,100 beds across 15 aged care homes in Victoria, New South Wales, Queensland and Western Australia and is pursuing a long-term growth strategy to build a national platform of approximately 5,000 beds.

During the year, FPACA continued to expand its footprint, including the opening of a new 144-bed aged care facility in South Grafton, NSW, and the consolidation of its operations under a single national brand.

Our investment in FPACA aligns closely with the Fund's Changing Demographics thematic. Australia has a shortage of aged care beds, resulting in substandard accommodation and service provision. This also impacts the public hospital system. This shortage is expected to worsen, as the number of over 65 and over 80 year olds is expected to nearly double, over the coming two decades[2].

Existing aged care operators have suffered through lack of capital investment and smaller fragmented operators, with limited new supply being developed in recent years. The lack of supply was exacerbated by the 2018-2021 Royal Commission into Aged Care, Quality and Safety, that found systematic substandard care, poor governance, and low investment in accommodation, services, and training.

Through our investment, we are supporting the expansion of FPACA's national aged care platform, helping address the supply of modern residential aged care. Beyond increasing capacity, FPACA places a strong emphasis on resident wellbeing and care quality through investment in staff, resident experience and purpose-built facilities designed to support ageing with dignity and choice. To assess the investment's contribution to these outcomes, we measure resident quality of life; access in regional areas; and staff engagement as primary impact metrics. Over the past 12 months FPACA reported the following metrics:

- **Resident quality of life:** Over Q1-Q3 FY26, 78.1% of residents reported excellent or good quality of life. This is against an industry average of 76.4% and a target of 80%.
- **Access in regional areas:** Average Modified Monash Model (MMM) rating of 2.07, reflecting a greater proportion of homes in regional areas than the industry average of 1.36, and an improvement from 2.00 in FY25. The MMM classifies locations based on remoteness, with higher scores indicating more regional or remote communities. This metric demonstrates FPACA's focus on providing aged care services beyond major metropolitan centres, where demand often exceeds available supply.

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- **Staff engagement:** The February survey reported a +26 Net Promoter Score (NPS), compared with an average of +16 across Australian workplaces and +18 across global healthcare workplaces. NPS measures employees' willingness to recommend their workplace to others and is commonly used as an indicator of workforce engagement, satisfaction and organisational culture. Strong staff engagement is particularly important in aged care, where workforce stability and quality of care are closely linked.

This investment and impact reporting is led by For Purpose Investment Partners, a not-for-profit Australian social impact investment fund manager delivering meaningful community outcomes alongside risk-adjusted financial returns.

Investments in the portfolio

Morrison Growth Infrastructure Fund (MGIF): MGIF is a closed-ended, unlisted infrastructure fund managed by Morrison & Co that invests in essential infrastructure businesses across developed OECD markets, with a primary focus on Australia. The portfolio spans sectors including renewable energy, utilities, digital connectivity, healthcare, circular economy and natural capital.

Octopus Australia Sustainable Investments Fund (OASIS): A renewable energy fund managed by Octopus Investments that provides exposure to a diversified portfolio of Australian solar, wind and battery storage assets spanning operational, construction and development stage projects.

Southern Water: A regulated UK water and wastewater utility serving more than 4.7 million customers across Southern England. The company owns and operates extensive water and wastewater infrastructure networks and is undertaking a significant investment program to improve asset resilience, environmental performance and water security, supported by inflation-linked revenues under the UK's regulated utility framework.

IFM Australian Infrastructure Fund: AIF is an open-ended core infrastructure fund managed by IFM Investors, with a diversified portfolio of mature Australian infrastructure assets. The fund holds interests across airports, ports, electricity distribution, toll roads and social infrastructure.

Macquarie Agriculture Fund – Crop Australia (MAFCA): An Australian agricultural fund managed by Macquarie that owns a diversified portfolio of 23 cropping assets across key agricultural regions. The portfolio includes a mix of row cropping and permanent cropping assets across Western Australia, New South Wales, South Australia and Queensland, spanning grains, oilseeds, cotton and horticultural crops through a combination of owned-and-operated and owned-and-leased farmland.

