

BT Managed Portfolios

Part 2 - Investment Options Booklet Antares

Issued 30 October 2020

The Product Disclosure Statement (PDS) is issued by
Westpac Financial Services Ltd
ABN 20 000 241 127
Australian Financial Services Licence (AFSL) Number 233716

About the PDS

The PDS should help you to make a decision about whether or not to invest in BT Managed Portfolios ARSN 604 066 686 by:

- giving you a clear overview of BT Managed Portfolios and how it works
- explaining the benefits, features, risks and costs of investing in BT Managed Portfolios
- giving you an understanding of where you can find more information or get help.

The PDS is comprised of 2 parts:

- **Part 1 - General Information.**
Please read this for an overview of BT Managed Portfolios and how it works.
- **Part 2 - Investment Options Booklet (this document).**
This document describes the managed portfolio options within BT Managed Portfolios that are managed by Antares Capital Partners Ltd ABN 85 066 081 114 (Antares or the investment manager) (together referred to as the Antares managed portfolio options) as well as the fees and charges that apply to these managed portfolio options.

Updated information

These documents may change. If information is not materially adverse, we may update information by placing a notice on bt.com.au/panorama. You may also request a paper copy free of charge by calling us on 1300 881 716. The PDS contains important information that you should consider before making a decision about BT Managed Portfolios.

General advice warning

The information in the PDS is general information only and doesn't take into account your personal objectives, financial situation or needs. You should consider whether the information in the PDS is appropriate for you in light of your objectives, financial situation and needs.

Consent to be named

Antares has given and not withdrawn its consent to the inclusion in this document of all information referable to it (and the managed portfolio options it is engaged to manage) in the form and context in which that information appears.

Availability

If, within your Panorama Investments or Panorama Super (excluding BT Super Invest) account, you only have access to the Compact menu of investment options (and not the Full menu), you may not be able to access some or all of the managed portfolio options described in this document. If you hold a BT Super Invest account you may also be unable to access some or all of the managed portfolio options in this document. Please refer to the disclosure document for your Panorama Product to confirm your ability to access and invest in the Antares managed portfolio options.

Managed portfolio options in BT Managed Portfolios other than those described in this document might also be available to you. Information about these other managed portfolio options is set

out in separate product disclosure statements for BT Managed Portfolios that are also issued by us. You should obtain and consider those product disclosure statements in deciding whether to acquire or continue to hold any interest in BT Managed Portfolios. Contact the Panorama Support team or your adviser for more information on other managed portfolio options that may be available to you, and to obtain a copy of the relevant product disclosure statement for those managed portfolio options.

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Who is the investment manager?

Antares Capital Partners Ltd (Antares)

Antares has been appointed by us as investment manager to advise on the construction and management of the Antares managed portfolio options.

ABN	85 066 081 114
AFSL Number	234483
About the investment manager	<p>Antares specialises in the active management of Australian shares and listed property. Antares is dedicated to providing investment solutions to both institutional and retail clients. Established in 1994, Antares aims to have a dynamic culture and quality investment team that can deliver a range of investment solutions. Antares is part of MLC Asset Management, which is the investment management business of the National Australia Bank Group of Companies.</p>
Investment philosophy and process	<p>Antares believes that the pricing of shares in the Australian sharemarket is at times inefficient. This mispricing occurs for a number of reasons:</p> <ul style="list-style-type: none">– investors take a short term view– investors under or over react to changes in a company’s operating environment, and– investors make incorrect generalisations about similar companies. <p>Antares believes these inefficiencies can be exploited through fundamental company analysis.</p>

What are the fees and other costs?

Did you know?

Small differences in both investment performance and fees and costs can have a substantial impact on your long term returns.

For example, total annual fees and costs of 2% of your investment balance rather than 1% could reduce your final return by up to 20% over a 30 year period (for example, reduce it from \$100,000 to \$80,000).

You should consider whether features such as superior investment performance or the provision of better member services justify higher fees and costs.

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To find out more

If you would like to find out more, or see the impact of the fees based on your own circumstances, the **Australian Securities and Investments Commission (ASIC)** website (www.moneysmart.gov.au) has a managed funds fee calculator to help you check out different fee options.

This section of the document shows fees and other costs that you may be charged for investing in BT Managed Portfolios. These fees and costs may be deducted from your money, from the returns on your investment or from your portfolio as a whole. Taxes are set out in another part of the PDS.

You should read all the information about fees and costs because it is important to understand their impact on your investment. Fees and costs for the Antares managed portfolio options are set out on page 10. All fees are in Australian dollars.

Except where otherwise stated, all fees in this document are expressed as inclusive of any GST and are net of any reduced input tax credits (RITCs) which may be claimed.

What are the fees and other costs?

BT Managed Portfolios

Type of fee or cost ¹	Amount	How and when paid
Fees when your money moves in or out of BT Managed Portfolios		
Establishment fee The fee to open your investment	Nil	Not applicable
Contribution fee The fee on each amount contributed to your investment	Nil	Not applicable
Withdrawal fee The fee on each amount you take out of your investment	Nil	Not applicable
Exit fee The fee to close your investment	Nil	Not applicable
Management costs – The fees and costs for managing your investment² The amount you pay for the Antares managed portfolio options is shown on page 10.		
Investment management fee	The investment management fee for your portfolio will depend on the managed portfolio option you have selected. Each managed portfolio option has a separate investment management fee which ranges from 0.4600% to 0.7500% per annum of the value invested. Please refer to the Antares managed portfolio options list on page 10 for more information.	<ul style="list-style-type: none"> – The investment management fee is calculated based on the average daily value of your portfolio for the month. – The investment management fee is deducted and paid to us from the cash allocation of your portfolio on a monthly basis at the end of each month.
Indirect costs³	<p>Performance-related fees Each managed portfolio option has a weighted average performance-related fee of 0.00% per annum.</p> <p>Other indirect costs The weighted average of each managed portfolio option's other indirect costs is 0.00% per annum.</p> <p>Please refer to the Antares managed portfolio options list on page 10 for more information.</p>	<ul style="list-style-type: none"> – The calculation of fees and costs in relation to an underlying managed fund or exchange traded fund, and timing of payment, will vary between the underlying managed funds or exchange traded funds. – The indirect costs, including any performance-related fees payable in connection with an underlying managed fund or exchange traded fund, are not directly charged or retained by us. These indirect costs are paid from the assets of the relevant underlying managed funds or exchange traded funds, and will generally be reflected in the unit prices of those underlying managed funds or the closing market prices of the exchange traded funds that are held in your portfolio.
Service fees		
Switching fee The fee for changing investment options	Nil	Not applicable

¹ Adviser fees may also apply.

² Additional fees may apply. Refer to the 'Additional explanation of fees and costs' section of this document for more information.

³ The performance-related fees and other indirect costs are estimates and calculated based on the indirect costs for the 12 month period ending 30 June 2020, or in the case of a new or varied managed portfolio option, as if the managed portfolio option had been in place for the 12 month period ending 30 June 2020. The performance-related fees shown are not a representation of likely future performance. The actual indirect costs of a managed portfolio option in future periods may be different and materially so, given the nature of these costs. For more information, refer to 'Indirect costs' in the 'Additional explanation of fees and costs' section of this document.

What are the fees and other costs?

Example of annual fees and costs for a balanced managed portfolio option or other managed portfolio option

This table gives an example of how the fees and costs for the Antares Dividend Builder Portfolio can affect your investment over a 1 year period. You should use this table to compare this product with other managed investment products.

Example - Antares Dividend Builder Portfolio		Balance of \$50,000 with a contribution of \$5,000 during the year ¹
Contribution fees	Nil	For every additional \$5,000 you put in, you will be charged \$0.
PLUS Management costs		
– Investment management fee	0.4600%	And, for every \$50,000 you have in the Antares Dividend Builder Portfolio you will be charged \$230.00 each year.
– Performance-related fees ²	0.00%	
– Other indirect costs ²	0.00%	
EQUALS		If you had an investment of \$50,000 at the beginning of the year and you put in an additional \$5,000 during that year, you would be charged fees of
Cost of the Antares Dividend Builder Portfolio ³		\$230.00
What it costs you will depend on the investment option you choose and the fees you negotiate.		

- 1 The amount used in this example is prescribed by legislation. This example assumes that the \$50,000 is invested for the entire year, the value of the investment is constant over the year and that the additional \$5,000 is invested at the end of the year. Therefore management costs are calculated using the \$50,000 balance only.
- 2 The performance-related fees and other indirect costs are estimates and calculated based on the indirect costs for the 12 month period ending 30 June 2020, or in the case of a new or varied managed portfolio option, as if the managed portfolio option has been in place for the 12 month period ending 30 June 2020. The performance-related fees shown are not a representation of likely future performance. The actual indirect costs of a managed portfolio option in future periods may be different and materially so, given the nature of these costs. For more information, refer to 'Indirect costs' in the 'Additional explanation of fees and costs' section of this document.
- 3 Additional fees may apply. This example does not take into account all the fees and costs that may apply, for example, the total transactional and operational costs. For more information, refer to 'Transactional and operational costs' in the 'Additional explanation of fees and costs' section of this document.

Additional explanation of fees and costs

Management costs

Management costs for each managed portfolio option include the investment management fee, any performance-related fees and other indirect costs.

Management costs do not include transactional and operational costs ie costs associated with investing (including in underlying funds, if applicable). For more information, refer to 'Transactional and operational costs' on page 8.

Investment management fee

We are entitled to be paid an investment management fee as responsible entity of BT Managed Portfolios.

The investment management fee is charged as a percentage of the value of your portfolio. It is accrued daily and paid from the cash allocation of your portfolio monthly.

Payments we make to the investment manager

We may pay the investment manager a fee for investment management services provided to us. This is paid from the investment management fee we receive, and is not an additional cost to you.

Changes in fees and costs

We have the right to introduce fees and to begin reimbursing ourselves for expenses from your portfolio (including performance fees payable to an investment manager), but we will give you 30 days' notice prior to doing so. The constitution provides for the

responsible entity to receive a maximum investment management fee of 4% per annum (excluding GST) of the total value invested and a maximum performance fee of 5% per annum (excluding GST) of the total value invested. The responsible entity does not currently charge performance fees.

Expenses

We're entitled to be reimbursed from the scheme for authorised expenses incurred in the management and administration of managed portfolio options in the proper performance of our duties. Currently routine scheme expenses, including trustee, registry, custodian, accounting, audit and legal expenses (excluding transaction costs), are paid out of our investment management fee. If extraordinary or unusual expenses are incurred, we may choose to recover costs from the scheme.

Indirect costs

Indirect costs (also referred to as 'Fees and costs - underlying investments') are determined as a percentage of the value of the relevant managed portfolio option you're invested in. Indirect costs are an estimate of the costs incurred in managing the managed portfolio's assets which directly or indirectly reduce the return on the managed portfolio. These costs are not directly charged or retained by us. These costs are generally deducted from the assets of an underlying managed fund or exchange traded fund.

What are the fees and other costs?

Where the managed portfolio invests in an underlying managed fund or exchange traded fund, we have relied on the information provided by the issuers of those underlying funds and have made reasonable enquiries where necessary to determine the appropriateness of the indirect costs provided.

The amounts included in the table of fees and costs are estimates and calculated based on the indirect costs paid in the 12 month period ending 30 June 2020, or in the case of a new or varied managed portfolio option, as if the managed portfolio option had been in place for the 12 month period ending 30 June 2020.

These indirect costs are reflected in the unit price of the underlying managed funds or the closing market prices of the exchange traded funds that are held in your portfolio and are an additional cost to you.

The actual indirect costs of a managed portfolio option in future periods may be different to the estimates included in this document and materially so, given the nature of these costs, as explained below.

Indirect costs are:

- **Performance-related fees:** An underlying investment manager of a managed fund or exchange traded fund may charge a performance fee, called a performance-related fee. If applicable, it is included in indirect costs and is not an additional cost to you. We do not currently charge performance-related fees.

Generally, a performance-related fee will only be charged in respect of an underlying managed fund or exchange traded fund when the investment return outperforms either the relevant benchmark or a specific performance hurdle return. However, usually, any prior under performance must also be made good before the underlying investment manager qualifies for a performance-related fee.

The performance-related fee rate typically ranges from 0%–30% of the outperformance over the relevant benchmark or performance hurdle and is generally paid at least annually (performance period). Performance-related fees affect the underlying fund's return and therefore the value of your investment in the fund. The performance-related fee may still be payable where the overall performance of the underlying managed fund or exchange traded fund has declined over the performance period. This is because one or more underlying investment managers may have outperformed the benchmark or their performance hurdle over that period.

Where an underlying investment manager's cumulative performance for a period is less than the relevant benchmark or performance hurdle, this underperformance may be carried forward to the following period and no further performance-related fees will be either reflected in the unit price or paid in respect of the underlying investment manager until the underperformance is recouped.

The more exposure a managed portfolio has to an underlying investment that charges performance-related fees, the greater

the potential impact that this will have on your investment in that managed portfolio.

- **Other indirect costs:** The managed portfolio option may incur other indirect costs as a result of investing in underlying managed funds or exchange traded funds. Typical indirect costs include an underlying managed fund's or exchange traded fund's costs which have been included in the valuation of the underlying managed fund or exchange traded fund.

Other indirect costs will also be incurred in respect of the cash allocation of each managed portfolio option.

Transactional and operational costs

- **Transaction fees:** We charge a transaction fee in relation to the buying and selling of listed securities and exchange traded funds in your portfolio. This fee will cover the costs of processing and settling the transactions, including the brokerage payable to the appointed broker. Generally, the fee will be between 0.11% and 0.18% of the transaction amount but may be as high as 0.20% of the transaction amount. As an example, if a \$50,000 transaction occurred in your portfolio, the transaction fees charged at 0.18% would be \$90. In some circumstances, we may not need to process a transaction as it may be possible to net the transaction against transactions for other investors. In these circumstances, we will still charge the transaction fee.
- **Buy/sell spread:** The buy/sell spread (generally applicable to managed funds) is the transaction cost incurred when buying and selling assets in an underlying managed fund when new investors apply for and existing investors redeem units in the underlying managed fund. It is charged by the issuer and is included in the underlying managed fund's unit price.

Typical buy/sell spreads are estimated to be between 0% and 0.70% but may fall outside this range. For example, if \$10,000 is invested in an underlying managed fund, at the maximum buy/sell spread of 0.70%, you will generally incur a cost of \$70 at the time you invest. The buy/sell spread is an additional cost to you. If you require further information on the buy/sell spread applicable to the underlying managed funds, please speak to your adviser or contact us.

- **Other transactional and operational costs:** In relation to an underlying managed fund, where transactional and operational costs arise from trading activity to execute the relevant fund's investment strategy, and are not the result of applications into and redemptions from the relevant fund, these costs (including brokerage, stamp duty and clearing and settlement costs) may not be recouped by the buy/sell spread. In these circumstances, they are an additional cost to you at the time of undertaking the trading activity, and are included in the underlying managed fund's unit price.

In addition, when it comes to buying and selling listed securities and exchange traded funds in your portfolio, there may be transactional and operational costs in addition to transaction fees. These are referred to as bid/ask spreads and represent the difference between the price paid for an

What are the fees and other costs?

underlying investment and the price that it would be disposed of at that time. They are an additional cost to you at the time of undertaking the trading activity.

Our estimate of these transactional and operational costs for the year ended 30 June 2020 for the Antares Dividend Builder Portfolio are set out in the example below.

Detailed fee information for each Antares managed portfolio option is set out in the 'Antares managed portfolio options summaries' section of this document.

Managed portfolio option	(A) Transactional and operational costs of underlying investments	(B) Transaction fees	(C) = (A) + (B) Total transactional and operational costs
Antares Dividend Builder Portfolio	0.22% pa	0.11% pa	0.33% pa

Using the example above, if \$50,000 is invested in the Antares Dividend Builder Portfolio, total transactional and operational costs will be \$165. This is comprised of transactional and operational costs of the underlying investments of \$110 and transaction fees of \$55. For the total fees and costs relating to the Antares Dividend Builder Portfolio, excluding the transactional and operational costs, refer to the fee example on page 7.

Government duty

Government duty may be payable if you transfer certain assets into or out of your portfolio. For further information regarding how government duty is deducted, refer to the relevant disclosure document for your Panorama Product.

Refer to 'Taxation' in Part 1 of the PDS for information about tax generally.

Other fees and costs

All other fees and costs (such as government fees, bank fees, fees for failed transactions and penalty interest) incurred as a result of a transaction, deposit or withdrawal, will be passed on to you and payable out of the cash allocation of your portfolio.

Additional fees may be paid to a financial adviser if you have consulted a financial adviser. You should refer to the Statement of Advice provided by your financial adviser in which details of the fees are set out. ASIC provides a fee calculator on www.moneysmart.gov.au, which you may use to calculate the effects of fees and costs on your investment in BT Managed Portfolios.

Antares managed portfolio options list

The fees and costs applying to each managed portfolio option are set out below.

Option name	APIR code	Investment management fee ¹	Fees and costs – underlying investments ²			Page
			Performance-related fees	Other indirect costs	Total transactional and operational costs	
ASSET CLASS: Australian shares						
Antares Dividend Builder Portfolio	WFS0577AU	0.4600% pa	0.00% pa	0.00% pa	0.33% pa	11
Antares Ex-20 Australian Equities Portfolio	WFS1606AU	0.7500% pa	0.00% pa	0.00% pa	0.36% pa	12

1 This fee is payable monthly to us as the responsible entity of BT Managed Portfolios, and is calculated on the average daily value of your portfolio for the month. Refer to 'Investment management fee' in the 'Additional explanation of fees and costs' section of this document for more information.

2 These fees and costs are weighted averages based on the estimated fees and costs for the relevant underlying investments in relation to the 12 months to 30 June 2020, or in the case of a new or varied managed portfolio option, as if the managed portfolio option has been in place for the 12 month period ending 30 June 2020. Refer to 'Indirect costs' in the 'Additional explanation of fees and costs' section of this document for further information.

Antares managed portfolio options summaries

Antares Dividend Builder Portfolio

APIR code	WFS0577AU		
Designed for investors who	Seek a tax effective income stream by investing in companies providing dividend growth. The portfolio may also provide some income stability in an overall investment portfolio, especially during shifting or uncertain markets.		
Investment objective	To deliver higher levels of dividend income, on a tax effective basis, relative to the benchmark, and to achieve moderate capital growth in a tax efficient manner over a rolling five year period.		
Benchmark index	S&P/ASX 200 Industrials Accumulation Index		
Asset class	Australian shares		
Investment style	Active		
Investment strategy and approach	The portfolio provides access to a diversified range of high yielding Australian shares that aim to grow their dividends over time, with an emphasis on securing franked income and minimising share turnover to keep net realised capital gains low.		
Investment universe	Predominantly securities within the S&P/ASX 200 Industrials Index		
Risk label (SRM)	High (6)		
Minimum investment horizon	5 years		
Minimum investment amount	\$25,000		
Indicative number of assets	15 – 25		
Investment management fee	0.4600% pa		
Fees and costs – underlying investments¹	Performance-related fees	0.00% pa	
	Other indirect costs	0.00% pa	
	Transactional and operational costs	0.22% pa	
	Transaction fees	0.11% pa	
Asset allocation ranges	Asset class	Minimum (%)	Maximum (%)
	Cash ²	2	10
	Australian shares ³	90	98

- 1 These fees and costs are weighted averages based on the estimated fees and costs for the relevant underlying investments in relation to the 12 months to 30 June 2020, or in the case of a new or varied managed portfolio option, as if the managed portfolio option has been in place for the 12 month period ending 30 June 2020.
- 2 The 'Cash' asset class includes the cash allocation of the portfolio that is held in BT CMA (or any other cash product nominated by us) but may include allocation to other cash type investments.
- 3 The 'Australian shares' asset class may include allocation to listed property securities (ie Australian Real Estate Investment Trusts).

Antares Ex-20 Australian Equities Portfolio

APIR code	WFS1606AU		
Designed for investors who	Seek an actively managed, concentrated portfolio of Australian securities that excludes the top 20 ASX listed stocks by market capitalisation in order to achieve long term capital growth. They are prepared to accept a high risk of capital loss to achieve this objective.		
Investment objective	To outperform the benchmark before fees over a rolling five year period.		
Benchmark index	Total Return of the S&P/ASX 200 Accumulation Index excluding stocks listed in the S&P/ASX 20 Accumulation Index		
Asset class	Australian shares		
Investment style	Active		
Investment strategy and approach	<p>The portfolio contains Antares' highest conviction investment ideas in Australian shares that are generally outside of the largest 20 companies listed on the Australian share market. The portfolio is managed using a relatively unconstrained approach at the stock and sector level.</p> <p>Antares follows a bottom-up investment process, with investment decisions made by undertaking in-depth proprietary research and analysis of individual companies and securities.</p> <p>In general, Antares aims to invest in companies where the current share price does not fully reflect its view of the potential value of the company's business. Through company contact and detailed financial and non-financial analysis, Antares' research analysts gain a first-hand understanding of Australian businesses and the industries in which they operate.</p> <p>Antares may invest up to 10% of the portfolio in companies listed outside of the S&P/ASX 200 Accumulation Index. Securities within the portfolio may sometimes move into the S&P/ASX 20 Accumulation Index and when this happens, they will be removed from the portfolio, generally within 12 months.</p>		
Investment universe	Predominantly securities within the S&P/ASX 200 Index excluding the top 20 ASX listed securities by market capitalisation		
Risk label (SRM)	High (6)		
Minimum investment horizon	5 years		
Minimum investment amount	\$25,000		
Indicative number of assets	15 – 30		
Investment management fee	0.7500% pa		
Fees and costs – underlying investments¹	Performance-related fees	0.00% pa	
	Other indirect costs	0.00% pa	
	Transactional and operational costs	0.16% pa	
	Transaction fees	0.20% pa	
Asset allocation ranges	Asset class	Minimum (%)	Maximum (%)
	Cash ²	2	10
	Australian Shares ³	90	98

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2 The 'Cash' asset class includes the cash allocation of the portfolio that is held in BT CMA (or any other cash product nominated by us) but may include allocation to other cash type investments.

3 The 'Australian shares' asset class may include allocation to listed property securities (ie Australian Real Estate Investment Trusts).

For more information

bt.com.au/panorama

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BT Managed Portfolios

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Who is the investment manager?

Bennelong Funds Management Ltd (Bennelong)

Bennelong has been appointed by us as investment manager to advise on the construction and management of the Bennelong managed portfolio options.

ABN	39 111 214 085
AFSL Number	296806
About the investment manager	Bennelong provides portfolio construction and management services through Bennelong Australian Equity Partners Pty Ltd (BAEP), its corporate authorised representative (Authorised Representative Number 000328975). BAEP is a boutique asset manager offering Australian equities solutions for institutional and retail clients. The business was founded in 2008 by Mark East in partnership with Bennelong.
Investment philosophy and process	BAEP is an active investment manager with a fundamental approach to share picking. This approach aims to involve undertaking very detailed and specific research and analysis on prospective companies, with consideration given to macroeconomic and other 'big picture' issues to the extent considered relevant. BAEP's process is research-intensive and is built around company meetings and industry engagement. BAEP aims to favour high quality companies with strong growth prospects and to identify those shares whose future earnings prospects are more favourable than is commonly perceived by the market. BAEP believes that companies that outperform market expectations are most likely to give rise to investment outperformance. BAEP's selective share picking typically results in relatively concentrated portfolios that aims to optimise exposure to what are considered the best risk-return opportunities in the market.

What are the fees and other costs?

Did you know?

Small differences in both investment performance and fees and costs can have a substantial impact on your long term returns.

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You may be able to negotiate to pay lower contribution fees and management costs where applicable. Ask the fund or your financial adviser.

To find out more

If you would like to find out more, or see the impact of the fees based on your own circumstances, the **Australian Securities and Investments Commission (ASIC)** website (www.moneySMART.gov.au) has a managed funds fee calculator to help you check out different fee options.

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What are the fees and other costs?

BT Managed Portfolios

Type of fee or cost ¹	Amount	How and when paid
Fees when your money moves in or out of BT Managed Portfolios		
Establishment fee The fee to open your investment	Nil	Not applicable
Contribution fee The fee on each amount contributed to your investment	Nil	Not applicable
Withdrawal fee The fee on each amount you take out of your investment	Nil	Not applicable
Exit fee The fee to close your investment	Nil	Not applicable
Management costs – The fees and costs for managing your investment²		
The amount you pay for the Bennelong managed portfolio options is shown on page 10.		
Investment management fee	The investment management fee for your portfolio is 0.7500% per annum of the total value invested. Please refer to the Bennelong managed portfolio options list on page 10 for more information.	<ul style="list-style-type: none"> – The investment management fee is calculated based on the average daily value of your portfolio for the month. – The investment management fee is deducted and paid to us from the cash allocation of your portfolio on a monthly basis at the end of each month.
Indirect costs³	<p>Performance-related fees The weighted average performance-related fee is 0.00% per annum.</p> <p>Other indirect costs The weighted average of other indirect costs is 0.00% per annum.</p> <p>Please refer to the Bennelong managed portfolio options list on page 10 for more information.</p>	<ul style="list-style-type: none"> – The calculation of fees and costs in relation to an underlying managed fund or exchange traded fund, and timing of payment, will vary between the underlying managed funds or exchange traded funds. – The indirect costs, including any performance-related fees payable in connection with an underlying managed fund or exchange traded fund, are not directly charged or retained by us. These indirect costs are paid from the assets of the relevant underlying managed funds or exchange traded funds, and will generally be reflected in the unit prices of those underlying managed funds or the closing market prices of the exchange traded funds that are held in your portfolio.
Service fees		
Switching fee The fee for changing investment options	Nil	Not applicable

¹ Adviser fees may also apply.

² Additional fees may apply. Refer to the 'Additional explanation of fees and costs' section of this document for more information.

³ The performance-related fees and other indirect costs are estimates and calculated based on the indirect costs for the 12 month period ending 30 June 2020, or in the case of a new or varied managed portfolio option, as if the managed portfolio option had been in place for the 12 month period ending 30 June 2020. The performance-related fees shown are not a representation of likely future performance. The actual indirect costs of a managed portfolio option in future periods may be different and materially so, given the nature of these costs. For more information, refer to 'Indirect costs' in the 'Additional explanation of fees and costs' section of this document.

What are the fees and other costs?

Example of annual fees and costs for a balanced managed portfolio option or other managed portfolio option

This table gives an example of how the fees and costs for the Bennelong Australian Equities Portfolio can affect your investment over a 1 year period. You should use this table to compare this product with other managed investment products.

Example - Bennelong Australian Equities Portfolio		Balance of \$50,000 with a contribution of \$5,000 during the year ¹
Contribution fees	Nil	For every additional \$5,000 you put in, you will be charged \$0.
PLUS Management costs		
– Investment management fee	0.7500%	And, for every \$50,000 you have in the Bennelong Australian Equities Portfolio you will be charged \$375 each year.
– Performance-related fees ²	0.00%	
– Other indirect costs ²	0.00%	
EQUALS		If you had an investment of \$50,000 at the beginning of the year and you put in an additional \$5,000 during that year, you would be charged fees of \$375
Cost of the Bennelong Australian Equities Portfolio ³		
What it costs you will depend on the investment option you choose and the fees you negotiate.		

- 1 The amount used in this example is prescribed by legislation. This example assumes that the \$50,000 is invested for the entire year, the value of the investment is constant over the year and that the additional \$5,000 is invested at the end of the year. Therefore management costs are calculated using the \$50,000 balance only.
- 2 The performance-related fees and other indirect costs are estimates and calculated based on the indirect costs for the 12 month period ending 30 June 2020, or in the case of a new or varied managed portfolio option, as if the managed portfolio option has been in place for the 12 month period ending 30 June 2020. The performance-related fees shown are not a representation of likely future performance. The actual indirect costs of a managed portfolio option in future periods may be different and materially so, given the nature of these costs. For more information, refer to 'Indirect costs' in the 'Additional explanation of fees and costs' section of this document.
- 3 Additional fees may apply. This example does not take into account all the fees and costs that may apply, for example, the total transactional and operational costs. For more information, refer to 'Transactional and operational costs' in the 'Additional explanation of fees and costs' section of this document.

Additional explanation of fees and costs

Management costs

Management costs for each managed portfolio option include the investment management fee, any performance-related fees and other indirect costs.

Management costs do not include transactional and operational costs ie costs associated with investing (including in underlying funds, if applicable). For more information, refer to 'Transactional and operational costs' on page 8.

Investment management fee

We are entitled to be paid an investment management fee as responsible entity of BT Managed Portfolios.

The investment management fee is charged as a percentage of the value of your portfolio. It is accrued daily and paid from the cash allocation of your portfolio monthly.

Payments we make to the investment manager

We may pay the investment manager a fee for investment management services provided to us. This is paid from the investment management fee we receive, and is not an additional cost to you.

Changes in fees and costs

We have the right to introduce fees and to begin reimbursing ourselves for expenses from your portfolio (including performance fees payable to an investment manager), but we will give you 30

days' notice prior to doing so. The constitution provides for the responsible entity to receive a maximum investment management fee of 4% per annum (excluding GST) of the total value invested and a maximum performance fee of 5% per annum (excluding GST) of the total value invested. The responsible entity does not currently charge performance fees.

Expenses

We're entitled to be reimbursed from the scheme for authorised expenses incurred in the management and administration of managed portfolio options in the proper performance of our duties. Currently routine scheme expenses, including trustee, registry, custodian, accounting, audit and legal expenses (excluding transaction costs), are paid out of our investment management fee. If extraordinary or unusual expenses are incurred, we may choose to recover costs from the scheme.

Indirect costs

Indirect costs (also referred to as 'Fees and costs - underlying investments') are determined as a percentage of the value of the relevant managed portfolio option you're invested in. Indirect costs are an estimate of the costs incurred in managing the managed portfolio's assets which directly or indirectly reduce the return on the managed portfolio. These costs are not directly charged or retained by us. These costs are generally deducted from the assets of an underlying managed fund or exchange traded fund.

What are the fees and other costs?

Where the managed portfolio invests in an underlying managed fund or exchange traded fund, we have relied on the information provided by the issuers of those underlying funds and have made reasonable enquiries where necessary to determine the appropriateness of the indirect costs provided.

The amounts included in the table of fees and costs are estimates and calculated based on the indirect costs paid in the 12 month period ending 30 June 2020, or in the case of a new or varied managed portfolio option, as if the managed portfolio option had been in place for the 12 month period ending 30 June 2020.

These indirect costs are reflected in the unit price of the underlying managed funds or the closing market prices of the exchange traded funds that are held in your portfolio and are an additional cost to you.

The actual indirect costs of a managed portfolio option in future periods may be different to the estimates included in this document and materially so, given the nature of these costs, as explained below.

Indirect costs are:

- **Performance-related fees:** An underlying investment manager of a managed fund or exchange traded fund may charge a performance fee, called a performance-related fee. If applicable, it is included in indirect costs and is not an additional cost to you. We do not currently charge performance-related fees.

Generally, a performance-related fee will only be charged in respect of an underlying managed fund or exchange traded fund when the investment return outperforms either the relevant benchmark or a specific performance hurdle return. However, usually, any prior under performance must also be made good before the underlying investment manager qualifies for a performance-related fee.

The performance-related fee rate typically ranges from 0%–30% of the outperformance over the relevant benchmark or performance hurdle and is generally paid at least annually (performance period). Performance-related fees affect the underlying fund's return and therefore the value of your investment in the fund. The performance-related fee may still be payable where the overall performance of the underlying managed fund or exchange traded fund has declined over the performance period. This is because one or more underlying investment managers may have outperformed the benchmark or their performance hurdle over that period.

Where an underlying investment manager's cumulative performance for a period is less than the relevant benchmark or performance hurdle, this underperformance may be carried forward to the following period and no further performance-related fees will be either reflected in the unit price or paid in respect of the underlying investment manager until the underperformance is recouped.

The more exposure a managed portfolio has to an underlying investment that charges performance-related fees, the greater

the potential impact that this will have on your investment in that managed portfolio.

- **Other indirect costs:** The managed portfolio option may incur other indirect costs as a result of investing in underlying managed funds or exchange traded funds. Typical indirect costs include an underlying managed fund's or exchange traded fund's costs which have been included in the valuation of the underlying managed fund or exchange traded fund.

Other indirect costs will also be incurred in respect of the cash allocation of each managed portfolio option.

Transactional and operational costs

- **Transaction fees:** We charge a transaction fee in relation to the buying and selling of listed securities and exchange traded funds in your portfolio. This fee will cover the costs of processing and settling the transactions, including the brokerage payable to the appointed broker. Generally, the fee will be between 0.11% and 0.18% of the transaction amount but may be as high as 0.20% of the transaction amount. As an example, if a \$50,000 transaction occurred in your portfolio, the transaction fees charged at 0.18% would be \$90. In some circumstances, we may not need to process a transaction as it may be possible to net the transaction against transactions for other investors. In these circumstances, we will still charge the transaction fee.
- **Buy/sell spread:** The buy/sell spread (generally applicable to managed funds) is the transaction cost incurred when buying and selling assets in an underlying managed fund when new investors apply for and existing investors redeem units in the underlying managed fund. It is charged by the issuer and is included in the underlying managed fund's unit price.

