



# Investment managers in MLC's super, pension and investment funds

We research and continually review hundreds of investment managers from around the world to select some of the best ones for our funds. These are the investment managers we have selected to manage your investment in:

- MLC MasterKey Super and Pension Fundamentals
- MLC MasterKey Investment Service Fundamentals, and
- Pre Select funds.

We may use a different combination of these investment managers in each fund, and may change the managers at any time. You can find up-to-date information about investment managers for each fund at [mlc.com.au/fundprofiletool](https://mlc.com.au/fundprofiletool).

Our managers specialise in the following asset classes and strategies:

- *Australian shares*
- *Global shares*
- *Fixed income and cash*
- *Australian property*
- *Global property*
- *Alternative and other investments*
- *Currency management*

Our managers specialise in the following asset classes and strategies:

## Australian shares managers

### Investment manager

### About the investment manager



- Alphinity Investment Management (Alphinity) was appointed to manage Australian shares in 2012.
- Manages \$8.4bn.
- Established in 2010 and based in Sydney, Australia.
- Employs nine investment professionals.

MLC appointed Alphinity because they are a core Australian shares manager with a high quality, experienced investment team. Alphinity use a bottom-up stock selection approach. Their investment process seeks to identify quality companies with strong or improving earnings potential that is underestimated by the market. The firm's investment philosophy and approach tend to result in portfolios with a growth style tilt.

Information as at 30 June 2017.



- Antares Capital Partners Limited (Antares) was appointed to manage Australian shares, including in MLC IncomeBuilder, in 2012.
- Manages \$33.4bn.
- The firm was established in 1994 as Portfolio Partners but became the Antares Equities team in 2012.
- The Antares Equities team co-heads have worked together for 17 years. The team is based in Melbourne, Australia.
- The Antares Equities team employs nine investment professionals.
- Antares is a member of the NAB Group.

We appointed Antares to our Australian shares strategy to balance the insights of our other Australian share managers and provide increased diversity of stock selection. The Antares Equities team has a strong bottom up stock-picking process and focusses on investment in high quality companies. They are a large-cap, core manager which takes a selectively contrarian view. Antares Equities' risk controls and portfolio construction skills are also strong.

Information as at 30 June 2017.

# BLACKROCK

- BlackRock, Inc. (BlackRock) was appointed to manage Australian shares in 2010.
- Manages US\$5.98tn.
- Established in 1988 and is based in New York.
- Employs 13,000 staff.

BlackRock is included in our Australian shares strategies to help support consistent risk and return outcomes for our multi-asset portfolios throughout changing market conditions. BlackRock takes a quantitatively-based, active approach to investing that systematises fundamental stock selection. This investment process complements the other investment managers in our multi-asset portfolios.

Information as at 30 September 2017.

'BlackRock' is a trademark of BlackRock, Inc. or its subsidiaries.



## MAPLE-BROWN ABBOTT

- Maple-Brown Abbott Ltd (Maple-Brown Abbott) was appointed to manage Australian shares in MLC IncomeBuilder in 2001.
- Manages \$12bn.
- Established in 1984 and based in Sydney.
- Employs 25 investment professionals.

We have selected Maple-Brown Abbott to manage 70% of the MLC IncomeBuilder portfolio because of the experience of the investment team and their disciplined application of a well-defined, value-oriented investment philosophy. Their approach of identifying high quality, undervalued Australian companies with the potential to increase dividends is consistent with MLC IncomeBuilder's objective of delivering capital growth while providing a steadily increasing, tax-aware income stream. The MLC IncomeBuilder mandate managed by Maple-Brown Abbott typically has 25 to 40 companies.

Information as at 30 June 2017.



- The MLC Capital Markets Research team (CMR) was appointed to manage the defensive Australian shares strategy in the MLC Inflation Plus portfolios in 2016.
- The team is based in Sydney and has seven investment professionals.

