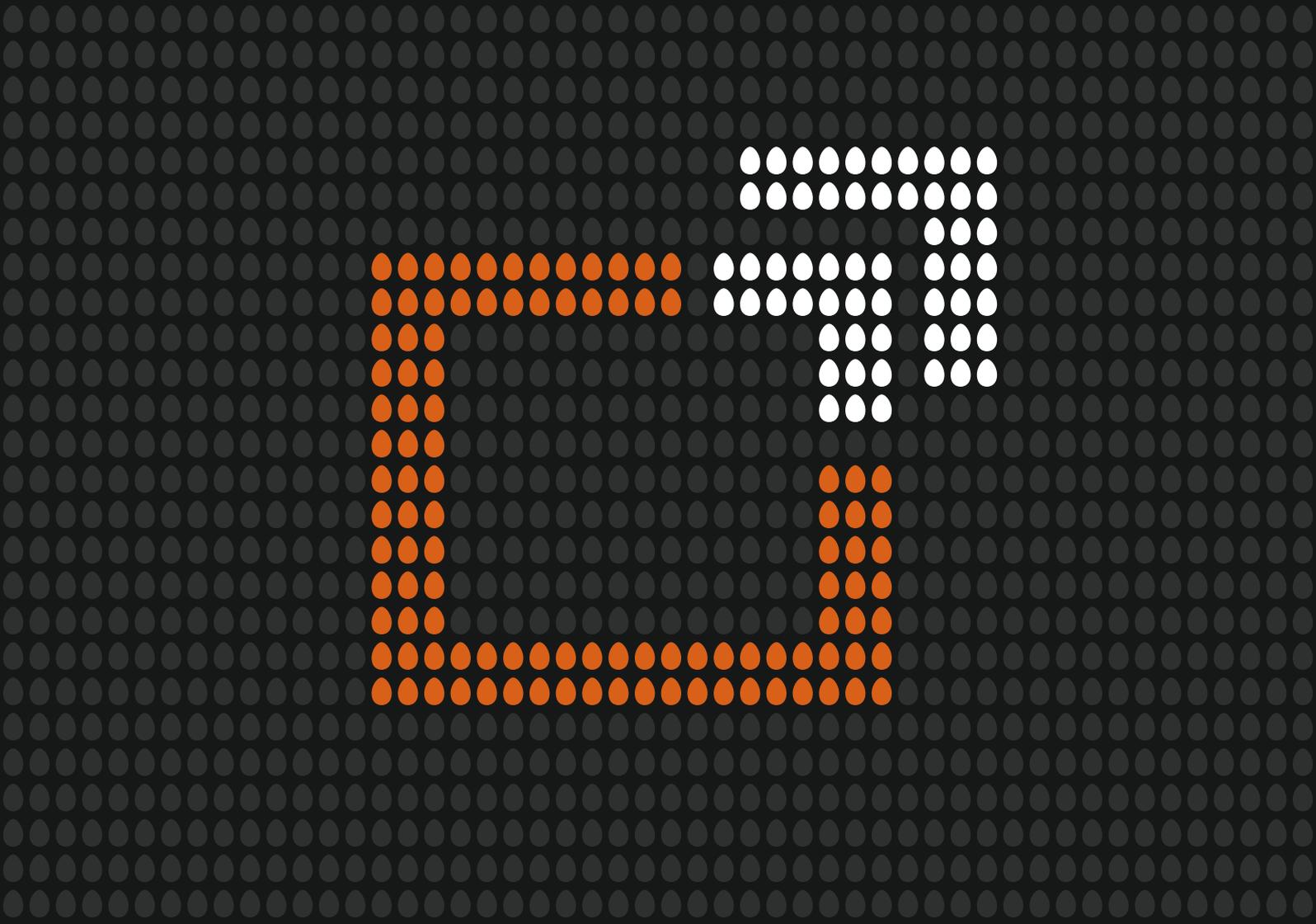




MLC Managed Account Strategies

A new way to access MLC's investment expertise



Introducing MLC Managed Account Strategies

Offering decades of MLC* investment experience in a contemporary investment structure that strengthens your client relationships – and builds your business.

Now more than ever, clients need deep relationships with their advisers. Relationships built on trust, transparency and clear communications. Relationships where you can help your clients with their human needs, not spend precious meeting time on admin.

Yet clients also need portfolios built with sophisticated diversification and the flexibility to respond to a rapidly changing world.

MLC's new range of Managed Account Strategies links MLC's proven investment expertise with all the business efficiencies and client benefits of a managed account structure.