Typical buy/sell spreads are estimated to be between 0% and 0.70% but may fall outside this range. For example, if \$10,000 is invested in an underlying managed fund, at the maximum buy/sell spread of 0.70%, you will generally incur a cost of \$70 at the time you invest. The buy/sell spread is an additional cost to you. If you require further information on the buy/sell spread applicable to the underlying managed funds, please speak to your adviser or contact us.

- **Other transactional and operational costs:** In relation to an underlying managed fund, where transactional and operational costs arise from trading activity to execute the relevant fund's investment strategy, and are not the result of applications into and redemptions from the relevant fund, these costs (including brokerage, stamp duty and clearing and settlement costs) may not be recouped by the buy/sell spread. In these circumstances, they are an additional cost to you at the time of undertaking the trading activity, and are included in the underlying managed fund's unit price.

In addition, when it comes to buying and selling listed securities and exchange traded funds in your portfolio, there may be transactional and operational costs in addition to transaction fees. These are referred to as bid/ask spreads and represent the difference between the price paid for an

What are the fees and other costs?

underlying investment and the price that it would be disposed of at that time. They are an additional cost to you at the time of undertaking the trading activity.

Our estimate of these transactional and operational costs for the year ended 30 June 2020 for the Bennelong Australian Equities Portfolio are set out in the example below.

Managed portfolio option	(A) Transactional and operational costs of underlying investments	(B) Transaction fees	(C) = (A) + (B) Total transactional and operational costs
Bennelong Australian Equities Portfolio	0.11% pa	0.08% pa	0.19% pa

Using the example above, if \$50,000 is invested in the Bennelong Australian Equities Portfolio, total transactional and operational costs will be \$95. This is comprised of transactional and operational costs of the underlying investments of \$55 and transaction fees of \$40. For the total fees and costs relating to the Bennelong Australian Equities Portfolio, excluding the transactional and operational costs, refer to the fee example on page 7.

Government duty

Government duty may be payable if you transfer certain assets into or out of your portfolio. For further information regarding how government duty is deducted, refer to the relevant disclosure document for your Panorama Product.

Refer to 'Taxation' in Part 1 of the PDS for information about tax generally.

Other fees and costs

All other fees and costs (such as government fees, bank fees, fees for failed transactions and penalty interest) incurred as a result of a transaction, deposit or withdrawal, will be passed on to you and payable out of the cash allocation of your portfolio.

Additional fees may be paid to a financial adviser if you have consulted a financial adviser. You should refer to the Statement of Advice provided by your financial adviser in which details of the fees are set out. ASIC provides a fee calculator on www.moneysmart.gov.au, which you may use to calculate the effects of fees and costs on your investment in BT Managed Portfolios.

Bennelong managed portfolio options list

The fees and costs applying to each managed portfolio option are set out below.

Option name	APIR code	Investment management fee ¹	Fees and costs – underlying investments ²			Page
			Performance-related fees	Other indirect costs	Total transactional and operational costs	
ASSET CLASS: Australian shares						
Bennelong Australian Equities Portfolio	WFS0556AU	0.7500% pa	0.00% pa	0.00% pa	0.19% pa	11

1 This fee is payable monthly to us as the responsible entity of BT Managed Portfolios, and is calculated on the average daily value of your portfolio for the month. Refer to 'Investment management fee' in the 'Additional explanation of fees and costs' section of this document for more information.

2 These fees and costs are weighted averages based on the estimated fees and costs for the relevant underlying investments in relation to the 12 months to 30 June 2020, or in the case of a new or varied managed portfolio option, as if the managed portfolio option has been in place for the 12 month period ending 30 June 2020. Refer to 'Indirect costs' in the 'Additional explanation of fees and costs' section of this document for further information.

Bennelong managed portfolio options summaries

Bennelong Australian Equities Portfolio

APIR code	WFS0556AU		
Designed for investors who	Seek capital growth from a portfolio of Australian shares; are seeking some income via dividends and franking credits; and have a high tolerance to investment risk.		
Investment objective	To deliver a combination of capital growth and income providing a total return that exceeds the benchmark by 2% before fees over a rolling three year period.		
Benchmark index	S&P/ASX 300 Accumulation Index		
Asset class	Australian shares		
Investment style	Active		
Investment strategy and approach	The overriding strategy of the portfolio is to seek out high quality, strongly-growing companies that are under-appreciated and have the potential to deliver earnings outperformance. BAEP's investment process is research intensive and is built around company meetings and industry engagement. The process incorporates macroeconomic research and analysis as well as quantitative tools to assist in identifying risks and opportunities.		
Investment universe	Predominantly securities within the S&P/ASX 300 Index		
Risk label (SRM)	High (6)		
Minimum investment horizon	5 years		
Minimum investment amount	\$25,000		
Indicative number of assets	25 – 60		
Investment management fee	0.7500% pa		
Fees and costs – underlying investments¹	Performance-related fees	0.00% pa	
	Other indirect costs	0.00% pa	
	Transactional and operational costs	0.11% pa	
	Transaction fees	0.08% pa	
Asset allocation ranges	Asset class	Minimum (%)	Maximum (%)
	Cash ²	2	10
	Australian shares ³	90	98

- 1 These fees and costs are weighted averages based on the estimated fees and costs for the relevant underlying investments in relation to the 12 months to 30 June 2020, or in the case of a new or varied managed portfolio option, as if the managed portfolio option has been in place for the 12 month period ending 30 June 2020.
- 2 The 'Cash' asset class includes the cash allocation of the portfolio that is held in BT CMA (or any other cash product nominated by us) but may include allocation to other cash type investments.
- 3 The 'Australian shares' asset class may include allocation to listed property securities (ie Australian Real Estate Investment Trusts).

For more information

bt.com.au/panorama

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70028-1020ox

BT Managed Portfolios

Part 2 - Investment Options Booklet BetaShares

Issued 14 December 2020

The Product Disclosure Statement (PDS) is issued by
Westpac Financial Services Limited
ABN 20 000 241 127
Australian Financial Services Licence (AFSL) Number 233716

About the PDS

The PDS should help you to make a decision about whether or not to invest in BT Managed Portfolios ARSN 604 066 686 by:

- giving you a clear overview of BT Managed Portfolios and how it works
- explaining the benefits, features, risks and costs of investing in BT Managed Portfolios
- giving you an understanding of where you can find more information or get help.

The PDS is comprised of 2 parts:

- **Part 1 - General Information.**
Please read this for an overview of BT Managed Portfolios and how it works.
- **Part 2 - Investment Options Booklet (this document).**
This document describes the managed portfolio options within BT Managed Portfolios that are managed by BetaShares Capital Limited ABN 78 139 566 868 (BetaShares or the investment manager) (together referred to as the BetaShares managed portfolio options) as well as the fees and charges that apply to these managed portfolio options.

Updated information

These documents may change. If information is not materially adverse, we may update information by placing a notice on bt.com.au/panorama. You may also request a paper copy free of charge by calling us on 1300 881 716. The PDS contains important information that you should consider before making a decision about BT Managed Portfolios.

General advice warning

The information in the PDS is general information only and doesn't take into account your personal objectives, financial situation or needs. You should consider whether the information in the PDS is appropriate for you in light of your objectives, financial situation and needs.

Consent to be named

BetaShares has given and not withdrawn its consent to the inclusion in this document of all information referable to it (and the managed portfolio options it is engaged to manage) in the form and context in which that information appears.

Availability

If, within your Panorama Investments or Panorama Super (excluding BT Super Invest) account, you only have access to the Compact menu of investment options (and not the Full menu), you may not be able to access some or all of the managed portfolio options described in this document. If you hold a BT Super Invest account you may also be unable to access some or all of the managed portfolio options in this document. Please refer to the disclosure document for your Panorama Product to confirm your ability to access and invest in the BetaShares managed portfolio options.

Managed portfolio options in BT Managed Portfolios other than those described in this document might also be available to you. Information about these other managed portfolio options is set

out in separate product disclosure statements for BT Managed Portfolios that are also issued by us. You should obtain and consider those product disclosure statements in deciding whether to acquire or continue to hold any interest in BT Managed Portfolios. Contact the Panorama Support team or your adviser for more information on other managed portfolio options that may be available to you, and to obtain a copy of the relevant product disclosure statement for those managed portfolio options.

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Who is the investment manager?

BetaShares Capital Limited (BetaShares)

BetaShares has been appointed by us as investment manager to advise on the construction and management of the BetaShares managed portfolio options.

ABN	78 139 566 868
AFSL Number	341181
About the investment manager	BetaShares is an Australian asset manager that specialises in Exchange Traded Funds (ETFs). BetaShares combines local specialist knowledge with the strength and scale of a global asset management group, which enables it to focus on expanding the investment options available specifically to Australian investors.
Investment philosophy and process	<p>The portfolios use a dynamic asset allocation process coupled with a selection of passive exchange traded funds (ETFs) chosen by BetaShares to provide low cost diversified exposure.</p> <p>In choosing ETFs, BetaShares considers their ability to offer returns that seek to match (before fees) expected returns from each relevant asset class or where appropriate, ETFs may be chosen that are not the lowest cost exposures for a given asset class, but offer the potential for enhanced returns over and above that provided by the traditional benchmark.</p>

What are the fees and other costs?

Did you know?

Small differences in both investment performance and fees and costs can have a substantial impact on your long term returns.

For example, total annual fees and costs of 2% of your investment balance rather than 1% could reduce your final return by up to 20% over a 30 year period (for example, reduce it from \$100,000 to \$80,000).

You should consider whether features such as superior investment performance or the provision of better member services justify higher fees and costs.

You may be able to negotiate to pay lower contribution fees and management costs where applicable. Ask the fund or your financial adviser.

To find out more

If you would like to find out more, or see the impact of the fees based on your own circumstances, the **Australian Securities and Investments Commission (ASIC)** website (www.moneySMART.gov.au) has a managed funds fee calculator to help you check out different fee options.

This section of the document shows fees and other costs that you may be charged for investing in BT Managed Portfolios. These fees and costs may be deducted from your money, from the returns on your investment or from your portfolio as a whole. Taxes are set out in another part of the PDS.

You should read all the information about fees and costs because it is important to understand their impact on your investment. Fees and costs for the BetaShares managed portfolio options are set out on page 10. All fees are in Australian dollars.

Except where otherwise stated, all fees in this document are expressed as inclusive of any GST and are net of any reduced input tax credits (RITCs) which may be claimed.

What are the fees and other costs?

BT Managed Portfolios

Type of fee or cost ¹	Amount	How and when paid
Fees when your money moves in or out of BT Managed Portfolios		
Establishment fee The fee to open your investment	Nil	Not applicable
Contribution fee The fee on each amount contributed to your investment	Nil	Not applicable
Withdrawal fee The fee on each amount you take out of your investment	Nil	Not applicable
Exit fee The fee to close your investment	Nil	Not applicable
Management costs – The fees and costs for managing your investment² The amount you pay for the BetaShares managed portfolio options is shown on page 10.		
Investment management fee	Each managed portfolio option has an investment management fee of 0.1959% per annum of the value invested. Please refer to the BetaShares managed portfolio options list on page 10 for more information.	<ul style="list-style-type: none"> – The investment management fee is calculated based on the average daily value of your portfolio for the month. – The investment management fee is deducted and paid to us from the cash allocation of your portfolio on a monthly basis at the end of each month.
Indirect costs³	<p>Performance-related fees Each managed portfolio option has a weighted average performance-related fee of 0.00% per annum.</p> <p>Other indirect costs The weighted average of each managed portfolio option's other indirect costs ranges from 0.14% to 0.22% per annum.</p> <p>Please refer to the BetaShares managed portfolio options list on page 10 for more information.</p>	<ul style="list-style-type: none"> – The calculation of fees and costs in relation to an underlying managed fund or exchange traded fund, and timing of payment, will vary between the underlying managed funds or exchange traded funds. – The indirect costs, including any performance-related fees payable in connection with an underlying managed fund or exchange traded fund, are not directly charged or retained by us. These indirect costs are paid from the assets of the relevant underlying managed funds or exchange traded funds, and will generally be reflected in the unit prices of those underlying managed funds or the closing market prices of the exchange traded funds that are held in your portfolio.
Service fees		
Switching fee The fee for changing investment options	Nil	Not applicable

¹ Adviser fees may also apply.

² Additional fees may apply. Refer to the 'Additional explanation of fees and costs' section of this document for more information.

³ The performance-related fees and other indirect costs are estimates and calculated based on the indirect costs for the 12 month period ending 30 June 2020, or in the case of a new or varied managed portfolio option, as if the managed portfolio option had been in place for the 12 month period ending 30 June 2020. The performance-related fees shown are not a representation of likely future performance. The actual indirect costs of a managed portfolio option in future periods may be different and materially so, given the nature of these costs. For more information, refer to 'Indirect costs' in the 'Additional explanation of fees and costs' section of this document.

What are the fees and other costs?

Example of annual fees and costs for a balanced managed portfolio option or other managed portfolio option

This table gives an example of how the fees and costs for the BetaShares Dynamic Balanced Portfolio can affect your investment over a 1 year period. You should use this table to compare this product with other managed investment products.

Example - BetaShares Dynamic Balanced Portfolio		Balance of \$50,000 with a contribution of \$5,000 during the year ¹
Contribution fees	Nil	For every additional \$5,000 you put in, you will be charged \$0.
PLUS Management costs		
– Investment management fee	0.1959%	And, for every \$50,000 you have in the BetaShares Dynamic Balanced Portfolio you will be charged \$177.95 each year.
– Performance-related fees ²	0.00%	
– Other indirect costs ²	0.16%	
EQUALS		If you had an investment of \$50,000 at the beginning of the year and you put in an additional \$5,000 during that year, you would be charged fees of
Cost of the BetaShares Dynamic Balanced Portfolio ³		\$177.95
What it costs you will depend on the investment option you choose and the fees you negotiate.		

- 1 The amount used in this example is prescribed by legislation. This example assumes that the \$50,000 is invested for the entire year, the value of the investment is constant over the year and that the additional \$5,000 is invested at the end of the year. Therefore management costs are calculated using the \$50,000 balance only.
- 2 The performance-related fees and other indirect costs are estimates and calculated based on the indirect costs for the 12 month period ending 30 June 2020, or in the case of a new or varied managed portfolio option, as if the managed portfolio option had been in place for the 12 month period ending 30 June 2020. The performance-related fees shown are not a representation of likely future performance. The actual indirect costs of a managed portfolio option in future periods may be different and materially so, given the nature of these costs. For more information, refer to 'Indirect costs' in the 'Additional explanation of fees and costs' section of this document.
- 3 Additional fees may apply. This example does not take into account all the fees and costs that may apply, for example, the total transactional and operational costs. For more information, refer to 'Transactional and operational costs' in the 'Additional explanation of fees and costs' section of this document.

Additional explanation of fees and costs

Management costs

Management costs for each managed portfolio option include the investment management fee, any performance-related fees and other indirect costs.

Management costs do not include transactional and operational costs ie costs associated with investing (including in underlying funds, if applicable). For more information, refer to 'Transactional and operational costs' on page 8.

Investment management fee

We are entitled to be paid an investment management fee as responsible entity of BT Managed Portfolios.

The investment management fee is charged as a percentage of the value of your portfolio. It is accrued daily and paid from the cash allocation of your portfolio monthly.

Payments made to the investment manager

We may pay the investment manager a fee for investment management services provided to us. This is paid from the investment management fee we receive, and is not an additional cost to you.

The investment manager is also the exchange traded fund issuer of some of the exchange traded funds included in the BetaShares managed portfolio options. The investment manager is expected

to receive fees in its capacity as exchange traded fund issuer of those exchange traded funds.

Changes in fees and costs

We have the right to introduce fees and to begin reimbursing ourselves for expenses from your portfolio (including performance fees payable to an investment manager), but we will give you 30 days' notice prior to doing so. The constitution provides for the responsible entity to receive a maximum investment management fee of 4% per annum (excluding GST) of the total value invested and a maximum performance fee of 5% per annum (excluding GST) of the total value invested. The responsible entity does not currently charge performance fees.

Expenses

We're entitled to be reimbursed from the scheme for authorised expenses incurred in the management and administration of managed portfolio options in the proper performance of our duties. Currently routine scheme expenses, including trustee, registry, custodian, accounting, audit and legal expenses (excluding transaction costs), are paid out of our investment management fee. If extraordinary or unusual expenses are incurred, we may choose to recover costs from the scheme.

Indirect costs

Indirect costs (also referred to as 'Fees and costs - underlying investments') are determined as a percentage of the value of

What are the fees and other costs?

the relevant managed portfolio option you're invested in. Indirect costs are an estimate of the costs incurred in managing the managed portfolio's assets which directly or indirectly reduce the return on the managed portfolio. These costs are not directly charged or retained by us. These costs are generally deducted from the assets of an underlying managed fund or exchange traded fund.

Where the managed portfolio invests in an underlying managed fund or exchange traded fund, we have relied on the information provided by the issuers of those underlying funds and have made reasonable enquiries where necessary to determine the appropriateness of the indirect costs provided.

The amounts included in the table of fees and costs are estimates and calculated based on the indirect costs paid in the 12 month period ending 30 June 2020, or in the case of a new or varied managed portfolio option, as if the managed portfolio option had been in place for the 12 month period ending 30 June 2020.

These indirect costs are reflected in the unit price of the underlying managed funds or the closing market prices of the exchange traded funds that are held in your portfolio and are an additional cost to you.

The actual indirect costs of a managed portfolio option in future periods may be different to the estimates included in this document and materially so, given the nature of these costs, as explained below.

Indirect costs are:

- **Performance-related fees:** An underlying investment manager of a managed fund or exchange traded fund may charge a performance fee, called a performance-related fee. If applicable, it is included in indirect costs and is not an additional cost to you. We do not currently charge performance-related fees.

Generally, a performance-related fee will only be charged in respect of an underlying managed fund or exchange traded fund when the investment return outperforms either the relevant benchmark or a specific performance hurdle return. However, usually, any prior under performance must also be made good before the underlying investment manager qualifies for a performance-related fee.

The performance-related fee rate typically ranges from 0%–30% of the outperformance over the relevant benchmark or performance hurdle and is generally paid at least annually (performance period). Performance-related fees affect the underlying fund's return and therefore the value of your investment in the fund. The performance-related fee may still be payable where the overall performance of the underlying managed fund or exchange traded fund has declined over the performance period. This is because one or more underlying investment managers may have outperformed the benchmark or their performance hurdle over that period.

Where an underlying investment manager's cumulative performance for a period is less than the relevant benchmark or performance hurdle, this underperformance may be carried

forward to the following period and no further performance-related fees will be either reflected in the unit price or paid in respect of the underlying investment manager until the underperformance is recouped.

The more exposure a managed portfolio has to an underlying investment that charges performance-related fees, the greater the potential impact that this will have on your investment in that managed portfolio.

- **Other indirect costs:** The managed portfolio option may incur other indirect costs as a result of investing in underlying managed funds or exchange traded funds. Typical indirect costs include an underlying managed fund's or exchange traded fund's costs which have been included in the valuation of the underlying managed fund or exchange traded fund.

Other indirect costs will also be incurred in respect of the cash allocation of each managed portfolio option.

Transactional and operational costs

- **Transaction fees:** We charge a transaction fee in relation to the buying and selling of listed securities and exchange traded funds in your portfolio. This fee will cover the costs of processing and settling the transactions, including the brokerage payable to the appointed broker. Generally, the fee will be between 0.11% and 0.18% of the transaction amount but may be as high as 0.20% of the transaction amount. As an example, if a \$50,000 transaction occurred in your portfolio, the transaction fees charged at 0.18% would be \$90. In some circumstances, we may not need to process a transaction as it may be possible to net the transaction against transactions for other investors. In these circumstances, we will still charge the transaction fee.
- **Buy/sell spread:** The buy/sell spread (generally applicable to managed funds) is the transaction cost incurred when buying and selling assets in an underlying managed fund when new investors apply for and existing investors redeem units in the underlying managed fund. It is charged by the issuer and is included in the underlying managed fund's unit price.

Typical buy/sell spreads are estimated to be between 0% and 0.70% but may fall outside this range. For example, if \$10,000 is invested in an underlying managed fund, at the maximum buy/sell spread of 0.70%, you will generally incur a cost of \$70 at the time you invest. The buy/sell spread is an additional cost to you. If you require further information on the buy/sell spread applicable to the underlying managed funds, please speak to your adviser or contact us.

- **Other transactional and operational costs:** In relation to an underlying managed fund, where transactional and operational costs arise from trading activity to execute the relevant fund's investment strategy, and are not the result of applications into and redemptions from the relevant fund, these costs (including brokerage, stamp duty and clearing and settlement costs) may not be recouped by the buy/sell spread. In these circumstances, they are an additional cost

What are the fees and other costs?

to you at the time of undertaking the trading activity, and are included in the underlying managed fund's unit price.

In addition, when it comes to buying and selling listed securities and exchange traded funds in your portfolio, there may be transactional and operational costs in addition to transaction fees. These are referred to as bid/ask spreads and represent the difference between the price paid for an underlying investment and the price that it would be disposed of at that time. They are an additional cost to you at the time of undertaking the trading activity.

Our estimate of these transactional and operational costs for the year ended 30 June 2020 for the BetaShares Dynamic Balanced Portfolio are set out in the example below.

Detailed fee information for each BetaShares managed portfolio option is set out in the 'BetaShares managed portfolio options summaries' section of this document.

Managed portfolio option	(A) Transactional and operational costs of underlying investments	(B) Transaction fees	(C) = (A) + (B) Total transactional and operational costs
BetaShares Dynamic Balanced Portfolio	0.16% pa	0.17% pa	0.33% pa

Using the example above, if \$50,000 is invested in the BetaShares Dynamic Balanced Portfolio, total transactional and operational costs will be \$165. This is comprised of transactional and operational costs of the underlying investments of \$80 and transaction fees of \$85. For the total fees and costs relating to the BetaShares Dynamic Balanced Portfolio, excluding the transactional and operational costs, refer to the fee example on page 7.

Government duty

Government duty may be payable if you transfer certain assets into or out of your portfolio. For further information regarding how government duty is deducted, refer to the relevant disclosure document for your Panorama Product.

Refer to 'Taxation' in Part 1 of the PDS for information about tax generally.

Other fees and costs

All other fees and costs (such as government fees, bank fees, fees for failed transactions and penalty interest) incurred as a result of a transaction, deposit or withdrawal, will be passed on to you and payable out of the cash allocation of your portfolio.

Additional fees may be paid to a financial adviser if you have consulted a financial adviser. You should refer to the Statement of Advice provided by your financial adviser in which details of the fees are set out. ASIC provides a fee calculator on www.moneysmart.gov.au, which you may use to calculate the effects of fees and costs on your investment in BT Managed Portfolios.

BetaShares managed portfolio options list

The fees and costs applying to each managed portfolio option are set out below.

Option name	APIR code	Investment management fee ¹	Fees and costs – underlying investments ²			Page
			Performance-related fees	Other indirect costs	Total transactional and operational costs	
ASSET CLASS: Diversified						
BetaShares Dynamic Conservative Portfolio	WFS3675AU	0.1959% pa	0.00% pa	0.21% pa	0.28% pa	11
BetaShares Dynamic Moderate Portfolio	WFS3928AU	0.1959% pa	0.00% pa	0.22% pa	0.32% pa	12
BetaShares Dynamic Balanced Portfolio	WFS7111AU	0.1959% pa	0.00% pa	0.16% pa	0.33% pa	13
BetaShares Dynamic Growth Portfolio	WFS6410AU	0.1959% pa	0.00% pa	0.14% pa	0.36% pa	14
BetaShares Dynamic High Growth Portfolio	WFS2984AU	0.1959% pa	0.00% pa	0.21% pa	0.33% pa	15

1 This fee is payable monthly to us as the responsible entity of BT Managed Portfolios, and is calculated on the average daily value of your portfolio for the month. Refer to 'Investment management fee' in the 'Additional explanation of fees and costs' section of this document for more information

2 These fees and costs are weighted averages based on the estimated fees and costs for the relevant underlying investments in relation to the 12 months to 30 June 2020, or in the case of a new or varied managed portfolio option, as if the managed portfolio option had been in place for the 12 month period ending 30 June 2020. Refer to 'Indirect costs' in the 'Additional explanation of fees and costs' section of this document for more information.

BetaShares managed portfolio options summaries

BetaShares Dynamic Conservative Portfolio

APIR code	WFS3675AU		
Designed for investors who	Seek access to a cost-effective, diversified and dynamically managed portfolio with a conservative risk/return profile. They are prepared to accept a low risk of capital loss to achieve this objective.		
Investment objective	To deliver returns of Consumer Price Index + 1.50% pa before fees over a rolling five year period.		
Benchmark index	Morningstar Australia Multi-Sector Conservative TR AUD Index		
Asset class	Diversified		
Investment style	Active		
Investment strategy and approach	The portfolio aims to enhance risk-adjusted returns over time through dynamic asset class tilts. The portfolio aims to achieve its objective through exposure to a diversified range of asset classes using BetaShares' exchange traded funds (ETFs) and external providers' ETFs. Over the long term, the portfolio aims to have an 80% allocation to defensive assets and a 20% allocation to growth assets.		
Investment universe	ASX traded ETFs		
Risk label (SRM)	Low (2)		
Minimum investment horizon	5 years		
Minimum investment amount	\$25,000		
Indicative number of assets	7 - 14		
Investment management fee	0.1959% pa		
Fees and costs – underlying investments¹	Performance-related fees	0.00% pa	
	Other indirect costs	0.21% pa	
	Transactional and operational costs	0.16% pa	
	Transaction fees	0.12% pa	
Asset allocation ranges	Asset class	Minimum (%)	Maximum (%)
	Cash ²	5	45
	Australian fixed interest	10	60
	International fixed interest	5	35
	Australian shares	2.5	20
	International shares	2.5	20
	Australian property	0	15
Alternatives ³	0	15	

1 These fees and costs are weighted averages based on the estimated fees and costs for the relevant underlying investments in relation to the 12 months to 30 June 2020, or in the case of a new or varied managed portfolio option, as if the managed portfolio option had been in place for the 12 month period ending 30 June 2020.

2 The 'Cash' asset class includes the cash allocation of the portfolio that is held in BT CMA (or any other cash product nominated by us) but may include allocation to other cash type investments.

3 The 'Alternatives' asset class may contain both defensive and growth assets.

BetaShares Dynamic Moderate Portfolio

APIR code	WFS3928AU		
Designed for investors who	Seek access to a cost-effective, diversified and dynamically managed portfolio with a moderate risk/return profile. They are prepared to accept a low to medium risk of capital loss to achieve this objective.		
Investment objective	To deliver returns of Consumer Price Index + 2.25% pa before fees over a rolling five year period.		
Benchmark index	Morningstar Australia Multi-Sector Moderate TR AUD Index		
Asset class	Diversified		
Investment style	Active		
Investment strategy and approach	The portfolio aims to enhance risk-adjusted returns over time through dynamic asset class tilts. The portfolio aims to achieve its objective through exposure to a diversified range of asset classes using BetaShares' exchange traded funds (ETFs) and external providers' ETFs. Over the long term, the portfolio aims to have a 65% allocation to defensive assets and a 35% allocation to growth assets.		
Investment universe	ASX traded ETFs		
Risk label (SRM)	Low to medium (3)		
Minimum investment horizon	5 years		
Minimum investment amount	\$25,000		
Indicative number of assets	7 - 14		
Investment management fee	0.1959% pa		
Fees and costs – underlying investments¹	Performance-related fees	0.00% pa	
	Other indirect costs	0.22% pa	
	Transactional and operational costs	0.18% pa	
	Transaction fees	0.14% pa	
Asset allocation ranges	Asset class	Minimum (%)	Maximum (%)
	Cash ²	5	35
	Australian fixed interest	15	55
	International fixed interest	5	30
	Australian shares	5	35
	International shares	5	35
	Australian property	0	15
	Alternatives ³	0	15

1 These fees and costs are weighted averages based on the estimated fees and costs for the relevant underlying investments in relation to the 12 months to 30 June 2020, or in the case of a new or varied managed portfolio option, as if the managed portfolio option had been in place for the 12 month period ending 30 June 2020.

2 The 'Cash' asset class includes the cash allocation of the portfolio that is held in BT CMA (or any other cash product nominated by us) but may include allocation to other cash type investments.

3 The 'Alternatives' asset class may contain both defensive and growth assets.

BetaShares Dynamic Balanced Portfolio

APIR code	WFS7111AU		
Designed for investors who	Seek access to a cost-effective, diversified and dynamically managed portfolio with a balanced risk/return profile. They are prepared to accept a medium risk of capital loss to achieve this objective.		
Investment objective	To deliver returns of Consumer Price Index + 3.25% pa before fees over a rolling five year period.		
Benchmark index	Morningstar Australia Multi-Sector Balanced TR AUD Index		
Asset class	Diversified		
Investment style	Active		
Investment strategy and approach	The portfolio aims to enhance risk-adjusted returns over time through dynamic asset class tilts. The portfolio aims to achieve its objective through exposure to a diversified range of asset classes using BetaShares' exchange traded funds (ETFs) and external providers' ETFs. Over the long term, the portfolio aims to have a 50% allocation to defensive assets and a 50% allocation to growth assets.		
Investment universe	ASX traded ETFs		
Risk label (SRM)	Medium (4)		
Minimum investment horizon	5 years		
Minimum investment amount	\$25,000		
Indicative number of assets	7 - 14		
Investment management fee	0.1959% pa		
Fees and costs – underlying investments¹	Performance-related fees	0.00% pa	
	Other indirect costs	0.16% pa	
	Transactional and operational costs	0.16% pa	
	Transaction fees	0.17% pa	
Asset allocation ranges	Asset class	Minimum (%)	Maximum (%)
	Cash ²	2	30
	Australian fixed interest	10	45
	International fixed interest	5	30
	Australian shares	7.5	40
	International shares	7.5	40
	Australian property	0	15
Alternatives ³	0	20	

1 These fees and costs are weighted averages based on the estimated fees and costs for the relevant underlying investments in relation to the 12 months to 30 June 2020, or in the case of a new or varied managed portfolio option, as if the managed portfolio option had been in place for the 12 month period ending 30 June 2020.

2 The 'Cash' asset class includes the cash allocation of the portfolio that is held in BT CMA (or any other cash product nominated by us) but may include allocation to other cash type investments.

3 The 'Alternatives' asset class may contain both defensive and growth assets.

BetaShares Dynamic Growth Portfolio

APIR code	WFS6410AU		
Designed for investors who	Seek access to a cost-effective, diversified and dynamically managed portfolio with a growth risk/return profile. They are prepared to accept a medium to high risk of capital loss to achieve this objective.		
Investment objective	To deliver returns of Consumer Price Index + 4.00% pa before fees over a rolling five year period.		
Benchmark index	Morningstar Australia Multi-Sector Growth TR AUD Index		
Asset class	Diversified		
Investment style	Active		
Investment strategy and approach	The portfolio aims to enhance risk-adjusted returns over time through dynamic asset class tilts. The portfolio aims to achieve its objective through exposure to a diversified range of asset classes using BetaShares' exchange traded funds (ETFs) and external providers' ETFs. Over the long term, the portfolio aims to have a 30% allocation to defensive assets and a 70% allocation to growth assets.		
Investment universe	ASX traded ETFs		
Risk label (SRM)	Medium to high (5)		
Minimum investment horizon	5 years		
Minimum investment amount	\$25,000		
Indicative number of assets	6 - 14		
Investment management fee	0.1959% pa		
Fees and costs – underlying investments¹	Performance-related fees	0.00% pa	
	Other indirect costs	0.14% pa	
	Transactional and operational costs	0.15% pa	
	Transaction fees	0.21% pa	
Asset allocation ranges	Asset class	Minimum (%)	Maximum (%)
	Cash ²	2	15
	Australian fixed interest	2.5	35
	International fixed interest	0	20
	Australian shares	15	50
	International shares	15	50
	Australian property	0	20
	Alternatives ³	0	20

1 These fees and costs are weighted averages based on the estimated fees and costs for the relevant underlying investments in relation to the 12 months to 30 June 2020, or in the case of a new or varied managed portfolio option, as if the managed portfolio option had been in place for the 12 month period ending 30 June 2020.

2 The 'Cash' asset class includes the cash allocation of the portfolio that is held in BT CMA (or any other cash product nominated by us) but may include allocation to other cash type investments.