The defensive Australian shares strategy aims to deliver returns similar to the Australian share market over the medium term, but with less volatility due to less exposure to stocks that are likely to have significant negative returns. It's designed to perform more strongly than the market when the market is falling and less strongly than the market when the market is rising. The strategy is an extension of CMR's scenarios-based investment process for MLC's multi-asset portfolios, with the team applying their asset allocation insights to the Australian shares exposure. They believe the strong alignment between asset allocation insights and decisions about Australian industry sectors and stocks will help achieve the real return objectives of the MLC Inflation Plus portfolios.

Information as at 30 September 2017.



- Northcape Pty Ltd (Northcape) was appointed to manage Australian shares in 2005.
- Manages over \$9.5bn.
- Established in 2005 and based in Sydney, Australia.
- Employs 15 investment professionals.

MLC has appointed Northcape due to their experienced investment team and selection of high quality companies. Northcape conducts independent in-depth research to identify mispriced companies that they expect will outperform the market over the medium term. Four portfolio managers construct Northcape's portfolio, providing robust peer review of investment opportunities. Northcape holds around 30 to 40 stocks in their portfolio and has shown no particular sector or style bias over the long term.

Information as at 30 June 2017.



- Redpoint Investment Management Pty Ltd (Redpoint) has been managing shares and Real Estate Investment Trust strategies for MLC since 2014.
- Manages \$10.3bn.
- Established in 2011 and based primarily in Sydney, Australia.
- Employs 11 investment professionals.
- The NAB Group is a minority shareholder in Redpoint.

We appointed Redpoint to apply its enhanced index approach to managing Australian and global shares and global Real Estate Investment Trusts strategies in some of our multi-asset portfolios because of the quality and experience of the investment team. Redpoint's quantitative approach is dynamic, applying a diverse range of strategies to enhance returns by taking small risk-controlled positions away from the benchmark. Redpoint's low turnover, low cost approach helps reduce the impact of transaction costs.

Information as at 30 June 2018.

## Investment manager

## About the investment manager



- Vanguard Investments Australia Ltd was appointed to manage index-based Australian shares in 2001.
- A wholly owned subsidiary of The Vanguard Group, Inc. (Vanguard), which is based in the US.
- Vanguard manages total assets of \$5.7tn globally.
- Vanguard employs over 15,000 staff worldwide.

MLC uses Vanguard because they are a world leader in index-based shares management. Vanguard aims to track the return (income and capital appreciation) of the relevant index (before the deduction of fees and costs), giving MLC low cost access to a broadly diversified portfolio of listed securities. This index approach also has a very low level of turnover, as purchases and sales of shares only occur in response to changes to the index and due to money being invested in and withdrawn from the portfolios. This low turnover approach reduces the impact of transaction costs and tax.

Information as at 30 June 2017.



- Vinva Investment Management (Vinva) was appointed to manage Australian shares in 2012.
- Manages over \$23bn.
- Established in 2010 and based in Sydney, Australia.
- Employs 11 investment professionals.

MLC uses Vinva because they increase the diversity of insights in our Australian shares strategy. Vinva's experienced investment team aims to deliver outperformance, regardless of the stage of the market cycle. The firm has a quantitative investment approach that is fundamentally-based and insight-focussed. To identify mispriced stocks, they apply a systematic process with proprietary technology and systems. They are a broad-cap, style-neutral manager and monitor their investment process closely for unintended style bias.

Information as at 30 June 2017.

# Global shares managers

## Investment manager

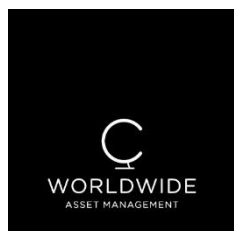
## About the investment manager



- Arrowstreet Capital, Limited Partnership (Arrowstreet) was appointed to manage global shares in December 2017.
- Manages \$117.8bn.
- Established in Boston in 1999.
- Employs 66 investment professionals.