Our portfolios combine our best thinking on asset allocation with a disciplined investment process – developed over 35 years – that optimises returns and reduces risk.

With Premium Model Portfolios that capture the return opportunities of active management and Value Model Portfolios that deliver the cost benefits of passive solutions, MLC Managed Account Strategies means you can give your clients real choice.

Add the tax benefits of beneficial ownership along with professionally managed portfolio construction and you're offering your clients a high-tech, high-touch answer to their investment needs. And doing so in a way that gives you more time to spend with your clients – and on building your business.

* References to MLC mean MLC Asset Management which includes MLC Asset Management Services Limited (MSL), investment manager of MLC Managed Account Strategies and MLC Asset Management Pty Limited (MLCAM), distributor of MLC Managed Account Strategies.

Why MLC Managed Account Strategies?



A more modern choice from one of Australia's most experienced investment managers

MLC Asset Management is one of Australia's most experienced investment managers, with over 35 years' experience designing and managing multi-asset portfolios and with over \$150 billion assets under management.[^]

Our Managed Account Strategies provide you with access to MLC's investment expertise combined with the benefits of managed accounts.



Portfolios designed to meet your clients' needs

Designed to suit a range of needs, MLC Managed Account Strategies provide transparent, diversified solutions for clients with different goals, time horizons and fee expectations.



Investment thinking that makes a difference

Through MLC Managed Accounts Strategies, you can access our deep asset allocation insights and portfolio construction expertise – the kind of thinking often not available through other managed accounts.

- **Portfolios that are ready for many futures:** We utilise our powerful and proprietary Investment Futures Framework to model many scenarios to help prepare our portfolios for, and respond to, a range of possible future events, investment scenarios and market conditions.
- **Active management of asset allocation:** Our investment experts use the insights from our Investment Futures Framework to adjust the asset allocation within each of the portfolios to control potential risks and capture return opportunities.
- **Access to some of the world's leading investment managers:** Using our deep proprietary research we select specialist investment managers from around the world and carefully blend them into the one portfolio. Our relationships with these managers provide opportunities and insights that few others can access.



Better client engagement and communication

We share portfolio and market insights with you, so you can have informed discussions with your clients.

Our client-friendly reporting gives you a clear view of the performance of the portfolios and of the individual investments within them. Our investment insights are based on global market intelligence from our experienced investment team.



Valuable practice efficiencies supported by expertise

Our investment experts are responsible for asset allocation and manager selection within the portfolios and continuously monitor them, making changes when needed, while being mindful of transaction costs. It's much easier than managing individual stocks, funds and other investments for clients yourself.

This reduces the compliance and administrative burden on your practice, freeing up your time so you can get on with what's important to you; servicing clients and building your practice.

[^] MLC Asset Management is a business division in the NAB group of companies. It includes a range of businesses and partners that in aggregate manage over A\$150bn assets under management as at March 2020.

MLC Premium Model Portfolios

A range of complete investment solutions focused on providing investors with above-inflation returns through an actively managed portfolio that's extensively diversified across asset classes, specialist investment managers and stocks.

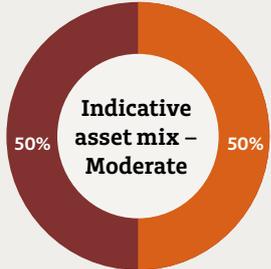
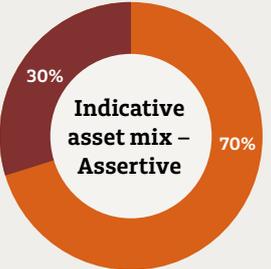
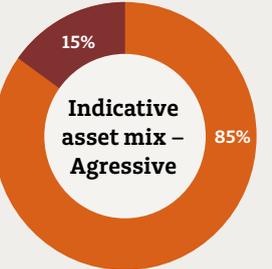
- ✓ Complete diversified investment solutions
- ✓ Actively managed across and within asset classes
- ✓ Extensive diversification across asset classes and investment managers
- ✓ Access to the tax benefits of direct shares
- ✓ Professionally managed by MLC investment experts

Investment strategy and approach

Our investment experts invest each portfolio in a combination of asset classes including shares, fixed income, alternatives and cash that they believe will be best placed to achieve the investment objective of each portfolio for investors.

We carefully select specialist investment managers to build investments in each asset class. Investments are mainly actively managed through a combination of direct shares in companies and managed funds.