3 The 'Alternatives' asset class may contain both defensive and growth assets.

BetaShares Dynamic High Growth Portfolio

APIR code	WFS2984AU		
Designed for investors who	Seek access to a cost-effective, diversified and dynamically managed portfolio with a high growth risk/return profile. They are prepared to accept a high risk of capital loss to achieve this objective.		
Investment objective	To deliver returns of Consumer Price Index + 5.50% pa before fees over a rolling five year period.		
Benchmark index	Morningstar Australia Multi-Sector Aggressive TR AUD Index		
Asset class	Diversified		
Investment style	Active		
Investment strategy and approach	The portfolio aims to enhance risk-adjusted returns over time through dynamic asset class tilts. The portfolio aims to achieve its objective through exposure to a diversified range of asset classes using BetaShares' exchange traded funds (ETFs) and external providers' ETFs. Over the long term, the portfolio aims to have a 10% allocation to defensive assets and a 90% allocation to growth assets.		
Investment universe	ASX traded ETFs		
Risk label (SRM)	High (6)		
Minimum investment horizon	5 years		
Minimum investment amount	\$25,000		
Indicative number of assets	4 - 14		
Investment management fee	0.1959% pa		
Fees and costs – underlying investments¹	Performance-related fees	0.00% pa	
	Other indirect costs	0.21% pa	
	Transactional and operational costs	0.17% pa	
	Transaction fees	0.16% pa	
Asset allocation ranges	Asset class	Minimum (%)	Maximum (%)
	Cash ²	2	15
	Australian fixed interest	0	20
	International fixed interest	0	15
	Australian shares	20	60
	International shares	25	65
	Australian property	0	25
	Alternatives ³	0	20

1 These fees and costs are weighted averages based on the estimated fees and costs for the relevant underlying investments in relation to the 12 months to 30 June 2020, or in the case of a new or varied managed portfolio option, as if the managed portfolio option has been in place for the 12 month period ending 30 June 2020.

2 The 'Cash' asset class includes the cash allocation of the portfolio that is held in BT CMA (or any other cash product nominated by us) but may include allocation to other cash type investments.

3 The 'Alternatives' asset class may contain both defensive and growth assets.

For more information

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BT Managed Portfolios

Part 2 - Investment Options Booklet
Blackmore Capital

Issued 30 October 2020

The Product Disclosure Statement (PDS) is issued by
Westpac Financial Services Ltd
ABN 20 000 241 127
Australian Financial Services Licence (AFSL) Number 233716

About the PDS

The PDS should help you to make a decision about whether or not to invest in BT Managed Portfolios ARSN 604 066 686 by:

- giving you a clear overview of BT Managed Portfolios and how it works
- explaining the benefits, features, risks and costs of investing in BT Managed Portfolios
- giving you an understanding of where you can find more information or get help.
- accessing BT Managed Portfolios (to the extent permitted by the terms of the Panorama Product); and
- that an asset be sold down and the net proceeds transferred to your Panorama Product account to the extent that the asset cannot for any reason be held directly in your Panorama Product account.

The PDS is comprised of 2 parts:

- **Part 1 - General Information.**
Please read this for an overview of BT Managed Portfolios and how it works.
- **Part 2 - Investment Options Booklet (this document).**
This document describes the managed portfolio options within BT Managed Portfolios that are managed by Blackmore Capital Pty Ltd ABN 72 622 402 895 (Blackmore Capital or the investment manager) (together referred to as the Blackmore Capital managed portfolio options) as well as the fees and charges that apply to these managed portfolio options.

Updated information

These documents may change. If information is not materially adverse, we may update information by placing a notice on bt.com.au/panorama. You may also request a paper copy free of charge by calling us on 1300 881 716. The PDS contains important information that you should consider before making a decision about BT Managed Portfolios.

General advice warning

The information in the PDS is general information only and doesn't take into account your personal objectives, financial situation or needs. You should consider whether the information in the PDS is appropriate for you in light of your objectives, financial situation and needs.

Investment manager

Blackmore Capital is a corporate authorised representative of Artesian Venture Partners Pty Ltd ABN 58 112 089 488 AFSL 284492 (Artesian).

Eligibility

If you are a client of Royce Advisory Pty Ltd (Royce Advisory), the Blackmore Capital managed portfolio options in this document are only available to you if you are a wholesale client, within the meaning given by the Corporations Act 2001 (Cth) (Corporations Act). If and when we are notified that you are no longer a wholesale client, you will be taken to have requested:

- a redemption from BT Managed Portfolios in respect of all assets referable to you that are managed in accordance with any Blackmore Capital managed portfolio(s);
- that those assets be held in, and according to the terms of, the Panorama Product account through which you are

Consent to be named

Blackmore Capital, Artesian and Royce Advisory have given and not withdrawn their consents to the inclusion in this document of all information referable to them (and the managed portfolio options Blackmore Capital is engaged to manage) in the form and context in which that information appears.

Availability

If, within your Panorama Investments or Panorama Super (excluding BT Super Invest) account, you only have access to the Compact menu of investment options (and not the Full menu), you may not be able to access some or all of the managed portfolio options described in this document. If you hold a BT Super Invest account you may also be unable to access some or all of the managed portfolio options in this document. Please refer to the disclosure document for your Panorama Product to confirm your ability to access and invest in the Blackmore Capital managed portfolio options.

Managed portfolio options in BT Managed Portfolios other than those described in this document might also be available to you. Information about these other managed portfolio options is set out in separate product disclosure statements for BT Managed Portfolios that are also issued by us. You should obtain and consider those product disclosure statements in deciding whether to acquire or continue to hold any interest in BT Managed Portfolios. Contact the Panorama Support team or your adviser for more information on other managed portfolio options that may be available to you, and to obtain a copy of the relevant product disclosure statement for those managed portfolio options.

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Who is the investment manager?

Blackmore Capital Pty Ltd (Blackmore Capital)

Blackmore Capital has been appointed by us as investment manager to advise on the construction and management of the Blackmore Capital managed portfolio options.

ABN	72 622 402 895
Authorised Representative Number	1261217
About the investment manager	<p>Blackmore Capital is a corporate authorised representative of Artesian Venture Partners Pty Ltd ABN 58 112 089 488 AFSL Number 284492.</p> <p>Blackmore Capital is an Australian equity investment manager whose investment process combines fundamental research with a company visitation program. Blackmore Capital seeks to identify genuine high-quality investment opportunities in the long term.</p> <p>The core of Blackmore Capital's belief is that a high-quality business should display consistency of earnings, exhibit an ability to maintain returns, possess a strong balance sheet, have substantial potential market opportunity, adopt sound corporate governance and be available for purchase below their estimated value.</p>
Investment philosophy and process	<p>Blackmore Capital's investment approach aims to generate long-term risk-adjusted returns, by investing in companies that focus on generating high-quality earnings and operate in industries that exhibit favourable long-term growth prospects.</p> <p>Through an iterative process of company and industry engagement, Blackmore Capital looks to find catalysts to generate value or identify red flags which could destroy future value. Blackmore Capital's investment process encourages sourcing knowledge and understanding from many sources. Blackmore Capital's investment heritage strives to provide insightful learnings of investment cycles to ensure their strategy survives and grows capital over the longer term.</p>

What are the fees and other costs?

Did you know?

Small differences in both investment performance and fees and costs can have a substantial impact on your long term returns.

For example, total annual fees and costs of 2% of your investment balance rather than 1% could reduce your final return by up to 20% over a 30 year period (for example, reduce it from \$100,000 to \$80,000).

You should consider whether features such as superior investment performance or the provision of better member services justify higher fees and costs.

You may be able to negotiate to pay lower contribution fees and management costs where applicable. Ask the fund or your financial adviser.

To find out more

If you would like to find out more, or see the impact of the fees based on your own circumstances, the **Australian Securities and Investments Commission (ASIC)** website (www.moneySMART.gov.au) has a managed funds fee calculator to help you check out different fee options.

This section of the document shows fees and other costs that you may be charged for investing in BT Managed Portfolios. These fees and costs may be deducted from your money, from the returns on your investment or from your portfolio as a whole. Taxes are set out in another part of the PDS.

You should read all the information about fees and costs because it is important to understand their impact on your investment. Fees and costs for the Blackmore Capital managed portfolio options are set out on page 10. All fees are in Australian dollars.

Except where otherwise stated, all fees in this document are expressed as inclusive of any GST and are net of any reduced input tax credits (RITCs) which may be claimed.

What are the fees and other costs?

BT Managed Portfolios

Type of fee or cost ¹	Amount	How and when paid
Fees when your money moves in or out of BT Managed Portfolios		
Establishment fee The fee to open your investment	Nil	Not applicable
Contribution fee The fee on each amount contributed to your investment	Nil	Not applicable
Withdrawal fee The fee on each amount you take out of your investment	Nil	Not applicable
Exit fee The fee to close your investment	Nil	Not applicable
Management costs – The fees and costs for managing your investment²		
The amount you pay for the Blackmore Capital managed portfolio options is shown on page 10.		
Investment management fee	Each managed portfolio option has an investment management fee of 0.6000% per annum of the value invested. Please refer to the Blackmore Capital managed portfolio options list on page 10 for more information.	<ul style="list-style-type: none"> – The investment management fee is calculated based on the average daily value of your portfolio for the month. – The investment management fee is deducted and paid to us from the cash allocation of your portfolio on a monthly basis at the end of each month.
Indirect costs³	<p>Performance-related fees Each managed portfolio option has a weighted average performance-related fee of 0.00% per annum.</p> <p>Other indirect costs The weighted average of each managed portfolio option's other indirect costs is 0.00% per annum.</p> <p>Please refer to the Blackmore Capital managed portfolio options list on page 10 for more information.</p>	<ul style="list-style-type: none"> – The calculation of fees and costs in relation to an underlying managed fund or exchange traded fund, and timing of payment, will vary between the underlying managed funds or exchange traded funds. – The indirect costs, including any performance-related fees payable in connection with an underlying managed fund or exchange traded fund, are not directly charged or retained by us. These indirect costs are paid from the assets of the relevant underlying managed funds or exchange traded funds, and will generally be reflected in the unit prices of those underlying managed funds or the closing market prices of the exchange traded funds that are held in your portfolio.
Service fees		
Switching fee The fee for changing investment options	Nil	Not applicable

¹ Adviser fees may also apply.

² Additional fees may apply. Refer to the 'Additional explanation of fees and costs' section of this document for more information.

³ The performance-related fees and other indirect costs are estimates and calculated based on the indirect costs for the 12 month period ending 30 June 2020, or in the case of a new or varied managed portfolio option, as if the managed portfolio option had been in place for the 12 month period ending 30 June 2020. The performance-related fees shown are not a representation of likely future performance. The actual indirect costs of a managed portfolio option in future periods may be different and materially so, given the nature of these costs. For more information, refer to 'Indirect costs' in the 'Additional explanation of fees and costs' section of this document.

What are the fees and other costs?

Example of annual fees and costs for a balanced managed portfolio option or other managed portfolio option

This table gives an example of how the fees and costs for the Blackmore Capital Blended Australian Equities Portfolio can affect your investment over a 1 year period. You should use this table to compare this product with other managed investment products.

Example - Blackmore Capital Blended Australian Equities Portfolio		Balance of \$50,000 with a contribution of \$5,000 during the year ¹
Contribution fees	Nil	For every additional \$5,000 you put in, you will be charged \$0.
PLUS Management costs		
– Investment management fee	0.6000%	And, for every \$50,000 you have in the Blackmore Capital Blended Australian Equities Portfolio you will be charged \$300.00 each year.
– Performance-related fees ²	0.00%	
– Other indirect costs ²	0.00%	
EQUALS		If you had an investment of \$50,000 at the beginning of the year and you put in an additional \$5,000 during that year, you would be charged fees of \$300.00 What it costs you will depend on the investment option you choose and the fees you negotiate.
Cost of the Blackmore Capital Blended Australian Equities Portfolio ³		

- 1 The amount used in this example is prescribed by legislation. This example assumes that the \$50,000 is invested for the entire year, the value of the investment is constant over the year and that the additional \$5,000 is invested at the end of the year. Therefore management costs are calculated using the \$50,000 balance only.
- 2 The performance-related fees and other indirect costs are estimates and calculated based on the indirect costs for the 12 month period ending 30 June 2020, or in the case of a new or varied managed portfolio option, as if the managed portfolio option has been in place for the 12 month period ending 30 June 2020. The performance-related fees shown are not a representation of likely future performance. The actual indirect costs of a managed portfolio option in future periods may be different and materially so, given the nature of these costs. For more information, refer to 'Indirect costs' in the 'Additional explanation of fees and costs' section of this document.
- 3 Additional fees may apply. This example does not take into account all the fees and costs that may apply, for example, the total transactional and operational costs. For more information, refer to 'Transactional and operational costs' in the 'Additional explanation of fees and costs' section of this document.

Additional explanation of fees and costs

Management costs

Management costs for each managed portfolio option include the investment management fee, any performance-related fees and other indirect costs.

Management costs do not include transactional and operational costs ie costs associated with investing (including in underlying funds, if applicable). For more information, refer to 'Transactional and operational costs' on page 8.

Investment management fee

We are entitled to be paid an investment management fee as responsible entity of BT Managed Portfolios.

The investment management fee is charged as a percentage of the value of your portfolio. It is accrued daily and paid from the cash allocation of your portfolio monthly.

Payments we make to the investment manager

We may pay the investment manager a fee for investment management services provided to us. This is paid from the investment management fee we receive, and is not an additional cost to you.

Changes in fees and costs

We have the right to introduce fees and to begin reimbursing ourselves for expenses from your portfolio (including performance fees payable to an investment manager), but we will give you 30

days' notice prior to doing so. The constitution provides for the responsible entity to receive a maximum investment management fee of 4% per annum (excluding GST) of the total value invested and a maximum performance fee of 5% per annum (excluding GST) of the total value invested. The responsible entity does not currently charge performance fees.

Expenses

We're entitled to be reimbursed from the scheme for authorised expenses incurred in the management and administration of managed portfolio options in the proper performance of our duties. Currently routine scheme expenses, including trustee, registry, custodian, accounting, audit and legal expenses (excluding transaction costs), are paid out of our investment management fee. If extraordinary or unusual expenses are incurred, we may choose to recover costs from the scheme.

Indirect costs

Indirect costs (also referred to as 'Fees and costs - underlying investments') are determined as a percentage of the value of the relevant managed portfolio option you're invested in. Indirect costs are an estimate of the costs incurred in managing the managed portfolio's assets which directly or indirectly reduce the return on the managed portfolio. These costs are not directly charged or retained by us. These costs are generally deducted from the assets of an underlying managed fund or exchange traded fund.

What are the fees and other costs?

Where the managed portfolio invests in an underlying managed fund or exchange traded fund, we have relied on the information provided by the issuers of those underlying funds and have made reasonable enquiries where necessary to determine the appropriateness of the indirect costs provided.

The amounts included in the table of fees and costs are estimates and calculated based on the indirect costs paid in the 12 month period ending 30 June 2020, or in the case of a new or varied managed portfolio option, as if the managed portfolio option had been in place for the 12 month period ending 30 June 2020.

These indirect costs are reflected in the unit price of the underlying managed funds or the closing market prices of the exchange traded funds that are held in your portfolio and are an additional cost to you.

The actual indirect costs of a managed portfolio option in future periods may be different to the estimates included in this document and materially so, given the nature of these costs, as explained below.

Indirect costs are:

- **Performance-related fees:** An underlying investment manager of a managed fund or exchange traded fund may charge a performance fee, called a performance-related fee. If applicable, it is included in indirect costs and is not an additional cost to you. We do not currently charge performance-related fees.

Generally, a performance-related fee will only be charged in respect of an underlying managed fund or exchange traded fund when the investment return outperforms either the relevant benchmark or a specific performance hurdle return. However, usually, any prior under performance must also be made good before the underlying investment manager qualifies for a performance-related fee.

The performance-related fee rate typically ranges from 0%–30% of the outperformance over the relevant benchmark or performance hurdle and is generally paid at least annually (performance period). Performance-related fees affect the underlying fund's return and therefore the value of your investment in the fund. The performance-related fee may still be payable where the overall performance of the underlying managed fund or exchange traded fund has declined over the performance period. This is because one or more underlying investment managers may have outperformed the benchmark or their performance hurdle over that period.

Where an underlying investment manager's cumulative performance for a period is less than the relevant benchmark or performance hurdle, this underperformance may be carried forward to the following period and no further performance-related fees will be either reflected in the unit price or paid in respect of the underlying investment manager until the underperformance is recouped.

The more exposure a managed portfolio has to an underlying investment that charges performance-related fees, the greater

the potential impact that this will have on your investment in that managed portfolio.

- **Other indirect costs:** The managed portfolio option may incur other indirect costs as a result of investing in underlying managed funds or exchange traded funds. Typical indirect costs include an underlying managed fund's or exchange traded fund's costs which have been included in the valuation of the underlying managed fund or exchange traded fund.

Other indirect costs will also be incurred in respect of the cash allocation of each managed portfolio option.

Transactional and operational costs

- **Transaction fees:** We charge a transaction fee in relation to the buying and selling of listed securities and exchange traded funds in your portfolio. This fee will cover the costs of processing and settling the transactions, including the brokerage payable to the appointed broker. Generally, the fee will be between 0.11% and 0.18% of the transaction amount but may be as high as 0.20% of the transaction amount. As an example, if a \$50,000 transaction occurred in your portfolio, the transaction fees charged at 0.18% would be \$90. In some circumstances, we may not need to process a transaction as it may be possible to net the transaction against transactions for other investors. In these circumstances, we will still charge the transaction fee.
- **Buy/sell spread:** The buy/sell spread (generally applicable to managed funds) is the transaction cost incurred when buying and selling assets in an underlying managed fund when new investors apply for and existing investors redeem units in the underlying managed fund. It is charged by the issuer and is included in the underlying managed fund's unit price.

Typical buy/sell spreads are estimated to be between 0% and 0.70% but may fall outside this range. For example, if \$10,000 is invested in an underlying managed fund, at the maximum buy/sell spread of 0.70%, you will generally incur a cost of \$70 at the time you invest. The buy/sell spread is an additional cost to you. If you require further information on the buy/sell spread applicable to the underlying managed funds, please speak to your adviser or contact us.

- **Other transactional and operational costs:** In relation to an underlying managed fund, where transactional and operational costs arise from trading activity to execute the relevant fund's investment strategy, and are not the result of applications into and redemptions from the relevant fund, these costs (including brokerage, stamp duty and clearing and settlement costs) may not be recouped by the buy/sell spread. In these circumstances, they are an additional cost to you at the time of undertaking the trading activity, and are included in the underlying managed fund's unit price.

In addition, when it comes to buying and selling listed securities and exchange traded funds in your portfolio, there may be transactional and operational costs in addition to transaction fees. These are referred to as bid/ask spreads and represent the difference between the price paid for an

What are the fees and other costs?

underlying investment and the price that it would be disposed of at that time. They are an additional cost to you at the time of undertaking the trading activity.

Our estimate of these transactional and operational costs for the year ended 30 June 2020 for the Blackmore Capital Blended Australian Equities Portfolio are set out in the example below.

Detailed fee information for each Blackmore Capital managed portfolio option is set out in the 'Blackmore Capital managed portfolio options summaries' section of this document.

Managed portfolio option	(A) Transactional and operational costs of underlying investments	(B) Transaction fees	(C) = (A) + (B) Total transactional and operational costs
Blackmore Capital Blended Australian Equities Portfolio	0.11% pa	0.08% pa	0.19% pa

Using the example above, if \$50,000 is invested in the Blackmore Capital Blended Australian Equities Portfolio, total transactional and operational costs will be \$95. This is comprised of transactional and operational costs of the underlying investments of \$55 and transaction fees of \$40. For the total fees and costs relating to the Blackmore Capital Blended Australian Equities Portfolio, excluding the transactional and operational costs, refer to the fee example on page 7.

Government duty

Government duty may be payable if you transfer certain assets into or out of your portfolio. For further information regarding how government duty is deducted, refer to the relevant disclosure document for your Panorama Product.

Refer to 'Taxation' in Part 1 of the PDS for information about tax generally.

Other fees and costs

All other fees and costs (such as government fees, bank fees, fees for failed transactions and penalty interest) incurred as a result of a transaction, deposit or withdrawal, will be passed on to you and payable out of the cash allocation of your portfolio.

Additional fees may be paid to a financial adviser if you have consulted a financial adviser. You should refer to the Statement of Advice provided by your financial adviser in which details of the fees are set out. ASIC provides a fee calculator on www.moneysmart.gov.au, which you may use to calculate the effects of fees and costs on your investment in BT Managed Portfolios.

Blackmore Capital managed portfolio options list

The fees and costs applying to each managed portfolio option are set out below.

Option name	APIR code	Investment management fee ¹	Fees and costs – underlying investments ²			Page
			Performance-related fees	Other indirect costs	Total transactional and operational costs	
ASSET CLASS: Australian shares						
Blackmore Capital Australian Equity Income Portfolio	WFS1561AU	0.6000% pa	0.00% pa	0.00% pa	0.23% pa	11
Blackmore Capital Blended Australian Equities Portfolio	WFS5380AU	0.6000% pa	0.00% pa	0.00% pa	0.19% pa	12

1 This fee is payable monthly to us as the responsible entity of BT Managed Portfolios, and is calculated on the average daily value of your portfolio for the month. Refer to 'Investment management fee' in the 'Additional explanation of fees and costs' section of this document for more information.

2 These fees and costs are weighted averages based on the estimated fees and costs for the relevant underlying investments in relation to the 12 months to 30 June 2020, or in the case of a new or varied managed portfolio option, as if the managed portfolio option has been in place for the 12 month period ending 30 June 2020. Refer to 'Indirect costs' in the 'Additional explanation of fees and costs' section of this document for further information.

Blackmore Capital managed portfolio options summaries

Blackmore Capital Australian Equity Income Portfolio

APIR code	WFS1561AU		
Designed for investors who	Seek a long-term investment in Australian shares with an income stream and a focus on low turnover and low volatility. They are prepared to accept a high risk of capital loss to achieve this objective.		
Investment objective	To outperform the benchmark before fees over a rolling five year period with a focus on providing an income stream, lower volatility and greater downside risk protection relative to the benchmark.		
Benchmark index	S&P/ASX 200 Accumulation Index		
Asset class	Australian shares		
Investment style	Active		
Investment strategy and approach	<p>Blackmore Capital aims to generate long-term, risk-adjusted returns and an income stream by investing in companies that are focused on generating earnings of high quality and operate in industries that exhibit favourable long-term prospects. Critical to the investment process is the consideration of six core components:</p> <ol style="list-style-type: none"> 1. Earnings Quality assessment; 2. Industry – size of the industry, growth rates, barriers to entry; 3. Balance Sheet – Level & cost of debt, with a preference for lower debt; 4. Management & Board – clarity on creation of future value and track record; 5. Valuation – quality at a reasonable price; 6. Portfolio construction – diversification of different sources of return and risk to construct a portfolio that exhibits consistently lower volatility and investment drawdown. <p>Environmental, Social and Governance (ESG) issues are also an attribute that Blackmore Capital monitors as part of their investment decision making process.</p>		
Investment universe	Predominantly securities within the S&P/ASX 200 Index		
Risk label (SRM)	High (6)		
Minimum investment horizon	5 years		
Minimum investment amount	\$25,000		
Indicative number of assets	20 – 40		
Investment management fee	0.6000% pa		
Fees and costs – underlying investments¹	Performance-related fees	0.00% pa	
	Other indirect costs	0.00% pa	
	Transactional and operational costs	0.12% pa	
	Transaction fees	0.11% pa	
Asset allocation ranges	Asset class	Minimum (%)	Maximum (%)
	Cash ²	2	25
	Australian shares ³	75	98

1 These fees and costs are weighted averages based on the estimated fees and costs for the relevant underlying investments in relation to the 12 months to 30 June 2020, or in the case of a new or varied managed portfolio option, as if the managed portfolio option has been in place for 12 month period ending 30 June 2020.

2 The 'Cash' asset class includes the cash allocation of the portfolio that is held in BT CMA (or any other cash product nominated by us) but may include allocation to other cash type investments.

3 The 'Australian shares' asset class may include allocation to listed property securities (ie Australian Real Estate Investment Trusts).

Blackmore Capital Blended Australian Equities Portfolio

APIR code	WFS5380AU		
Designed for investors who	Seek a long-term investment in Australian shares with a focus on capital return, low turnover and low volatility. They are prepared to accept a high risk of capital loss to achieve this objective.		
Investment objective	To outperform the benchmark before fees over a rolling five year period with a focus on capital growth, lower volatility and greater downside risk protection relative to the benchmark.		
Benchmark index	S&P/ASX 200 Accumulation Index		
Asset class	Australian shares		
Investment style	Active		
Investment strategy and approach	<p>Blackmore Capital aims to generate long-term, risk-adjusted returns by investing in companies that are focused on generating earnings of high quality and operate in industries that exhibit favourable long-term prospects. Critical to the investment process is the consideration of six core components:</p> <ol style="list-style-type: none"> 1. Earnings Quality assessment; 2. Industry – size of the industry, growth rates, barriers to entry; 3. Balance Sheet – Level & cost of debt, with a preference for lower debt; 4. Management & Board – clarity on creation of future value and track record; 5. Valuation – quality at a reasonable price; 6. Portfolio construction – diversification of different sources of return and risk to construct a portfolio that exhibits consistently lower volatility and investment drawdown. <p>Environmental, Social and Governance (ESG) issues are also an attribute that Blackmore Capital monitors as part of their investment decision making process.</p>		
Investment universe	Predominantly securities within the S&P/ASX 200 Index		
Risk label (SRM)	High (6)		
Minimum investment horizon	5 years		
Minimum investment amount	\$25,000		
Indicative number of assets	20 – 40		
Investment management fee	0.6000% pa		
Fees and costs – underlying investments¹	Performance-related fees	0.00% pa	
	Other indirect costs	0.00% pa	
	Transactional and operational costs	0.11% pa	
	Transaction fees	0.08% pa	
Asset allocation ranges	Asset class	Minimum (%)	Maximum (%)
	Cash ²	2	25
	Australian shares ³	75	98

1 These fees and costs are weighted averages based on the estimated fees and costs for the relevant underlying investments in relation to the 12 months to 30 June 2020, or in the case of a new or varied managed portfolio option, as if the managed portfolio option has been in place for 12 month period ending 30 June 2020.

2 The 'Cash' asset class includes the cash allocation of the portfolio that is held in BT CMA (or any other cash product nominated by us) but may include allocation to other cash type investments.

3 The 'Australian shares' asset class may include allocation to listed property securities (ie Australian Real Estate Investment Trusts).

For more information

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70025-1020ox

BT Managed Portfolios

Part 2 - Investment Options Booklet
BlackRock

Issued 14 December 2020

The Product Disclosure Statement (PDS) is issued by
Westpac Financial Services Limited
ABN 20 000 241 127
Australian Financial Services Licence (AFSL) Number 233716

About the PDS

The PDS should help you to make a decision about whether or not to invest in BT Managed Portfolios ARSN 604 066 686 by:

- giving you a clear overview of BT Managed Portfolios and how it works
- explaining the benefits, features, risks and costs of investing in BT Managed Portfolios
- giving you an understanding of where you can find more information or get help.

The PDS is comprised of 2 parts:

- **Part 1 - General Information.**
Please read this for an overview of BT Managed Portfolios and how it works.
- **Part 2 - Investment Options Booklet (this document).**
This document describes the managed portfolio options within BT Managed Portfolios that are managed by BlackRock Investment Management (Australia) Limited ABN 13 006 165 975 (BlackRock or the investment manager) (together referred to as the BlackRock managed portfolio options) as well as the fees and charges that apply to these managed portfolio options.

Updated information

These documents may change. If information is not materially adverse, we may update information by placing a notice on bt.com.au/panorama. You may also request a paper copy free of charge by calling us on 1300 881 716. The PDS contains important information that you should consider before making a decision about BT Managed Portfolios.

General advice warning

The information in the PDS is general information only and doesn't take into account your personal objectives, financial situation or needs. You should consider whether the information in the PDS is appropriate for you in light of your objectives, financial situation and needs.

Consent to be named

BlackRock has given and not withdrawn its consent to the inclusion in this document of all information referable to it (and the managed portfolio options it is engaged to manage) in the form and context in which that information appears.

Availability

If, within your Panorama Investments or Panorama Super (excluding BT Super Invest) account, you only have access to the Compact menu of investment options (and not the Full menu), you may not be able to access some or all of the managed portfolio options described in this document. If you hold a BT Super Invest account you may also be unable to access some or all of the managed portfolio options in this document. Please refer to the disclosure document for your Panorama Product to confirm your ability to access and invest in the BlackRock managed portfolio options.

Managed portfolio options in BT Managed Portfolios other than those described in this document might also be available to you.

Information about these other managed portfolio options is set out in separate product disclosure statements for BT Managed Portfolios that are also issued by us. You should obtain and consider those product disclosure statements in deciding whether to acquire or continue to hold any interest in BT Managed Portfolios. Contact the Panorama Support team or your adviser for more information on other managed portfolio options that may be available to you, and to obtain a copy of the relevant product disclosure statement for those managed portfolio options.

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Who is the investment manager?

BlackRock Investment Management (Australia) Limited (BlackRock)

BlackRock has been appointed by us as investment manager to advise on the construction and management of the BlackRock managed portfolio options.

ABN	13 006 165 975
AFSL Number	230523
About the investment manager	<p>BlackRock provides investment management across a variety of asset classes and strategies including shares, fixed income, real estate, liquidity, alternatives and asset allocation strategies for institutional and retail clients. BlackRock aims to combine risk management, specialist investment management technology and advisory services with investment markets expertise.</p> <p>BlackRock is a global company that strives to combine the benefits of worldwide reach with local service and relationships. BlackRock has a major presence in key global markets, including North and South America, Europe, the Middle East, Africa, Asia and Australia.</p>
Investment philosophy and process	<p>BlackRock's investment process aims to follow a quantitative and consistent approach to identify investment opportunity, starting with fundamental review followed by rigorous testing of each proposed opportunity. The process attempts to achieve specific investment objectives in a risk-efficient manner to deliver attractive returns across market cycles. BlackRock aims to accomplish this by using exchange traded funds (ETFs) to position the portfolios to capture the intended exposures while minimising unintended exposures and risks.</p> <p>BlackRock believes that whilst ETFs are generally a liquid, low-cost means of obtaining market exposure, the investment process is designed to find an appropriate trade-off between achieving the portfolio's investment objectives over the suggested minimum investment horizon while avoiding unnecessary turnover.</p>

What are the fees and other costs?

Did you know?

Small differences in both investment performance and fees and costs can have a substantial impact on your long term returns.

For example, total annual fees and costs of 2% of your investment balance rather than 1% could reduce your final return by up to 20% over a 30 year period (for example, reduce it from \$100,000 to \$80,000).

You should consider whether features such as superior investment performance or the provision of better member services justify higher fees and costs.

You may be able to negotiate to pay lower contribution fees and management costs where applicable. Ask the fund or your financial adviser.

To find out more

If you would like to find out more, or see the impact of the fees based on your own circumstances, the **Australian Securities and Investments Commission (ASIC)** website (www.moneySMART.gov.au) has a managed funds fee calculator to help you check out different fee options.

This section of the document shows fees and other costs that you may be charged for investing in BT Managed Portfolios. These fees and costs may be deducted from your money, from the returns on your investment or from your portfolio as a whole. Taxes are set out in another part of the PDS.

You should read all the information about fees and costs because it is important to understand their impact on your investment. Fees and costs for the BlackRock managed portfolio options are set out on page 10. All fees are in Australian dollars.

Except where otherwise stated, all fees in this document are expressed as inclusive of any GST and are net of any reduced input tax credits (RITCs) which may be claimed.

What are the fees and other costs?

BT Managed Portfolios

Type of fee or cost ¹	Amount	How and when paid
Fees when your money moves in or out of BT Managed Portfolios		
Establishment fee The fee to open your investment	Nil	Not applicable
Contribution fee The fee on each amount contributed to your investment	Nil	Not applicable
Withdrawal fee The fee on each amount you take out of your investment	Nil	Not applicable
Exit fee The fee to close your investment	Nil	Not applicable
Management costs – The fees and costs for managing your investment² The amount you pay for the BlackRock managed portfolio options is shown on page 10.		
Investment management fee	Each managed portfolio option has an investment management fee of 0.1500% per annum of the value invested. Please refer to the BlackRock managed portfolio options list on page 10 for more information.	<ul style="list-style-type: none"> – The investment management fee is calculated based on the average daily value of your portfolio for the month. – The investment management fee is deducted and paid to us from the cash allocation of your portfolio on a monthly basis at the end of each month.
Indirect costs³	<p>Performance-related fees Each managed portfolio option has a weighted average performance-related fee of 0.00% per annum.</p> <p>Other indirect costs The weighted average of each managed portfolio option's other indirect costs ranges from 0.19% to 0.21% per annum.</p> <p>Please refer to the BlackRock managed portfolio options list on page 10 for more information.</p>	<ul style="list-style-type: none"> – The calculation of fees and costs in relation to an underlying managed fund or exchange traded fund, and timing of payment, will vary between the underlying managed funds or exchange traded funds. – The indirect costs, including any performance-related fees payable in connection with an underlying managed fund or exchange traded fund, are not directly charged or retained by us. These indirect costs are paid from the assets of the relevant underlying managed funds or exchange traded funds, and will generally be reflected in the unit prices of those underlying managed funds or the closing market prices of the exchange traded funds that are held in your portfolio.
Service fees		
Switching fee The fee for changing investment options	Nil	Not applicable

¹ Adviser fees may also apply.

