



Centric

The background of the top-left section features a dark blue bar chart with several bars of varying heights. The word 'Centric' is written in white, with a red hexagonal logo containing a white 'C' positioned above the 'i'. The chart has a light blue grid and some numerical values are visible, such as 99.3554, 108.365, 106.554, and 100.66.

Growth Alternatives – International Experience in a Critical Investment Class

IMAP

September 2024

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Specialised Private Capital Ltd (ABN 87 095 773 390, AFS Licence No. 246744)

Disclaimer

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- Any factual information or general advice in this email has been prepared without taking into account any personal objectives, financial situation or needs. Before you act on any information in this email you should seek specific advice that considers your personal circumstances. Investors should also read the relevant disclosure document before making any investment decisions, copies of which can be obtained by visiting centricwealth.com.au or by calling 1300 223 687. A copy of the target market determination for Centric and Centric Super can be located at centricwealth.com.au/ddo.
- **Past performance is not a reliable indicator of future performance**

Warm welcome to



Frederick Pollock
Chief Investment Officer
GCM Grosvenor

Mr. Pollock is the firm's Chief Investment Officer and is responsible for managing all investment related activities for the firm.

He is also Head of the Strategic Investments Group and serves on all of the firm's Investment Committees, the Diversity, Equity and Inclusion Committee and the ESG & Impact Committee.

Prior to joining GCM Grosvenor, Mr. Pollock had various roles at Morgan Stanley, most recently within its merchant banking division, specializing in infrastructure investing, with responsibility for deal sourcing, due diligence, and management as a Board Member of various portfolio companies.

He helped form the infrastructure investment group at Morgan Stanley and structured and raised capital for its initial funds. Prior to joining Morgan Stanley, he worked at Deutsche Bank, where he made investments for the firm and on behalf of clients.

He received his Bachelor of Science summa cum laude in Economics from the University of Nevada and his Juris Doctor magna cum laude from Harvard Law School.



Alexander Chambers
Vice President and Director of Alternatives,
Hedge Funds APAC

As a director of alternatives within our APAC Client Group based in Hong Kong, Alex leads our engagement with clients and prospects on Wellington Group's alternatives platform, across the firm's range of hedge fund strategies.

Prior to joining Wellington Group, Alex was previously an executive director at Man Group plc (2004 – 2022) where he oversaw business development for Man's client base in Hong Kong, Singapore, and South Korea.

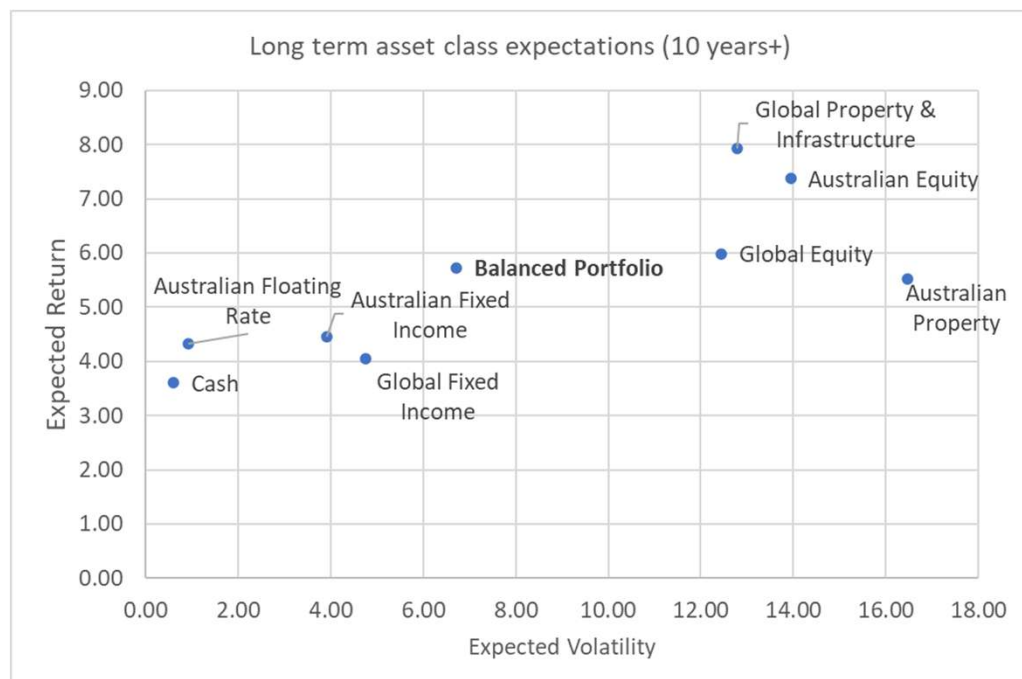
Prior to his time in Asia, he held various roles at Man's fund of hedge funds investment division in London, including responsibility for product development, investment analysis and risk management.

