WealthFoundations provides you with transparency to see the underlying investment options that make up our IPS Strategies. Each of these options utilise the expertise of fund managers who have specialist skills in the market they invest in. This enables you and your adviser to build tailored, flexible investment strategies that suit your goals and objectives both now and in the future.
ClearView outsources the management of the CLAL Money Market Fund to State Street Global Advisors (SSgA). Boston based State Street Global Advisors is one of the world’s biggest fund managers with a substantial Australian presence. ClearView tightly control and monitor what SSgA is allowed to invest in with the CLAL Money Market Fund. This Fund is managed conservatively and is largely invested in deposits with highly rated Australian banks.

CLAL Money Market Fund

The Macquarie strategy is a multi-sector fixed income strategy with an absolute-return focus. The strategy provides exposure to a diverse range of global credit-based securities with the potential to provide less volatile returns with a strong bias towards capital preservation.

The Aberdeen strategy is confined to Australian government and corporate bonds. Aberdeen is a large UK manager with operations around the world including a large team of investment professionals in Australia.

CLAL Fixed Interest Fund

The CLAL Fixed Interest Fund is a multimanager fund. ClearView does not manage the investments in this fund directly, but rather selects the best fund managers in the market to do this. The Fund has two underlying managers:

- Macquarie Investment Management Global Limited manages 60% of the Fund.
- Aberdeen Standard Investments Australia Limited looks after the remaining 40%.

CLAL Listed Property Fund

State Street Global Advisors is the underlying manager of this Fund. This Fund is currently wholly invested in Australian listed property. This Fund is passively managed with the objective of matching the S&P/ASX 200 A-REIT Index benchmark return (before fees). Passive management means that this Fund’s portfolio will hold the stocks in the benchmark index in the same proportion as the index itself.

All managers are selected based on merit and how they will add to the performance and diversification of each strategy. Here’s the important background on the underlying investment options in WealthFoundations.
First Sentier Investors Infrastructure Fund

The Global Listed Infrastructure Fund aims to provide investors with a combination of capital growth and inflation-protected income by investing in companies which own or operate infrastructure assets. These companies are found primarily within the transport, utilities, energy and communications sectors.

The assets the companies hold typically offer predictable cash flows, pricing power, high barriers to entry and structural growth.

The Fund is managed by a team of infrastructure specialists with a unique combination of complementary skills and experience in both infrastructure and equity markets.

This experience is enhanced on an ongoing basis by frequent asset tours and meetings with company management, as well as meetings with competitors, suppliers, customers, regulators, government officials and industry bodies.

The information obtained in this way is their most important source of idea generation and risk management.

The team takes an active, bottom-up investment approach which seeks to identify mispricing. They use a consistent, structured process which places equal emphasis on quality and fundamental value, and which focuses on real assets producing consistent cash flows.

For infrastructure assets to deliver their full potential, they also look for management alignment, independent boards, appropriate leverage, and transparent regulation.

Currency hedging within the Fund is dynamic and directed by the ClearView Investment Research team. Currently the Fund is 100% unhedged, but this can vary over time.

Stewart Investor Worldwide Sustainability Fund

The Stewart Investors Worldwide Sustainability Fund offers a diversified portfolio of global shares, which include both developed and emerging markets, with an investment style based on quality. It has a long-term investment horizon (minimum five years), focusing on companies with high quality management, franchise and financials.

The Fund incorporates environmental, social and governance (ESG) considerations at all levels of the investment process. By analysing the sustainable development performance and positioning of companies, Stewart Investors are better able to measure less tangible elements of quality and identify less obvious risks. They have an absolute return mindset and define risk as losing client money, rather than deviation from the benchmark index.

The Stewart Investors’ investment team seeks out companies capable of growing cash flows over the long-term and which should contribute to, and benefit from, sustainable development. They place particular emphasis on a company’s management team having long-term alignment with minority shareholders, and aim to invest in companies which provide products and services beneficial to society and which are environmentally friendly. Their portfolio is focused on companies which should stand the test of time through stormy economic periods.

This investment philosophy results in a portfolio of 40-60 stocks. With strict quality and valuation criteria, this fund is likely to favour consumer staples and healthcare companies and can differ substantially from the industry and country weights in a standard global equities benchmark.