² Additional fees may apply. Refer to the 'Additional explanation of fees and costs' section of this document for more information.

³ The performance-related fees and other indirect costs are estimates and calculated based on the indirect costs for the 12 month period ending 30 June 2020, or in the case of a new or varied managed portfolio option, as if the managed portfolio option had been in place for the 12 month period ending 30 June 2020. The performance-related fees shown are not a representation of likely future performance. The actual indirect costs of a managed portfolio option in future periods may be different and materially so, given the nature of these costs. For more information, refer to 'Indirect costs' in the 'Additional explanation of fees and costs' section of this document.

What are the fees and other costs?

Example of annual fees and costs for a balanced managed portfolio option or other managed portfolio option

This table gives an example of how the fees and costs for the iShares Enhanced Strategic Balanced Portfolio can affect your investment over a 1 year period. You should use this table to compare this product with other managed investment products.

Example - iShares Enhanced Strategic Balanced Portfolio		Balance of \$50,000 with a contribution of \$5,000 during the year ¹
Contribution fees	Nil	For every additional \$5,000 you put in, you will be charged \$0.
PLUS Management costs		
– Investment management fee	0.1500%	And, for every \$50,000 you have in the iShares Enhanced Strategic Balanced Portfolio you will be charged \$180.00 each year.
– Performance-related fees ²	0.00%	
– Other indirect costs ²	0.21%	
EQUALS		If you had an investment of \$50,000 at the beginning of the year and you put in an additional \$5,000 during that year, you would be charged fees of
Cost of the iShares Enhanced Strategic Balanced Portfolio ³		\$180.00
What it costs you will depend on the investment option you choose and the fees you negotiate.		

- 1 The amount used in this example is prescribed by legislation. This example assumes that the \$50,000 is invested for the entire year, the value of the investment is constant over the year and that the additional \$5,000 is invested at the end of the year. Therefore management costs are calculated using the \$50,000 balance only.
- 2 The performance-related fees and other indirect costs are estimates and calculated based on the indirect costs for the 12 month period ending 30 June 2020, or in the case of a new or varied managed portfolio option, as if the managed portfolio option had been in place for the 12 month period ending 30 June 2020. The performance-related fees shown are not a representation of likely future performance. The actual indirect costs of a managed portfolio option in future periods may be different and materially so, given the nature of these costs. For more information, refer to 'Indirect costs' in the 'Additional explanation of fees and costs' section of this document.
- 3 Additional fees may apply. This example does not take into account all the fees and costs that may apply, for example, the total transactional and operational costs. For more information, refer to 'Transactional and operational costs' in the 'Additional explanation of fees and costs' section of this document.

Additional explanation of fees and costs

Management costs

Management costs for each managed portfolio option include the investment management fee, any performance-related fees and other indirect costs.

Management costs do not include transactional and operational costs ie costs associated with investing (including in underlying funds, if applicable). For more information, refer to 'Transactional and operational costs' on page 8.

Investment management fee

We are entitled to be paid an investment management fee as responsible entity of BT Managed Portfolios.

The investment management fee is charged as a percentage of the value of your portfolio. It is accrued daily and paid from the cash allocation of your portfolio monthly.

Payments made to the investment manager

We may pay the investment manager a fee for investment management services provided to us. This is paid from the investment management fee we receive, and is not an additional cost to you.

The investment manager is also the exchange traded fund issuer of some of the exchange traded funds included in the BlackRock managed portfolio options. The investment manager is expected

to receive fees in its capacity as exchange traded fund issuer of those exchange traded funds.

Changes in fees and costs

We have the right to introduce fees and to begin reimbursing ourselves for expenses from your portfolio (including performance fees payable to an investment manager), but we will give you 30 days' notice prior to doing so. The constitution provides for the responsible entity to receive a maximum investment management fee of 4% per annum (excluding GST) of the total value invested and a maximum performance fee of 5% per annum (excluding GST) of the total value invested. The responsible entity does not currently charge performance fees.

Expenses

We're entitled to be reimbursed from the scheme for authorised expenses incurred in the management and administration of managed portfolio options in the proper performance of our duties. Currently routine scheme expenses, including trustee, registry, custodian, accounting, audit and legal expenses (excluding transaction costs), are paid out of our investment management fee. If extraordinary or unusual expenses are incurred, we may choose to recover costs from the scheme.

Indirect costs

Indirect costs (also referred to as 'Fees and costs - underlying investments') are determined as a percentage of the value of

What are the fees and other costs?

the relevant managed portfolio option you're invested in. Indirect costs are an estimate of the costs incurred in managing the managed portfolio's assets which directly or indirectly reduce the return on the managed portfolio. These costs are not directly charged or retained by us. These costs are generally deducted from the assets of an underlying managed fund or exchange traded fund.

Where the managed portfolio invests in an underlying managed fund or exchange traded fund, we have relied on the information provided by the issuers of those underlying funds and have made reasonable enquiries where necessary to determine the appropriateness of the indirect costs provided.

The amounts included in the table of fees and costs are estimates and calculated based on the indirect costs paid in the 12 month period ending 30 June 2020, or in the case of a new or varied managed portfolio option, as if the managed portfolio option had been in place for the 12 month period ending 30 June 2020.

These indirect costs are reflected in the unit price of the underlying managed funds or the closing market prices of the exchange traded funds that are held in your portfolio and are an additional cost to you.

The actual indirect costs of a managed portfolio option in future periods may be different to the estimates included in this document and materially so, given the nature of these costs, as explained below.

Indirect costs are:

- **Performance-related fees:** An underlying investment manager of a managed fund or exchange traded fund may charge a performance fee, called a performance-related fee. If applicable, it is included in indirect costs and is not an additional cost to you. We do not currently charge performance-related fees.

Generally, a performance-related fee will only be charged in respect of an underlying managed fund or exchange traded fund when the investment return outperforms either the relevant benchmark or a specific performance hurdle return. However, usually, any prior under performance must also be made good before the underlying investment manager qualifies for a performance-related fee.

The performance-related fee rate typically ranges from 0%–30% of the outperformance over the relevant benchmark or performance hurdle and is generally paid at least annually (performance period). Performance-related fees affect the underlying fund's return and therefore the value of your investment in the fund. The performance-related fee may still be payable where the overall performance of the underlying managed fund or exchange traded fund has declined over the performance period. This is because one or more underlying investment managers may have outperformed the benchmark or their performance hurdle over that period.

Where an underlying investment manager's cumulative performance for a period is less than the relevant benchmark or performance hurdle, this underperformance may be carried

forward to the following period and no further performance-related fees will be either reflected in the unit price or paid in respect of the underlying investment manager until the underperformance is recouped.

The more exposure a managed portfolio has to an underlying investment that charges performance-related fees, the greater the potential impact that this will have on your investment in that managed portfolio.

- **Other indirect costs:** The managed portfolio option may incur other indirect costs as a result of investing in underlying managed funds or exchange traded funds. Typical indirect costs include an underlying managed fund's or exchange traded fund's costs which have been included in the valuation of the underlying managed fund or exchange traded fund.

Other indirect costs will also be incurred in respect of the cash allocation of each managed portfolio option.

Transactional and operational costs

- **Transaction fees:** We charge a transaction fee in relation to the buying and selling of listed securities and exchange traded funds in your portfolio. This fee will cover the costs of processing and settling the transactions, including the brokerage payable to the appointed broker. Generally, the fee will be between 0.11% and 0.18% of the transaction amount but may be as high as 0.20% of the transaction amount. As an example, if a \$50,000 transaction occurred in your portfolio, the transaction fees charged at 0.18% would be \$90. In some circumstances, we may not need to process a transaction as it may be possible to net the transaction against transactions for other investors. In these circumstances, we will still charge the transaction fee.
- **Buy/sell spread:** The buy/sell spread (generally applicable to managed funds) is the transaction cost incurred when buying and selling assets in an underlying managed fund when new investors apply for and existing investors redeem units in the underlying managed fund. It is charged by the issuer and is included in the underlying managed fund's unit price.

Typical buy/sell spreads are estimated to be between 0% and 0.70% but may fall outside this range. For example, if \$10,000 is invested in an underlying managed fund, at the maximum buy/sell spread of 0.70%, you will generally incur a cost of \$70 at the time you invest. The buy/sell spread is an additional cost to you. If you require further information on the buy/sell spread applicable to the underlying managed funds, please speak to your adviser or contact us.

- **Other transactional and operational costs:** In relation to an underlying managed fund, where transactional and operational costs arise from trading activity to execute the relevant fund's investment strategy, and are not the result of applications into and redemptions from the relevant fund, these costs (including brokerage, stamp duty and clearing and settlement costs) may not be recouped by the buy/sell spread. In these circumstances, they are an additional cost

What are the fees and other costs?

to you at the time of undertaking the trading activity, and are included in the underlying managed fund's unit price.

In addition, when it comes to buying and selling listed securities and exchange traded funds in your portfolio, there may be transactional and operational costs in addition to transaction fees. These are referred to as bid/ask spreads and represent the difference between the price paid for an underlying investment and the price that it would be disposed of at that time. They are an additional cost to you at the time of undertaking the trading activity.

Our estimate of these transactional and operational costs for the year ended 30 June 2020 for the iShares Enhanced Strategic Balanced Portfolio are set out in the example below.

Detailed fee information for each BlackRock managed portfolio option is set out in the 'BlackRock managed portfolio options summaries' section of this document.

Managed portfolio option	(A) Transactional and operational costs of underlying investments	(B) Transaction fees	(C) = (A) + (B) Total transactional and operational costs
iShares Enhanced Strategic Balanced Portfolio	0.37% pa	0.12% pa	0.49% pa

Using the example above, if \$50,000 is invested in the iShares Enhanced Strategic Balanced Portfolio, total transactional and operational costs will be \$245. This is comprised of transactional and operational costs of the underlying investments of \$185 and transaction fees of \$60. For the total fees and costs relating to the iShares Enhanced Strategic Balanced Portfolio, excluding the transactional and operational costs, refer to the fee example on page 7.

Government duty

Government duty may be payable if you transfer certain assets into or out of your portfolio. For further information regarding how government duty is deducted, refer to the relevant disclosure document for your Panorama Product.

Refer to 'Taxation' in Part 1 of the PDS for information about tax generally.

Other fees and costs

All other fees and costs (such as government fees, bank fees, fees for failed transactions and penalty interest) incurred as a result of a transaction, deposit or withdrawal, will be passed on to you and payable out of the cash allocation of your portfolio.

Additional fees may be paid to a financial adviser if you have consulted a financial adviser. You should refer to the Statement of Advice provided by your financial adviser in which details of the fees are set out. ASIC provides a fee calculator on www.moneysmart.gov.au, which you may use to calculate the

effects of fees and costs on your investment in BT Managed Portfolios.

BlackRock managed portfolio options list

The fees and costs applying to each managed portfolio option are set out below.

Option name	APIR code	Investment management fee ¹	Fees and costs – underlying investments ²			Page
			Performance-related fees	Other indirect costs	Total transactional and operational costs	
ASSET CLASS: Diversified						
iShares Enhanced Strategic Conservative Portfolio	WFS2254AU	0.1500% pa	0.00% pa	0.19% pa	0.49% pa	11
iShares Enhanced Strategic Moderate Portfolio	WFS1358AU	0.1500% pa	0.00% pa	0.20% pa	0.48% pa	12
iShares Enhanced Strategic Balanced Portfolio	WFS3408AU	0.1500% pa	0.00% pa	0.21% pa	0.49% pa	13
iShares Enhanced Strategic Growth Portfolio	WFS6387AU	0.1500% pa	0.00% pa	0.20% pa	0.49% pa	14
iShares Enhanced Strategic Aggressive Portfolio	WFS5738AU	0.1500% pa	0.00% pa	0.20% pa	0.45% pa	15

- 1 This fee is payable monthly to us as the responsible entity of BT Managed Portfolios, and is calculated on the average daily value of your portfolio for the month. Refer to 'Investment management fee' in the 'Additional explanation of fees and costs' section of this document for more information.
- 2 These fees and costs are weighted averages based on the estimated fees and costs for the relevant underlying investments in relation to the 12 months to 30 June 2020, or in the case of a new or varied managed portfolio option, as if the managed portfolio option had been in place for the 12 month period ending 30 June 2020. Refer to 'Indirect costs' in the 'Additional explanation of fees and costs' section of this document for more information.

BlackRock managed portfolio options summaries

iShares Enhanced Strategic Conservative Portfolio

APIR code	WFS2254AU		
Designed for investors who	Seek access to a low cost, diversified, risk-based portfolio of exchange traded funds (ETFs), targeting equal or better than benchmark returns within a risk controlled framework.		
Investment objective	To deliver equal or better performance than the benchmark before fees over a rolling five year period with a strong bias towards defensive assets such as cash and fixed interest.		
Benchmark index	Morningstar Australia Multi-Sector Conservative TR AUD Index		
Asset class	Diversified		
Investment style	Active		
Investment strategy and approach	The portfolio is designed as a long-term strategic portfolio, constructed using ETFs to diversify across asset classes. The portfolio seeks to optimally balance long-term returns and risk in line with the target risk profile. BlackRock's approach to portfolio construction has a strong focus on risk across market conditions. Over the long term, the portfolio aims to have an 85% allocation to defensive assets and a 15% allocation to growth assets.		
Investment universe	Predominantly ASX listed iShares ETFs		
Risk label (SRM)	Low to medium (3)		
Minimum investment horizon	5 years		
Minimum investment amount	\$25,000		
Indicative number of assets	5 – 28		
Investment management fee	0.1500% pa		
Fees and costs – underlying investments¹	Performance-related fees	0.00% pa	
	Other indirect costs	0.19% pa	
	Transactional and operational costs	0.41% pa	
	Transaction fees	0.08% pa	
Asset allocation ranges	Asset class	Minimum (%)	Maximum (%)
	Cash ²	2	34
	Australian fixed interest	40	83
	International fixed interest	7	28
	Fixed interest other	0	10
	Australian shares ³	0	19
International shares ³	0	17	

1 These fees and costs are weighted averages based on the estimated fees and costs for the relevant underlying investments in relation to the 12 months to 30 June 2020, or in the case of a new or varied managed portfolio option, as if the managed portfolio option had been in place for the 12 month period ending 30 June 2020.

2 The 'Cash' asset class includes the cash allocation of the portfolio that is held in BT CMA (or any other cash product nominated by us) but may include allocation to other cash type investments.

3 The 'Australian shares' and 'International shares' asset classes may have exposure to listed property securities (ie Real Estate Investment Trusts).

iShares Enhanced Strategic Moderate Portfolio

APIR code	WFS1358AU		
Designed for investors who	Seek access to a low cost, diversified, risk-based portfolio of exchange traded funds (ETFs), targeting equal or better than benchmark returns within a risk controlled framework.		
Investment objective	To deliver equal or better performance than the benchmark before fees over a rolling five year period with a moderate tilt towards defensive assets such as cash and fixed interest.		
Benchmark index	Morningstar Australia Multi-Sector Moderate TR AUD Index		
Asset class	Diversified		
Investment style	Active		
Investment strategy and approach	The portfolio is designed as a long-term strategic portfolio, constructed using ETFs to diversify across asset classes. The portfolio seeks to optimally balance long-term returns and risk in line with the target risk profile. BlackRock's approach to portfolio construction has a strong focus on risk across market conditions. Over the long term, the portfolio aims to have a 70% allocation to defensive assets and a 30% allocation to growth assets.		
Investment universe	Predominantly ASX listed iShares ETFs		
Risk label (SRM)	Medium (4)		
Minimum investment horizon	5 years		
Minimum investment amount	\$25,000		
Indicative number of assets	5 - 28		
Investment management fee	0.1500% pa		
Fees and costs – underlying investments¹	Performance-related fees	0.00% pa	
	Other indirect costs	0.20% pa	
	Transactional and operational costs	0.37% pa	
	Transaction fees	0.11% pa	
Asset allocation ranges	Asset class	Minimum (%)	Maximum (%)
	Cash ²	2	28
	Australian fixed interest	31	71
	International fixed interest	4	25
	Fixed interest other	0	10
	Australian shares ³	7	27
International shares ³	4	24	

1 These fees and costs are weighted averages based on the estimated fees and costs for the relevant underlying investments in relation to the 12 months to 30 June 2020, or in the case of a new or varied managed portfolio option, as if the managed portfolio option had been in place for the 12 month period ending 30 June 2020.

2 The 'Cash' asset class includes the cash allocation of the portfolio that is held in BT CMA (or any other cash product nominated by us) but may include allocation to other cash type investments.

3 The 'Australian shares' and 'International shares' asset classes may have exposure to listed property securities (ie Real Estate Investment Trusts).

iShares Enhanced Strategic Balanced Portfolio

APIR code	WFS3408AU		
Designed for investors who	Seek access to a low cost, diversified, risk-based portfolio of exchange traded funds (ETFs), targeting equal or better than benchmark returns within a risk controlled framework.		
Investment objective	To deliver equal or better performance than the benchmark before fees over a rolling five year period with a balance between growth assets such as shares, and defensive assets such as cash and fixed interest.		
Benchmark index	Morningstar Australia Multi-Sector Balanced TR AUD Index		
Asset class	Diversified		
Investment style	Active		
Investment strategy and approach	The portfolio is designed as a long-term strategic portfolio, constructed using ETFs to diversify across asset classes. The portfolio seeks to optimally balance long-term returns and risk in line with the target risk profile. BlackRock's approach to portfolio construction has a strong focus on risk across market conditions. Over the long term, the portfolio aims to have a 50% allocation to defensive assets and a 50% allocation to growth assets.		
Investment universe	Predominantly ASX listed iShares ETFs		
Risk label (SRM)	Medium (4)		
Minimum investment horizon	5 years		
Minimum investment amount	\$25,000		
Indicative number of assets	5 – 28		
Investment management fee	0.1500% pa		
Fees and costs – underlying investments¹	Performance-related fees	0.00% pa	
	Other indirect costs	0.21% pa	
	Transactional and operational costs	0.37% pa	
	Transaction fees	0.12% pa	
Asset allocation ranges	Asset class	Minimum (%)	Maximum (%)
	Cash ²	2	20
	Australian fixed interest	19	44.5
	International fixed interest	0	21
	Fixed interest other	0	10
	Australian shares ³	18	38
International shares ³	13	33	

1 These fees and costs are weighted averages based on the estimated fees and costs for the relevant underlying investments in relation to the 12 months to 30 June 2020, or in the case of a new or varied managed portfolio option, as if the managed portfolio option had been in place for the 12 month period ending 30 June 2020.

2 The 'Cash' asset class includes the cash allocation of the portfolio that is held in BT CMA (or any other cash product nominated by us) but may include allocation to other cash type investments.

3 The 'Australian shares' and 'International shares' asset classes may have exposure to listed property securities.

iShares Enhanced Strategic Growth Portfolio

APIR code	WFS6387AU		
Designed for investors who	Seek access to a low cost, diversified, risk-based portfolio of exchange traded funds (ETFs), targeting equal or better than benchmark returns within a risk controlled framework.		
Investment objective	To deliver equal or better performance than the benchmark before fees over a rolling five year period with a moderate tilt towards growth assets such as shares.		
Benchmark index	Morningstar Australia Multi-Sector Growth TR AUD Index		
Asset class	Diversified		
Investment style	Active		
Investment strategy and approach	The portfolio is designed as a long-term strategic portfolio, constructed using ETFs to diversify across asset classes. The portfolio seeks to optimally balance long-term returns and risk in line with the target risk profile. BlackRock's approach to portfolio construction has a strong focus on risk across market conditions. Over the long term, the portfolio aims to have a 30% allocation to defensive assets and a 70% allocation to growth assets.		
Investment universe	Predominantly ASX listed iShares ETFs		
Risk label (SRM)	High (6)		
Minimum investment horizon	5 years		
Minimum investment amount	\$25,000		
Indicative number of assets	5 - 28		
Investment management fee	0.1500% pa		
Fees and costs – underlying investments¹	Performance-related fees	0.00% pa	
	Other indirect costs	0.20% pa	
	Transactional and operational costs	0.36% pa	
	Transaction fees	0.13% pa	
Asset allocation ranges	Asset class	Minimum (%)	Maximum (%)
	Cash ²	2	12
	Australian fixed interest	7	39
	International fixed interest	0	17
	Fixed interest other	0	10
	Australian shares ³	29	49
International shares ³	22	42	

1 These fees and costs are weighted averages based on the estimated fees and costs for the relevant underlying investments in relation to the 12 months to 30 June 2020, or in the case of a new or varied managed portfolio option, as if the managed portfolio option had been in place for the 12 month period ending 30 June 2020.

2 The 'Cash' asset class includes the cash allocation of the portfolio that is held in BT CMA (or any other cash product nominated by us) but may include allocation to other cash type investments.

3 The 'Australian shares' and 'International shares' asset classes may have exposure to listed property securities.

iShares Enhanced Strategic Aggressive Portfolio

APIR code	WFS5738AU		
Designed for investors who	Seek access to a low cost, diversified, risk-based portfolio of exchange traded funds (ETFs), targeting equal or better than benchmark returns within a risk controlled framework.		
Investment objective	To deliver equal or better performance than the benchmark over a rolling five year period with a strong bias towards growth assets such as shares.		
Benchmark index	Morningstar Australia Multi-Sector Aggressive TR AUD Index		
Asset class	Diversified		
Investment style	Active		
Investment strategy and approach	The portfolio is designed as a long-term strategic portfolio, constructed using ETFs to diversify across asset classes. The portfolio seeks to optimally balance long-term returns and risk in line with the target risk profile. BlackRock's approach to portfolio construction has a strong focus on risk across market conditions. Over the long term, the portfolio aims to have a 15% allocation to defensive assets and an 85% allocation to growth assets.		
Investment universe	Predominantly ASX listed iShares ETFs		
Risk label (SRM)	Very high (7)		
Minimum investment horizon	5 years		
Minimum investment amount	\$25,000		
Indicative number of assets	5 - 28		
Investment management fee	0.1500% pa		
Fees and costs – underlying investments¹	Performance-related fees	0.00% pa	
	Other indirect costs	0.20% pa	
	Transactional and operational costs	0.34% pa	
	Transaction fees	0.11% pa	
Asset allocation ranges	Asset class	Minimum (%)	Maximum (%)
	Cash ²	2	6
	Australian fixed interest	0	27
	International fixed interest	0	14
	Fixed interest other	0	10
	Australian shares ³	37	57
International shares ³	28	49	

1 These fees and costs are weighted averages based on the estimated fees and costs for the relevant underlying investments in relation to the 12 months to 30 June 2020, or in the case of a new or varied managed portfolio option, as if the managed portfolio option has been in place for the 12 month period ending 30 June 2020.

2 The 'Cash' asset class includes the cash allocation of the portfolio that is held in BT CMA (or any other cash product nominated by us) but may include allocation to other cash type investments.

3 The 'Australian shares' and 'International shares' asset classes may have exposure to listed property securities.

For more information

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BT Managed Portfolios

Part 2 - Investment Options Booklet
BT Investment Solutions

Issued 16 December 2020

The Product Disclosure Statement (PDS) is issued by
Westpac Financial Services Limited
ABN 20 000 241 127
Australian Financial Services Licence (AFSL) Number 233716

About the PDS

The PDS should help you to make a decision about whether or not to invest in BT Managed Portfolios ARSN 604 066 686 by:

- giving you a clear overview of BT Managed Portfolios and how it works
- explaining the benefits, features, risks and costs of investing in BT Managed Portfolios
- giving you an understanding of where you can find more information or get help.

The PDS is comprised of 2 parts:

- **Part 1 - General Information** .
Please read this for an overview of BT Managed Portfolios and how it works.
- **Part 2 - Investment Options Booklet (this document)**.
This document describes the managed portfolio options within BT Managed Portfolios that are managed by us by relying on BT Investment Solutions and, where applicable, for some of the managed portfolio options, investment advice services provided by Morningstar Australasia Pty Ltd ABN 95 090 665 554 (Morningstar) (together referred to as the BT Investment Solutions managed portfolio options) as well as the fees and charges that apply to these managed portfolio options.

Updated information

These documents may change. If information is not materially adverse, we may update information by placing a notice on bt.com.au/panorama. You may also request a paper copy free of charge by calling us on 1300 881 716. The PDS contains important information that you should consider before making a decision about BT Managed Portfolios.

General advice warning

The information in the PDS is general information only and doesn't take into account your personal objectives, financial situation or needs. You should consider whether the information in the PDS is appropriate for you in light of your objectives, financial situation and needs.

Consent to be named

Morningstar has given and not withdrawn its consent to the inclusion in this document of all information referable to it (and the managed portfolio options it is engaged with) in the form and context in which that information appears.

Availability

If, within your Panorama Investments or Panorama Super (excluding BT Super Invest) account, you only have access to the Compact menu of investment options (and not the Full menu), you may not be able to access some or all of the managed portfolio options described in this document. If you hold a BT Super Invest account you may also be unable to access some or all of the managed portfolio options in this document. Please refer to the disclosure document for your Panorama Product to confirm your ability to access and invest in the BT Investment Solutions managed portfolio options.

Managed portfolio options in BT Managed Portfolios other than those described in this document might also be available to you. Information about these other managed portfolio options is set out in separate product disclosure statements for BT Managed Portfolios that are also issued by us. You should obtain and consider those product disclosure statements in deciding whether to acquire or continue to hold any interest in BT Managed Portfolios. Contact the Panorama Support team or your adviser for more information on other managed portfolio options that may be available to you, and to obtain a copy of the relevant product disclosure statement for those managed portfolio options.

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Who is the investment manager?

BT Investment Solutions (Westpac Financial Services Ltd)

ABN	20 000 241 127
AFSL Number	233716
About the investment manager	<p>Westpac Financial Services Ltd (WFSL), the Responsible Entity of BT Managed Portfolios, is part of the Westpac Group (Westpac). It relies on the expertise of BT Investment Solutions to manage and service a range of managed portfolio options within BT Managed Portfolios.</p> <p>BT Investment Solutions is the investment centre within BT, which is part of Westpac. BT Investment Solutions is an experienced team of portfolio managers and investment professionals with core competencies in asset allocation, portfolio construction, investment research, investment strategy implementation, product management and investment governance and operations. BT Investment Solutions either wholly manages asset allocation and investment selection, or enters into advisory or service arrangements with other parties to provide input on the same.</p> <p>The CoreSeries Portfolios, BT Indexed Portfolios and BT S&P/ASX 20 Shares Portfolio are managed by BT Investment Solutions and rely on BT Investment Solutions' access to institutional-grade processes, research, strategies and portfolio construction capabilities.</p> <p>For the Multi-Sector Series managed portfolio options, WFSL relies on BT Investment Solutions to provide investment governance oversight of the managed portfolios and uses Morningstar Australasia Pty Ltd (Morningstar) to provide investment advice in connection with asset allocation and investment selection, in accordance with an agreement with WFSL. Morningstar is a wholly owned subsidiary of Morningstar, Inc. Morningstar, Inc is a US based publicly listed company that was established in 1984. Morningstar, Inc. is a global provider of investment research, investment advice and investment management.</p>
Investment philosophy and process	<p>The investment manager applies a strategic asset allocation framework to determine the ideal portfolio allocations intended to achieve the return objective over the investment time horizon, with a preference given for lower volatility outcomes. The investment manager's portfolios typically consist of a mix of income and growth assets and are typically diversified across asset classes, investment managers and security types. Asset allocation and security selection is managed, with a strong focus on risk, and continually reviewed by the manager to adapt to changes in market conditions. The manager believes that markets are never fully efficient and aims to maximise returns on an after fee basis for investors by balancing expected returns, risks and costs.</p>

What are the fees and other costs?

Did you know?

Small differences in both investment performance and fees and costs can have a substantial impact on your long term returns.

For example, total annual fees and costs of 2% of your investment balance rather than 1% could reduce your final return by up to 20% over a 30 year period (for example, reduce it from \$100,000 to \$80,000).

You should consider whether features such as superior investment performance or the provision of better member services justify higher fees and costs.

You may be able to negotiate to pay lower contribution fees and management costs where applicable. Ask the fund or your financial adviser.

To find out more

If you would like to find out more, or see the impact of the fees based on your own circumstances, the **Australian Securities and Investments Commission (ASIC)** website (www.moneysmart.gov.au) has a managed funds fee calculator to help you check out different fee options.

This section of the document shows fees and other costs that you may be charged for investing in BT Managed Portfolios. These fees and costs may be deducted from your money, from the returns on your investment or from your portfolio as a whole. Taxes are set out in another part of the PDS.

You should read all the information about fees and costs because it is important to understand their impact on your investment. Fees and costs for the BT Investment Solutions managed portfolio options are set out on page 10. All fees are in Australian dollars.

Except where otherwise stated, all fees in this document are expressed as inclusive of any GST and are net of any reduced input tax credits (RITCs) which may be claimed.

What are the fees and other costs?

BT Managed Portfolios

Type of fee or cost ¹	Amount	How and when paid
Fees when your money moves in or out of BT Managed Portfolios		
Establishment fee The fee to open your investment	Nil	Not applicable
Contribution fee The fee on each amount contributed to your investment	Nil	Not applicable
Withdrawal fee The fee on each amount you take out of your investment	Nil	Not applicable
Exit fee The fee to close your investment	Nil	Not applicable
Management costs – The fees and costs for managing your investment² The amount you pay for the BT Investment Solutions managed portfolio options is shown on page 10.		
Investment management fee	The investment management fee for your portfolio will depend on the managed portfolio option you have selected. Each managed portfolio option has a separate investment management fee which ranges from nil to 0.2200% per annum of the value invested. Please refer to the BT Investment Solutions managed portfolio options list on page 10 for more information.	<ul style="list-style-type: none"> – The investment management fee is calculated based on the average daily value of your portfolio for the month. – The investment management fee is deducted and paid to us from the cash allocation of your portfolio on a monthly basis at the end of each month.
Indirect costs³	<p>Performance-related fees Each managed portfolio option has a weighted average performance-related fee ranging from 0.00% to 0.03% per annum.</p> <p>Other indirect costs The weighted average of each managed portfolio option's other indirect costs range from 0.00% to 0.93% per annum.</p> <p>Please refer to the BT Investment Solutions managed portfolio options list on page 10 for more information.</p>	<ul style="list-style-type: none"> – The calculation of fees and costs in relation to an underlying managed fund or exchange traded fund, and timing of payment, will vary between the underlying managed funds or exchange traded funds. – The indirect costs, including any performance-related fees payable in connection with an underlying managed fund or exchange traded fund, are not directly charged or retained by us. These indirect costs are paid from the assets of the relevant underlying managed funds or exchange traded funds, and will generally be reflected in the unit prices of those underlying managed funds or the closing market prices of the exchange traded funds that are held in your portfolio.
Service fees		
Switching fee The fee for changing investment options	Nil	Not applicable

¹ Adviser fees may also apply.

² Additional fees may apply. Refer to the 'Additional explanation of fees and costs' section of this document for more information.

³ The performance-related fees and other indirect costs are estimates and calculated based on the indirect costs for the 12 month period ending 30 June 2020, or in the case of a new or varied managed portfolio option, as if the managed portfolio option had been in place for the 12 month period ending 30 June 2020. The performance-related fees shown are not a representation of likely future performance. The actual indirect costs of a managed portfolio option in future periods may be different and materially so, given the nature of these costs. For more information, refer to 'Indirect costs' in the 'Additional explanation of fees and costs' section of this document.

What are the fees and other costs?

Example of annual fees and costs for a balanced managed portfolio option or other managed portfolio option

This table gives an example of how the fees and costs for the Multi-Sector Series Balanced Portfolio can affect your investment over a 1 year period. You should use this table to compare this product with other managed investment products.

Example - Multi-Sector Series Balanced Portfolio		Balance of \$50,000 with a contribution of \$5,000 during the year ¹
Contribution fees	Nil	For every additional \$5,000 you put in, you will be charged \$0.
PLUS Management costs		
– Investment management fee	0.1500%	And, for every \$50,000 you have in the Multi-Sector Series Balanced Portfolio you will be charged \$475.00 each year.
– Performance-related fees ²	0.02%	
– Other indirect costs ²	0.78%	
EQUALS		If you had an investment of \$50,000 at the beginning of the year and you put in an additional \$5,000 during that year, you would be charged fees of \$475.00
Cost of the Multi-Sector Series Balanced Portfolio ³		
What it costs you will depend on the investment option you choose and the fees you negotiate.		

