

Strategy enhancement

Manager change in MLC's global shares strategy for the MLC Index Plus portfolios

October 2014



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What are the changes?

- Redpoint appointed
- Vanguard removed

At MLC, we work continually to improve our investment portfolios.

That's why we're making changes to the global shares strategy for the MLC Index Plus portfolios.

We're appointing Redpoint Investment Management Pty Ltd (Redpoint) as the index manager for the global shares strategy. Redpoint replaces Vanguard Investments Australia Ltd (Vanguard), who will continue as index manager of the Australian shares strategy in these portfolios.

Which portfolios are affected?

The manager change is only for the MLC Index Plus portfolios. There are no changes to the global shares strategies in the MLC Horizon or Inflation Plus portfolios, or to our global shares asset class funds, such as the MLC Global Share Fund.

How will investors benefit?

Redpoint will manage the global shares strategy to a broader benchmark than Vanguard. This will give investors exposure to a much wider range of share market opportunities, including those in fast-growing emerging markets.

Vanguard's strategy aimed to match the return of the MSCI World ex Australia Index, an index of shares in developed markets. Redpoint's strategy aims to match the return of the MSCI All Countries World Index (MSCI ACWI), which covers shares both in developed markets and emerging markets.

This means the MLC Index Plus portfolios will benefit from greater diversification in global shares, with potential exposure to more companies (over 2,400 in the MSCI ACWI rather than around 1,500 in the MSCI World ex Australia index) across more countries (46 rather than 23).

We've made this enhancement to the global shares strategy without impacting fees. Investment fees are available in the Fund Profile Tool on mlc.com.au

In addition, Redpoint has capabilities beyond index management of global and Australian shares. It actively manages the Redpoint Global Infrastructure Fund and the Redpoint Active Australian Equities Fund, and is also exploring other active strategies in global and Australian shares. We may consider using their broader capabilities in future as the MLC Index Plus portfolios evolve.

Who is Redpoint?

Redpoint was established in 2011 and is based in Sydney. The NAB Group is a minority shareholder of the firm.

Redpoint has a very experienced investment team. Eric Smith, Chief Investment Officer and one of the firm's founding principals, was previously Chief Investment Officer at Vanguard, where he managed MLC's Australian and global index mandates for around 10 years. Eric is supported by seven investment professionals, several of whom also have considerable experience managing index funds.

As we have carefully monitored Redpoint since the firm was established and know its key investment staff, we have confidence in its ability to manage the global shares index mandate for the MLC Index Plus portfolios. A full manager profile for Redpoint is on mlc.com.au



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