We appointed Arrowstreet because they are an experienced global shares manager with a track record of consistent excess returns in different market environments. Their systematic approach to portfolio construction results in a portfolio of companies with diverse characteristics (eg market cap, value and geography). Arrowstreet complements our existing global shares managers, increasing the diversity of investment insights.

Information as at 30 September 2017.



- C WorldWide Asset Management (C WorldWide) was appointed to manage global shares in 2010. C WorldWide was previously called Carnegie Asset Management.
- Manages \$22bn.
- Established in 1986, the firm has managed global shares portfolios since then. It is based in Copenhagen, Denmark.
- Employs 12 investment professionals.

MLC uses C WorldWide because their investment approach both considers long-term, stable growth companies and has an opportunistic element that taps into long-term, high conviction themes. However, it is still a bottom-up stock picking approach that isn't constrained by a benchmark. Their strategy has a maximum of 30 stocks.

Information as at 30 June 2017.



- Harding Loevner was appointed to manage global shares in 2009.
- Manages total assets of \$71bn across the company.
- Established in 1989 and based in New Jersey, US.
- Employs 37 investment professionals.

MLC appointed Harding Loevner because their approach to investing complements those of our other global shares managers. Harding Loevner invests exclusively in high quality companies with durable growth prospects, aiming to provide higher long-term investment returns with lower volatility than managers who place less emphasis on these characteristics. Their portfolio is typically 60-70 stocks, with low turnover.

Information as at 30 June 2017.

## Investment manager

## About the investment manager



- Intermede Investment Partners Ltd (Intermede) was appointed to manage global shares in December 2015.
- Manages approximately \$2.1bn.
- Established in 2014 and based in London, UK.
- Employs six investment professionals.
- The NAB Group is a minority shareholder in Intermede.

Intermede is a global shares specialist. MLC appointed Intermede because of the quality and experience of its investment team, most of whom worked together previously. Intermede is a 'growth' manager whose investment approach complements those of the other managers in our global shares strategy. The manager aims to outperform global markets by investing in companies with good management and strong market positions in attractive industries. In particular, it looks for companies with a sustainable competitive advantage. Intermede manages a concentrated portfolio of 40-50 companies, which are expected to be biased towards companies that sell low priced, but high value, business-critical items.

Information as at 30 June 2017.

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## Kiltearn Partners LLP

- Kiltearn Partners LLP (Kiltearn) was appointed to manage global shares in 2014.
- Manages \$15.7bn.
- Established in 2011 and based in Edinburgh, UK.
- Employs eight investment professionals.

MLC appointed Kiltearn because they are a value-oriented global shares specialist. They aim to generate above-benchmark returns by making long-term investments in undervalued companies, which they identify through detailed bottom-up analysis. The firm has an experienced investment team and a well-defined, disciplined investment process. Kiltearn's approach improves the diversity of managers' investment styles in our global shares strategy, helping to position the strategy to deliver robust performance in a broad range of market conditions.

Information as at 30 June 2017.

## Investment manager

## About the investment manager



- Redpoint Investment Management Pty Ltd (Redpoint) has been managing shares and Real Estate Investment Trust strategies for MLC since 2014.
- Manages \$10.3bn.
- Established in 2011 and based primarily in Sydney, Australia.
- Employs 11 investment professionals.
- The NAB Group is a minority shareholder in Redpoint.

We appointed Redpoint to apply its enhanced index approach to managing Australian and global shares and global Real Estate Investment Trusts strategies in some of our multi-asset portfolios because of the quality and experience of the investment team. Redpoint's quantitative approach is dynamic, applying a diverse range of strategies to enhance returns by taking small risk-controlled positions away from the benchmark. Redpoint's low turnover, low cost approach helps reduce the impact of transaction costs.

Information as at 30 June 2018.



**SANDS CAPITAL**

- Sands Capital Management LLC (Sands Capital) was appointed to manage global shares in 2009.
- Manages \$52bn.
- Established in 1992 and based in Arlington, Virginia, US.
- Employs three investment professionals in the Global Growth Portfolio Management Team.