In an unpredictable and constantly changing world, we use our unique Investment Futures Framework to continually identify the very wide range of potential investment market conditions that could occur, and their effect on asset class returns. The insights from this analysis are used to work out the combination of asset classes that our investment experts believe will best achieve each portfolio's objective.

MLC Premium Moderate Model Portfolio	MLC Premium Assertive Model Portfolio	MLC Premium Aggressive Model Portfolio
Investment objective: To deliver CPI +2% p.a. over 3 to 5 years, net of fees	Investment objective: To deliver CPI +3% p.a. over 5 to 7 years, net of fees	Investment objective: To deliver CPI +4% p.a. over 7 to 10 years, net of fees
 <p>Indicative asset mix – Moderate</p> <p>50% Growth assets, 50% Defensive assets</p> <p>Growth assets range: 35% to 65% Defensive asset range: 35% to 65%</p>	 <p>Indicative asset mix – Assertive</p> <p>30% Growth assets, 70% Defensive assets</p> <p>Growth assets range: 55% to 85% Defensive assets range: 15% to 45%</p>	 <p>Indicative asset mix – Aggressive</p> <p>15% Growth assets, 85% Defensive assets</p> <p>Growth assets range: 70% to 95% Defensive assets range: 5% to 30%</p>

- Growth assets
- Defensive assets

MLC Value Model Portfolios

A range of investment solutions focused on providing investors with above-inflation returns through expertly-managed, low-cost portfolios that are diversified across asset classes and blend the strengths of active and index management.

- ✓ A range of lower-cost, diversified portfolio solutions
- ✓ Blends the strengths of active and index investment management
- ✓ Actively managed where we believe it can make the biggest difference to risks or returns, with passive investments to keep costs low
- ✓ Access to tax benefits of direct shares
- ✓ Professionally managed by MLC investment experts

Investment strategy and approach

Our investment experts invest each portfolio in a combination of asset classes including shares, fixed income, alternatives and cash, that they believe will be best placed to achieve the investment objective of each portfolio for investors.

We carefully select specialist index managers to access investments in certain asset classes, and selectively use active managers where we believe it makes the greatest difference to risks and returns. Investments will mainly be managed

through a combination of direct shares in companies, ETFs and managed funds.

In an unpredictable and constantly changing world, we utilise our unique Investment Futures Framework to continually identify the very wide range of potential investment market conditions that could occur, and their effect on asset class returns. The insights from this analysis are used to work out the combination of asset classes that our investment experts believe will best achieve each of the portfolio's objective.

MLC Value Moderate Model Portfolio	MLC Value Assertive Model Portfolio	MLC Value Aggressive Model Portfolio
Investment objective: To deliver CPI +1.75% p.a. over 3 to 5 years, net of fees	Investment objective: To deliver CPI +2.5% p.a. over 5 to 7 years, net of fees	Investment objective: To deliver CPI +3.5% p.a. over 7 to 10 years, net of fees
<p>Indicative asset mix – Moderate</p> <p>50% Growth assets, 50% Defensive assets</p> <p>Growth assets range: 35% to 65% Defensive asset range: 35% to 65%</p>	<p>Indicative asset mix – Assertive</p> <p>70% Growth assets, 30% Defensive assets</p> <p>Growth assets range: 55% to 85% Defensive assets range: 15% to 45%</p>	<p>Indicative asset mix – Aggressive</p> <p>85% Growth assets, 15% Defensive assets</p> <p>Growth assets range: 70% to 95% Defensive assets range: 5% to 30%</p>

- Growth assets
- Defensive assets

Why choose managed accounts?

What are managed accounts?

A managed account provides investors with access to portfolios created and monitored by a professional investment manager via model portfolios.

The issuer of a managed account is typically a platform provider, who implements the model portfolios on behalf of investors based on the investment manager's advice.

Why multi-asset managed accounts?

Multi-asset managed accounts are professionally managed portfolios which can include investments in multiple asset classes and investment types including direct equities, managed funds and ETFs.

They're a way for your clients to access these types of investments in a diversified, consolidated and transparent portfolio.

From a practice management perspective, multi-asset managed accounts help streamline traditional portfolio construction and monitoring, freeing your time to focus on client relationships and building your practice.

Managed funds v managed accounts

Managed fund – Also known as a 'unit trust'. Investors buy units in a fund, rather than owning the underlying assets.

Managed account – Investors buy a portfolio of assets which is managed for them. Each individual investor beneficially owns the assets they have in their managed account.

What are the risks?