Alex earned his bachelor of arts in classics from University College London (2003).

The Case for Alternatives

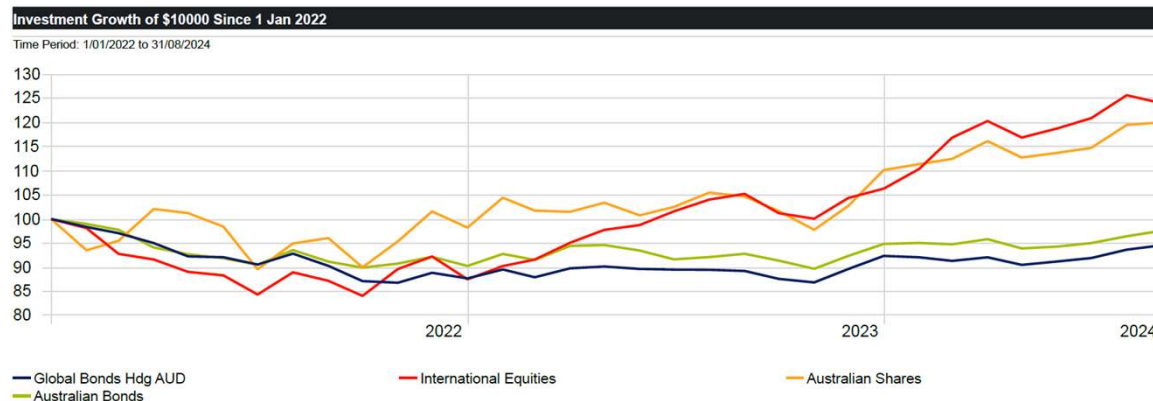
Asset class expectations point to a lower return over the next decade

Defensive Assets expected to deliver between 3-5% p.a. whilst growth assets between 5-8%. A Balanced Portfolio (60/40) is expected to deliver a return of around 5.7% p.a. over the next decade.



Source: Centric, BCA

There are times when Equities and Bonds move in tandem e.g. 2022 pull-back



- ❖ A similar scenario in which equities and bonds may be highly correlated (and poor performing) would be a **stagflationary** environment. The probability of such a scenario, whilst low, it is not nil as per BCA.
- ❖ It is imperative for us to find portfolio diversifiers for the traditional 60/40 portfolio as recession risks still loom and S&P 500 valuations seem priced for perfection.

What are Alternative Investments for us?



A Distinct Asset Class. Alternative Investments are those that do not fit the description of traditional assets such as shares, property and fixed income;



Ability to short. They allow the Manager to take both “long” and “short” positions across multiple markets and instruments, whereas a traditional investment allows the Manager to take “long” only positions in a specific sector;



Absolute-Return focused. They are typically absolute return focused with a performance and volatility objective, rather than an objective to outperform a specific benchmark;



Portfolio Diversifier. As a result, alternative assets tend to have **low/er correlation** with major equity and bond markets (traditional asset classes);



Flexible Strategies. They are flexible investments and typically not constrained by markets, strategies, securities or risk profile;



Downside Protection. Importantly, they place great emphasis on low volatility and capital preservation (reduced market exposure).

What is the Findex Alternative Investment Program?

We constantly seeking complementary strategies that improve the risk and return characteristics of client portfolios.

The Alternative Investment universe is vast and complex and managing an effective mandate in this space requires significant resources with specialist expertise.

Findex has therefore established an Advisory relationship with two leading global Managers in the Alternative Investment sector, GCM Grosvenor and Wellington that fulfil these requirements.

