

A New Addition to Morningstar's Multi Asset Family: The Sustainable Managed Accounts

Investing sustainably and ESG (Environmental, Social & Governance) concerns are increasingly important considerations for clients and the financial advice process. With our suite of Sustainable Managed Accounts, you can offer your clients investment options that help achieve their financial goals in a way that aligns with their ESG preferences and values.

These new portfolios leverage Morningstar's multi asset capabilities, investment philosophy and process that you already know so well. You'll be able to have consistent conversations with your clients about the investment approach utilised in these portfolios, with the addition of an attractive option for those clients with ESG preferences. When your clients raise ESG preferences during your discovery and review interactions, you'll be able to recommend the Sustainable Managed Accounts, confident we're focused on helping achieving your clients' financial and ESG goals.



The Morningstar Sustainable Managed Accounts:

Benefits for your clients:

- Help your clients meet their financial goals in a way that aligns with their values and ESG preferences
- Draw on the combined research and experience of Morningstar Equity Research, Morningstar Indexes, Sustainalytics, and Morningstar Investment Management
- Professionally managed, diversified, holistic portfolios, hand-picked by our local investment team
- Managed Account format to provide your clients with the transparency, customisation and cost-effectiveness we know they value.

Benefits for you:

- Grow your practice efficiently by offering a broader range of Morningstar portfolios, appealing to a wider set of clients
- The Sustainable Managed Accounts utilise the same investment process and approach used across Morningstar's investment portfolios, so you'll be easily able to communicate these portfolios to your client base
- A comprehensive range to suit the financial goals and risk profile of all your clients
- A diversified investment solution that integrates seamlessly with your business, with all the resources, content, tools and client touchpoints you've come to expect from Morningstar.

Why Morningstar for Sustainable Investing



1. Bringing together powerhouses in ESG research, investment data and investment management:

The Morningstar Sustainable Managed Accounts draw on the combined research, experience and track records of Morningstar Equity Research, Morningstar Indexes, Sustainalytics, and Morningstar Investment Management.

Sustainalytics – A global leader in ESG research: We leverage Sustainalytics, a subsidiary of Morningstar, to ensure the Sustainable Managed Accounts are informed by market-leading data and insights. In addition, we work with Sustainalytics to engage with the companies we invest in with regular constructive dialogue on sustainability issues.

Morningstar Equity Research: Our data set contains more than 75 ESG metrics, including the Morningstar Sustainability Rating™ for 36,000 funds, as well as data points to screen for ethical issues.

Morningstar Investment Management: Everything you've come to expect from our tried and tested valuation driven approach; investing in undervalued assets to deliver on your clients' investment objectives.



2. Taking the heavy lifting out of investing on behalf of your clients: As multi asset portfolios, the Sustainable Managed Accounts take the heavy lifting out of investing on behalf of your clients.

Multi asset portfolios invest across a range of asset classes (such as Australian and international shares, Australian and international bonds, listed property, infrastructure, alternative investments, and cash), using a range of investment types (such as direct shares, ETFs, and managed funds). More than the sum of their parts, the investments within the portfolios work together to help achieve the investment objective. The portfolios are actively managed day in, day out to meet client risk and return objectives throughout their investment time horizon. This provides your clients with a truly diversified investment solution aiming to preserve savings and increase their wealth, whilst investing in accordance with their values.



3. Leveraging the experience of one of Australia's earliest providers of actively managed multi asset managed accounts: Morningstar has been managing money on behalf of Australian investors for over three decades. We first launched actively managed multi asset managed accounts back in 2012. Advisers and investors appreciate the benefits which range from customisation through to transparency. Managed Accounts let your clients own direct shares without all the usual administration. They come with the added benefits of being professionally managed and cost-effective. From a sustainable investing perspective, moving shares in and out of a managed account is easy, making them an excellent vehicle to implement your clients' preferences and values in their investment portfolios. You can find additional information on the benefits of using managed accounts with your clients [here](#).



4. Delivering on client objectives through a tried and tested investment approach: We have a tried and tested process, with an enviable track record of meeting objectives on behalf of your clients. When your clients invest with Morningstar, their money is in the hands of a local team that is supported by one of the largest independent research teams globally. Our unparalleled access to global data and research means we're able to identify and pinpoint specific sources of returns across an unmatched range of investment opportunities. This enables us to build portfolios of investment opportunities designed to work together to generate returns to help achieve your chosen investment objective.

Local Portfolio Managers leverage research carried out by more than 100 analysts in Australia and a further 200 globally. It means that over 300 people ensure your clients' savings are focused on achieving the investment objective.



5. Simultaneously achieve your clients' investment and ESG objectives: Morningstar Investment Management takes an ESG investment risk integration approach across the entire range of portfolios, including these new Sustainable Managed Accounts. ESG investment risk integration includes an assessment of the financial impact of ESG issues on the value of an investment. We use that approach to distinguish between investments that will be owned and those that will not be owned based on an assessment of value and risk. The Sustainable Managed Accounts will also distinguish between which investments are owned, or not owned, based on an assessment of ESG preferences and values. Practically, this will be done by applying exclusion criteria to avoid certain industries, practices, or companies, i.e., tobacco companies. This way, when you uncover ESG preferences during the discovery phase of your client relationship, you'll be able to recommend the Sustainable Managed Accounts, confident we're focused on achieving both your clients financial and ESG goals.

Morningstar Sustainable Managed Accounts

Morningstar's Sustainable Managed Accounts have been designed to meet the diverse needs of your client base, aligned with our integrated risk tolerance questionnaire.

Managed Account	Asset Allocation	Objective	Time Horizon	Investment Fee	Long Term Growth/ Defensive Mix (%)
Morningstar Sustainable All Growth (98)		To achieve a consistent income return and a modest amount of capital growth, by investing in a diversified portfolio of defensive and growth asset classes with an emphasis on defensive asset classes that take into account ESG considerations.	10 years	0.50%	98/2
Morningstar Sustainable High Growth (90)		To achieve a moderate amount of capital growth along with some income, by investing in a diversified portfolio of growth and defensive asset classes that take into account ESG considerations.	9 years	0.50%	90/10
Morningstar Sustainable Growth (70)		To achieve capital growth through investing in a diversified portfolio of growth and defensive asset classes, with an emphasis on growth assets that take into account ESG considerations.	7 years	0.50%	70/30
Morningstar Sustainable Balanced (50)		To achieve capital growth through investing in a diversified portfolio of predominantly growth asset classes with a small proportion of defensive asset classes that take into account ESG considerations.	5 years	0.50%	50/50
Morningstar Sustainable Moderate (30)		To achieve capital growth through investing in a diversified portfolio of predominantly growth asset classes that take into account ESG considerations.	3 years	0.50%	30/70





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Want to get in touch?

Let's work together to define your
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