Hyperion Australian Growth Companies Fund

The Hyperion Australian Growth Companies Fund seeks to achieve medium to long-term capital growth and income through investing in high quality Australian companies. This Fund is highly concentrated, containing around 15-30 stocks, with low turnover. This Fund invests in growth-oriented companies which pass Hyperion’s rigorous investment process. This Fund is dominated by companies:

• That own high quality business franchises;
• With above average growth potential;
• With low levels of gearing;
• With predictable medium to long-term earnings streams.

Hyperion actively manages its portfolio of companies using quantitative analytical models they have created, as well as qualitative bottom-up research. Their rigorous research process creates high-conviction, benchmark insensitive portfolios.

Hyperion is proud of its track record in beating the index in long term performance over multiple business cycles. Hyperion regularly review its portfolio holdings and rebalance as necessary to maintain quality standards.
RARE Emerging Markets Fund

The RARE Emerging Markets Fund invests in listed companies whose business is the operation and maintenance of infrastructure assets in emerging markets. The Fund gives investors access to the high GDP growth potential of emerging markets with the more stable underlying revenue of regulated and contracted infrastructure assets. RARE Infrastructure Limited (RARE) is focused on long-term outcomes for investors, which is reflected in their rigorous investment process. RARE employs a benchmark unaware portfolio construction process, characterised by in-depth analysis of individual infrastructure securities. Through this process, the Fund aims to provide investors with regular income comprised of dividends plus capital growth through exposure to infrastructure in emerging markets. Setting RARE apart from their competitors is their speculation – RARE’s business is dedicated exclusively to investing in listed infrastructure securities. RARE’s team are first and foremost infrastructure specialists, with a unique breadth of experience across the infrastructure asset lifecycle.

Schroders

Schroder Equity Opportunities Fund

The Schroder Equity Opportunities Fund is an actively managed portfolio investing in a broad range of Australian listed companies. The objective is to actively seek out higher quality companies characterised by strong returns on capital, with a sustainable competitive advantage over the long term. This Fund draws on Schroders’ deep research capabilities, with a long-term investment focus. Stocks are identified using bottom-up, fundamental analysis undertaken by Schroders’ experienced and stable team of in-house analysts. Securities are selected on the basis of business quality (comprising both business and industry scores) and valuation attraction.

The Fund has restrictions on the total market value of equity investments held in any one company. The Australian stock market is weighted to miners and banks. By capping the exposure to any one security, we free the manager to assemble a portfolio of their best ideas rather than having to follow an index.

This strategy is used by the Schroders’ investment team for part of their own deferred bonuses. Therefore, the Fund’s goals are closely aligned with the Schroders’ investment team. The Fund is managed with an approach that some of the most experienced investors in Australian shares believe is the most sensible.

Established in 1961, Schroders in Australia is a wholly owned subsidiary of Schroders plc. Schroders Australia is comprised of a team of around 100 people and is home to the domestic research and investment teams for capabilities in Australian equities, fixed income and multi-asset and global equities. Schroders believes in the potential to gain a competitive advantage from in-house global research which will translate into superior investment performance through disciplined portfolio construction. Proprietary research provides a key foundation of Schroders’ investment process.

CLAL Antipodes Global Fund

The CLAL Antipodes Global Fund is a high conviction portfolio, typically investing in 30 to 60 stocks. The manager has the discretion to utilise investments such as equity shorts and currency positions in order to take advantage of attractive risk-return opportunities and to offset specific long portfolio risks.

Antipodes Partners is a pragmatic value manager of global and Asian equities (long only and long-short) aspiring to grow client wealth over the long-term by generating absolute returns in excess of the benchmark at below market levels of risk. They seek to take advantage of the market’s tendency for making irrational assumptions in response to changes in the operating environment, identify great businesses that are not valued as such and building high conviction portfolios with a capital preservation focus. Antipodes Partners is majority owned by its seasoned investment team who collectively have over 100 years of global experience and significant shared history of successful investing. Their performance culture is underpinned by sensible incentives, a concentrated product offering and the outsourcing of non-investment functions to minority partner Pinnacle Investment Management to maximise their focus on investing.
Index Funds - Macquarie Investment Management

ClearView has appointed Macquarie Investment Management Global Limited as the underlying manager for the below funds:

- CLAL Index Fixed Interest Fund
- CLAL Index Emerging Markets Fund
- CLAL Index Infrastructure and Property Fund
- CLAL Index Australian Shares Fund
- CLAL Index International Shares Fund

Why we chose Macquarie Investment Management Global Limited

Macquarie Investment Management Global Limited forms part of the Macquarie Group’s investment management business, Macquarie Investment Management. Macquarie Investment Management delivers a full-service offering (including indexing solutions) across a range of asset classes including fixed interest, listed equities (domestic and international) and infrastructure securities, to both institutional and retail clients in Australia and the US, with selective offerings in other regions.