The Findex Alternative Investment Program segments our exposure to this sector in two categories – via customised vehicles;

1. Defensive Alternatives (Wellington Management);
2. Growth Alternatives (GCM Grosvenor)

Both Grosvenor and Wellington have decades of experience in building alternative portfolios.

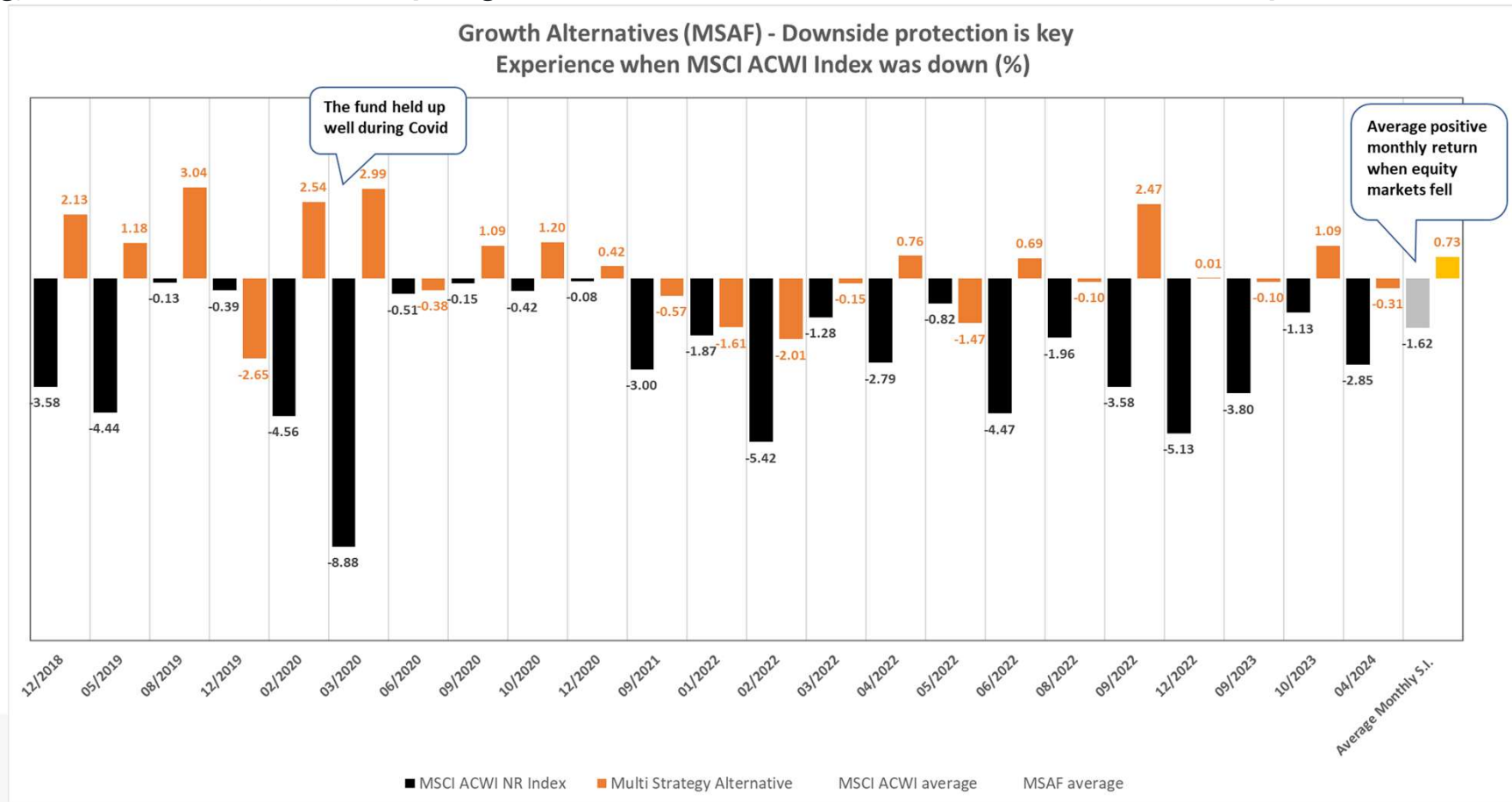
Growth Alternatives research commenced in 2015 with fund seeded in 2018 (\$300m+). On the back of our experience, we launched Defensive Alternatives in mid-2023 with Wellington.