- 1 The amount used in this example is prescribed by legislation. This example assumes that the \$50,000 is invested for the entire year, the value of the investment is constant over the year and that the additional \$5,000 is invested at the end of the year. Therefore management costs are calculated using the \$50,000 balance only.
- 2 The performance-related fees and other indirect costs are estimates and calculated based on the indirect costs for the 12 month period ending 30 June 2020, or in the case of a new or varied managed portfolio option, as if the managed portfolio option had been in place for the 12 month period ending 30 June 2020. The performance-related fees shown are not a representation of likely future performance. The actual indirect costs of a managed portfolio option in future periods may be different and materially so, given the nature of these costs. For more information, refer to 'Indirect costs' in the 'Additional explanation of fees and costs' section of this document.
- 3 Additional fees may apply. This example does not take into account all the fees and costs that may apply, for example, the total transactional and operational costs. For more information, refer to 'Transactional and operational costs' in the 'Additional explanation of fees and costs' section of this document.

Additional explanation of fees and costs

Management costs

Management costs for each managed portfolio option include the investment management fee, any performance-related fees and other indirect costs.

Management costs do not include transactional and operational costs ie costs associated with investing (including in underlying funds, if applicable). For more information, refer to 'Transactional and operational costs' on page 8.

Investment management fee

We are entitled to be paid an investment management fee as responsible entity of BT Managed Portfolios.

The investment management fee is charged as a percentage of the value of your portfolio. It is accrued daily and paid from the cash allocation of your portfolio monthly.

Changes in fees and costs

We have the right to introduce fees and to begin reimbursing ourselves for expenses from your portfolio (including performance fees payable to an investment manager), but we will give you 30 days' notice prior to doing so. The constitution provides for the responsible entity to receive a maximum investment management fee of 4% per annum (excluding GST) of the total value invested and a maximum performance fee of 5% per annum (excluding GST) of the total value invested. The responsible entity does not currently charge performance fees.

Expenses

We're entitled to be reimbursed from the scheme for authorised expenses incurred in the management and administration of managed portfolio options in the proper performance of our duties. Currently routine scheme expenses, including trustee, registry, custodian, accounting, audit and legal expenses (excluding transaction costs), are paid out of our investment management fee. If extraordinary or unusual expenses are incurred, we may choose to recover costs from the scheme.

Indirect costs

Indirect costs (also referred to as 'Fees and costs - underlying investments') are determined as a percentage of the value of the relevant managed portfolio option you're invested in. Indirect costs are an estimate of the costs incurred in managing the managed portfolio's assets which directly or indirectly reduce the return on the managed portfolio. These costs are not directly charged or retained by us. These costs are generally deducted from the assets of an underlying managed fund or exchange traded fund.

Where the managed portfolio invests in an underlying managed fund or exchange traded fund, we have relied on the information provided by the issuers of those underlying funds and have made reasonable enquiries where necessary to determine the appropriateness of the indirect costs provided.

What are the fees and other costs?

The amounts included in the table of fees and costs are estimates and calculated based on the indirect costs paid in the 12 month period ending 30 June 2020, or in the case of a new or varied managed portfolio option, as if the managed portfolio option had been in place for the 12 month period ending 30 June 2020.

These indirect costs are reflected in the unit price of the underlying managed funds or the closing market prices of the exchange traded funds that are held in your portfolio and are an additional cost to you.

The actual indirect costs of a managed portfolio option in future periods may be different to the estimates included in this document and materially so, given the nature of these costs, as explained below.

Indirect costs are:

- **Performance-related fees:** An underlying investment manager of a managed fund or exchange traded fund may charge a performance fee, called a performance-related fee. If applicable, it is included in indirect costs and is not an additional cost to you. We do not currently charge performance-related fees.

Generally, a performance-related fee will only be charged in respect of an underlying managed fund or exchange traded fund when the investment return outperforms either the relevant benchmark or a specific performance hurdle return. However, usually, any prior under performance must also be made good before the underlying investment manager qualifies for a performance-related fee.

The performance-related fee rate typically ranges from 0%–30% of the outperformance over the relevant benchmark or performance hurdle and is generally paid at least annually (performance period). Performance-related fees affect the underlying fund's return and therefore the value of your investment in the fund. The performance-related fee may still be payable where the overall performance of the underlying managed fund or exchange traded fund has declined over the performance period. This is because one or more underlying investment managers may have outperformed the benchmark or their performance hurdle over that period.

Where an underlying investment manager's cumulative performance for a period is less than the relevant benchmark or performance hurdle, this underperformance may be carried forward to the following period and no further performance-related fees will be either reflected in the unit price or paid in respect of the underlying investment manager until the underperformance is recouped.

The more exposure a managed portfolio has to an underlying investment that charges performance-related fees, the greater the potential impact that this will have on your investment in that managed portfolio.

- **Other indirect costs:** The managed portfolio option may incur other indirect costs as a result of investing in underlying managed funds or exchange traded funds. Typical indirect

costs include an underlying managed fund's or exchange traded fund's costs which have been included in the valuation of the underlying managed fund or exchange traded fund.

Other indirect costs will also be incurred in respect of the cash allocation of each managed portfolio option.

Transactional and operational costs

- **Transaction fees:** We charge a transaction fee in relation to the buying and selling of listed securities and exchange traded funds in your portfolio. This fee will cover the costs of processing and settling the transactions, including the brokerage payable to the appointed broker. Generally, the fee will be between 0.11% and 0.18% of the transaction amount but may be as high as 0.20% of the transaction amount. As an example, if a \$50,000 transaction occurred in your portfolio, the transaction fees charged at 0.18% would be \$90. In some circumstances, we may not need to process a transaction as it may be possible to net the transaction against transactions for other investors. In these circumstances, we will still charge the transaction fee.

- **Buy/sell spread:** The buy/sell spread (generally applicable to managed funds) is the transaction cost incurred when buying and selling assets in an underlying managed fund when new investors apply for and existing investors redeem units in the underlying managed fund. It is charged by the issuer and is included in the underlying managed fund's unit price.

Typical buy/sell spreads are estimated to be between 0% and 0.70% but may fall outside this range. For example, if \$10,000 is invested in an underlying managed fund, at the maximum buy/sell spread of 0.70%, you will generally incur a cost of \$70 at the time you invest. The buy/sell spread is an additional cost to you. If you require further information on the buy/sell spread applicable to the underlying managed funds, please speak to your adviser or contact us.

- **Other transactional and operational costs:** In relation to an underlying managed fund, where transactional and operational costs arise from trading activity to execute the relevant fund's investment strategy, and are not the result of applications into and redemptions from the relevant fund, these costs (including brokerage, stamp duty and clearing and settlement costs) may not be recouped by the buy/sell spread. In these circumstances, they are an additional cost to you at the time of undertaking the trading activity, and are included in the underlying managed fund's unit price.

In addition, when it comes to buying and selling listed securities and exchange traded funds in your portfolio, there may be transactional and operational costs in addition to transaction fees. These are referred to as bid/ask spreads and represent the difference between the price paid for an underlying investment and the price that it would be disposed of at that time. They are an additional cost to you at the time of undertaking the trading activity.

What are the fees and other costs?

Our estimate of these transactional and operational costs for the year ended 30 June 2020 for the Multi-Sector Series Balanced Portfolio are set out in the example below.

Detailed fee information for each BT Investment Solutions managed portfolio option is set out in the 'BT Investment Solutions managed portfolio options summaries' section of this document.

Any rebate received will be paid in full to eligible investors. The rebate will be paid into the cash allocation of your portfolio or your Panorama Product's transaction account if you have fully withdrawn from your portfolio.

Managed portfolio option	(A) Transactional and operational costs of underlying investments	(B) Transaction fees	(C) = (A) + (B) Total transactional and operational costs
Multi-Sector Series Balanced Portfolio	0.06% pa	0.00% pa	0.06% pa

Using the example above, if \$50,000 is invested in the Multi-Sector Series Balanced Portfolio, total transactional and operational costs will be \$30. This is comprised of transactional and operational costs of the underlying investments of \$30 and transaction fees of \$0. For the total fees and costs relating to the Multi-Sector Series Balanced Portfolio, excluding the transactional and operational costs, refer to the fee example on page 7.

Government duty

Government duty may be payable if you transfer certain assets into or out of your portfolio. For further information regarding how government duty is deducted, refer to the relevant disclosure document for your Panorama Product.

Refer to 'Taxation' in Part 1 of the PDS for information about tax generally.

Other fees and costs

All other fees and costs (such as government fees, bank fees, fees for failed transactions and penalty interest) incurred as a result of a transaction, deposit or withdrawal, will be passed on to you and payable out of the cash allocation of your portfolio.

Additional fees may be paid to a financial adviser if you have consulted a financial adviser. You should refer to the Statement of Advice provided by your financial adviser in which details of the fees are set out. ASIC provides a fee calculator on www.moneysmart.gov.au, which you may use to calculate the effects of fees and costs on your investment in BT Managed Portfolios.

Rebates

The issuer of an underlying managed fund (within your portfolio) may provide a rebate of some or all of the investment costs for the underlying managed fund. In general, your eligibility to receive a rebate will be based on your holdings in the relevant underlying managed fund over the period the rebate payment relates to, where you have an open Panorama Product at the time the rebate is calculated.

BT Investment Solutions managed portfolio options list

The fees and costs applying to each managed portfolio option are set out below.

Option name	APIR code	Investment management fee ¹	Fees and costs – underlying investments ²			Page
			Performance-related fees	Other indirect costs	Total transactional and operational costs	
ASSET CLASS: Australian shares						
BT S&P/ASX 20 Shares Portfolio	WFS4751AU	0.2200% pa	0.00% pa	0.00% pa	0.09% pa	11
ASSET CLASS: Diversified						
BT Indexed Conservative Portfolio	WFS0565AU	0.1500% pa	0.00% pa	0.19% pa	0.00% pa	12
BT Indexed Moderate Portfolio	WFS0566AU	0.1500% pa	0.00% pa	0.19% pa	0.00% pa	14
BT Indexed Balanced Portfolio	WFS0567AU	0.1500% pa	0.00% pa	0.19% pa	0.00% pa	16
BT Indexed Growth Portfolio	WFS0568AU	0.1500% pa	0.00% pa	0.19% pa	0.00% pa	18
BT Indexed High Growth Portfolio	WFS0569AU	0.1500% pa	0.00% pa	0.19% pa	0.00% pa	20
CoreSeries Defensive Portfolio	WFS7916AU	Nil	0.00% pa	0.50% pa	0.22% pa	22
CoreSeries Income Portfolio	WFS4217AU	Nil	0.00% pa	0.55% pa	0.22% pa	24
CoreSeries Moderate Portfolio	WFS9084AU	Nil	0.00% pa	0.58% pa	0.21% pa	26
CoreSeries Balanced Portfolio	WFS8074AU	Nil	0.00% pa	0.68% pa	0.24% pa	28
CoreSeries Growth Portfolio	WFS3363AU	Nil	0.00% pa	0.74% pa	0.25% pa	30
CoreSeries High Growth Portfolio	WFS4680AU	Nil	0.00% pa	0.77% pa	0.23% pa	32
Multi-Sector Series Defensive Portfolio	WFS0571AU	0.1000% pa	0.00% pa	0.58% pa	0.04% pa	33
Multi-Sector Series Income Portfolio	WFS0576AU	0.1500% pa	0.00% pa	0.69% pa	0.13% pa	35
Multi-Sector Series Moderate Portfolio	WFS0572AU	0.1000% pa	0.00% pa	0.66% pa	0.04% pa	37
Multi-Sector Series Balanced Portfolio	WFS0573AU	0.1500% pa	0.02% pa	0.78% pa	0.06% pa	39
Multi-Sector Series Growth Portfolio	WFS0574AU	0.1500% pa	0.03% pa	0.93% pa	0.06% pa	41
Multi-Sector Series High Growth Portfolio	WFS0575AU	0.1500% pa	0.03% pa	0.93% pa	0.08% pa	43

1 This fee is payable monthly to us as the responsible entity of BT Managed Portfolios, and is calculated on the average daily value of your portfolio for the month. Refer to 'Investment management fee' in the 'Additional explanation of fees and costs' section of this document for more information

2 These fees and costs are weighted averages based on the estimated fees and costs for the relevant underlying investments in relation to the 12 months to 30 June 2020, or in the case of a new or varied managed portfolio option, as if the managed portfolio option had been in place for the 12 month period ending 30 June 2020. These fees and costs are net of any rebate (if applicable) paid by an issuer of an underlying managed fund that forms part of the relevant managed portfolio option and is passed on to you. Refer to 'Indirect costs' and 'Rebates' in the 'Additional explanation of fees and costs' section of this document for further information.

BT Investment Solutions managed portfolio options summaries

BT S&P/ASX 20 Shares Portfolio

APIR code	WFS4751AU		
Investment manager	BT Investment Solutions		
Designed for investors who	Seek a long term investment strategy focused on capital growth with some income via dividends and franking credits and have a high tolerance to risk.		
Investment objective	To deliver similar returns ¹ to the S&P/ASX 20 Index before fees.		
Benchmark index	S&P/ASX 20 Accumulation Index		
Asset class	Australian shares		
Investment style	Index		
Investment strategy and approach	<p>The portfolio invests in the 20 largest Australian companies (by market capitalisation) listed on the Australian Securities Exchange (ASX). The portfolio is based on the composition of the S&P/ASX 20 Index and will typically be rebalanced on a quarterly basis or more frequently to account for specific corporate actions and dividends or to minimise differences between the portfolio and the benchmark. The portfolio is expected to achieve a similar performance to the benchmark but may differ because it cannot exactly replicate the composition of the benchmark.</p> <p>Due to minimum transaction size limits and the rounding of transactions to whole securities, smaller balance portfolios can hold up to the maximum cash weight (as set out under 'Asset allocation ranges' below) rather than the minimum specified by the investment manager. However, the investment manager will attempt to optimise the portfolio to minimise any excess cash holding.</p>		
Investment universe	Securities within the S&P/ASX 20 Index		
Risk label (SRM)	High (6)		
Minimum investment horizon	5 years		
Minimum investment amount	\$5,000		
Indicative number of assets	20		
Investment management fee	0.2200% pa		
Fees and costs – underlying investments²	Performance-related fees	0.00% pa	
	Other indirect costs	0.00% pa	
	Transactional and operational costs	0.05% pa	
	Transaction fees	0.04% pa	
Asset allocation ranges	Asset class	Minimum (%)	Maximum (%)
	Cash ³	2	15
	Australian shares ⁴	85	98

1 Managed portfolio options that have a lower minimum investment amount of \$5,000 may result in smaller balance portfolios. Smaller balance portfolios may hold up to the maximum cash weight rather than the minimum specified by the investment manager due to the greater impact of minimum transaction size limits and rounding of transactions to whole units. Portfolios with a higher cash weight may result in returns that have a greater variation from the S&P/ASX 20 Index. The investment manager will seek to counter this effect by optimising the portfolio weights in the notional portfolio to try and minimise any additional cash holding. For further information, refer to 'Performance' in the 'How BT Managed Portfolios works' section in Part 1 of the PDS.

2 These fees and costs are weighted averages based on the estimated fees and costs for the relevant underlying investments in relation to the 12 months to 30 June 2020, or in the case of a new or varied managed portfolio option, as if the managed portfolio option had been in place for the 12 month period ending 30 June 2020.

3 The 'Cash' asset class includes the cash allocation of the portfolio that is held in BT CMA (or any other cash product nominated by us) but may include allocation to other cash type investments.

4 The 'Australian shares' asset class may include allocation to listed property securities (ie Australian Real Estate Investment Trusts).

BT Indexed Conservative Portfolio

APIR code	WFS0565AU	
Investment manager	BT Investment Solutions	
Designed for investors who	Seek a transparent, cost effective diversified portfolio of strategies, consistent with the risk profile of the portfolio.	
Investment objective	To deliver predominantly income and some growth returns with a low probability of loss over the short term. The portfolio aims to track the overall return of a diversified portfolio of underlying investments.	
Benchmark index	Composite of the underlying investments' indices based on the expected long term average (neutral weighting) to those underlying investments:	
	Asset class	Benchmark
		Neutral weighting (%)
	Cash	Bloomberg AusBond Bank Bill Index SM
	Australian fixed interest	Bloomberg AusBond Composite 0+ Yr Index SM
	International fixed interest	Bloomberg Barclays Global Aggregate Bond Index (Fully Hedged) in Australian Dollars
	Australian shares	S&P/ASX 300 Accumulation Index
	International shares	MSCI World ex Australia (Standard) Index (Net Dividends) in Australian Dollars
	Australian property	S&P/ASX 300 A-REIT Accumulation Index
	International property	FTSE EPRA/NAREIT Developed Net TR Index (AUD Hedged)
	Total	100
Asset class	Diversified	
Investment style	Index	
Investment strategy and approach	The portfolio has exposure to a diverse mix of assets with a majority (about 70%) in the defensive assets of cash and fixed interest and a modest investment (about 30%) in growth assets, such as shares and listed property securities. The portfolio's exposure to these asset classes will be obtained primarily by investing directly into index funds or exchange traded funds.	
Investment universe	Australian registered managed funds and exchange traded funds	
Risk label (SRM)	Low to Medium (3)	
Minimum investment horizon	3 years	
Minimum investment amount	\$5,000	
Indicative number of assets	5 – 10	
Investment management fee	0.1500% pa	
Fees and costs – underlying investments¹	Performance-related fees	0.00% pa
	Other indirect costs	0.19% pa
	Transactional and operational costs	0.00% pa
	Transaction fees	0.00% pa

BT Investment Solutions managed portfolio options summaries

	Asset class	Minimum (%)	Maximum (%)
Asset allocation ranges	Cash ²	15	40
	Australian fixed interest	10	50
	International fixed interest	10	50
	Australian shares	5	30
	International shares	0	15
	Australian property	0	20
	International property	0	20

1 These fees and costs are weighted averages based on the estimated fees and costs for the relevant underlying investments in relation to the 12 months to 30 June 2020, or in the case of a new or varied managed portfolio option, as if the managed portfolio option had been in place for the 12 month period ending 30 June 2020. These fees and costs are net of any rebate (if applicable) paid by an issuer of an underlying managed fund that forms part of the relevant managed portfolio option and is passed on to you. Refer to 'Indirect costs' and 'Rebates' in the 'Additional explanation of fees and costs' section of this document for further information.

2 The 'Cash' asset class includes the cash allocation of the portfolio that is held in BT CMA (or any other cash product nominated by us) but may include allocation to other cash type investments.

BT Indexed Moderate Portfolio

APIR code	WFS0566AU	
Investment manager	BT Investment Solutions	
Designed for investors who	Seek a transparent, cost effective diversified portfolio of strategies, consistent with the risk profile of the portfolio.	
Investment objective	To deliver a combination of predominantly income and stable growth returns. The portfolio aims to track the overall return of a diversified portfolio of underlying investments.	
	Composite of the underlying investments' indices based on the expected long term average (neutral weighting) to those underlying investments:	
	Asset class	Benchmark
		Neutral weighting (%)
	Cash	Bloomberg AusBond Bank Bill Index SM
	Australian fixed interest	Bloomberg AusBond Composite 0+ Yr Index SM
Benchmark index	International fixed interest	Bloomberg Barclays Global Aggregate Bond Index (Fully Hedged) in Australian Dollars
	Australian shares	S&P/ASX 300 Accumulation Index
	International shares	MSCI World ex Australia (Standard) Index (Net Dividends) in Australian Dollars
	Australian property	S&P/ASX 300 A-REIT Accumulation Index
	International property	FTSE EPRA/NAREIT Developed Net TR Index (AUD Hedged)
	Total	100
Asset class	Diversified	
Investment style	Index	
Investment strategy and approach	The portfolio has exposure to a mix of defensive assets (around 50%) such as cash and fixed interest and growth assets (around 50%) such as shares and listed property securities. The portfolio's exposure to these asset classes will be obtained primarily by investing directly into index funds or exchange traded funds.	
Investment universe	Australian registered managed funds and exchange traded funds	
Risk label (SRM)	Medium (4)	
Minimum investment horizon	4 years	
Minimum investment amount	\$5,000	
Indicative number of assets	5 – 10	
Investment management fee	0.1500% pa	
Fees and costs – underlying investments¹	Performance-related fees	0.00% pa
	Other indirect costs	0.19% pa
	Transactional and operational costs	0.00% pa
	Transaction fees	0.00% pa

BT Investment Solutions managed portfolio options summaries

	Asset class	Minimum (%)	Maximum (%)
Asset allocation ranges	Cash ²	2	20
	Australian fixed interest	5	40
	International fixed interest	5	40
	Australian shares	10	40
	International shares	5	30
	Australian property	0	20
	International property	0	20

1 These fees and costs are weighted averages based on the estimated fees and costs for the relevant underlying investments in relation to the 12 months to 30 June 2020, or in the case of a new or varied managed portfolio option, as if the managed portfolio option had been in place for the 12 month period ending 30 June 2020. These fees and costs are net of any rebate (if applicable) paid by an issuer of an underlying managed fund that forms part of the relevant managed portfolio option and is passed on to you. Refer to 'Indirect costs' and 'Rebates' in the 'Additional explanation of fees and costs' section of this document for further information.

2 The 'Cash' asset class includes the cash allocation of the portfolio that is held in BT CMA (or any other cash product nominated by us) but may include allocation to other cash type investments.

BT Indexed Balanced Portfolio

APIR code	WFS0567AU	
Investment manager	BT Investment Solutions	
Designed for investors who	Seek a transparent, cost effective diversified portfolio of strategies, consistent with the risk profile of the portfolio.	
Investment objective	To deliver predominantly moderate growth and some income returns. The portfolio aims to track the overall return of a diversified portfolio of underlying investments.	
	Composite of the underlying investments' indices based on the expected long term average (neutral weighting) to those underlying investments:	
	Asset class	Benchmark
		Neutral weighting (%)
	Cash	Bloomberg AusBond Bank Bill Index SM
	Australian fixed interest	Bloomberg AusBond Composite 0+ Yr Index SM
Benchmark index	International fixed interest	Bloomberg Barclays Global Aggregate Bond Index (Fully Hedged) in Australian Dollars
	Australian shares	S&P/ASX 300 Accumulation Index
	International shares	MSCI World ex Australia (Standard) Index (Net Dividends) in Australian Dollars
	Australian property	S&P/ASX 300 A-REIT Accumulation Index
	International property	FTSE EPRA/NAREIT Developed Net TR Index (AUD Hedged)
	Total	100
Asset class	Diversified	
Investment style	Index	
Investment strategy and approach	The portfolio has exposure to a diverse mix of assets with both income-producing (around 30%) of cash and fixed interest, and growth assets (around 70%) including shares and listed property securities. The portfolio's exposure to these asset classes will be obtained primarily by investing directly into index funds or exchange traded funds.	
Investment universe	Australian registered managed funds and exchange traded funds	
Risk label (SRM)	Medium to High (5)	
Minimum investment horizon	5 years	
Minimum investment amount	\$5,000	
Indicative number of assets	5 – 10	
Investment management fee	0.1500% pa	
Fees and costs – underlying investments¹	Performance-related fees	0.00% pa
	Other indirect costs	0.19% pa
	Transactional and operational costs	0.00% pa
	Transaction fees	0.00% pa

BT Investment Solutions managed portfolio options summaries

	Asset class	Minimum (%)	Maximum (%)
Asset allocation ranges	Cash ²	2	15
	Australian fixed interest	5	25
	International fixed interest	5	25
	Australian shares	20	50
	International shares	0	40
	Australian property	0	20
	International property	0	20

1 These fees and costs are weighted averages based on the estimated fees and costs for the relevant underlying investments in relation to the 12 months to 30 June 2020, or in the case of a new or varied managed portfolio option, as if the managed portfolio option had been in place for the 12 month period ending 30 June 2020. These fees and costs are net of any rebate (if applicable) paid by an issuer of an underlying managed fund that forms part of the relevant managed portfolio option and is passed on to you. Refer to 'Indirect costs' and 'Rebates' in the 'Additional explanation of fees and costs' section of this document for further information.

2 The 'Cash' asset class includes the cash allocation of the portfolio that is held in BT CMA (or any other cash product nominated by us) but may include allocation to other cash type investments.

BT Indexed Growth Portfolio

APIR code	WFS0568AU	
Investment manager	BT Investment Solutions	
Designed for investors who	Seek a transparent, cost effective diversified portfolio of strategies, consistent with the risk profile of the portfolio.	
Investment objective	To deliver predominantly moderate to high growth and some income returns. The portfolio aims to track the overall return of a diversified portfolio of underlying investments.	
	Composite of the underlying investments' indices based on the expected long term average (neutral weighting) to those underlying investments:	
	Asset class	Benchmark
		Neutral weighting (%)
	Cash	Bloomberg AusBond Bank Bill Index SM
	Australian fixed interest	Bloomberg AusBond Composite 0+ Yr Index SM
Benchmark index	International fixed interest	Bloomberg Barclays Global Aggregate Bond Index (Fully Hedged) in Australian Dollars
	Australian shares	S&P/ASX 300 Accumulation Index
	International shares	MSCI World ex Australia (Standard) Index (Net Dividends) in Australian Dollars
	Australian property	S&P/ASX 300 A-REIT Accumulation Index
	International property	FTSE EPRA/NAREIT Developed Net TR Index (AUD Hedged)
	Total	100
Asset class	Diversified	
Investment style	Index	
Investment strategy and approach	The portfolio has exposure to a diverse mix of assets with an emphasis (about 85%) on the growth oriented assets of Australian and international shares, and investment (about 15%) in the defensive assets of cash and fixed interest providing some income and stability of returns. The portfolio's exposure to these asset classes will be obtained primarily by investing directly into index funds or exchange traded funds.	
Investment universe	Australian registered managed funds and exchange traded funds	
Risk label (SRM)	High (6)	
Minimum investment horizon	6 years	
Minimum investment amount	\$5,000	
Indicative number of assets	5 – 10	
Investment management fee	0.1500% pa	
Fees and costs – underlying investments¹	Performance-related fees	0.00% pa
	Other indirect costs	0.19% pa
	Transactional and operational costs	0.00% pa
	Transaction fees	0.00% pa

BT Investment Solutions managed portfolio options summaries

	Asset class	Minimum (%)	Maximum (%)
Asset allocation ranges	Cash ²	2	15
	Australian fixed interest	0	20
	International fixed interest	0	30
	Australian shares	30	55
	International shares	0	45
	Australian property	0	20
	International property	0	20

1 These fees and costs are weighted averages based on the estimated fees and costs for the relevant underlying investments in relation to the 12 months to 30 June 2020, or in the case of a new or varied managed portfolio option, as if the managed portfolio option had been in place for the 12 month period ending 30 June 2020. These fees and costs are net of any rebate (if applicable) paid by an issuer of an underlying managed fund that forms part of the relevant managed portfolio option and is passed on to you. Refer to 'Indirect costs' and 'Rebates' in the 'Additional explanation of fees and costs' section of this document for further information.

2 The 'Cash' asset class includes the cash allocation of the portfolio that is held in BT CMA (or any other cash product nominated by us) but may include allocation to other cash type investments.

BT Indexed High Growth Portfolio

APIR code	WFS0569AU		
Investment manager	BT Investment Solutions		
Designed for investors who	Seek a transparent, cost effective diversified portfolio of strategies, consistent with the risk profile of the portfolio.		
Investment objective	To deliver predominantly high growth returns. The portfolio aims to track the overall return of a diversified portfolio of underlying investments.		
Benchmark index	Composite of the underlying investments' indices based on the expected long term average (neutral weighting) to those underlying investments:		
	Asset class	Benchmark	Neutral weighting (%)
	Cash	Bloomberg AusBond Bank Bill Index SM	2
	Australian shares	S&P/ASX 300 Accumulation Index	47
	International shares	MSCI World ex Australia (Standard) Index (Net Dividends) in Australian Dollars	41
	Australian property	S&P/ASX 300 A-REIT Accumulation Index	5
	International property	FTSE EPRA/NAREIT Developed Net TR Index (AUD Hedged)	5
	Total		100
Asset class	Diversified		
Investment style	Index		
Investment strategy and approach	The portfolio primarily has exposure to growth assets such as Australian shares, international shares and listed property securities. The portfolio's exposure to these asset classes will be obtained primarily by investing directly into index funds or exchange traded funds. Over the long term, the portfolio aims to have a 2% allocation to defensive assets and a 98% allocation to growth assets.		
Investment universe	Australian registered managed funds and exchange traded funds		
Risk label (SRM)	High (6)		
Minimum investment horizon	7 years		
Minimum investment amount	\$5,000		
Indicative number of assets	3 – 7		
Investment management fee	0.1500% pa		
Fees and costs – underlying investments¹	Performance-related fees	0.00% pa	
	Other indirect costs	0.19% pa	
	Transactional and operational costs	0.00% pa	
	Transaction fees	0.00% pa	
Asset allocation ranges	Asset class	Minimum (%)	Maximum (%)
	Cash ²	2	10
	Australian shares	35	60
	International shares	0	55
	Australian property	0	20
	International property	0	20

¹ These fees and costs are weighted averages based on the estimated fees and costs for the relevant underlying investments in relation to the 12 months to 30 June 2020, or in the case of a new or varied managed portfolio option, as if the managed portfolio option had been in place for the 12 month period ending 30 June 2020. These fees and costs are net of any rebate (if applicable) paid by an issuer of an underlying managed fund that forms part of the relevant managed portfolio option and is passed on to you. Refer to 'Indirect costs' and 'Rebates' in the 'Additional explanation of fees and costs' section of this document for further information.

BT Investment Solutions managed portfolio options summaries

- 2 The 'Cash' asset class includes the cash allocation of the portfolio that is held in BT CMA (or any other cash product nominated by us) but may include allocation to other cash type investments.

CoreSeries Defensive Portfolio

APIR code	WFS7916AU		
Investment manager	BT Investment Solutions		
Designed for investors who	Seek relatively stable total returns over the short to medium term with some capital growth over the long term through a diversified mix of growth and defensive assets.		
Investment objective	The portfolio aims to achieve an Inflation (Consumer Price Index) + 1.5% pa objective over rolling three year periods by taking exposures to a mix of growth and defensive asset classes.		
Benchmark index	Consumer Price Index + 1.5% pa		
Asset class	Diversified		
Investment style	Active		
Investment strategy and approach	<p>The strategy is an actively managed diversified portfolio investing in both growth asset classes such as equities, property and infrastructure, and defensive asset classes such as cash and fixed interest securities. The portfolio's exposure will typically be 30% growth assets and 70% defensive assets; however over time these allocations may deviate within a range due to market movements and asset allocation decisions.</p> <p>These exposures are expected to provide a return in excess of inflation over the long-term and aim to minimise the impact of shorter-term market volatility through asset diversification, manager selection and risk management.</p>		
Investment universe	Australian registered managed funds. (A significant percentage of assets comprising this portfolio are only available through the CoreSeries Portfolios and therefore can't be transferred out of BT Managed Portfolios.) ¹		
Risk label	Low to Medium (3)		
Minimum investment horizon	3 years		
Minimum investment amount	\$5,000		
Indicative number of assets	10 – 30		
Investment management fee	Nil		
Fees and costs – underlying investments²	Performance-related fees	0.00% pa	
	Other indirect costs	0.50% pa	
	Transactional and operational costs	0.22% pa	
	Transaction fees	0.00% pa	
Asset allocation ranges	Asset class	Minimum (%)	Maximum (%)
	Cash ³	2	35
	Australian fixed interest	4	34
	International fixed interest	0	35
	Fixed interest other	0	20
	Australian shares	0	27
	International shares	0	25
	Australian property	0	23
	International property	0	23
	Listed infrastructure	0	18
Alternatives ⁴	0	25	

1 For more information relating to restrictions that may apply to asset transfers, refer to 'Asset transfers out of your portfolio' in the 'How BT Managed Portfolios works' section in Part 1 of the PDS.

2 These fees and costs are weighted averages based on the estimated fees and costs for the relevant underlying investments in relation to the 12 months to 30 June 2020, or in the case of a new or varied managed portfolio option, as if the managed portfolio option had been in place for the 12 month period ending 30 June 2020. These fees and costs are net of any rebate (if applicable) paid by an issuer of an underlying managed fund that forms part of the relevant managed portfolio option and is passed on to you. Refer to 'Indirect costs' and 'Rebates' in the 'Additional explanation of fees and costs' section of this document for further information.

BT Investment Solutions managed portfolio options summaries

- 3 The 'Cash' asset class includes the cash allocation of the portfolio that is held in BT CMA (or any other cash product nominated by us) but may include allocation to other cash type investments.
- 4 The 'Alternatives' asset class may contain both defensive and growth assets.