MLC has chosen Sands Capital because of their disciplined investment philosophy, which aims to find businesses with sustained, high growth. The cornerstone of their investment strategy is their proprietary research, which is fundamental, bottom-up, and business-focused. This approach, which complements those of MLC's other global shares managers, means Sands Capital's market-relative performance is likely to be strongest in rising markets. Sands Capital will typically hold 30-50 stocks in their MLC portfolio, with low turnover.

Information as at 30 June 2017.

**Tweedy,  
Browne  
Company LLC**  
*Established in 1920*

- Tweedy, Browne Company LLC (Tweedy Browne) was appointed to manage global shares in 2009.
- Manages \$22bn.
- Established in 1920, the firm has managed share portfolios since 1959 and is based in Stamford, Connecticut, US.
- Employs nine investment professionals.

MLC appointed Tweedy, Browne due to the experience and stability of its management team and the effectiveness of its value-based investment approach. Their 'absolute value' focus tends to provide good downside protection during market downturns, an approach that works well with those of MLC's other global share managers. Tweedy Browne's portfolio typically holds 30-50 stocks.

Information as at 30 June 2017.



## Investment manager

## About the investment manager

**WALTER SCOTT**

SINCE · 1 9 8 3

- Walter Scott & Partners, Limited (Walter Scott) was appointed to manage global shares in 2005.
- Manages \$82.3bn across the company.
- Founded in 1983 and based in Edinburgh, UK.
- Employs 41 investment professionals.

MLC selected Walter Scott for the defensive global shares strategy in the MLC Inflation Plus – Assertive portfolio because the manager's strong focus on long-term real returns and downside protection fits well with the portfolio's objective. Walter Scott considers the value of stocks over a long timeframe and takes a disciplined 'buy and hold' approach to stock picking, resulting in a portfolio of approximately 50 stocks.

Information as at 30 September 2017.

## Fixed income and cash managers

### Investment manager

### About the investment manager



- Amundi Asset Management (Amundi) was appointed to manage global multi-sector bonds in 2010.
- Manages \$1,666bn across the world.
- Established in 2010 (previously Credit Agricole Asset Management). The Global Fixed Income Team is based in London.
- Employs 4,255 staff globally.

MLC uses Amundi because their distinctive investment approach complements MLC's other multi-sector global bond managers. Amundi's robust investment process combines long-term strategic positions in interest rates, foreign exchange and credit with tactical choices that exploit shorter-term investment opportunities. This approach has been particularly effective in volatile markets.

Information as at 30 June 2017.



- Antares Capital Partners Limited (Antares) was appointed to manage Australian cash, bonds and inflation-linked bonds in 1991.
- Manages \$33.4bn.
- Established in 2012, but the Antares Fixed Income team members have managed fixed income since 1990. The team is located in Sydney, Australia.
- Employs seven fixed income investment professionals.
- Antares is a member of the NAB Group.

MLC uses Antares Fixed Income because the credit-focussed process of this highly experienced team provides a risk-controlled exposure to domestic credit. Antares enhances returns through both core strategies (such as sector allocation, credit selection and yield maximisation) and tactical strategies (including duration, yield curve and spread positions).

Information as at 30 September 2017.

## Investment manager

## About the investment manager



- BNP Paribas Asset Management USA, Inc. (BNPP AM USA) was appointed to manage global absolute return bonds in June 2015.
- BNPP AM USA is a wholly owned subsidiary of the BNP Paribas Group and a member of the asset management business line BNP Paribas Asset Management, which manages \$43bn in fixed income assets worldwide.
- The Absolute Return Fixed Income strategy is managed out of New York.
- BNPP AM has fixed income teams on the ground in 18 countries, with over 100 fixed income professionals globally.

MLC's mandate with BNP Paribas is invested similarly to BNP Paribas's Absolute Return Fixed Income strategy. MLC believes their strengths include robust portfolio construction and risk management capabilities executed by high quality and very experienced investment professionals responsible for the key investment decisions. They use multiple independent strategies across rates, foreign exchange and credit to deliver consistent returns.