Guidelines	Defensive Alternatives	Growth Alternatives
Alpha Target (Net of Fees)	Absolute Return 4% p.a.	Absolute Return 6% p.a.
Volatility Target	<6%	<8% (half of equity market)
Liquidity	Max. Monthly	Max. Monthly
Reference Benchmark	4% or T-bills	HFRX Equity Market Neutral Index (Reference index only)
Correlation to traditional asset classes	Low	Low
Beta to traditional asset classes	Beta to MSCI World <0.4 Beta to Global Agg <0.4	Beta to MSCI World <0.4 Beta to Global Agg <0.4
Number of underlying Funds	Minimum 5	Minimum 8
Max allocation to one Fund	35%	20%

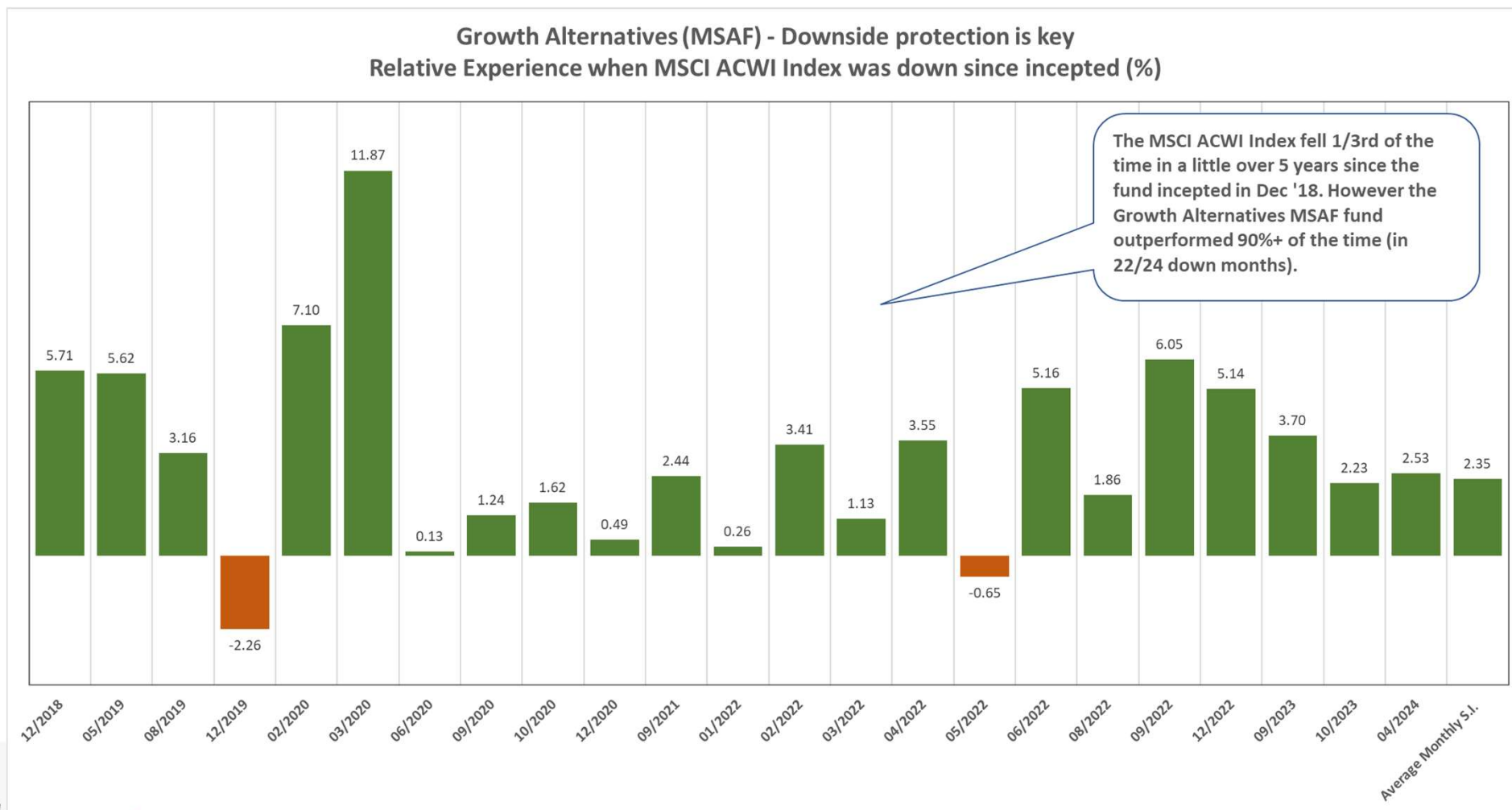
Why are Alternatives important to multi-asset investors like us?