CoreSeries Income Portfolio

APIR code	WFS4217AU		
Investment manager	BT Investment Solutions		
Designed for investors who	Seek relatively stable total returns predominantly income in nature over the short to medium term and some capital growth over the long term, through a diversified mix of growth and defensive assets.		
Investment objective	The portfolio aims to achieve a total return target of inflation (Consumer Price Index) + 2.0% after fees objective over rolling five year periods and targets yield of RBA Cash Rate + 2.0% pa by taking exposures to a mix of growth and defensive asset classes.		
Benchmark index	Consumer Price Index + 2.0% pa		
Asset class	Diversified		
Investment style	Active		
Investment strategy and approach	<p>The strategy is an actively managed diversified portfolio investing in both growth asset classes such as equities, property and infrastructure, and defensive asset classes such as cash and fixed interest securities. The portfolio's exposure will typically be 45% growth assets and 55% defensive assets; however over time these allocations may deviate within a range due to market movements and asset allocation decisions.</p> <p>These exposures are expected to provide a return in excess of inflation over the long-term and aim to minimise the impact of shorter-term market volatility through asset diversification, manager selection and risk management. This portfolio is tilted towards producing a relatively stable income stream from both bonds and equities, and so the income return is expected to be a higher proportion of the total return.</p>		
Investment universe	Australian registered managed funds. (A significant percentage of assets comprising this portfolio are only available through the CoreSeries Portfolios and therefore can't be transferred out of BT Managed Portfolios.) ¹		
Risk label (SRM)	Medium (4)		
Minimum investment horizon	5 years		
Minimum investment amount	\$5,000		
Indicative number of assets	10 – 30		
Investment management fee	Nil		
Fees and costs – underlying investments²	Performance-related fees	0.00% pa	
	Other indirect costs	0.55% pa	
	Transactional and operational costs	0.22% pa	
	Transaction fees	0.00% pa	
Asset allocation ranges	Asset class	Minimum (%)	Maximum (%)
	Cash ³	2	25
	Australian fixed interest	5	35
	International fixed interest	0	35
	Fixed interest other	0	20
	Australian shares	10	40
	International shares	0	25
	Australian property	0	25
	International property	0	25
	Listed infrastructure	0	18
Alternatives ⁴	0	15	

1 For more information relating to restrictions that may apply to asset transfers, refer to 'Asset transfers out of your portfolio' in the 'How BT Managed Portfolios works' section in Part 1 of the PDS.

2 These fees and costs are weighted averages based on the estimated fees and costs for the relevant underlying investments in relation to the 12 months to 30 June 2020, or in the case of a new or varied managed portfolio option, as if the managed portfolio option had been in place

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for the 12 month period ending 30 June 2020. These fees and costs are net of any rebate (if applicable) paid by an issuer of an underlying managed fund that forms part of the relevant managed portfolio option and is passed on to you. Refer to 'Indirect costs' and 'Rebates' in the 'Additional explanation of fees and costs' section of this document for further information.

- 3 The 'Cash' asset class includes the cash allocation of the portfolio that is held in BT CMA (or any other cash product nominated by us) but may include allocation to other cash type investments.
- 4 The 'Alternatives' asset class may contain both defensive and growth assets.

CoreSeries Moderate Portfolio

APIR code	WFS9084AU		
Investment manager	BT Investment Solutions		
Designed for investors who	Seek relatively moderate total returns over the medium term from a combination of capital growth and income, through a diversified mix of growth and defensive assets.		
Investment objective	The portfolio aims to achieve an Inflation (Consumer Price Index) + 2.5% pa objective over rolling four year periods by taking exposures to a mix of growth and defensive asset classes.		
Benchmark index	Consumer Price Index + 2.5% pa		
Asset class	Diversified		
Investment style	Active		
Investment strategy and approach	<p>The strategy is an actively managed diversified portfolio investing in both growth asset classes such as equities, property and infrastructure, and defensive asset classes such as cash and fixed interest securities. The portfolio's exposure will typically be 50% growth assets and 50% defensive assets; however over time these allocations may deviate within a range due to market movements and asset allocation decisions.</p> <p>These exposures are expected to provide a return in excess of inflation over the long-term and aim to minimise the impact of shorter-term market volatility through asset diversification, manager selection and risk management.</p>		
Investment universe	Australian registered managed funds. (A significant percentage of assets comprising this portfolio are only available through the CoreSeries Portfolios and therefore can't be transferred out of BT Managed Portfolios.) ¹		
Risk label (SRM)	Medium (4)		
Minimum investment horizon	4 years		
Minimum investment amount	\$5,000		
Indicative number of assets	10 – 30		
Investment management fee	Nil		
Fees and costs – underlying investments²	Performance-related fees	0.00% pa	
	Other indirect costs	0.58% pa	
	Transactional and operational costs	0.21% pa	
	Transaction fees	0.00% pa	
Asset allocation ranges	Asset class	Minimum (%)	Maximum (%)
	Cash ³	2	30
	Australian fixed interest	0	29
	International fixed interest	4	34
	Fixed interest other	0	20
	Australian shares	8	38
	International shares	3	33
	Australian property	0	24
	International property	0	24
	Listed infrastructure	0	18
Alternatives ⁴	0	22	

1 For more information relating to restrictions that may apply to asset transfers, refer to 'Asset transfers out of your portfolio' in the 'How BT Managed Portfolios works' section in Part 1 of the PDS.

2 These fees and costs are weighted averages based on the estimated fees and costs for the relevant underlying investments in relation to the 12 months to 30 June 2020, or in the case of a new or varied managed portfolio option, as if the managed portfolio option had been in place for the 12 month period ending 30 June 2020. These fees and costs are net of any rebate (if applicable) paid by an issuer of an underlying managed fund that forms part of the relevant managed portfolio option and is passed on to you. Refer to 'Indirect costs' and 'Rebates' in the 'Additional explanation of fees and costs' section of this document for further information.

BT Investment Solutions managed portfolio options summaries

- 3 The 'Cash' asset class includes the cash allocation of the portfolio that is held in BT CMA (or any other cash product nominated by us) but may include allocation to other cash type investments.
- 4 The 'Alternatives' asset class may contain both defensive and growth assets.

CoreSeries Balanced Portfolio

APIR code	WFS8074AU		
Investment manager	BT Investment Solutions		
Designed for investors who	Seek moderate to high total returns over the medium term from a combination of capital growth and income, through a diversified mix of growth and defensive assets.		
Investment objective	The portfolio aims to achieve an Inflation (Consumer Price Index) + 3.5% pa objective over rolling 5 year periods by taking exposures to a mix of growth and defensive asset classes.		
Benchmark index	Consumer Price Index + 3.5% pa		
Asset class	Diversified		
Investment style	Active		
Investment strategy and approach	<p>The strategy is an actively managed diversified portfolio investing in both growth asset classes such as equities, property and infrastructure, and defensive asset classes such as cash and fixed interest securities. The portfolio's exposure will typically be 70% growth assets and 30% defensive assets; however over time these allocations may deviate within a range due to market movements and asset allocation decisions.</p> <p>These exposures are expected to provide a return in excess of inflation over the long-term and aim to minimise the impact of shorter-term market volatility through asset diversification, manager selection and risk management.</p>		
Investment universe	Australian registered managed funds. (A significant percentage of assets comprising this portfolio are only available through the CoreSeries Portfolios and therefore can't be transferred out of BT Managed Portfolios.) ¹		
Risk label (SRM)	Medium to High (5)		
Minimum investment horizon	5 years		
Minimum investment amount	\$5,000		
Indicative number of assets	10 – 30		
Investment management fee	Nil		
Fees and costs – underlying investments²	Performance-related fees	0.00% pa	
	Other indirect costs	0.68% pa	
	Transactional and operational costs	0.24% pa	
	Transaction fees	0.00% pa	
Asset allocation ranges	Asset class	Minimum (%)	Maximum (%)
	Cash ³	2	25
	Australian fixed interest	0	21
	International fixed interest	0	29
	Fixed interest other	0	15
	Australian shares	15	45
	International shares	15	45
	Australian property	0	25
	International property	0	25
	Listed infrastructure	0	19
Alternatives ⁴	0	20	

1 For more information relating to restrictions that may apply to asset transfers, refer to 'Asset transfers out of your portfolio' in the 'How BT Managed Portfolios works' section in Part 1 of the PDS.

2 These fees and costs are weighted averages based on the estimated fees and costs for the relevant underlying investments in relation to the 12 months to 30 June 2020, or in the case of a new or varied managed portfolio option, as if the managed portfolio option had been in place for the 12 month period ending 30 June 2020. These fees and costs are net of any rebate (if applicable) paid by an issuer of an underlying managed fund that forms part of the relevant managed portfolio option and is passed on to you. Refer to 'Indirect costs' and 'Rebates' in the 'Additional explanation of fees and costs' section of this document for further information.

BT Investment Solutions managed portfolio options summaries

- 3 The 'Cash' asset class includes the cash allocation of the portfolio that is held in BT CMA (or any other cash product nominated by us) but may include allocation to other cash type investments.
- 4 The 'Alternatives' asset class may contain both defensive and growth assets.

CoreSeries Growth Portfolio

APIR code	WFS3363AU		
Investment manager	BT Investment Solutions		
Designed for investors who	Seek moderate to high total returns over the medium to long term largely from capital growth by investing in a diversified mix of growth and defensive assets.		
Investment objective	The portfolio aims to achieve an Inflation (Consumer Price Index) + 4% pa objective over rolling six year periods by taking exposures to a mix of growth and defensive asset classes.		
Benchmark index	Consumer Price Index + 4.0% pa		
Asset class	Diversified		
Investment style	Active		
Investment strategy and approach	<p>The strategy is an actively managed diversified portfolio investing in both growth asset classes such as equities, property and infrastructure, and defensive asset classes such as cash and fixed interest securities. The portfolio's exposure will typically be 85% growth assets and 15% defensive assets; however over time these allocations may deviate within a range due to market movements and asset allocation decisions.</p> <p>These exposures are expected to provide a return in excess of inflation over the long-term and aim to minimise the impact of shorter-term market volatility through asset diversification, manager selection and risk management.</p>		
Investment universe	Australian registered managed funds. (A significant percentage of assets comprising this portfolio are only available through the CoreSeries Portfolios and therefore can't be transferred out of BT Managed Portfolios.) ¹		
Risk label (SRM)	High (6)		
Minimum investment horizon	6 years		
Minimum investment amount	\$5,000		
Indicative number of assets	10 – 30		
Investment management fee	Nil		
Fees and costs – underlying investments²	Performance-related fees	0.00% pa	
	Other indirect costs	0.74% pa	
	Transactional and operational costs	0.25% pa	
	Transaction fees	0.00% pa	
Asset allocation ranges	Asset class	Minimum (%)	Maximum (%)
	Cash ³	2	23
	Australian fixed interest	0	18
	International fixed interest	0	27
	Fixed interest other	0	15
	Australian shares	20	50
	International shares	25	56
	Australian property	0	25
	International property	0	25
	Listed infrastructure	0	19
Alternatives ⁴	0	18	

¹ For more information relating to restrictions that may apply to asset transfers, refer to 'Asset transfers out of your portfolio' in the 'How BT Managed Portfolios works' section in Part 1 of the PDS.

² These fees and costs are weighted averages based on the estimated fees and costs for the relevant underlying investments in relation to the 12 months to 30 June 2020, or in the case of a new or varied managed portfolio option, as if the managed portfolio option had been in place for the 12 month period ending 30 June 2020. These fees and costs are net of any rebate (if applicable) paid by an issuer of an underlying managed fund that forms part of the relevant managed portfolio option and is passed on to you. Refer to 'Indirect costs' and 'Rebates' in the 'Additional explanation of fees and costs' section of this document for further information.

BT Investment Solutions managed portfolio options summaries

- 3 The 'Cash' asset class includes the cash allocation of the portfolio that is held in BT CMA (or any other cash product nominated by us) but may include allocation to other cash type investments.
- 4 The 'Alternatives' asset class may contain both defensive and growth assets.

CoreSeries High Growth Portfolio

APIR code	WFS4680AU		
Investment manager	BT Investment Solutions		
Designed for investors who	Seek relatively high total returns over the long term largely from capital growth by investing in a diversified mix of growth assets.		
Investment objective	The portfolio aims to achieve an Inflation (Consumer Price Index) + 4.5% pa objective over rolling seven year periods by taking exposures to mix of growth asset classes.		
Benchmark index	Consumer Price Index + 4.5% pa		
Asset class	Diversified		
Investment style	Active		
Investment strategy and approach	<p>The strategy is an actively managed diversified portfolio investing in predominately growth asset classes such as equities, property and infrastructure. The portfolio's exposure will typically be 97% growth assets and 3% defensive assets; however over time these allocations may deviate within a range due to market movements and asset allocation decisions.</p> <p>These exposures are expected to provide a return in excess of inflation over the long-term and aim to minimise the impact of shorter-term market volatility through asset diversification, manager selection and risk management.</p>		
Investment universe	Australian registered managed funds. (A significant percentage of assets comprising this portfolio are only available through the CoreSeries Portfolios and therefore can't be transferred out of BT Managed Portfolios.) ¹		
Risk label (SRM)	High (6)		
Minimum investment horizon	7 years		
Minimum investment amount	\$5,000		
Indicative number of assets	10 – 30		
Investment management fee	Nil		
Fees and costs – underlying investments²	Performance-related fees	0.00% pa	
	Other indirect costs	0.77% pa	
	Transactional and operational costs	0.23% pa	
	Transaction fees	0.00% pa	
Asset allocation ranges	Asset class	Minimum (%)	Maximum (%)
	Cash ³	2	18
	Australian fixed interest	0	15
	International fixed interest	0	15
	Fixed interest other	0	15
	Australian shares	25	55
	International shares	32	62
	Australian property	0	25
	International property	0	25
	Listed infrastructure	0	19
Alternatives ⁴	0	15	

1 For more information relating to restrictions that may apply to asset transfers, refer to 'Asset transfers out of your portfolio' in the 'How BT Managed Portfolios works' section in Part 1 of the PDS.

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4 The 'Alternatives' asset class may contain both defensive and growth assets.

Multi-Sector Series Defensive Portfolio

APIR code	WFS0571AU		
Investment manager	WFSL will manage this portfolio by relying on investment governance oversight from BT Investment Solutions and investment advice services from Morningstar Australasia Pty Ltd.		
Designed for investors who	Seek a relatively low risk investment or who have a shorter term horizon.		
Investment objective	The portfolio aims to deliver a targeted long term objective of inflation (Consumer Price Index) + 2% pa before fees and to deliver primarily income and some capital growth over a rolling three year period.		
Benchmark index	Morningstar Peer Group Investment Trust Multisector Moderate Index		
Asset class	Diversified		
Investment style	Active		
Investment strategy and approach	<p>The portfolio has exposure to a diverse mix of managed fund investments, which include primarily income-producing and some growth assets. Over the long term, the portfolio aims to have a 70% allocation to defensive assets and a 30% allocation to growth assets.</p> <p>The portfolio aims to reduce the probability of a negative return through a high exposure to more defensive assets.</p> <p>The portfolio is constructed around an asset allocation which is based on the long-term objectives of the strategy. The portfolio and asset allocation are reviewed to adapt to changes in market conditions. The asset allocation, selection and blending of managed funds are actively managed with a strong focus on risk.</p> <p>Fund managers, their funds and the construction of the portfolio are continually reviewed.</p>		
Investment universe	Australian registered managed funds		
Risk label (SRM)	Low to medium (3)		
Minimum investment horizon	3 to 5 years		
Minimum investment amount	\$5,000		
Indicative number of assets	10 – 25		
Investment management fee	0.1000% pa		
Fees and costs – underlying investments¹	Performance-related fees	0.00% pa	
	Other indirect costs	0.58% pa	
	Transactional and operational costs	0.04% pa	
	Transaction fees	0.00% pa	
Asset allocation ranges	Asset class	Minimum (%)	Maximum (%)
	Cash ²	10	50
	Australian fixed interest	0	50
	International fixed interest	0	50
	Fixed interest other	0	50
	Australian shares	0	20
	International shares	0	20
	Australian property	0	15
	International property	0	15
	Listed infrastructure	0	15
Alternatives ³	0	25	
Diversified	0	15	

¹ These fees and costs are weighted averages based on the estimated fees and costs for the relevant underlying investments in relation to the 12 months to 30 June 2020, or in the case of a new or varied managed portfolio option, as if the managed portfolio option had been in place for the 12 month period ending 30 June 2020. These fees and costs are net of any rebate (if applicable) paid by an issuer of an underlying

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managed fund that forms part of the relevant managed portfolio option and is passed on to you. Refer to 'Indirect costs and 'Rebates' in the 'Additional explanation of fees and costs' section of this document for further information.

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- 3 The 'Alternatives' asset class may contain both defensive and growth assets.

Multi-Sector Series Income Portfolio

APIR code	WFS0576AU																																							
Investment manager	WFSL will manage this portfolio by relying on investment governance oversight from BT Investment Solutions and investment advice services from Morningstar Australasia Pty Ltd.																																							
Designed for investors who	Seek regular income with lower capital volatility over time.																																							
Investment objective	The portfolio aims to deliver a target income of 5% pa (pre franking) and a total return of 7% pa before fees with consistent income with franking credits and lower volatility over a rolling three year period.																																							
Benchmark index	<p>Composite of the underlying investments' indices based on the expected long term average (neutral weighting) to those underlying investments:</p> <table border="1"> <thead> <tr> <th>Asset class</th> <th>Benchmark</th> <th>Neutral weighting (%)</th> </tr> </thead> <tbody> <tr> <td>Cash</td> <td>Bloomberg AusBond Bank Bill IndexSM</td> <td>12</td> </tr> <tr> <td>Australian fixed interest</td> <td>Bloomberg AusBond Composite 0+ Yr IndexSM</td> <td>35</td> </tr> <tr> <td>International fixed interest</td> <td>Bloomberg Barclays Global Aggregate Bond Index (Fully Hedged) in Australian Dollars</td> <td>20</td> </tr> <tr> <td>Fixed interest other</td> <td>Bloomberg AusBond Bank Bill IndexSM</td> <td>0</td> </tr> <tr> <td>Australian shares</td> <td>S&P/ASX 300 Accumulation Index</td> <td>17.5</td> </tr> <tr> <td>International shares</td> <td>MSCI World ex Australia (Standard) Index (Net Dividends) in Australian Dollars</td> <td>5</td> </tr> <tr> <td>Australian property</td> <td>S&P/ASX 300 A-REIT Accumulation Index</td> <td>7.5</td> </tr> <tr> <td>International property</td> <td>FTSE EPRA/NAREIT Developed ex Australia Rental Index, Australian Dollar Hedged</td> <td>0</td> </tr> <tr> <td>Listed infrastructure</td> <td>S&P Global Infrastructure Index (Australia Dollar) (Hedged) (Net TR)</td> <td>0</td> </tr> <tr> <td>Alternatives</td> <td>Bloomberg AusBond Composite 0+ Yr IndexSM</td> <td>3</td> </tr> <tr> <td>Diversified</td> <td>RBA cash rate</td> <td>0</td> </tr> <tr> <td>Total</td> <td></td> <td>100</td> </tr> </tbody> </table>	Asset class	Benchmark	Neutral weighting (%)	Cash	Bloomberg AusBond Bank Bill Index SM	12	Australian fixed interest	Bloomberg AusBond Composite 0+ Yr Index SM	35	International fixed interest	Bloomberg Barclays Global Aggregate Bond Index (Fully Hedged) in Australian Dollars	20	Fixed interest other	Bloomberg AusBond Bank Bill Index SM	0	Australian shares	S&P/ASX 300 Accumulation Index	17.5	International shares	MSCI World ex Australia (Standard) Index (Net Dividends) in Australian Dollars	5	Australian property	S&P/ASX 300 A-REIT Accumulation Index	7.5	International property	FTSE EPRA/NAREIT Developed ex Australia Rental Index, Australian Dollar Hedged	0	Listed infrastructure	S&P Global Infrastructure Index (Australia Dollar) (Hedged) (Net TR)	0	Alternatives	Bloomberg AusBond Composite 0+ Yr Index SM	3	Diversified	RBA cash rate	0	Total		100
Asset class	Benchmark	Neutral weighting (%)																																						
Cash	Bloomberg AusBond Bank Bill Index SM	12																																						
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Fixed interest other	Bloomberg AusBond Bank Bill Index SM	0																																						
Australian shares	S&P/ASX 300 Accumulation Index	17.5																																						
International shares	MSCI World ex Australia (Standard) Index (Net Dividends) in Australian Dollars	5																																						
Australian property	S&P/ASX 300 A-REIT Accumulation Index	7.5																																						
International property	FTSE EPRA/NAREIT Developed ex Australia Rental Index, Australian Dollar Hedged	0																																						
Listed infrastructure	S&P Global Infrastructure Index (Australia Dollar) (Hedged) (Net TR)	0																																						
Alternatives	Bloomberg AusBond Composite 0+ Yr Index SM	3																																						
Diversified	RBA cash rate	0																																						
Total		100																																						
Asset class	Diversified																																							
Investment style	Active																																							
Investment strategy and approach	<p>The portfolio has exposure to a diverse mix of managed fund investments, which include primarily income-producing assets and some growth assets. Over the long term, the portfolio aims to have a 67% allocation to defensive assets and a 33% allocation to growth assets.</p> <p>A relatively stable level of capital volatility over the short to medium term is expected due to high exposure to more defensive asset classes and the focus on managing downside protection.</p> <p>The portfolio is constructed around an asset allocation which is based on the long-term objectives of the strategy. The portfolio and asset allocation are reviewed to adapt to changes in market conditions. The asset allocation, selection and blending of managed funds are actively managed with a strong focus on risk.</p> <p>Fund managers, their funds and the construction of the portfolio are continually reviewed.</p>																																							
Investment universe	Australian registered managed funds																																							
Risk label (SRM)	Low to Medium (3)																																							
Minimum investment horizon	3 to 5 years																																							
Minimum investment amount	\$5,000																																							
Indicative number of assets	10 – 25																																							

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Investment management fee	0.1500% pa		
Fees and costs – underlying investments¹	Performance-related fees	0.00% pa	
	Other indirect costs	0.69% pa	
	Transactional and operational costs	0.13% pa	
	Transaction fees	0.00% pa	
Asset allocation ranges	Asset class	Minimum (%)	Maximum (%)
	Cash ²	2	35
	Australian fixed interest	0	75
	International fixed interest	0	75
	Fixed interest other	0	75
	Australian shares	0	30
	International shares	0	15
	Australian property	0	25
	International property	0	25
	Listed infrastructure	0	25
	Alternatives ³	0	35
Diversified	0	15	

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3 The 'Alternatives' asset class may contain both defensive and growth assets.

Multi-Sector Series Moderate Portfolio

APIR code	WFS0572AU		
Investment manager	WFSL will manage this portfolio by relying on investment governance oversight from BT Investment Solutions and investment advice services from Morningstar Australasia Pty Ltd.		
Designed for investors who	Seek a relatively low risk investment with some potential for growth.		
Investment objective	The portfolio aims to deliver a targeted long term objective of inflation (Consumer Price Index) + 3% pa before fees and to deliver income and some capital growth over a rolling three year period.		
Benchmark index	Morningstar Peer Group Investment Trust Multisector Balanced Index		
Asset class	Diversified		
Investment style	Active		
Investment strategy and approach	<p>The portfolio has exposure to a diverse mix of managed fund investments, which include both income-producing and growth assets. Over the long term, the portfolio aims to have a 50% allocation to defensive assets and a 50% allocation to growth assets.</p> <p>The portfolio aims to reduce the probability of a negative return through a balanced exposure to defensive and growth assets.</p> <p>The portfolio is constructed around an asset allocation which is based on the long-term objectives of the strategy. The portfolio and asset allocation are reviewed to adapt to changes in market conditions. The asset allocation, selection and blending of managed funds are actively managed with a strong focus on risk.</p> <p>Fund managers, their funds and the construction of the portfolio are continually reviewed.</p>		
Investment universe	Australian registered managed funds		
Risk label (SRM)	Medium (4)		
Minimum investment horizon	3 to 5 years		
Minimum investment amount	\$5,000		
Indicative number of assets	10 – 25		
Investment management fee	0.1000% pa		
Fees and costs – underlying investments¹	Performance-related fees	0.00% pa	
	Other indirect costs	0.66% pa	
	Transactional and operational costs	0.04% pa	
	Transaction fees	0.00% pa	
Asset allocation ranges	Asset class	Minimum (%)	Maximum (%)
	Cash ²	2	35
	Australian fixed interest	0	50
	International fixed interest	0	50
	Fixed interest other	0	50
	Australian shares	0	30
	International shares	0	30
	Australian property	0	15
	International property	0	15
	Listed infrastructure	0	15
Alternatives ³	0	25	
Diversified	0	15	

¹ These fees and costs are weighted averages based on the estimated fees and costs for the relevant underlying investments in relation to the 12 months to 30 June 2020, or in the case of a new or varied managed portfolio option, as if the managed portfolio option had been in place for the 12 month period ending 30 June 2020. These fees and costs are net of any rebate (if applicable) paid by an issuer of an underlying

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managed fund that forms part of the relevant managed portfolio option and is passed on to you. Refer to 'Indirect costs' and 'Rebates' in the 'Additional explanation of fees and costs' section of this document for further information.

- 2 The 'Cash' asset class includes the cash allocation of the portfolio that is held in BT CMA (or any other cash product nominated by us) but may include allocation to other cash type investments.
- 3 The 'Alternatives' asset class may contain both defensive and growth assets.

Multi-Sector Series Balanced Portfolio

APIR code	WFS0573AU		
Investment manager	WFSL will manage this portfolio by relying on investment governance oversight from BT Investment Solutions and investment advice services from Morningstar Australasia Pty Ltd.		
Designed for investors who	Seek a balance between income and growth return over the medium to long term and are willing to accept a medium level of risk in their portfolio.		
Investment objective	The portfolio aims to deliver a targeted long term objective of inflation (Consumer Price Index) + 4% pa before fees and to deliver a balance of income and capital growth over a rolling seven year period.		
Benchmark index	Morningstar Peer Group Investment Trust Multisector Growth Index		
Asset class	Diversified		
Investment style	Active		
Investment strategy and approach	<p>The portfolio has exposure to a diverse mix of managed fund investments, which include both income-producing and growth assets. Over the long term, the portfolio aims to have a 30% allocation to defensive assets and a 70% allocation to growth assets.</p> <p>Some capital volatility is expected due to exposure to more growth asset classes.</p> <p>The portfolio is constructed around an asset allocation which is based on the long-term objectives of the strategy. The portfolio and asset allocation are reviewed to adapt to changes in market conditions. The asset allocation, selection and blending of managed funds are actively managed with a strong focus on risk.</p> <p>Fund managers, their funds and the construction of the portfolio are continually reviewed.</p>		
Investment universe	Australian registered managed funds		
Risk label (SRM)	Medium to high (5)		
Minimum investment horizon	7 to 10 years		
Minimum investment amount	\$5,000		
Indicative number of assets	10 – 25		
Investment management fee	0.1500% pa		
Fees and costs – underlying investments¹	Performance-related fees	0.02% pa	
	Other indirect costs	0.78% pa	
	Transactional and operational costs	0.06% pa	
	Transaction fees	0.00% pa	
Asset allocation ranges	Asset class	Minimum (%)	Maximum (%)
	Cash ²	2	20
	Australian fixed interest	0	35
	International fixed interest	0	35
	Fixed interest other	0	35
	Australian shares	0	50
	International shares	0	50
	Australian property	0	15
	International property	0	15
	Listed infrastructure	0	15
Alternatives ³	0	30	
Diversified	0	15	

¹ These fees and costs are weighted averages based on the estimated fees and costs for the relevant underlying investments in relation to the 12 months to 30 June 2020, or in the case of a new or varied managed portfolio option, as if the managed portfolio option had been in place for the 12 month period ending 30 June 2020. These fees and costs are net of any rebate (if applicable) paid by an issuer of an underlying

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managed fund that forms part of the relevant managed portfolio option and is passed on to you. Refer to 'Indirect costs' and 'Rebates' in the 'Additional explanation of fees and costs' section of this document for further information.

- 2 The 'Cash' asset class includes the cash allocation of the portfolio that is held in BT CMA (or any other cash product nominated by us) but may include allocation to other cash type investments.
- 3 The 'Alternatives' asset class may contain both defensive and growth assets.

Multi-Sector Series Growth Portfolio

APIR code	WFS0574AU		
Investment manager	WFSL will manage this portfolio by relying on investment governance oversight from BT Investment Solutions and investment advice services from Morningstar Australasia Pty Ltd.		
Designed for investors who	Seek a higher level of expected return over the long term and are able to withstand extended periods of high market volatility.		
Investment objective	The portfolio aims to deliver a targeted long term objective of inflation (Consumer Price Index) + 4.5% pa before fees and to deliver primarily capital growth with some income over a rolling seven year period.		
Benchmark index	Morningstar Peer Group Investment Trust Multisector Aggressive Index		
Asset class	Diversified		
Investment style	Active		
Investment strategy and approach	<p>The portfolio has exposure to a diverse mix of managed fund investments, which include primarily growth assets and may have some exposure to income-producing assets. Over the long term, the portfolio aims to have a 10% allocation to defensive assets and an 90% allocation to growth assets.</p> <p>Some capital volatility is expected due to exposure to more growth asset classes.</p> <p>The portfolio is constructed around an asset allocation which is based on the long-term objectives of the strategy. The portfolio and asset allocation are reviewed to adapt to changes in market conditions. The asset allocation, selection and blending of managed funds are actively managed with a strong focus on risk.</p> <p>Fund managers, their funds and the construction of the portfolio are continually reviewed.</p>		
Investment universe	Australian registered managed funds		
Risk label (SRM)	High (6)		
Minimum investment horizon	7 to 10 years		
Minimum investment amount	\$5,000		
Indicative number of assets	10 – 25		
Investment management fee	0.1500% pa		
Fees and costs – underlying investments¹	Performance-related fees	0.03% pa	
	Other indirect costs	0.93% pa	
	Transactional and operational costs	0.06% pa	
	Transaction fees	0.00% pa	
Asset allocation ranges	Asset class	Minimum (%)	Maximum (%)
	Cash ²	2	15
	Australian fixed interest	0	20
	International fixed interest	0	20
	Fixed interest other	0	20
	Australian shares	0	75
	International shares	0	75
	Australian property	0	15
	International property	0	15
	Listed infrastructure	0	15
Alternatives ³	0	35	
Diversified	0	15	

¹ These fees and costs are weighted averages based on the estimated fees and costs for the relevant underlying investments in relation to the 12 months to 30 June 2020, or in the case of a new or varied managed portfolio option, as if the managed portfolio option had been in place for the 12 month period ending 30 June 2020. These fees and costs are net of any rebate (if applicable) paid by an issuer of an underlying

BT Investment Solutions managed portfolio options summaries

managed fund that forms part of the relevant managed portfolio option and is passed on to you. Refer to 'Indirect costs' and 'Rebates' in the 'Additional explanation of fees and costs' section of this document for further information.

- 2 The 'Cash' asset class includes the cash allocation of the portfolio that is held in BT CMA (or any other cash product nominated by us) but may include allocation to other cash type investments.
- 3 The 'Alternatives' asset class may contain both defensive and growth assets.

Multi-Sector Series High Growth Portfolio

APIR code	WFS0575AU		
Investment manager	WFSL will manage this portfolio by relying on investment governance oversight from BT Investment Solutions and investment advice services from Morningstar Australasia Pty Ltd.		
Designed for investors who	Seek a higher level of expected return over the long term and are able to withstand extended periods of high market volatility.		
Investment objective	The portfolio aims to deliver a targeted long term objective of inflation (Consumer Price Index) + 5% pa before fees and to deliver primarily capital growth over a rolling ten year period.		
Benchmark index	Morningstar Peer Group Investment Trust Multisector Aggressive Index		
Asset class	Diversified		
Investment style	Active		
Investment strategy and approach	<p>The portfolio has exposure to a diverse mix of managed fund investments, which include primarily growth assets and may have some exposure to income-producing assets. Over the long term, the portfolio aims to have a 3% allocation to defensive assets and a 97% allocation to growth assets.</p> <p>Some capital volatility is expected due to a high exposure to more growth asset classes.</p> <p>The portfolio is constructed around an asset allocation which is based on the long-term objectives of the strategy. The portfolio and asset allocation are reviewed to adapt to changes in market conditions. The asset allocation, selection and blending of managed funds are actively managed with a strong focus on risk.</p> <p>Fund managers, their funds and the construction of the portfolio are continually reviewed.</p>		
Investment universe	Australian registered managed funds		
Risk label (SRM)	High (6)		
Minimum investment horizon	10 years		
Minimum investment amount	\$5,000		
Indicative number of assets	10 – 25		
Investment management fee	0.1500% pa		
Fees and costs – underlying investments¹	Performance-related fees	0.03% pa	
	Other indirect costs	0.93% pa	
	Transactional and operational costs	0.08% pa	
	Transaction fees	0.00% pa	
Asset allocation ranges	Asset class	Minimum (%)	Maximum (%)
	Cash ²	2	10
	Australian fixed interest	0	15
	International fixed interest	0	15
	Fixed interest other	0	15
	Australian shares	0	80
	International shares	0	80
	Australian property	0	15
	International property	0	15
	Listed infrastructure	0	15
Alternatives ³	0	40	
Diversified	0	15	

¹ These fees and costs are weighted averages based on the estimated fees and costs for the relevant underlying investments in relation to the 12 months to 30 June 2020, or in the case of a new or varied managed portfolio option, as if the managed portfolio option has been in place for the 12 month period ending 30 June 2020. These fees and costs are net of any rebate (if applicable) paid by an issuer of an underlying

BT Investment Solutions managed portfolio options summaries

managed fund that forms part of the relevant managed portfolio option and is passed on to you. Refer to 'Indirect costs' and 'Rebates' in the 'Additional explanation of fees and costs' section of this document for further information.