Information as at 30 June 2017.



- Insight Investment Management (Global) Limited (Insight) was appointed to manage global bonds in May 2015.
- Manages \$930bn across the world.
- Insight has managed global absolute return bonds since 1999 through predecessor companies. Its head office is in London.
- Insight's Fixed Income Group employs 103 investment professionals.

MLC believes Insight's strengths include robust portfolio construction and risk management capabilities executed by high quality and very experienced investment professionals that are responsible for the key investment decisions across interest rates, foreign exchange and credit. Investment strategy is formulated at the investment committee, based on an assessment of strategic, tactical and technical factors.

Information as at 30 June 2017.



- Loomis, Sayles & Company L.P. (Loomis Sayles) was appointed to manage global bonds in 2014.
- Manages \$339bn across the world.
- Established in 1926 and based in Boston, MA, US.
- Employs over 600 professionals around the world.

MLC has selected Loomis Sayles because of their expertise in managing credit assets. They have the ability to manage a broad range of fixed income credit sectors, including investment grade and high yield assets in developed and emerging markets. When choosing securities, Loomis Sayles applies a bottom-up fundamental credit research approach with a macroeconomic overlay. Loomis has a strong track record of constructing well-diversified and liquid portfolios. Their approach is different from and very complementary to our other fixed income credit managers.

Information at 30 September 2017.

## Investment manager

## About the investment manager



- Muzinich & Co Limited (Muzinich) was appointed to manage global high yield fixed income for MLC in September 2017.
- Manages \$44.8bn.
- Established in New York in 1988 by George Muzinich and owned by the Muzinich family members and their trusts.
- Employs 72 investment and risk professionals.

We have appointed Muzinich because they are an experienced manager of credit assets (corporate bonds and bank loans), investing across a broad range of high yield sectors in developed and emerging markets. When choosing securities, Muzinich applies a combination of top-down and bottom-up proprietary credit research. Muzinich complements our existing managers, Loomis and Shenkman, who currently invest mainly in US high yield loans.

Information at 30 June 2017.



- Pacific Investment Management Company, LLC (PIMCO) was appointed to manage global multi-sector bonds in 1997.
- Manages US\$1.7tn across the world.
- Established in 1971 and based in Newport Beach, California, US.
- Employs 689 investment professionals.

MLC uses PIMCO due to their expertise in structuring portfolios to capitalise on longer-term investment themes and their ability to allocate risk across a broad array of fixed income securities and exposures. PIMCO aims to maximise total return while achieving low volatility and believes this is best achieved through wide diversification across bond market sectors, issuers and industries. PIMCO's flexibility to tailor investment mandates means PIMCO can manage investment portfolios to MLC's specific needs.

Information as at 30 September 2017.



- Shenkman Capital Management, Inc (Shenkman Capital) was appointed to manage global bank loans in 2010.
- Manages approximately \$29.2bn across the world.
- Established in 1985 and based in New York, US and London, UK.
- Employs 48 investment professionals.

MLC uses Shenkman Capital because they have a strong focus on bottom-up fundamental credit research, seeking to minimise defaults, which is an imperative in this sector of the leveraged loan market. They concentrate their effort on identifying a subset of the bank loan universe that they consider to have strong fundamentals from which they construct portfolios. The firm has very experienced investment personnel who implement their proprietary credit rating process, which underpins portfolio construction.

Information as at 30 June 2017.

## Investment manager

## About the investment manager



- UBS Asset Management (UBS) was appointed to manage Australian bonds in 1985.
- Manages \$953bn globally.
- Established in Australia in 1985 and has offices in 22 countries.
- Employs 11 fixed income investment professionals in Australia, supported by over 150 fixed income professionals around the world.

MLC uses UBS because their globally focussed process provides a risk-controlled exposure to domestic and international interest rates and credit. They believe fixed income returns move in line with fundamentals over time and that returns in the short to medium term are influenced by the economic cycle, behavioural and technical factors. The experienced team brings these factors together to identify multiple sources of return and aim to deliver consistent returns over an economic cycle.