Downside protection. Helps to dampen volatility. Diversification and correlation benefits. Source of a differentiated stream of returns.

Multi Strategy Alternative Fund (MSAF) – bespoke growth alternatives built with Grosvenor. Australian fund inception in 2018.



Relative performance of Growth Alts when ACWI was down



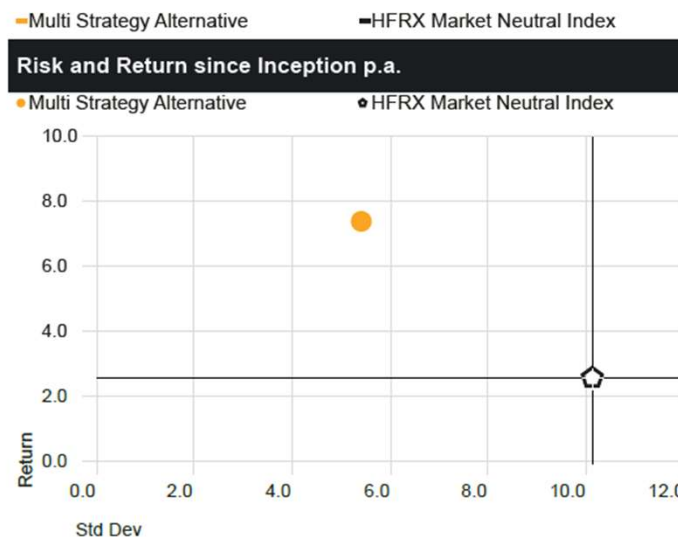
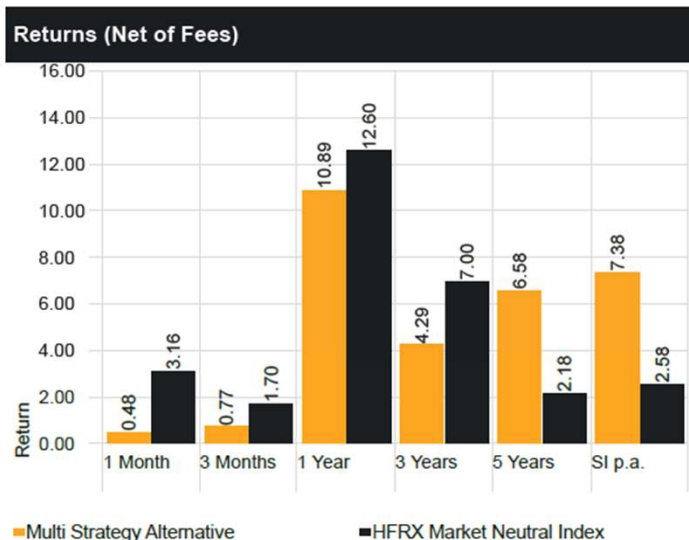
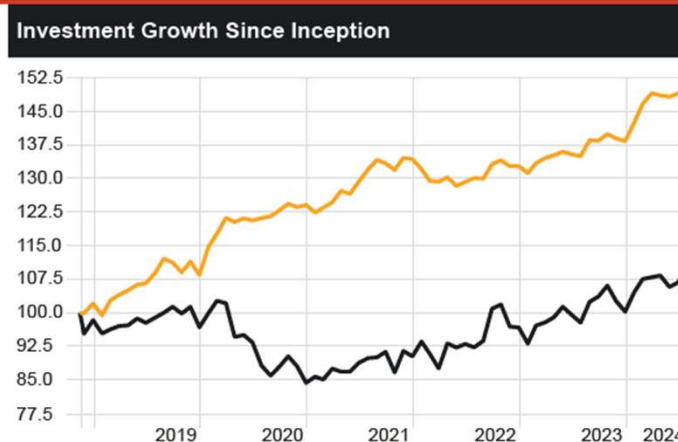
Performance – Growth Alternatives

Multi Strategy Alternative

Performance As of 31/07/2024

Key Facts	
APIR Code	BEG8635AU
Inception Date	1/10/2018
Asset Class	Alternatives
Management Fee	2.73% p.a.
Total Cost Ratio (TCR)	5.09% p.a.