Aligned Data Centers: Aligned Data Centers is a digital infrastructure platform that designs, develops and operates hyperscale and enterprise data centres across North and South America. The business focuses on high-density, scalable facilities supporting cloud computing and artificial intelligence workloads.

Repurpose It: Repurpose It is an Australian resource recovery business specialising in the processing of construction, demolition and organic waste to produce repurposed materials. The company operates advanced facilities in Victoria, including large-scale soil washing and organics processing plants.

IFM Growth Partners Fund II: A private equity fund managed by IFM Investors that focuses on software, technology-enabled services and healthcare businesses, providing the Fund with additional exposure to growth-oriented private market opportunities.

PEP Secure Assets Fund II (PEP SAF II): A mid-market infrastructure fund managed by Pacific Equity Partners that owns four infrastructure and infrastructure-like platforms across residential land lease communities, waste-

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to-energy, aged care and data centres in Australia and New Zealand. The strategy targets businesses with secure or contracted cashflows and opportunities for operational improvement and growth.

Octopus Energy: Octopus Energy is a global energy and technology platform operating across energy retail, renewable generation and energy transition services. The business also owns the Kraken technology platform, which supports energy system management and utility operations.

For Purpose Aged Care Australia: FPACA is a not-for-profit aged care operator that owns and operates a portfolio of Australian residential aged care facilities. The investment is held via subordinated Social Capital Notes secured against the underlying operating business and property assets.

Neoen: Neoen is a global renewable energy platform that develops, owns and operates large-scale solar, onshore wind and battery storage projects. Its portfolio spans multiple jurisdictions, including Australia, France and the Nordic region.

GigaComm: GigaComm is an unlisted Australian digital infrastructure business that owns and operates last-mile fibre broadband networks in multi-dwelling residential apartment buildings. The company focuses on upgrading older, high-density buildings in metropolitan areas.

Macquarie Green Energy Climate Opportunities Fund: MGECO is a global, unlisted infrastructure fund managed by Macquarie that invests in renewable energy development and operating platforms. The fund focuses on established technologies such as offshore wind, onshore wind and solar across North America, Europe and Asia Pacific.

Xpansiv: A leading environmental commodities marketplace that facilitates the trading of carbon credits, renewable energy certificates and other sustainability-linked environmental products.

Vertelo: Vertelo is an unlisted fleet electrification platform focused on electric buses and charging infrastructure in India. The business acquires electric vehicles and related infrastructure and leases them to public and private transport operators under long-term arrangements.

Global Listed Infrastructure: Global Listed Infrastructure Portfolio (GLI) is a liquid, listed portfolio of global infrastructure and infrastructure-like companies across developed markets, providing liquidity and listed infrastructure exposure to the portfolio. The GLI portfolio is systematically constructed to track the FTSE Developed Core Infrastructure 50/50 Index (AUD-hedged) and is diversified across regions and infrastructure subsectors.

See Fund info

Feedback

1 https://www.aph.gov.au/About_Parliament/Parliamentary_departments/Parliamentary_Library/Research/Quick_Guides/2020-21/AgedCareQuality

2 https://www.abs.gov.au/articles/population-aged-over-85-double-next-25-years

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Fund updates

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MULTI-ASSET

Multi-Asset Funds

SYSTEMATIC EQUITIES

Diversified Shares Fund

International Shares Fund

FIXED INCOME

Fixed Income Funds

PRIVATE MARKETS

Infrastructure Debt Fund

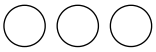
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Back to quarterly update

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COMPANY DETAILS

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Australian Ethical Superannuation Pty Ltd

ABN 43 079 259 733
RSE L0001441
AFSL 526 055

FUND

Australian Ethical Retail Superannuation Fund

ABN 49 633 667 743

USI/SPIN AET0100AU

AWARDS #



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