The underlying Macquarie funds that ClearView invests into feature:

- **True Indexing** arrangements, which means that the underlying fund is designed to result in pre-tax returns for investors that equal the returns provided by the index, or
- **Index Tracking** arrangements, which means that the underlying fund is designed to result in pre-tax returns for investors that equal the returns provided by the index, less a margin which is deducted from the return of the index

How are the CLAL Index Funds invested and which indices do the Macquarie funds track?

<table>
<thead>
<tr>
<th>ClearView Fund</th>
<th>Underlying Macquarie Fund</th>
<th>Allocation</th>
<th>Underlying index</th>
</tr>
</thead>
<tbody>
<tr>
<td>CLAL Index Fixed Interest Fund</td>
<td>Macquarie True Index Australian Fixed Interest - MAQ0211AU</td>
<td>60%</td>
<td>Bloomberg AusBond Composite 0+ Yr Index</td>
</tr>
<tr>
<td></td>
<td>Macquarie Index Tracking Global Bond - MAQ0266AU</td>
<td>40%</td>
<td>Citigroup (Customised Benchmark) M1 Global ex-Australia hedged to Australian dollars (less 0.12% pa)</td>
</tr>
<tr>
<td>CLAL Index Emerging Markets Fund</td>
<td>Macquarie True Index Emerging Markets - MAQ0837AU</td>
<td>100%</td>
<td>MSCI Emerging Markets ex-Tobacco ex-Controversial Weapons Net Dividends Reinvested in AUD Index (unhedged)</td>
</tr>
<tr>
<td>CLAL Index Infrastructure and Property Fund</td>
<td>Macquarie True Index Global Real Estate Securities - MAQ0832AU</td>
<td>40%</td>
<td>FTSE EPRA/NAREIT Developed Net Total Return Index in AUD (unhedged)</td>
</tr>
<tr>
<td></td>
<td>Macquarie True Index Listed Property - MAQ0219AU</td>
<td>30%</td>
<td>S&amp;P/ASX 200 A-REIT (TR) Index</td>
</tr>
<tr>
<td></td>
<td>Macquarie True Index Global Infrastructure Securities - MAQ0831AU</td>
<td>30%</td>
<td>FTSE Developed Core Infrastructure 50/50 Net Total Return Index in AUD (unhedged)</td>
</tr>
<tr>
<td>CLAL Index Australian Shares Fund</td>
<td>Macquarie True Index Australian Shares - MAQ0288AU</td>
<td>100%</td>
<td>S&amp;P/ASX 300 Accumulation Index</td>
</tr>
<tr>
<td>CLAL Index International Shares Fund</td>
<td>Macquarie True Index International Equities - MAQ0633AU</td>
<td>100%</td>
<td>MSCI World ex-Australia ex-Tobacco Net Dividends Reinvested Index in Australian dollars (unhedged)</td>
</tr>
</tbody>
</table>
Find the right solution for you.

Learn more about WealthFoundations. Talk to your financial adviser today.

14 October 2019

Prepared by ClearView Life Nominees Pty Limited (ClearView) ABN 37 003 682 175 AFS Licence No. 227683 as Trustee for the ClearView Retirement Plan which includes ClearView WealthFoundations Super and Pension. These fund manager profiles are not intended to represent investment or professional advice. Information on fund managers contained herein are from those fund managers themselves. While this information is believed to be correct as at the time of compilation, no warranty is made as to the accuracy or reliability of any information contained in this document and, to the maximum extent permitted by law, ClearView disclaims all liability and responsibility from any direct or indirect loss or damage which may be suffered by any recipients through relying on anything contained in or omitted from this document. Opinions contained herein are not intended to convey any guarantees as to future performance.