EXECUTIVE SUMMARY

Goldman Sachs Asset Management

Javier Rodriguez-Alarcon, Managing Director

Man and Machine: The Power of Working in Tandem. Leveraging technology and data to uncover the hidden web of company linkages.

Living in the Era of Information Explosion, we as humans are fundamentally unequipped to process all the complex data that is growing daily. Our attention span is narrow and arguably getting narrower as we are bombarded by the media, online messages, and email, 24 hours a day.

Moreover, we can fall into traps of succumbing to biases and ignoring the statistics. In the meantime, as the amount of data, in particular unstructured data (text, audio, photo), increases exponentially, so does the understanding gap between the data that is out there and the data that we can grasp, bounded by our human nature.

In the Quantitative Investment Strategies group, we see this is as an opportunity to take advantage of the power offered by technology and, in combination with economic intuition, use it to extract actionable and unique investment insights. We invite you to dive deeper into our investment philosophy, as well as to explore some of the hidden company linkages uncovered from the mass of data.

Dodge & Cox

Lucy Johns, Associate Director of Fixed Income

Global Bond Opportunities: Finding Value in a Low-Yield World

For years, we have been talking about the pervasiveness of low yields and trillions of dollars in negative yielding debt, and recent market moves have only exacerbated this phenomenon. Investors are asking themselves two questions: 1) Are bonds still relevant; and 2) What kind of bond strategy makes sense? Dodge & Cox believes that fixed income continues to play an important role in providing portfolio diversification, stability, liquidity, and the potential for income

and return. And in particular, strategically evaluating the global fixed income universe can provide significant opportunities for discerning investors.

Domestic only bond strategies limit diversification and the potential for total return by constraining investors to a narrow range of opportunities. A global bond strategy can be an attractive complement to a domestic strategy, offering investors increased return potential and diversification. We believe it is essential to use an active global bond investment approach that is flexible, selective, and long-term oriented. On the other hand, investing via a passive, index-tracking approach exposes investors to meaningful and unnecessary interest rate and currency risk, especially in today's low-yield environment.

At Dodge & Cox we emphasize an active, valuation-driven, bottom-up approach and believe that even in today's low-yield environment it is possible to construct a diversified portfolio with attractive long-term risk adjusted total return prospects. While parts of the global bond market are unattractive, we continue to find interesting opportunities in areas such has investment-grade credit and emerging markets local government debt.

BlackRock

Sherry Rexroad, Managing Director

The current global real estate market

In BlackRock's presentation, Sherry Rexroad, Managing Director, Real Asset Securities team discussed the current global real estate market and its predominantly healthy fundamentals, how MegaTrends are influencing real estate, how real estate securities remain resilient in this changing environment and how active management can capitalise on these trends.

BlackRock's GRAS team's base case assumes a stable outlook with no recession in developed markets in the next few years. The big picture is healthy real estate fundamentals with a relatively benign but slowing global growth scenario and potential further impact from macro events e.g. trade concerns, political unrest, and the coronavirus.

But what about the other big disrupters of the decade? Technological Change; Urbanisation, Demographic and Social Change; and Climate Change and Resource Scarcity? At BlackRock, we actively incorporate these trends into our portfolio construction and invest in the path of growth created by them.

· Technological Change – Multiple funding sources are needed to keep pace with technological development and the public companies will play a big role e.g. Data Centres - the public companies have played a significant role in bringing this property type mainstream and in aggregating portfolios.

· Changing demographics, rapid urbanisation, and social change create dynamic investment opportunities. Think about the rising use of smart devices and the cell tower demand that they create. Aging populations and growth in the size of the healthcare and senior housing public real estate sector.

· Environmental, social and governance factors drive risk and return in real assets. Our team actively incorporates both the economic and risk impact of ESG into our stock valuation and selection.

Active management works better in some areas than others. BlackRock suggests that real estate is less efficient than the broader markets given its small-cap nature and idiosyncratic assets.

BlackRock views US manufactured housing and single family for rent, German and UK residential and European healthcare, as areas of opportunity, supported by the demographic megatrend. BlackRock is more cautious on US lodging and self-storage due to supply. Globally, industrial and data centres are areas of opportunity but we are cautious on retail and on Australian REITs overall.

Baillie Gifford

Toby Ross, Joint Head of Global Income Growth

Funding a Long and Happy Retirement

While few expect to live until they are ninety, the reality is that nearly one in five men and nearly one in three women will. This is great, but a long and happy retirement must be funded. The longer your retirement, the more important it is to include equities that are capable of outpacing inflation. However, the downside to equities is that the timing of withdrawals can have a significant impact. Income-generating assets form some protection because there's less reliance on selling capital to meet spending needs.

Traditionally, income strategies concentrate on companies that deliver lots of short-term yield. However, a client investing for a long retirement needs growth businesses capable of paying resilient dividends as they grow and that are still delivering on it a decade later. 'Actual' income investing is the long-term search for exceptional businesses that can do both. Atlas Copco, the Swedish engineering business, and Apple are examples of holdings that are not traditional income stocks, but as well-run, capital-light businesses with huge growth opportunities have delivered resilient income over time, without compromising growth. Having a global opportunity set is vital to find these types of exceptional businesses.

Funding a long and happy retirement requires both a resilient level of income and growth. If you invest appropriately, growth and income can be two sides of the same coin. For clients investing for 10-20 years' income, it is important that their managers share the same time horizon. Our low turnover, consistent with a five- to ten-year investment horizon, shows that Global Income Growth does. Finally, our global opportunity set allows us to run a genuinely diversified and differentiated portfolio that we hope will form the basis of many long and happy retirements.

All investment strategies have the potential for profit and loss.

Prudential Investment Managers

Marc Beckenstrater, Portfolio Manager

Falling global bond yields: A threat and an opportunity

Although investors may be preoccupied with the coronavirus-related market selloff at present, at Prudential and M&G Investments we believe falling global interest rates and record-low government bond yields in developed markets represent one of the main threats to investor returns for the foreseeable future. This has become an even bigger challenge for investment managers now: not only have investors panicked by selling off equities and buying up bonds, but the US Federal Reserve and other central banks have unexpectedly lowered their benchmark interest rates in a bid to help offset any negative impacts on the global economy.

Real yields are negative in Europe, Japan and even in the US, even in longer-dated bonds suitable for retirement assets. Bond buyers have to be willing to accept guaranteed losses. What are the implications for investors' global portfolios going forward? Global balanced funds with bond holdings around 40% or higher will likely be challenged to produce solid, long-term inflation-beating returns, even with lower inflation. Passive products, too, will be challenged in this regard. Investors may need to be prepared to change their asset allocation to take on more risk by down-weighting bonds in their portfolios if they want to meet their retirement goals over the next five to 10 years.

The Prudential Global Balanced Fund, managed by M&G Investments, has been overweight global equities for some time now, and we have been adding select equity exposure as the market has become cheaper. We have been avoiding global developed market government bonds, preferring to hold US and European corporate bonds and emerging market government bonds instead.

We believe the latter are especially well-valued now after having underperformed their developed market counterparts in the past few years, even as their risk has broadly improved. As such, today we are seeing current levels of government bond yields as both a threat (in developed markets) and an opportunity (in emerging markets) for investors.