Returns (Net of Fees)						
	1 Month	3 Months	1 Year	3 Years	5 Years	SI p.a.
Multi Strategy Alternative	0.48	0.77	10.89	4.29	6.58	7.38
HFRX Market Neutral Index	3.16	1.70	12.60	7.00	2.18	2.58



Past performance is not a reliable indicator of future performance. HFRX Market Neutral Index is used as a reference-only index.



Fred Pollock
Chief Investment Officer



50+ YEARS OF ALTERNATIVES INVESTING

We are one of the world's largest and most diversified independent alternative asset management firms.



\$79B

ASSETS UNDER
MANAGEMENT

\$56B Private Markets

\$23B Absolute Return
Strategies

1971

established firm and
began investment
services

71%

of AUM in customized
separate accounts

539

employees

176

investment
professionals

FLEXIBLE, OPEN ARCHITECTURE PLATFORM

One platform that spans the alternatives
investing universe

6,300+

Tracked managers
across platform

750+

Manager
relationships

Investment Areas

ABSOLUTE RETURN STRATEGIES

CREDIT

INFRASTRUCTURE

PRIVATE EQUITY

REAL ESTATE

MULTIPLE IMPLEMENTATION OPTIONS



Primary
Investments



Co-
Investments



Direct
Investments



Secondaries



Custom
Structures



Seeding

GCM GROSVENOR INVESTMENT CAPABILITIES

Diversified open architecture platform creates flexibility for building alternative asset portfolios

	PRIVATE EQUITY	INFRASTRUCTURE	REAL ESTATE	ABSOLUTE RETURN STRATEGIES	CREDIT	STRATEGIC INVESTMENTS
Assets Under Management	\$30.2B	\$14.5B	\$6.1B	\$22.6B	\$14.1B	\$5.6B
Implementation Methods	Co-Invest / Direct / Secondary / Primaries	Co-Invest / Direct / Secondary / Primaries	Joint Ventures / Seeds / Co-Invest / Primaries	Co-Invest / Primaries	Co-Invest / Direct / Secondary / Primaries	Co-Invest / Direct
Inception of Practice	1999	2005	2010	1971	1986	2015
Deep Experience	320+ direct and co-invests 925+ fund investments	90+ co-investments 100+ fund investments	71% investments with revenue share ² 175+ principal investments	190+ current fund investments ³	400+ investments ⁵	325+ investments ⁵
Differentiators	<ul style="list-style-type: none"> • Deep middle market buyout expertise • A market leader with small and emerging managers 	<ul style="list-style-type: none"> • Differentiated sourcing platform allows access to unique opportunities • 2,720+ deals sourced¹ 	<ul style="list-style-type: none"> • Flexible investments across the capital stack at the property, portfolio and entity levels • Target middle market assets with an emphasis on niche strategies 	<ul style="list-style-type: none"> • Over 90% of capital is invested through means of unique access (improved fee structures, closed managers, etc.)⁴ 	<ul style="list-style-type: none"> • Ability to provide strong deal flow and credit exposure across asset classes and the liquidity spectrum 	<ul style="list-style-type: none"> • Opportunistic investing in highest conviction co-investment and direct investment ideas, leveraging deals sourced from firm's own platform

ARS GLOBAL MANAGER COVERAGE

Our focused approach to manager selection includes narrowing the universe to those we consider to be top institutional-quality managers across strategies, sectors, and geographic regions.