Information as at 30 June 2017.



- Wellington Management was appointed to manage global non-government bonds in 2010.
- Manages over \$1,339bn across the world.
- Established in 1928 and has invested in global bonds since 1995. The firm has 13 offices around the world including in Sydney, Australia.
- Employs 660 investment professionals.

MLC appointed Wellington Management because of the depth and breadth of their coverage of issuers in global investment grade credit markets and the high quality of their macroeconomic research. The team that manages global bond portfolios is experienced and of high quality. The investment process integrates top-down analysis of global investment themes, rigorous fundamental economic analysis, and specialist research on individual credit sectors with bottom-up security selection.

Information as at 30 September 2017.

## Australian property managers

### Investment manager

### About the investment manager



- Antares Capital Partners Limited (Antares) was appointed to manage Australian property securities in 2012.
- Manages \$33.4bn.
- The firm was established in 1994 as Portfolio Partners but became Antares in 2012.
- The Antares Equities team co-heads have worked together for 17 years. The Antares Equities team is based in Melbourne, Australia.
- The Antares Equities team employs nine investment professionals.
- Antares is a member of the NAB Group.

MLC appointed Antares because they complement the approach of the other manager in our Australian property securities strategy, increasing the diversity of managers' views and the range of investments in the strategy. Antares has strong stock-picking skills and focuses on investing in high quality, undervalued companies and trusts. They manage a portfolio of 10 to 25 property securities.

Information as at 30 June 2017.

The logo for Resolution Capital, consisting of the words "RESOLUTION" and "CAPITAL" stacked vertically in a bold, white, sans-serif font, set against a dark teal rectangular background.

**RESOLUTION  
CAPITAL**

- Resolution Capital Ltd (Resolution Capital) was appointed to manage Australian property securities in 1995 and global property securities in 2006.
- Manages over \$5.9bn.
- Established in 2004 and based in Sydney, Australia.
- Employs 13 investment professionals with a total size of 21 employees.

MLC uses Resolution Capital because they are a specialist property securities manager. The knowledge and experience of the team results in a deep understanding of all aspects of the property trust markets and the underlying property assets of each trust. They run a relative value investment process, with a strong emphasis on the management quality of the underlying properties of each trust. They have one of the best-resourced Australian real estate securities teams in Australia.

Information as at 30 June 2017.

## Global property managers

### Investment manager

### About the investment manager



- Presima, Inc (Presima) was appointed to manage global property securities in 2013.
- Manages \$1.9bn across the world.
- Established in 2004 and located in Montreal, Canada.
- Employs 12 investment professionals.
- Presima is a member of the NAB Group.

MLC has selected Presima because they are a specialist global properties manager and their investment approach complements the other managers in our global property strategy. Their investment team is experienced and stable and they have a robust, disciplined investment process. A key strength of its process is rigorous peer review of investment ideas. The firm uses extensive bottom-up analysis to create a concentrated portfolio of 30-40 stocks.

Information as at 30 June 2017.



- Redpoint Investment Management Pty Ltd (Redpoint) has been managing shares and Real Estate Investment Trust strategies for MLC since 2014.
- Manages \$10.3bn.
- Established in 2011 and based primarily in Sydney, Australia.
- Employs 11 investment professionals.
- The NAB Group is a minority shareholder in Redpoint.

We appointed Redpoint to apply its enhanced index approach to managing Australian and global shares and global Real Estate Investment Trusts strategies in some of our multi-asset portfolios because of the quality and experience of the investment team. Redpoint's quantitative approach is dynamic, applying a diverse range of strategies to enhance returns by taking small risk-controlled positions away from the benchmark. Redpoint's low turnover, low cost approach helps reduce the impact of transaction costs.

Information as at 30 June 2018.