All investments carry different levels of risk and these should be considered prior to investing. Many factors influence an investment's value. These include, but aren't limited to: investment market sentiment, economic conditions, changes in inflation, interest rates, the value of the Australian dollar, company specific issues, and investment manager performance. For more information about the risks of investing in the portfolios, please refer to the relevant offer document available from your chosen platform provider.

The benefits of managed accounts



Benefits for advisers

More time to focus on engaging with clients and managing your business

In a multi-asset managed account, the investment decisions and portfolio rebalancing adjustments are made for you. This makes managed accounts a more efficient way to offer clients quality portfolios than constructing portfolios yourself – freeing your time to focus on client relationships and building your practice.

Expertly managed asset allocation

When you partner with a professional investment manager, such as MLC Asset Management, you can benefit from our portfolio construction and asset allocation expertise.

Our team of investments experts actively manage the asset allocation, investment manager and stock selection, adjusting the portfolios in response to changing markets or when they identify new opportunities to balance risk and return.

Improved compliance and your business' risk management

Within a managed account, your clients' investments are continuously monitored and adjusted. It's much more straightforward than managing individual stocks and investments for clients yourself, reducing the compliance and administrative burden on your practice.

Better client conversations

The ability to view the positions and performance of all underlying assets in a managed account at-a-glance, combined with our client-friendly reporting and insights, can support you in having deeper client conversations and relationships.



Benefits for your clients

Access to professional investment management

Your clients can access the benefits of professionally-constructed and managed portfolios, with a range of portfolios available catering to varying risk tolerances and investment objectives.

Simple access to diversification

MLC Managed Account Strategies provide your clients with access to a range of asset classes and specialist investment managers, enabling simple access to a diversified portfolio of investments.

Swift portfolio changes

Efficient implementation of investment decisions means portfolios can be adjusted without the requirement for clients to review additional advice or paperwork. This means your clients' portfolio updates can be seamlessly applied within days, rather than weeks or months, to take advantage of timely opportunities and to manage risks.

More transparency

You and your clients have transparency and visibility of individual investments held within the portfolios.

Better tax efficiency

As managed accounts are not pooled investments, the tax position of individual investments is not shared with other investors. This means investors don't inherit tax consequences as a result of other investors' transactions.

How we keep you informed

Our client-friendly reporting gives you a view of the performance of the portfolios and each individual investment within them.



Monthly reports

Our monthly reports include the latest performance, performance drivers, asset allocation, holdings and commentary on positioning.



Portfolio activity reports

When we add to or remove an investment from the portfolios, we will provide detailed information of the stock or fund change, the portfolios impacted and the rationale for the change.



Quarterly performance reports

Our quarterly reports include performance and commentary on how the portfolios are performing relative to their objectives, what's driving performance, how they're positioned and recent portfolio activity.



Client reporting

In addition to the reports prepared by us, you can also access client reporting provided by your platform.



Market insights

We provide regular presentations, articles, videos and webinars on the latest investment and economic thinking from our team of investment experts.

About MLC Asset Management

MLC Asset Management has looked after the investment needs for generations of Australians. For over 35 years we've utilised the multi-manager approach to help investors achieve their goals. When you're invested in an MLC portfolio, your money is with one of Australia's most experienced investment managers.

Our portfolios make sophisticated investing straightforward. We use our market-leading investment approach to structure our portfolios with the aim of delivering more reliable returns in many potential market environments.

The core of any successful investment is a clear investment philosophy. MLC's investment philosophy defines the kind of investor we are and, how we manage our portfolios. These four beliefs are the foundation of our business:

- We can manage uncertainty about the future by considering many possible market environments.
- We are risk managers, not risk avoiders.
- We are responsible for all aspects of our portfolios.
- We will never be complacent.

Our Investment Futures Framework prepares our portfolios for what lies ahead

Our powerful and proprietary Investment Futures Framework helps make sure our portfolios are strong, risk-adjusted and prepared, for many possible global investment scenarios and market conditions.

We focus on opportunities for return and managing risk, carefully designing the asset allocation, selecting the long-term strategies and specialist investment managers to help our portfolios defend and grow.

It's not just set and forget – we actively monitor and adjust our portfolios to give investors what we believe are the best investment opportunities.

We believe that by applying this philosophy and approach, we can deliver more reliable returns to investors.



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MLC Managed Account Strategies are available via investment platforms. Please refer to the MLC Asset Management website (www.mlcam.com.au) for a full list of platform availability. You should obtain a Product Disclosure Statement relating to the investment platform and consider it before making any decision about whether to acquire or continue to hold interests in the Model Portfolios.

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