- 2 The 'Cash' asset class includes the cash allocation of the portfolio that is held in BT CMA (or any other cash product nominated by us) but may include allocation to other cash type investments.
- 3 The 'Alternatives' asset class may contain both defensive and growth assets.

For more information

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BT Managed Portfolios

Part 2 - Investment Options Booklet
DNR Capital

Issued 30 October 2020

The Product Disclosure Statement (PDS) is issued by
Westpac Financial Services Limited
ABN 20 000 241 127
Australian Financial Services Licence (AFSL) Number 233716

About the PDS

The PDS should help you to make a decision about whether or not to invest in BT Managed Portfolios ARSN 604 066 686 by:

- giving you a clear overview of BT Managed Portfolios and how it works
- explaining the benefits, features, risks and costs of investing in BT Managed Portfolios
- giving you an understanding of where you can find more information or get help.

The PDS is comprised of 2 parts:

- **Part 1 - General Information.**
Please read this for an overview of BT Managed Portfolios and how it works.
- **Part 2 - Investment Options Booklet (this document).**
This document describes the managed portfolio options within BT Managed Portfolios that are managed by DNR Capital Pty Ltd ABN 72 099 071 637 (DNR Capital or the investment manager) (together referred to as the DNR Capital managed portfolio options) as well as the fees and charges that apply to these managed portfolio options.

Updated information

These documents may change. If information is not materially adverse, we may update information by placing a notice on bt.com.au/panorama. You may also request a paper copy free of charge by calling us on 1300 881 716. The PDS contains important information that you should consider before making a decision about BT Managed Portfolios.

General advice warning

The information in the PDS is general information only and doesn't take into account your personal objectives, financial situation or needs. You should consider whether the information in the PDS is appropriate for you in light of your objectives, financial situation and needs.

Investment manager

DNR Capital is an authorised representative of DNR AFSL Pty Ltd ABN 39 118 946 400 AFSL Number 301658 (DNR AFSL).

Consent to be named

DNR Capital and DNR AFSL have given and not withdrawn their consents to the inclusion in this document of all information referable to them (and the managed portfolio options DNR Capital is engaged to manage) in the form and context in which that information appears.

Availability

If, within your Panorama Investments or Panorama Super (excluding BT Super Invest) account, you only have access to the Compact menu of investment options (and not the Full menu), you may not be able to access some or all of the managed portfolio options described in this document. If you hold a BT Super Invest account you may also be unable to access some or all of the managed portfolio options in this document. Please refer to the disclosure document for your Panorama Product to

confirm your ability to access and invest in the DNR Capital managed portfolio options.

Managed portfolio options in BT Managed Portfolios other than those described in this document might also be available to you. Information about these other managed portfolio options is set out in separate product disclosure statements for BT Managed Portfolios that are also issued by us. You should obtain and consider those product disclosure statements in deciding whether to acquire or continue to hold any interest in BT Managed Portfolios. Contact the Panorama Support team or your adviser for more information on other managed portfolio options that may be available to you, and to obtain a copy of the relevant product disclosure statement for those managed portfolio options.

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Who is the investment manager?

DNR Capital Pty Ltd (DNR Capital)

DNR Capital has been appointed by us as investment manager to advise on the construction and management of the DNR Capital managed portfolio options.

ABN	72 099 071 637
Authorised Representative Number	294844
About the investment manager	<p>DNR Capital is an Australian investment management company that delivers client-focused investment solutions to institutions, advisers and individual investors.</p> <p>Founded in 2001, DNR Capital specialises in the delivery of individually and separately managed accounts in the Australian market and aims to deliver investment outperformance to investors.</p> <p>DNR Capital is an authorised representative of DNR AFSL Pty Ltd ABN 39 118 946 400 AFSL Number 301658.</p> <p>DNR Capital is a signatory to the Principles for Responsible Investment (PRI).</p>
Investment philosophy and process	<p>DNR Capital believes a focus on quality will enhance returns when it is combined with a thorough valuation overlay. DNR Capital seeks to identify good quality companies that are mispriced by overlaying DNR Capital's quality filter, referred to as the 'Quality Web', with strong valuation discipline. DNR Capital seeks to be high conviction and to invest for the medium-to-long term.</p>

What are the fees and other costs?

Did you know?

Small differences in both investment performance and fees and costs can have a substantial impact on your long term returns.

For example, total annual fees and costs of 2% of your investment balance rather than 1% could reduce your final return by up to 20% over a 30 year period (for example, reduce it from \$100,000 to \$80,000).

You should consider whether features such as superior investment performance or the provision of better member services justify higher fees and costs.

You may be able to negotiate to pay lower contribution fees and management costs where applicable. Ask the fund or your financial adviser.

To find out more

If you would like to find out more, or see the impact of the fees based on your own circumstances, the **Australian Securities and Investments Commission (ASIC)** website (www.moneysmart.gov.au) has a managed funds fee calculator to help you check out different fee options.

This section of the document shows fees and other costs that you may be charged for investing in BT Managed Portfolios. These fees and costs may be deducted from your money, from the returns on your investment or from your portfolio as a whole. Taxes are set out in another part of the PDS.

You should read all the information about fees and costs because it is important to understand their impact on your investment. Fees and costs for the DNR Capital managed portfolio options are set out on page 10. All fees are in Australian dollars.

Except where otherwise stated, all fees in this document are expressed as inclusive of any GST and are net of any reduced input tax credits (RITCs) which may be claimed.

What are the fees and other costs?

BT Managed Portfolios

Type of fee or cost ¹	Amount	How and when paid
Fees when your money moves in or out of BT Managed Portfolios		
Establishment fee The fee to open your investment	Nil	Not applicable
Contribution fee The fee on each amount contributed to your investment	Nil	Not applicable
Withdrawal fee The fee on each amount you take out of your investment	Nil	Not applicable
Exit fee The fee to close your investment	Nil	Not applicable
Management costs – The fees and costs for managing your investment²		
The amount you pay for the DNR Capital managed portfolio options is shown on page 10.		
Investment management fee	Each managed portfolio option has an investment management fee of 0.8000% per annum of the value invested. Please refer to the DNR Capital managed portfolio options list on page 10 for more information.	<ul style="list-style-type: none"> – The investment management fee is calculated based on the average daily value of your portfolio for the month. – The investment management fee is deducted and paid to us from the cash allocation of your portfolio on a monthly basis at the end of each month.
Indirect costs³	<p>Performance-related fees Each managed portfolio option has a weighted average performance-related fee of 0.00% per annum.</p> <p>Other indirect costs The weighted average of each managed portfolio option's other indirect costs is 0.00% per annum.</p> <p>Please refer to the DNR Capital managed portfolio options list on page 10 for more information.</p>	<ul style="list-style-type: none"> – The calculation of fees and costs in relation to an underlying managed fund or exchange traded fund, and timing of payment, will vary between the underlying managed funds or exchange traded funds. – The indirect costs, including any performance-related fees payable in connection with an underlying managed fund or exchange traded fund, are not directly charged or retained by us. These indirect costs are paid from the assets of the relevant underlying managed funds or exchange traded funds, and will generally be reflected in the unit prices of those underlying managed funds or the closing market prices of the exchange traded funds that are held in your portfolio.
Service fees		
Switching fee The fee for changing investment options	Nil	Not applicable

¹ Adviser fees may also apply.

² Additional fees may apply. Refer to the 'Additional explanation of fees and costs' section of this document for more information.

³ The performance-related fees and other indirect costs are estimates and calculated based on the indirect costs for the 12 month period ending 30 June 2020, or in the case of a new or varied managed portfolio option, as if the managed portfolio option had been in place for the 12 month period ending 30 June 2020. The performance-related fees shown are not a representation of likely future performance. The actual indirect costs of a managed portfolio option in future periods may be different and materially so, given the nature of these costs. For more information, refer to 'Indirect costs' in the 'Additional explanation of fees and costs' section of this document.

What are the fees and other costs?

Example of annual fees and costs for a balanced managed portfolio option or other managed portfolio option

This table gives an example of how the fees and costs for the DNR Capital Australian Equities High Conviction Portfolio can affect your investment over a 1 year period. You should use this table to compare this product with other managed investment products.

Example - DNR Capital Australian Equities High Conviction Portfolio		Balance of \$50,000 with a contribution of \$5,000 during the year ¹
Contribution fees	Nil	For every additional \$5,000 you put in, you will be charged \$0.
PLUS Management costs		
– Investment management fee	0.8000%	And, for every \$50,000 you have in the DNR Capital Australian Equities High Conviction Portfolio you will be charged \$400.00 each year.
– Performance-related fees ²	0.00%	
– Other indirect costs ²	0.00%	
EQUALS		If you had an investment of \$50,000 at the beginning of the year and you put in an additional \$5,000 during that year, you would be charged fees of \$400.00
Cost of the DNR Capital Australian Equities High Conviction Portfolio ³		
What it costs you will depend on the investment option you choose and the fees you negotiate.		

- 1 The amount used in this example is prescribed by legislation. This example assumes that the \$50,000 is invested for the entire year, the value of the investment is constant over the year and that the additional \$5,000 is invested at the end of the year. Therefore management costs are calculated using the \$50,000 balance only.
- 2 The performance-related fees and other indirect costs are estimates and calculated based on the indirect costs for the 12 month period ending 30 June 2020, or in the case of a new or varied managed portfolio option, as if the managed portfolio option has been in place for the 12 month period ending 30 June 2020. The performance-related fees shown are not a representation of likely future performance. The actual indirect costs of a managed portfolio option in future periods may be different and materially so, given the nature of these costs. For more information, refer to 'Indirect costs' in the 'Additional explanation of fees and costs' section of this document.
- 3 Additional fees may apply. This example does not take into account all the fees and costs that may apply, for example, the total transactional and operational costs. For more information, refer to 'Transactional and operational costs' in the 'Additional explanation of fees and costs' section of this document.

Additional explanation of fees and costs

Management costs

Management costs for each managed portfolio option include the investment management fee, any performance-related fees and other indirect costs.

Management costs do not include transactional and operational costs ie costs associated with investing (including in underlying funds, if applicable). For more information, refer to 'Transactional and operational costs' on page 8.

Investment management fee

We are entitled to be paid an investment management fee as responsible entity of BT Managed Portfolios.

The investment management fee is charged as a percentage of the value of your portfolio. It is accrued daily and paid from the cash allocation of your portfolio monthly.

Payments we make to the investment manager

We may pay the investment manager a fee for investment management services provided to us. This is paid from the investment management fee we receive, and is not an additional cost to you.

Changes in fees and costs

We have the right to introduce fees and to begin reimbursing ourselves for expenses from your portfolio (including performance fees payable to an investment manager), but we will give you 30

days' notice prior to doing so. The constitution provides for the responsible entity to receive a maximum investment management fee of 4% per annum (excluding GST) of the total value invested and a maximum performance fee of 5% per annum (excluding GST) of the total value invested. The responsible entity does not currently charge performance fees.

Expenses

We're entitled to be reimbursed from the scheme for authorised expenses incurred in the management and administration of managed portfolio options in the proper performance of our duties. Currently routine scheme expenses, including trustee, registry, custodian, accounting, audit and legal expenses (excluding transaction costs), are paid out of our investment management fee. If extraordinary or unusual expenses are incurred, we may choose to recover costs from the scheme.

Indirect costs

Indirect costs (also referred to as 'Fees and costs - underlying investments') are determined as a percentage of the value of the relevant managed portfolio option you're invested in. Indirect costs are an estimate of the costs incurred in managing the managed portfolio's assets which directly or indirectly reduce the return on the managed portfolio. These costs are not directly charged or retained by us. These costs are generally deducted from the assets of an underlying managed fund or exchange traded fund.

What are the fees and other costs?

Where the managed portfolio invests in an underlying managed fund or exchange traded fund, we have relied on the information provided by the issuers of those underlying funds and have made reasonable enquiries where necessary to determine the appropriateness of the indirect costs provided.

The amounts included in the table of fees and costs are estimates and calculated based on the indirect costs paid in the 12 month period ending 30 June 2020, or in the case of a new or varied managed portfolio option, as if the managed portfolio option had been in place for the 12 month period ending 30 June 2020.

These indirect costs are reflected in the unit price of the underlying managed funds or the closing market prices of the exchange traded funds that are held in your portfolio and are an additional cost to you.

The actual indirect costs of a managed portfolio option in future periods may be different to the estimates included in this document and materially so, given the nature of these costs, as explained below.

Indirect costs are:

- **Performance-related fees:** An underlying investment manager of a managed fund or exchange traded fund may charge a performance fee, called a performance-related fee. If applicable, it is included in indirect costs and is not an additional cost to you. We do not currently charge performance-related fees.

Generally, a performance-related fee will only be charged in respect of an underlying managed fund or exchange traded fund when the investment return outperforms either the relevant benchmark or a specific performance hurdle return. However, usually, any prior under performance must also be made good before the underlying investment manager qualifies for a performance-related fee.

The performance-related fee rate typically ranges from 0%–30% of the outperformance over the relevant benchmark or performance hurdle and is generally paid at least annually (performance period). Performance-related fees affect the underlying fund's return and therefore the value of your investment in the fund. The performance-related fee may still be payable where the overall performance of the underlying managed fund or exchange traded fund has declined over the performance period. This is because one or more underlying investment managers may have outperformed the benchmark or their performance hurdle over that period.

Where an underlying investment manager's cumulative performance for a period is less than the relevant benchmark or performance hurdle, this underperformance may be carried forward to the following period and no further performance-related fees will be either reflected in the unit price or paid in respect of the underlying investment manager until the underperformance is recouped.

The more exposure a managed portfolio has to an underlying investment that charges performance-related fees, the greater

the potential impact that this will have on your investment in that managed portfolio.

- **Other indirect costs:** The managed portfolio option may incur other indirect costs as a result of investing in underlying managed funds or exchange traded funds. Typical indirect costs include an underlying managed fund's or exchange traded fund's costs which have been included in the valuation of the underlying managed fund or exchange traded fund.

Other indirect costs will also be incurred in respect of the cash allocation of each managed portfolio option.

Transactional and operational costs

- **Transaction fees:** We charge a transaction fee in relation to the buying and selling of listed securities and exchange traded funds in your portfolio. This fee will cover the costs of processing and settling the transactions, including the brokerage payable to the appointed broker. Generally, the fee will be between 0.11% and 0.18% of the transaction amount but may be as high as 0.20% of the transaction amount. As an example, if a \$50,000 transaction occurred in your portfolio, the transaction fees charged at 0.18% would be \$90. In some circumstances, we may not need to process a transaction as it may be possible to net the transaction against transactions for other investors. In these circumstances, we will still charge the transaction fee.
- **Buy/sell spread:** The buy/sell spread (generally applicable to managed funds) is the transaction cost incurred when buying and selling assets in an underlying managed fund when new investors apply for and existing investors redeem units in the underlying managed fund. It is charged by the issuer and is included in the underlying managed fund's unit price.

Typical buy/sell spreads are estimated to be between 0% and 0.70% but may fall outside this range. For example, if \$10,000 is invested in an underlying managed fund, at the maximum buy/sell spread of 0.70%, you will generally incur a cost of \$70 at the time you invest. The buy/sell spread is an additional cost to you. If you require further information on the buy/sell spread applicable to the underlying managed funds, please speak to your adviser or contact us.

- **Other transactional and operational costs:** In relation to an underlying managed fund, where transactional and operational costs arise from trading activity to execute the relevant fund's investment strategy, and are not the result of applications into and redemptions from the relevant fund, these costs (including brokerage, stamp duty and clearing and settlement costs) may not be recouped by the buy/sell spread. In these circumstances, they are an additional cost to you at the time of undertaking the trading activity, and are included in the underlying managed fund's unit price.

In addition, when it comes to buying and selling listed securities and exchange traded funds in your portfolio, there may be transactional and operational costs in addition to transaction fees. These are referred to as bid/ask spreads and represent the difference between the price paid for an

What are the fees and other costs?

underlying investment and the price that it would be disposed of at that time. They are an additional cost to you at the time of undertaking the trading activity.

Our estimate of these transactional and operational costs for the year ended 30 June 2020 for the DNR Capital Australian Equities High Conviction Portfolio are set out in the example below.

Detailed fee information for each DNR Capital managed portfolio option is set out in the 'DNR Capital managed portfolio options summaries' section of this document.

Managed portfolio option	(A) Transactional and operational costs of underlying investments	(B) Transaction fees	(C) = (A) + (B) Total transactional and operational costs
DNR Capital Australian Equities High Conviction Portfolio	0.11% pa	0.12% pa	0.23% pa

Using the example above, if \$50,000 is invested in the DNR Capital Australian Equities High Conviction Portfolio, total transactional and operational costs will be \$115. This is comprised of transactional and operational costs of the underlying investments of \$55 and transaction fees of \$60. For the total fees and costs relating to the DNR Capital Australian Equities High Conviction Portfolio, excluding the transactional and operational costs, refer to the fee example on page 7.

Government duty

Government duty may be payable if you transfer certain assets into or out of your portfolio. For further information regarding how government duty is deducted, refer to the relevant disclosure document for your Panorama Product.

Refer to 'Taxation' in Part 1 of the PDS for information about tax generally.

Other fees and costs

All other fees and costs (such as government fees, bank fees, fees for failed transactions and penalty interest) incurred as a result of a transaction, deposit or withdrawal, will be passed on to you and payable out of the cash allocation of your portfolio.

Additional fees may be paid to a financial adviser if you have consulted a financial adviser. You should refer to the Statement of Advice provided by your financial adviser in which details of the fees are set out. ASIC provides a fee calculator on www.moneysmart.gov.au, which you may use to calculate the effects of fees and costs on your investment in BT Managed Portfolios.

DNR Capital managed portfolio options list

The fees and costs applying to each managed portfolio option are set out below.

Option name	APIR code	Investment management fee ¹	Fees and costs – underlying investments ²			Page
			Performance-related fees	Other indirect costs	Total transactional and operational costs	
ASSET CLASS: Australian shares						
DNR Capital Australian Equities High Conviction Portfolio	WFS0552AU	0.8000% pa	0.00% pa	0.00% pa	0.23% pa	11
DNR Capital Australian Equities Income Portfolio	WFS0553AU	0.8000% pa	0.00% pa	0.00% pa	0.36% pa	12
DNR Capital Australian Equities Socially Responsible Portfolio	WFS0554AU	0.8000% pa	0.00% pa	0.00% pa	0.23% pa	13

1 This fee is payable monthly to us as the responsible entity of BT Managed Portfolios, and is calculated on the average daily value of your portfolio for the month. Refer to 'Investment management fee' in the 'Additional explanation of fees and costs' section of this document for more information.

2 These fees and costs are weighted averages based on the estimated fees and costs for the relevant underlying investments in relation to the 12 months to 30 June 2020, or in the case of a new or varied managed portfolio option, as if the managed portfolio option has been in place for the 12 month period ending 30 June 2020. Refer to 'Indirect costs' in the 'Additional explanation of fees and costs' section of this document for further information.

DNR Capital managed portfolio options summaries

DNR Capital Australian Equities High Conviction Portfolio

APIR code	WFS0552AU		
Designed for investors who	Seek a long-term investment focused on achieving growth, with less focus on generating excess income. The investor is prepared to accept higher volatility in pursuit of higher growth.		
Investment objective	To deliver outperformance relative to the benchmark by 4% pa before fees over a rolling three year period.		
Benchmark index	S&P/ASX 200 Accumulation Index		
Asset class	Australian shares		
Investment style	Active		
Investment strategy and approach	<p>DNR Capital's share selection process takes into consideration comprehensive fundamental company analysis and focuses on investing in quality companies at reasonable prices.</p> <p>The portfolio construction process is influenced by a macroeconomic appraisal and also considers the risk characteristics of the portfolio such as share and sector correlations.</p> <p>The investment strategy of the portfolio is intended to result in a portfolio that is high conviction and invests for the medium to long term.</p>		
Investment universe	Predominantly securities within the S&P/ASX 200 Index		
Risk label (SRM)	High (6)		
Minimum investment horizon	5 years		
Minimum investment amount	\$25,000		
Indicative number of assets	15 - 30		
Investment management fee	0.8000% pa		
Fees and costs – underlying investments¹	Performance-related fees	0.00% pa	
	Other indirect costs	0.00% pa	
	Transactional and operational costs	0.11% pa	
	Transaction fees	0.12% pa	
Asset allocation ranges	Asset class	Minimum (%)	Maximum (%)
	Cash ²	2	20
	Australian shares ³	80	98

- 1 These fees and costs are weighted averages based on the estimated fees and costs for the relevant underlying investments in relation to the 12 months to 30 June 2020, or in the case of a new or varied managed portfolio option, as if the managed portfolio option has been in place for the 12 month period ending 30 June 2020.
- 2 The 'Cash' asset class includes the cash allocation of the portfolio that is held in BT CMA (or any other cash product nominated by us) but may include allocation to other cash type investments.
- 3 The 'Australian shares' asset class may include allocation to listed property securities (ie Australian Real Estate Investment Trusts).

DNR Capital Australian Equities Income Portfolio

APIR code	WFS0553AU		
Designed for investors who	Seek a greater level of income than growth and who can make use of franking credits.		
Investment objective	To deliver outperformance relative to the benchmark before fees and a higher income relative to the benchmark over a rolling three year period.		
Benchmark index	S&P/ASX 200 Industrials Accumulation Index		
Asset class	Australian shares		
Investment style	Active		
Investment strategy and approach	<p>DNR Capital's share selection process takes into consideration comprehensive fundamental company analysis and focuses on investing in quality companies at reasonable prices.</p> <p>The portfolio also has a preference for companies that have high and sustainable dividend capability, strong profit to cash conversion, and relatively assured earnings growth. Companies that generate franking credits predominate.</p> <p>The portfolio construction process is influenced by a macroeconomic appraisal and also considers the risk characteristics of the portfolio such as share and sector correlations.</p>		
Investment universe	Predominantly securities within the S&P/ASX 200 Index		
Risk label (SRM)	High (6)		
Minimum investment horizon	5 years		
Minimum investment amount	\$25,000		
Indicative number of assets	15 - 30		
Investment management fee	0.8000% pa		
Fees and costs – underlying investments¹	Performance-related fees	0.00% pa	
	Other indirect costs	0.00% pa	
	Transactional and operational costs	0.15% pa	
	Transaction fees	0.21% pa	
Asset allocation ranges	Asset class	Minimum (%)	Maximum (%)
	Cash ²	2	20
	Australian shares ³	80	98

1 These fees and costs are weighted averages based on the estimated fees and costs for the relevant underlying investments in relation to the 12 months to 30 June 2020, or in the case of a new or varied managed portfolio option, as if the managed portfolio option has been in place for the 12 month period ending 30 June 2020.

2 The 'Cash' asset class includes the cash allocation of the portfolio that is held in BT CMA (or any other cash product nominated by us) but may include allocation to other cash type investments.

3 The 'Australian shares' asset class may include allocation to listed property securities (ie Australian Real Estate Investment Trusts).

DNR Capital Australian Equities Socially Responsible Portfolio

APIR code	WFS0554AU		
Designed for investors who	Seek a competitive return but do not want their portfolio invested in companies that are judged to have a direct involvement in pornography, gaming, armaments and tobacco, or who want to ensure that their money is invested in companies that try to make a positive difference by investing in a socially responsible manner.		
Investment objective	To deliver outperformance relative to the benchmark by 4% pa before fees over a rolling three year period.		
Benchmark index	S&P/ASX 200 Accumulation Index		
Asset class	Australian shares		
Investment style	Active		
Investment strategy and approach	<p>DNR Capital's share selection process takes into consideration comprehensive fundamental company analysis and focuses on investing in quality companies at reasonable prices.</p> <p>The portfolio incorporates a negative portfolio screen across pornography, gaming, armaments and tobacco.</p> <p>A positive Environmental, Social and Governance (ESG) screen is also used to identify those companies with enhanced ESG policies. The portfolio construction process is influenced by a macroeconomic appraisal and also considers the risk characteristics of the portfolio such as share and sector correlations.</p>		
Investment universe	Predominantly securities within the S&P/ASX 200 Index		
Risk label (SRM)	High (6)		
Minimum investment horizon	5 years		
Minimum investment amount	\$25,000		
Indicative number of assets	15 - 30		
Investment management fee	0.8000% pa		
Fees and costs – underlying investments¹	Performance-related fees	0.00% pa	
	Other indirect costs	0.00% pa	
	Transactional and operational costs	0.11% pa	
	Transaction fees	0.12% pa	
Asset allocation ranges	Asset class	Minimum (%)	Maximum (%)
	Cash ²	2	20
	Australian shares ³	80	98

1 These fees and costs are weighted averages based on the estimated fees and costs for the relevant underlying investments in relation to the 12 months to 30 June 2020, or in the case of a new or varied managed portfolio option, as if the managed portfolio option has been in place for the 12 month period ending 30 June 2020.

2 The 'Cash' asset class includes the cash allocation of the portfolio that is held in BT CMA (or any other cash product nominated by us) but may include allocation to other cash type investments.

3 The 'Australian shares' asset class may include allocation to listed property securities (ie Australian Real Estate Investment Trusts).

DNR Capital managed portfolio options summaries

In constructing and managing this portfolio, DNR Capital considers investment in companies that have been researched and assessed using the environmental, social and ethical (ESG) screening process described below.

Each company is screened and assessed against DNR Capital's negative screens which include:

- Pornography - production, distribution and sale of pornography as a core business.
- Gaming - core business of owning or operating a gaming related business or manufacture and supply of gaming equipment and systems.
- Armaments - supply and distribution of weapons components to Defence Forces or any other business/individual.
- Tobacco - manufacture and distribution of tobacco related products.

In determining if the business operation in question is 'core' or 'non-core', DNR Capital assesses company management's comments as to whether or not the business is part of their strategy and their intent to commit capital.

If a company is captured by one of these negative screens, then shares in that company will not be included in the portfolio. If a negative screen does not exclude a company, then the company will be scored and assessed relative to the S&P/ASX 200 having regard to DNR Capital's positive ESG screens. The scoring system assigns a company one point for each consideration the company meets. (In deciding whether a company meets a consideration, DNR Capital relies on information provided by an external service provider.) Scores are tallied and then expressed as a percentile for comparative purposes. There is a preference for companies scoring in the upper half of the S&P/ASX 200 average, ie the 51st percentile.

In considering a company's environmental impact, matters such as the following are considered:

- Its environmental policies including commitment to monitoring and publicly reporting on these policies.
- Commitment to globally applicable operating standards.
- Commitment to address product/service impact.
- Strategic moves towards sustainability.
- Environmental performance against relevant data available.

There is also consideration of the climate change impact of an industry that a company operates in and companies that develop or use renewable energy are favoured.

In considering a company's social responsibility, matters such as the following are considered.

- The Board's responsibility for stakeholders, including employee-related issues, external stakeholder issues and environmental issues.
- Commitment to promoting equal opportunities and diversity.
- The company's systems for managing health and safety.
- Policies promoting employee training and development.
- Involvement in charitable/community work is also favoured.

In considering a company's governance practices, matters such as global corporate governance components such as having a separate chair and chief executive, having more than 33% of the board as independent non-executives, having an audit committee, the majority of whose members are independent non-executives and disclosure of the remuneration of company directors are considered. DNR Capital also looks for bribery and corruption policies which prohibit the giving and receiving of bribes and facilitation payments, restricts the giving and receiving of gifts and provides transparency of political donations. Commitment to these policies at a board level and at a business partner level such as contractors and suppliers is also favoured.

Other positive attributes that influence inclusion in the portfolio are companies that provide environmental technologies and renewable energy, waste disposal services, healthcare products or services, public transport, social infrastructure, environmental solutions, IT solutions and education. The portfolio is formally reviewed monthly. Any investment that no longer meets the ethical (or financial) criteria is generally removed from the portfolio as soon as possible.

For more information

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70032-1020ox

BT Managed Portfolios

Part 2 - Investment Options Booklet
Elston

Issued 14 December 2020

The Product Disclosure Statement (PDS) is issued by
Westpac Financial Services Limited
ABN 20 000 241 127
Australian Financial Services Licence (AFSL) Number 233716

About the PDS

The PDS should help you to make a decision about whether or not to invest in BT Managed Portfolios ARSN 604 066 686 by:

- giving you a clear overview of BT Managed Portfolios and how it works
- explaining the benefits, features, risks and costs of investing in BT Managed Portfolios
- giving you an understanding of where you can find more information or get help.

The PDS is comprised of 2 parts:

- **Part 1 - General Information.**
Please read this for an overview of BT Managed Portfolios and how it works.
- **Part 2 - Investment Options Booklet (this document).**
This document describes the managed portfolio options within BT Managed Portfolios that are managed by Elston Asset Management Pty Ltd ABN 37 150 161 765 (Elston or the investment manager) (together referred to as the Elston managed portfolio options) as well as the fees and charges that apply to these managed portfolio options.

Updated information

These documents may change. If information is not materially adverse, we may update information by placing a notice on bt.com.au/panorama. You may also request a paper copy free of charge by calling us on 1300 881 716. The PDS contains important information that you should consider before making a decision about BT Managed Portfolios.

General advice warning

The information in the PDS is general information only and doesn't take into account your personal objectives, financial situation or needs. You should consider whether the information in the PDS is appropriate for you in light of your objectives, financial situation and needs.

Investment manager

Elston is the corporate authorised representative of EP Financial Services Pty Ltd ABN 52 130 772 495 AFSL Number 325252 (EP Financial Services).

Consent to be named

Elston and EP Financial Services have given and not withdrawn their consents to the inclusion in this document of all information referable to them (and the managed portfolio options Elston is engaged to manage) in the form and context in which that information appears.

Availability

If, within your Panorama Investments or Panorama Super (excluding BT Super Invest) account, you only have access to the Compact menu of investment options (and not the Full menu), you may not be able to access some or all of the managed portfolio options described in this document. If you hold a BT Super Invest account you may also be unable to access some or all of the managed portfolio options in this document. Please refer to the disclosure document for your Panorama Product to

confirm your ability to access and invest in the Elston managed portfolio options.

Managed portfolio options in BT Managed Portfolios other than those described in this document might also be available to you. Information about these other managed portfolio options is set out in separate product disclosure statements for BT Managed Portfolios that are also issued by us. You should obtain and consider those product disclosure statements in deciding whether to acquire or continue to hold any interest in BT Managed Portfolios. Contact the Panorama Support team or your adviser for more information on other managed portfolio options that may be available to you, and to obtain a copy of the relevant product disclosure statement for those managed portfolio options.

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Who is the investment manager?

Elston Asset Management Pty Ltd (Elston)

Elston has been appointed by us as investment manager to advise on the construction and management of the Elston managed portfolio options.

ABN	37 150 161 765
Authorised Representative Number	427434
About the investment manager	<p>Elston is the corporate authorised representative of EP Financial Services Pty Ltd ABN 52 130 772 495 AFSL Number 325252.</p> <p>Elston was established in 2011 as an individually managed account (IMA) and separately managed account (SMA) specialist. Elston is focused on delivering investment solutions to help investors build and preserve their wealth via Australian equity and multi-asset investment solutions.</p>
Investment philosophy and process	<p>The Elston investment philosophy includes the following:</p> <ul style="list-style-type: none">– a focus on after-tax outcomes– an emphasis on long term returns– a focus on the best ideas but with sensible portfolio diversification– a companies' growth prospects must be balanced against the valuation, and– economies, markets and corporate profits are driven by fundamentals and human psychology. <p>The investment process for the diversified portfolios encompasses five stages:</p> <ol style="list-style-type: none">1. strategic asset allocation2. tactical asset allocation3. investment selection4. portfolio construction, and5. ongoing portfolio management. <p>The investment process for Australian shares encompasses six stages:</p> <ol style="list-style-type: none">1. quantitative screening and ranking of the S&P/ASX 100 Index in a consistent and repeatable manner for idea generation and to focus the research effort2. qualitative assessment of each company focused on understanding the complexity of operations, market share, earnings stability, balance sheet capacity and management quality3. valuation and expected return calculations using Elston derived forecasts over a three year period4. portfolio construction in accordance with strict policy guidelines to ensure diversification is achieved across both securities and sectors5. momentum screening and portfolio execution which assists with the timing of purchases and sales, and6. ongoing rebalancing to avoid individual position and sector exposures in excess of risk tolerances.