- Resolution Capital Ltd (Resolution Capital) was appointed to manage Australian property securities in 1995 and global property securities in 2006.
- Manages over \$5.9bn.
- Established in 2004 and based in Sydney, Australia.
- Employs 13 investment professionals with a total size of 21 employees.

MLC uses Resolution Capital because they are a specialist global property securities manager. The knowledge and experience of the team results in a deep understanding of all aspects of the property trust markets and the underlying property assets of each trust. They run a relative value investment process, with a strong emphasis on the management quality of the underlying properties of each trust. They have one of the best-resourced Australian real estate securities teams in Australia.

Information as at 30 June 2017.



## Alternative and other investment managers

Investment manager	About the investment manager
	<ul style="list-style-type: none"><li>• AlphaCat Managers, Ltd (AlphaCat Managers) was appointed to manage insurance-related investments in July 2015.</li><li>• Manages \$2.7bn across the world.</li><li>• AlphaCat Managers' parent company, Validus Group (Validus), was established in 2005. AlphaCat Managers is based in Bermuda and has managed insurance-linked securities since 2008.</li><li>• AlphaCat has a team of 10, and Validus has over 100 employees.</li></ul> <p>We have appointed AlphaCat Managers to manage insurance-related investments due to their investment experience and expertise in the management of natural catastrophe and weather-related reinsurance risk exposures. Through AlphaCat Managers, MLC can access the risk exposures that MLC finds attractive more directly and cost effectively than by using a pure specialist manager. This is because AlphaCat Managers benefits from the sourcing and underwriting expertise of its parent company, Validus, a specialist global reinsurance business.</p> <p>Information as at 1 January 2017.</p>
 <p>(for MLC Alternative Strategies Team)</p>	<ul style="list-style-type: none"><li>• The MLC Alternative Strategies team was appointed to manage the Low Correlation Strategy (LCS) in 2008.</li><li>• Manages \$1.8bn in LCS.</li><li>• The strategy was established in 2008 and the team is based in Sydney, Australia.</li><li>• Employs four investment professionals.</li></ul> <p>The LCS was developed specifically for MLC's multi-asset portfolios. The strategy is designed to increase the diversity of sources of return and risk in those portfolios. By combining several carefully selected alternative strategies, including hedge funds, LCS aims to provide a pattern of returns that is mostly independent of, or 'uncorrelated' with, share market returns. This helps to smooth out the pattern of returns in these portfolios.</p> <p>Information as at 30 September 2017.</p>

## Investment manager

## About the investment manager



(for MLC Private Equity)

- The MLC Private Equity team was established and appointed to manage private assets in 1997.
- Manages \$5bn.
- The team is based in Sydney, Australia.
- Employs seven investment professionals.

MLC includes private assets in its multi-asset portfolios because these assets provide a potential source of returns that isn't strongly linked with returns from mainstream assets, such as shares and fixed income. It's a particularly attractive source of potential returns when mainstream assets are volatile or offering low yields. MLC appointed the MLC Private Equity team for the longevity and consistency of its approach – it has invested in private equity globally since 1997, across market cycles. The team has close relationships with some of the world's leading private equity partners, providing access to many high quality private equity opportunities.

Information as at 30 September 2017.



(for Derivatives and Currency strategies)

- The MLC Derivatives team was appointed to implement derivative strategies in 2013.
- The team is based in Sydney and Melbourne and employs four investment professionals.

MLC uses currency and derivative strategies to help manage risk, enhance returns, and implement investment insights more efficiently and at lower cost than investing directly in 'physical' securities such as shares. The strategies the MLC Derivatives team employ may include using options for risk management and futures for quick, economical investment in areas our underlying managers don't cover. The MLC Derivatives team works closely with the MLC Capital Markets Research Team, which manages the multi-asset portfolios.

Information as at 30 September 2017.



(for Simple Real Return Strategy)

- The MLC Capital Markets Research (CMR) team was appointed to manage the Simple Real Return Strategy in 2016.
- The CMR team is based in Sydney and has seven investment professionals.