COMPREHENSIVE MANAGER COVERAGE

190+ number of invested
funds on platform

2900+ funds tracked on our
database

Our investment team maintains strategy peer
groups and datasets upon which funds can be
quantitatively compared and evaluated

1000+ meetings with
managers in 2023

Our Research teams are diversified by sector,
strategy, and geography

FUNDS TRACKED WITHIN OUR STRATEGY PEER GROUP DATABASE

Approximate number of funds tracked

By strategy type



CREDIT	280
LONG/SHORT EQUITY	1700
RELATIVE VALUE	280
MULTI-STRATEGY	300
QUANTITATIVE	200
MACRO / COMMODITIES	200

By geography



U.S. / CANADA	560
ASIA	240
EUROPE	280
GLOBAL	1880

ABSOLUTE RETURN STRATEGIES & OFFERINGS

PRIMARY PORTFOLIO OFFERINGS

1. Broadly diversified multi-strategy portfolios
 - Multi-strategy
2. Portfolios that seek to replace or supplement investments in traditional assets
 - Long/short equity
 - Long/short and structured credit
3. Concentrated opportunistic portfolios
 - Opportunistic credit
 - Special opportunities
 - Niche equity
4. Lesser correlated portfolios
 - Macro
 - Quantitative
5. Specialty portfolios
 - Hedge fund seeding
 - Small and diverse

GLOBAL ABSOLUTE RETURN STRATEGIES

MULTI-STRATEGY

Broad range of global absolute return strategies that typically seek low beta to traditional investments

CREDIT

Seeks risk/return profile superior to traditional credit-focused strategies using non-traditional & opportunistic approaches

EQUITIES

Seeks equity-like returns with less volatility over a market cycle using various hedged equity techniques

MACRO

Seeks low correlation to risk assets & other absolute return strategies

RELATIVE VALUE

Seeks to capitalize on perceived mispricing of one instrument relative to another

QUANTITATIVE

Seeks diversifying exposure in order to capitalize systematically on inefficiencies across time horizons & asset classes

SPECIAL OPPORTUNITIES

Opportunistic investments implemented largely through co-investments & direct investments