The Simple Real Return Strategy focuses on providing risk-controlled real (above inflation) returns. The strategy can invest in a wide range of assets and strategies and CMR has the flexibility to make large changes to the strategy's asset allocation to manage risk and capture opportunities for returns as the investment environment evolves. CMR believes this diversification, flexibility and ability to tailor risk exposures should help generate higher performance for the level of risk they take in the MLC multi-asset portfolios and smooth the portfolios' returns.

Information as at 30 September 2017.

## Investment manager

## About the investment manager



(for Defensive Australian Shares Strategy)

- The MLC Capital Markets Research (CMR) team was appointed to manage the defensive Australian shares strategy in the MLC Inflation Plus portfolios in 2016.
- The CMR team is based in Sydney and has seven investment professionals.

The defensive Australian shares strategy aims to deliver returns similar to the Australian share market over the medium term, but with less volatility due to less exposure to stocks that are likely to have significant negative returns. It's designed to perform more strongly than the market when the market is falling and less strongly than the market when the market is rising. The strategy is an extension of CMR's scenarios-based investment process for MLC's multi-asset portfolios, with the team applying their asset allocation insights to the Australian shares exposure. They believe the strong alignment between asset allocation insights and decisions about Australian industry sectors and stocks will help achieve the real return objectives of the MLC Inflation Plus portfolios.

Information as at 30 September 2017.



- Mt Logan Re, Ltd (Mt Logan Re) was appointed to manage insurance-related investments (IRIs), effective 1 January 2018.
- Manages over \$1.3bn.
- Mt Logan Re's Bermuda-based parent company, Everest Re Group, Ltd (Everest Re Group) has a 45-year operating history. Mt Logan Re, also based in Bermuda, has managed insurance-related investments since 2013.
- Mt Logan has a team of 10, and Everest Re has over 1100 employees.

We have appointed Mt Logan Re to manage IRIs due to their investment experience and expertise in the management of natural catastrophe and weather-related reinsurance risk exposures. Through Mt Logan Re, MLC can access attractive risk exposures that are facilitated by the sourcing and underwriting expertise of its parent company, Everest Re Group, a specialist global reinsurance business. Investing with Mt Logan Re provides the potential for higher returns and increased diversification in our IRIs strategy.

Information as at 19 January 2018.



- Ruffer LLP (Ruffer) was appointed to manage a multi-asset class real return strategy in 2009.
- Manages \$37bn.
- Established in 1994 and based in London, UK.
- Employs 108 investment professionals.

Ruffer runs a multi-asset real return mandate for MLC with a focus on prudently growing wealth over a full market cycle while limiting downside risk. They do this by concentrating not on what can go right, but rather, what can go wrong, which aligns with the approach of the MLC Inflation Plus portfolios. Ruffer's portfolio may include (but is not limited to) shares, debt securities, cash, commodities and foreign exchange exposures.

Information as at 30 September 2017.

# Currency managers

## Investment manager

## About the investment manager



(for currency management)

- The MLC Derivatives team was appointed to manage currency in 2015.
- Employs two investment professionals in currency management and is located in Sydney. Additional support is available from another two investment professionals in Melbourne.

The MLC Derivatives team provide an execution service to passively hedge currency exposures across our investments where required. The team specialise in obtaining best execution rates for the currency hedges to keep costs low.

Information as at 30 September 2017.



- State Street Bank and Trust Company (State Street), acting as directed agent, was appointed to implement a passive currency overlay in 2000.
- Manages approximately \$292bn.
- Has managed currency since 1992. The currency management team is located in Boston, US, with client service functions offered out of Tokyo and London.
- Employs 35 staff in Boston, three in London and one in Tokyo.

Information as at 30 June 2017.



- National Australia Bank (NAB) implements a passive currency overlay.
- Manages \$23.3bn in currency strategies.
- Has managed currency since 2010. The currency management team is located in Sydney.
- Employs six investment professionals in currency management.

Information as at 30 June 2017.

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