HEDGE FUND SEEDING

Seeks investment returns & upside from interest in managers' businesses

SMALL & DIVERSE MANAGERS

Varied investments with small firms or firms owned by women & minorities



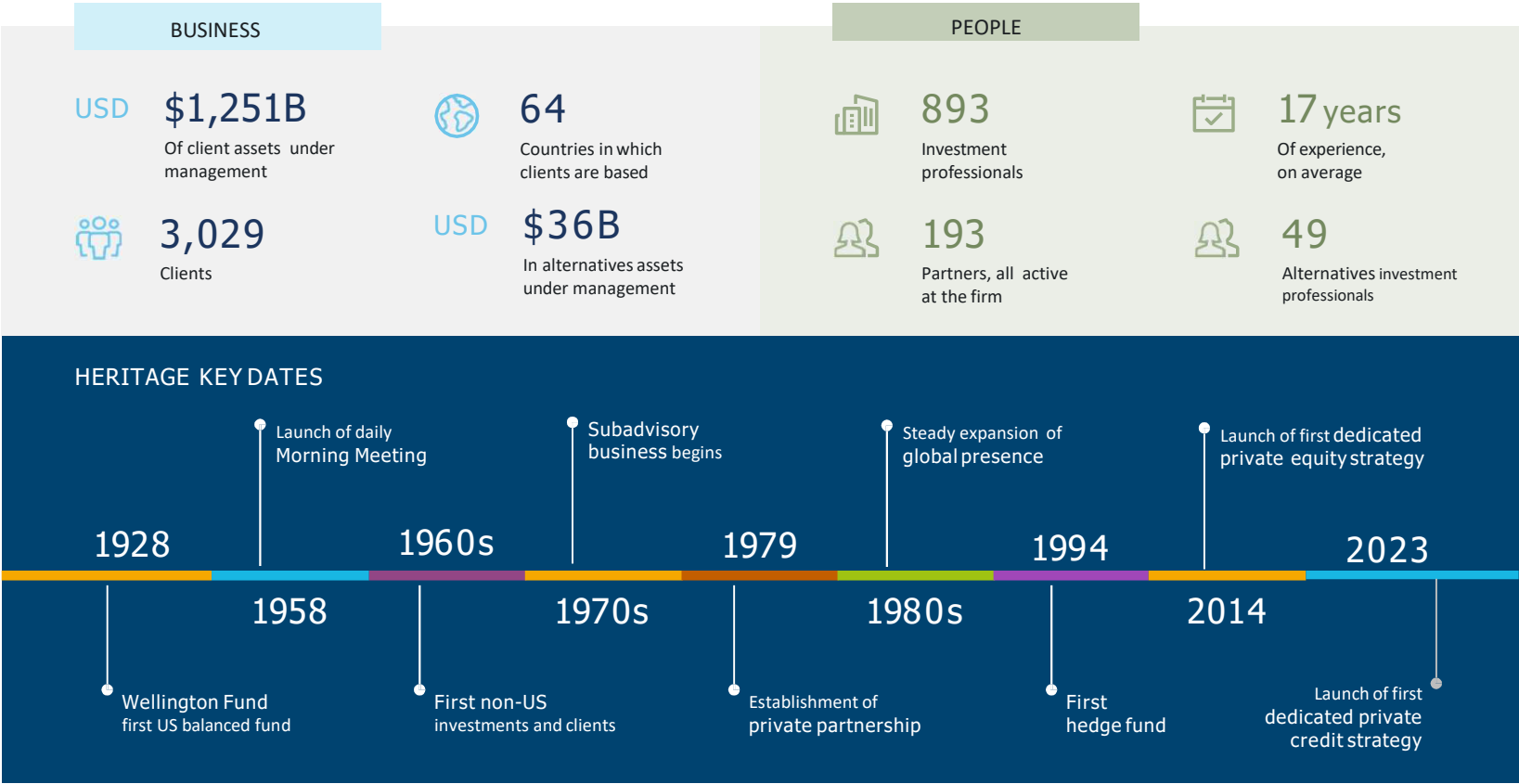
Alexander Chambers

Vice President and Director of Alternatives,
Hedge Funds APAC

WELLINGTON
MANAGEMENT®



Introduction to Wellington Management
A trusted adviser and strategic partner to clients worldwide

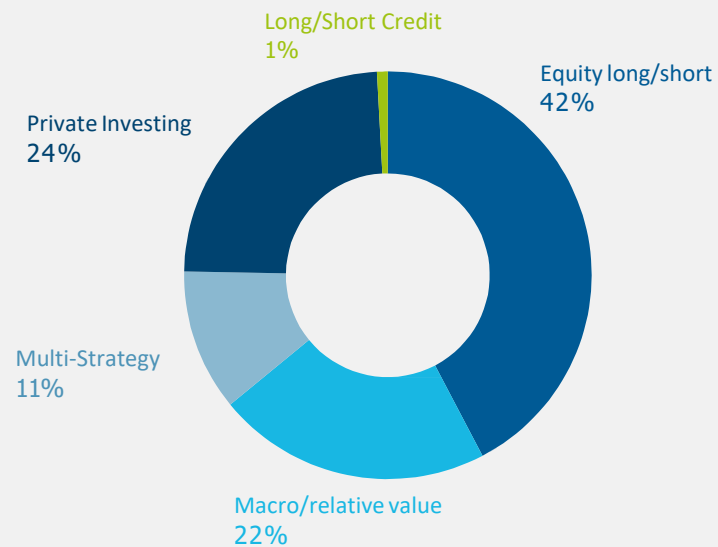




Alternatives at Wellington Management

Broad range of alternative strategies

Total firm alternative AUM¹
USD 36 billion, 1,235+ clients



We offer a wide range of alternative approaches across asset classes and strategy types, including

- Public and private
- Fundamental and quantitative
- Niche and diversified
- Directional, tactical and market neutral
- Custom and commingled

Individual strategies can serve as stand-alone allocations or building blocks for diversified solutions

¹As of 30 June 2024 | This reflects the committed capital across the private investing platform.

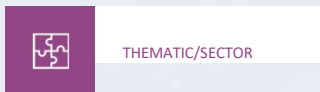
WELLINGTON
MANAGEMENT®

Hedge Funds at Wellington Management

Building a global platform based on competitive advantages

Our hedge fund business began in 1994
– and for many years grew organically, driven by client
demand and investment centers of excellence

Future strategic expansion is focused on
three main platforms



Our edge



Talent

Ability to attract elite alternatives
investment talent



Research

Deep, expansive research platform with
global footprint



Scale

Across nearly all areas of the capital markets, including
trading, brokerage, and technology



Collaboration

Foundation of our culture provides a broad view of
opportunities and risks

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