What are the fees and other costs?

Did you know?

Small differences in both investment performance and fees and costs can have a substantial impact on your long term returns.

For example, total annual fees and costs of 2% of your investment balance rather than 1% could reduce your final return by up to 20% over a 30 year period (for example, reduce it from \$100,000 to \$80,000).

You should consider whether features such as superior investment performance or the provision of better member services justify higher fees and costs.

You may be able to negotiate to pay lower contribution fees and management costs where applicable. Ask the fund or your financial adviser.

To find out more

If you would like to find out more, or see the impact of the fees based on your own circumstances, the **Australian Securities and Investments Commission (ASIC)** website (www.moneySMART.gov.au) has a managed funds fee calculator to help you check out different fee options.

This section of the document shows fees and other costs that you may be charged for investing in BT Managed Portfolios. These fees and costs may be deducted from your money, from the returns on your investment or from your portfolio as a whole. Taxes are set out in another part of the PDS.

You should read all the information about fees and costs because it is important to understand their impact on your investment. Fees and costs for the Elston managed portfolio options are set out on page 10. All fees are in Australian dollars.

Except where otherwise stated, all fees in this document are expressed as inclusive of any GST and are net of any reduced input tax credits (RITCs) which may be claimed.

What are the fees and other costs?

BT Managed Portfolios

Type of fee or cost ¹	Amount	How and when paid
Fees when your money moves in or out of BT Managed Portfolios		
Establishment fee The fee to open your investment	Nil	Not applicable
Contribution fee The fee on each amount contributed to your investment	Nil	Not applicable
Withdrawal fee The fee on each amount you take out of your investment	Nil	Not applicable
Exit fee The fee to close your investment	Nil	Not applicable
Management costs – The fees and costs for managing your investment² The amount you pay for the Elston managed portfolio options is shown on page 10.		
Investment management fee	Each managed portfolio option has an investment management fee of 0.4624% per annum of the value invested. Please refer to the Elston managed portfolio options list on page 10 for more information.	<ul style="list-style-type: none"> – The investment management fee is calculated based on the average daily value of your portfolio for the month. – The investment management fee is deducted and paid to us from the cash allocation of your portfolio on a monthly basis at the end of each month.
Indirect costs³	<p>Performance-related fees Each managed portfolio option has a weighted average performance-related fee range from 0.00% to 0.03% per annum.</p> <p>Other indirect costs The weighted average of each managed portfolio option's other indirect costs ranges from 0.00% to 0.31% per annum.</p> <p>Please refer to the Elston managed portfolio options list on page 10 for more information.</p>	<ul style="list-style-type: none"> – The calculation of fees and costs in relation to an underlying managed fund or exchange traded fund, and timing of payment, will vary between the underlying managed funds or exchange traded funds. – The indirect costs, including any performance-related fees payable in connection with an underlying managed fund or exchange traded fund, are not directly charged or retained by us. These indirect costs are paid from the assets of the relevant underlying managed funds or exchange traded funds, and will generally be reflected in the unit prices of those underlying managed funds or the closing market prices of the exchange traded funds that are held in your portfolio.
Service fees		
Switching fee The fee for changing investment options	Nil	Not applicable

¹ Adviser fees may also apply.

² Additional fees may apply. Refer to the 'Additional explanation of fees and costs' section of this document for more information.

³ The performance-related fees and other indirect costs are estimates and calculated based on the indirect costs for the 12 month period ending 30 June 2020, or in the case of a new or varied managed portfolio option, as if the managed portfolio option had been in place for the 12 month period ending 30 June 2020. The performance-related fees shown are not a representation of likely future performance. The actual indirect costs of a managed portfolio option in future periods may be different and materially so, given the nature of these costs. For more information, refer to 'Indirect costs' in the 'Additional explanation of fees and costs' section of this document.

What are the fees and other costs?

Example of annual fees and costs for a balanced managed portfolio option or other managed portfolio option

This table gives an example of how the fees and costs for the Elston Balanced Portfolio can affect your investment over a 1 year period. You should use this table to compare this product with other managed investment products.

Example - Elston Balanced Portfolio		Balance of \$50,000 with a contribution of \$5,000 during the year ¹
Contribution fees	Nil	For every additional \$5,000 you put in, you will be charged \$0.
PLUS Management costs		
– Investment management fee	0.4624%	And, for every \$50,000 you have in the Elston Balanced Portfolio you will be charged \$366.20 each year.
– Performance-related fees ²	0.03%	
– Other indirect costs ²	0.24%	
EQUALS		If you had an investment of \$50,000 at the beginning of the year and you put in an additional \$5,000 during that year, you would be charged fees of
Cost of the Elston Balanced Portfolio ³		\$366.20
What it costs you will depend on the investment option you choose and the fees you negotiate.		

- 1 The amount used in this example is prescribed by legislation. This example assumes that the \$50,000 is invested for the entire year, the value of the investment is constant over the year and that the additional \$5,000 is invested at the end of the year. Therefore management costs are calculated using the \$50,000 balance only.
- 2 The performance-related fees and other indirect costs are estimates and calculated based on the indirect costs for the 12 month period ending 30 June 2020, or in the case of a new or varied managed portfolio option, as if the managed portfolio option had been in place for the 12 month period ending 30 June 2020. The performance-related fees shown are not a representation of likely future performance. The actual indirect costs of a managed portfolio option in future periods may be different and materially so, given the nature of these costs. For more information, refer to 'Indirect costs' in the 'Additional explanation of fees and costs' section of this document.
- 3 Additional fees may apply. This example does not take into account all the fees and costs that may apply, for example, the total transactional and operational costs. For more information, refer to 'Transactional and operational costs' in the 'Additional explanation of fees and costs' section of this document.

Additional explanation of fees and costs

Management costs

Management costs for each managed portfolio option include the investment management fee, any performance-related fees and other indirect costs.

Management costs do not include transactional and operational costs ie costs associated with investing (including in underlying funds, if applicable). For more information, refer to 'Transactional and operational costs' on page 8.

Investment management fee

We are entitled to be paid an investment management fee as responsible entity of BT Managed Portfolios.

The investment management fee is charged as a percentage of the value of your portfolio. It is accrued daily and paid from the cash allocation of your portfolio monthly.

Payments made to the investment manager

We may pay the investment manager a fee for investment management services provided to us. This is paid from the investment management fee we receive, and is not an additional cost to you.

Changes in fees and costs

We have the right to introduce fees and to begin reimbursing ourselves for expenses from your portfolio (including performance fees payable to an investment manager), but we will give you 30 days' notice prior to doing so. The constitution provides for the

responsible entity to receive a maximum investment management fee of 4% per annum (excluding GST) of the total value invested and a maximum performance fee of 5% per annum (excluding GST) of the total value invested. The responsible entity does not currently charge performance fees.

Expenses

We're entitled to be reimbursed from the scheme for authorised expenses incurred in the management and administration of managed portfolio options in the proper performance of our duties. Currently routine scheme expenses, including trustee, registry, custodian, accounting, audit and legal expenses (excluding transaction costs), are paid out of our investment management fee. If extraordinary or unusual expenses are incurred, we may choose to recover costs from the scheme.

Indirect costs

Indirect costs (also referred to as 'Fees and costs - underlying investments') are determined as a percentage of the value of the relevant managed portfolio option you're invested in. Indirect costs are an estimate of the costs incurred in managing the managed portfolio's assets which directly or indirectly reduce the return on the managed portfolio. These costs are not directly charged or retained by us. These costs are generally deducted from the assets of an underlying managed fund or exchange traded fund.

What are the fees and other costs?

Where the managed portfolio invests in an underlying managed fund or exchange traded fund, we have relied on the information provided by the issuers of those underlying funds and have made reasonable enquiries where necessary to determine the appropriateness of the indirect costs provided.

The amounts included in the table of fees and costs are estimates and calculated based on the indirect costs paid in the 12 month period ending 30 June 2020, or in the case of a new or varied managed portfolio option, as if the managed portfolio option had been in place for the 12 month period ending 30 June 2020.

These indirect costs are reflected in the unit price of the underlying managed funds or the closing market prices of the exchange traded funds that are held in your portfolio and are an additional cost to you.

The actual indirect costs of a managed portfolio option in future periods may be different to the estimates included in this document and materially so, given the nature of these costs, as explained below.

Indirect costs are:

- **Performance-related fees:** An underlying investment manager of a managed fund or exchange traded fund may charge a performance fee, called a performance-related fee. If applicable, it is included in indirect costs and is not an additional cost to you. We do not currently charge performance-related fees.

Generally, a performance-related fee will only be charged in respect of an underlying managed fund or exchange traded fund when the investment return outperforms either the relevant benchmark or a specific performance hurdle return. However, usually, any prior under performance must also be made good before the underlying investment manager qualifies for a performance-related fee.

The performance-related fee rate typically ranges from 0%–30% of the outperformance over the relevant benchmark or performance hurdle and is generally paid at least annually (performance period). Performance-related fees affect the underlying fund's return and therefore the value of your investment in the fund. The performance-related fee may still be payable where the overall performance of the underlying managed fund or exchange traded fund has declined over the performance period. This is because one or more underlying investment managers may have outperformed the benchmark or their performance hurdle over that period.

Where an underlying investment manager's cumulative performance for a period is less than the relevant benchmark or performance hurdle, this underperformance may be carried forward to the following period and no further performance-related fees will be either reflected in the unit price or paid in respect of the underlying investment manager until the underperformance is recouped.

The more exposure a managed portfolio has to an underlying investment that charges performance-related fees, the greater

the potential impact that this will have on your investment in that managed portfolio.

- **Other indirect costs:** The managed portfolio option may incur other indirect costs as a result of investing in underlying managed funds or exchange traded funds. Typical indirect costs include an underlying managed fund's or exchange traded fund's costs which have been included in the valuation of the underlying managed fund or exchange traded fund.

Other indirect costs will also be incurred in respect of the cash allocation of each managed portfolio option.

Transactional and operational costs

- **Transaction fees:** We charge a transaction fee in relation to the buying and selling of listed securities and exchange traded funds in your portfolio. This fee will cover the costs of processing and settling the transactions, including the brokerage payable to the appointed broker. Generally, the fee will be between 0.11% and 0.18% of the transaction amount but may be as high as 0.20% of the transaction amount. As an example, if a \$50,000 transaction occurred in your portfolio, the transaction fees charged at 0.18% would be \$90. In some circumstances, we may not need to process a transaction as it may be possible to net the transaction against transactions for other investors. In these circumstances, we will still charge the transaction fee.
- **Buy/sell spread:** The buy/sell spread (generally applicable to managed funds) is the transaction cost incurred when buying and selling assets in an underlying managed fund when new investors apply for and existing investors redeem units in the underlying managed fund. It is charged by the issuer and is included in the underlying managed fund's unit price.

Typical buy/sell spreads are estimated to be between 0% and 0.70% but may fall outside this range. For example, if \$10,000 is invested in an underlying managed fund, at the maximum buy/sell spread of 0.70%, you will generally incur a cost of \$70 at the time you invest. The buy/sell spread is an additional cost to you. If you require further information on the buy/sell spread applicable to the underlying managed funds, please speak to your adviser or contact us.

- **Other transactional and operational costs:** In relation to an underlying managed fund, where transactional and operational costs arise from trading activity to execute the relevant fund's investment strategy, and are not the result of applications into and redemptions from the relevant fund, these costs (including brokerage, stamp duty and clearing and settlement costs) may not be recouped by the buy/sell spread. In these circumstances, they are an additional cost to you at the time of undertaking the trading activity, and are included in the underlying managed fund's unit price.

In addition, when it comes to buying and selling listed securities and exchange traded funds in your portfolio, there may be transactional and operational costs in addition to transaction fees. These are referred to as bid/ask spreads and represent the difference between the price paid for an

What are the fees and other costs?

underlying investment and the price that it would be disposed of at that time. They are an additional cost to you at the time of undertaking the trading activity.

Our estimate of these transactional and operational costs for the year ended 30 June 2020 for the Elston Balanced Portfolio are set out in the example below.

Detailed fee information for each Elston managed portfolio option is set out in the 'Elston managed portfolio options summaries' section of this document.

Managed portfolio option	(A) Transactional and operational costs of underlying investments	(B) Transaction fees	(C) = (A) + (B) Total transactional and operational costs
Elston Balanced Portfolio	0.17% pa	0.09% pa	0.26% pa

Using the example above, if \$50,000 is invested in the Elston Balanced Portfolio, total transactional and operational costs will be \$130. This is comprised of transactional and operational costs of the underlying investments of \$85 and transaction fees of \$45. For the total fees and costs relating to the Elston Balanced Portfolio, excluding the transactional and operational costs, refer to the fee example on page 7.

Government duty

Government duty may be payable if you transfer certain assets into or out of your portfolio. For further information regarding how government duty is deducted, refer to the relevant disclosure document for your Panorama Product.

Refer to 'Taxation' in Part 1 of the PDS for information about tax generally.

Other fees and costs

All other fees and costs (such as government fees, bank fees, fees for failed transactions and penalty interest) incurred as a result of a transaction, deposit or withdrawal, will be passed on to you and payable out of the cash allocation of your portfolio.

Additional fees may be paid to a financial adviser if you have consulted a financial adviser. You should refer to the Statement of Advice provided by your financial adviser in which details of the fees are set out. ASIC provides a fee calculator on www.moneysmart.gov.au, which you may use to calculate the effects of fees and costs on your investment in BT Managed Portfolios.

Rebates

The issuer of an underlying managed fund (within your portfolio) may provide a rebate of some or all of the investment costs for the underlying managed fund. In general, your eligibility to receive a rebate will be based on your holdings in the relevant underlying managed fund over the period the rebate payment relates to, where you have an open Panorama Product at the time the rebate is calculated.

Any rebate received will be paid in full to eligible investors. The rebate will be paid into the cash allocation of your portfolio or your Panorama Product's transaction account if you have fully withdrawn from your portfolio.

Elston managed portfolio options list

The fees and costs applying to each managed portfolio option are set out below.

Option name	APIR code	Investment management fee ¹	Fees and costs – underlying investments ²			Page
			Performance-related fees	Other indirect costs	Total transactional and operational costs	
ASSET CLASS: Australian shares						
Elston Australian Large Companies Portfolio	WFS8522AU	0.4624% pa	0.00% pa	0.00% pa	0.24% pa	11
ASSET CLASS: Diversified						
Elston Moderate Portfolio	WFS5113AU	0.4624% pa	0.03% pa	0.31% pa	0.24% pa	12
Elston Balanced Portfolio	WFS5454AU	0.4624% pa	0.03% pa	0.24% pa	0.26% pa	14
Elston Growth Portfolio	WFS1998AU	0.4624% pa	0.03% pa	0.21% pa	0.27% pa	16
Elston High Growth Portfolio	WFS9763AU	0.4624% pa	0.02% pa	0.18% pa	0.28% pa	18

1 This fee is payable monthly to us as the responsible entity of BT Managed Portfolios, and is calculated on the average daily value of your portfolio for the month. Refer to 'Investment management fee' in the 'Additional explanation of fees and costs' section of this document for more information.

2 These fees and costs are weighted averages based on the estimated fees and costs for the relevant underlying investments in relation to the 12 months to 30 June 2020, or in the case of a new or varied managed portfolio option, as if the managed portfolio option had been in place for the 12 month period ending 30 June 2020. These fees and costs are net of any rebate (if applicable) paid by an issuer of an underlying managed fund that forms part of the relevant managed portfolio option and is passed on to you. Refer to 'Indirect costs' and 'Rebates' in the 'Additional explanation of fees and costs' section of this document for further information.

Elston managed portfolio options summaries

Elston Australian Large Companies Portfolio

APIR code	WFS8522AU		
Designed for investors who	Seek long term capital growth above inflation, tax effective income growth and a non-index weighted portfolio construction process. They are prepared to accept a high level of risk to achieve this objective.		
Investment objective	The portfolio aims to exceed the investment returns of the S&P/ASX 100 Accumulation Index by 2% pa after fees over rolling five year periods.		
Benchmark index	S&P/ASX 100 Accumulation Index		
Asset class	Australian shares		
Investment style	Active		
Investment strategy and approach	An actively managed portfolio of predominantly Australian equities, listed on the Australian Securities Exchange. The allocations will be actively managed within the allowable asset allocation ranges depending on market conditions. Elston adopts a benchmark unaware approach, seeking long term capital growth above inflation.		
Investment universe	Predominantly securities within the S&P/ASX 100 Index		
Risk label (SRM)	High (6)		
Minimum investment horizon	5 years		
Minimum investment amount	\$25,000		
Indicative number of assets	20 – 40		
Investment management fee	0.4624% pa		
Fees and costs – underlying investments¹	Performance-related fees	0.00% pa	
	Other indirect costs	0.00% pa	
	Transactional and operational costs	0.13% pa	
	Transaction fees	0.11% pa	
Asset allocation ranges	Asset class	Minimum (%)	Maximum (%)
	Cash ²	2	23
	Australian shares ³	77	98

1 These fees and costs are weighted averages based on the estimated fees and costs for the relevant underlying investments in relation to the 12 months to 30 June 2020, or in the case of a new or varied managed portfolio option, as if the managed portfolio option had been in place for the 12 month period ending 30 June 2020. Refer to 'Indirect costs' in the Additional explanation of fees and costs' section of this document for further information.

2 The 'Cash' asset class includes the cash allocation of the portfolio that is held in BT CMA (or any other cash product nominated by us) but may include allocation to other cash type investments.

3 The 'Australian shares' asset class may include allocation to listed property securities (ie Australian Real Estate Investment Trusts).

Elston Moderate Portfolio

APIR code	WFS5113AU	
Designed for investors who	Seek tax effective income returns with some potential for capital growth. They are prepared to accept a medium to high level of risk to achieve this objective.	
Investment objective	To outperform the benchmark, after fees, over a rolling five year period.	
Benchmark index	Composite of the underlying investments' indices based on the expected long term average (neutral weighting) to those underlying investments:	
	Asset class	Benchmark
		Neutral weighting (%)
	Cash	Bloomberg AusBond Bank Bill Index SM
	Australian fixed interest	Bloomberg AusBond Composite 0-5Y TR AUD
	International fixed interest	Bloomberg Barclays Global Aggregate Bond Index (Fully Hedged) in Australian Dollars
	Fixed interest other	Bloomberg AusBond Bank Bill Index SM
	Australian shares	S&P/ASX 300 Accumulation Index
	International shares	MSCI World ex Australia (Standard) Index (Net Dividends) Unhedged in Australian Dollars
	Australian property	S&P/ASX 300 A-REIT Accumulation Index
	Listed infrastructure	S&P Global Infrastructure Index (Australian Dollar) (Hedged)
Alternatives	Bloomberg Ausbond Bank Bill Index	
	Total	100
Asset class	Diversified	
Investment style	Active	
Investment strategy and approach	<p>An actively managed diversified portfolio of managed funds and listed securities across both growth asset classes such as Australian and international shares, property and infrastructure; and defensive oriented asset classes, such as cash and fixed interest. The portfolio is characterised by a materially higher expected long term average (neutral weighting) allocation to Australian shares relative to International shares, as indicated by the portfolio's composite benchmark index.</p> <p>In general, the portfolio will have a long-term average exposure of around 50% in growth assets and 50% in defensive assets. However, these allocations will be actively managed within the allowable ranges depending on market conditions.</p>	
Investment universe	Australian registered managed funds, exchange traded funds and listed securities predominantly within the S&P/ASX 100 Index.	
Risk label (SRM)	Medium to high (5)	
Minimum investment horizon	4 years	
Minimum investment amount	\$25,000	
Indicative number of assets	20 – 40	
Investment management fee	0.4624% pa	
Fees and costs – underlying investments¹	Performance-related fees	0.03% pa
	Other indirect costs	0.31% pa
	Transactional and operational costs	0.18% pa
	Transaction fees	0.06% pa

Elston managed portfolio options summaries

	Asset class	Minimum (%)	Maximum (%)
Asset allocation ranges	Cash ²	2	32
	Australian fixed interest	0	40
	International fixed interest	0	38
	Fixed interest other	0	58
	Australian shares	8	38
	International shares ³	0	22
	Australian property	0	15
	Listed infrastructure	0	15
	Alternatives	0	20

1 These fees and costs are weighted averages based on the estimated fees and costs for the relevant underlying investments in relation to the 12 months to 30 June 2020, or in the case of a new or varied managed portfolio option, as if the managed portfolio option had been in place for the 12 month period ending 30 June 2020. These fees and costs are net of any rebate (if applicable) paid by an issuer of an underlying managed fund that forms part of the relevant managed portfolio option and is passed on to you. Refer to 'Indirect costs' and 'Rebates' in the 'Additional explanation of fees and costs' section of this document for further information.

2 The 'Cash' asset class includes the cash allocation of the portfolio that is held in BT CMA (or any other cash product nominated by us) but may include allocation to other cash type investments.

3 The 'International shares' asset class may include allocation to listed property securities (ie International Real Estate Investment Trusts).

Elston Balanced Portfolio

APIR code	WFS5454AU	
Designed for investors who	Seek tax effective income returns with some potential for capital growth. They are prepared to accept a high level of risk to achieve this objective.	
Investment objective	To outperform the benchmark, after fees, over a rolling five year period.	
Benchmark index	Composite of the underlying investments' indices based on the expected long term average (neutral weighting) to those underlying investments:	
	Asset class	Benchmark
		Neutral weighting (%)
	Cash	Bloomberg AusBond Bank Bill Index SM
	Australian fixed interest	Bloomberg AusBond Composite 0-5Y TR AUD
	International fixed interest	Bloomberg Barclays Global Aggregate Bond Index (Fully Hedged) in Australian Dollars
	Fixed interest other	Bloomberg AusBond Bank Bill Index SM
	Australian shares	S&P/ASX 300 Accumulation Index
	International shares	MSCI World ex Australia (Standard) Index (Net Dividends) Unhedged in Australian Dollars
	Australian property	S&P/ASX 300 A-REIT Accumulation Index
Listed infrastructure	S&P Global Infrastructure Index (Australian Dollar) (Hedged)	
Alternatives	Bloomberg Ausbond Bank Bill Index	
	Total	100
Asset class	Diversified	
Investment style	Active	
Investment strategy and approach	<p>An actively managed diversified portfolio of managed funds and listed securities across both growth asset classes such as Australian and international shares, property and infrastructure; and defensive oriented asset classes, such as cash and fixed interest. The portfolio is characterised by a materially higher expected long term average (neutral weighting) allocation to Australian shares relative to International shares, as indicated by the portfolio's composite benchmark index.</p> <p>In general, the portfolio will have a long-term average exposure of around 70% in growth assets and 30% in defensive assets. However, these allocations will be actively managed within the allowable ranges depending on market conditions.</p>	
Investment universe	Australian registered managed funds, exchange traded funds and listed securities predominantly within the S&P/ASX 100 Index.	
Risk label (SRM)	High (6)	
Minimum investment horizon	5 years	
Minimum investment amount	\$25,000	
Indicative number of assets	20 – 40	
Investment management fee	0.4624% pa	
Fees and costs – underlying investments¹	Performance-related fees	0.03% pa
	Other indirect costs	0.24% pa
	Transactional and operational costs	0.17% pa
	Transaction fees	0.09% pa

Elston managed portfolio options summaries

	Asset class	Minimum (%)	Maximum (%)
Asset allocation ranges	Cash ²	2	30
	Australian fixed interest	0	30
	International fixed interest	0	30
	Fixed interest other	0	40
	Australian shares	24	54
	International shares ³	0	25
	Australian property	0	16
	Listed infrastructure	0	15
	Alternatives	0	20

1 These fees and costs are weighted averages based on the estimated fees and costs for the relevant underlying investments in relation to the 12 months to 30 June 2020, or in the case of a new or varied managed portfolio option, as if the managed portfolio option had been in place for the 12 month period ending 30 June 2020. These fees and costs are net of any rebate (if applicable) paid by an issuer of an underlying managed fund that forms part of the relevant managed portfolio option and is passed on to you. Refer to 'Indirect costs' and 'Rebates' in the 'Additional explanation of fees and costs' section of this document for further information.

2 The 'Cash' asset class includes the cash allocation of the portfolio that is held in BT CMA (or any other cash product nominated by us) but may include allocation to other cash type investments.

3 The 'International shares' asset class may include allocation to listed property securities (ie International Real Estate Investment Trusts).

Elston Growth Portfolio

APIR code	WFS1998AU	
Designed for investors who	Seek tax effective income returns with a high potential for capital growth. They are prepared to accept a high level of risk to achieve this objective.	
Investment objective	To outperform the benchmark, after fees, over a rolling five year period.	
Benchmark index	Composite of the underlying investments' indices based on the expected long term average (neutral weighting) to those underlying investments:	
	Asset class	Benchmark
		Neutral weighting (%)
	Cash	Bloomberg AusBond Bank Bill Index SM
	Australian fixed interest	Bloomberg AusBond Composite 0-5Y TR AUD
	International fixed interest	Bloomberg Barclays Global Aggregate Bond Index (Fully Hedged) in Australian Dollars
	Fixed interest other	Bloomberg AusBond Bank Bill Index SM
	Australian shares	S&P/ASX 300 Accumulation Index
	International shares	MSCI World ex Australia (Standard) Index (Net Dividends) Unhedged in Australian Dollars
	Australian property	S&P/ASX 300 A-REIT Accumulation Index
Listed infrastructure	S&P Global Infrastructure Index (Australian Dollar) (Hedged)	
Alternatives	Bloomberg Ausbond Bank Bill Index	
	Total	100
Asset class	Diversified	
Investment style	Active	
Investment strategy and approach	<p>An actively managed diversified portfolio of managed funds and listed securities across both growth asset classes such as Australian and international shares, property and infrastructure; and defensive oriented asset classes, such as cash and fixed interest. The portfolio is characterised by a materially higher expected long term average (neutral weighting) allocation to Australian shares relative to International shares, as indicated by the portfolio's composite benchmark index.</p> <p>In general, the portfolio will have a long-term average exposure of around 85% in growth assets and 15% in defensive assets. However, these allocations will be actively managed within the allowable ranges depending on market conditions.</p>	
Investment universe	Australian registered managed funds, exchange traded funds and listed securities predominantly within the S&P/ASX 100 Index.	
Risk label (SRM)	High (6)	
Minimum investment horizon	6 years	
Minimum investment amount	\$25,000	
Indicative number of assets	20 – 40	
Investment management fee	0.4624% pa	
Fees and costs – underlying investments¹	Performance-related fees	0.03% pa
	Other indirect costs	0.21% pa
	Transactional and operational costs	0.17% pa
	Transaction fees	0.10% pa

Elston managed portfolio options summaries

	Asset class	Minimum (%)	Maximum (%)
Asset allocation ranges	Cash ²	2	25
	Australian fixed interest	0	25
	International fixed interest	0	25
	Fixed interest other	0	30
	Australian shares	33	63
	International shares ³	0	30
	Australian property	0	17
	Listed infrastructure	0	15
	Alternatives	0	20

1 These fees and costs are weighted averages based on the estimated fees and costs for the relevant underlying investments in relation to the 12 months to 30 June 2020, or in the case of a new or varied managed portfolio option, as if the managed portfolio option had been in place for the 12 month period ending 30 June 2020.. These fees and costs are net of any rebate (if applicable) paid by an issuer of an underlying managed fund that forms part of the relevant managed portfolio option and is passed on to you. Refer to 'Indirect costs' and 'Rebates' in the 'Additional explanation of fees and costs' section of this document for further information.

2 The 'Cash' asset class includes the cash allocation of the portfolio that is held in BT CMA (or any other cash product nominated by us) but may include allocation to other cash type investments.

3 The 'International shares' asset class may include allocation to listed property securities (ie International Real Estate Investment Trusts).

Elston High Growth Portfolio

APIR code	WFS9763AU	
Designed for investors who	Seek tax effective income returns with a very high potential for capital growth. They are prepared to accept a high level of risk to achieve this objective.	
Investment objective	To outperform the benchmark, after fees, over a rolling five year period.	
Benchmark index	Composite of the underlying investments' indices based on the expected long term average (neutral weighting) to those underlying investments:	
	Asset class	Benchmark
		Neutral weighting (%)
	Cash	Bloomberg AusBond Bank Bill Index SM
	Australian fixed interest	Bloomberg AusBond Composite 0-5Y TR AUD
	International fixed interest	Bloomberg Barclays Global Aggregate Bond Index (Fully Hedged) in Australian Dollars
	Fixed interest other	Bloomberg AusBond Bank Bill Index SM
	Australian shares	S&P/ASX 300 Accumulation Index
	International shares	MSCI World ex Australia (Standard) Index (Net Dividends) Unhedged in Australian Dollars
	Australian property	S&P/ASX 300 A-REIT Accumulation Index
Listed infrastructure	S&P Global Infrastructure Index (Australian Dollar) (Hedged)	
Alternatives	Bloomberg Ausbond Bank Bill Index	
	Total	100
Asset class	Diversified	
Investment style	Active	
Investment strategy and approach	<p>An actively managed diversified portfolio of managed funds and listed securities across both growth asset classes such as Australian and international shares, property and infrastructure; and defensive oriented asset classes, such as cash and fixed interest. The portfolio is characterised by a materially higher expected long term average (neutral weighting) allocation to Australian shares relative to International shares, as indicated by the portfolio's composite benchmark index.</p> <p>In general, the portfolio will have a long-term average exposure of around 97% in growth assets and 3% in defensive assets. However, these allocations will be actively managed within the allowable ranges depending on market conditions.</p>	
Investment universe	Australian registered managed funds, exchange traded funds and listed securities predominantly within the S&P/ASX 100 Index.	
Risk label (SRM)	High (6)	
Minimum investment horizon	7 years	
Minimum investment amount	\$25,000	
Indicative number of assets	20 – 40	
Investment management fee	0.4624% pa	
Fees and costs – underlying investments¹	Performance-related fees	0.02% pa
	Other indirect costs	0.18% pa
	Transactional and operational costs	0.17% pa
	Transaction fees	0.11% pa

Elston managed portfolio options summaries

	Asset class	Minimum (%)	Maximum (%)
Asset allocation ranges	Cash ²	2	23
	Australian fixed interest	0	20
	International fixed interest	0	20
	Fixed interest other	0	20
	Australian shares	43	73
	International shares ³	6	36
	Australian property	0	18
	Listed infrastructure	0	10
	Alternatives	0	20

1 These fees and costs are weighted averages based on the estimated fees and costs for the relevant underlying investments in relation to the 12 months to 30 June 2020, or in the case of a new or varied managed portfolio option, as if the managed portfolio option had been in place for the 12 month period ending 30 June 2020.. These fees and costs are net of any rebate (if applicable) paid by an issuer of an underlying managed fund that forms part of the relevant managed portfolio option and is passed on to you. Refer to 'Indirect costs' and 'Rebates' in the 'Additional explanation of fees and costs' section of this document for further information.

2 The 'Cash' asset class includes the cash allocation of the portfolio that is held in BT CMA (or any other cash product nominated by us) but may include allocation to other cash type investments.

3 The 'International shares' asset class may include allocation to listed property securities (i.e. International Real Estate Investment Trusts).

For more information

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BT Managed Portfolios

Part 2 - Investment Options Booklet Hyperion

Issued 30 October 2020

The Product Disclosure Statement (PDS) is issued by
Westpac Financial Services Limited
ABN 20 000 241 127
Australian Financial Services Licence (AFSL) Number 233716

About the PDS

The PDS should help you to make a decision about whether or not to invest in BT Managed Portfolios ARSN 604 066 686 by:

- giving you a clear overview of BT Managed Portfolios and how it works
- explaining the benefits, features, risks and costs of investing in BT Managed Portfolios
- giving you an understanding of where you can find more information or get help.

The PDS is comprised of 2 parts:

- **Part 1 - General Information.**
Please read this for an overview of BT Managed Portfolios and how it works.
- **Part 2 - Investment Options Booklet (this document).**
This document describes the managed portfolio options within BT Managed Portfolios that are managed by Hyperion Asset Management Limited ABN 80 080 135 897 (Hyperion or the investment manager) (together referred to as the Hyperion managed portfolio options) as well as the fees and charges that apply to these managed portfolio options.

Updated information

These documents may change. If information is not materially adverse, we may update information by placing a notice on bt.com.au/panorama. You may also request a paper copy free of charge by calling us on 1300 881 716. The PDS contains important information that you should consider before making a decision about BT Managed Portfolios.

General advice warning

The information in the PDS is general information only and doesn't take into account your personal objectives, financial situation or needs. You should consider whether the information in the PDS is appropriate for you in light of your objectives, financial situation and needs.

Consent to be named

Hyperion has given and not withdrawn its consent to the inclusion in this document of all information referable to it (and the managed portfolio options it is engaged to manage) in the form and context in which that information appears.

Availability

If, within your Panorama Investments or Panorama Super (excluding BT Super Invest) account, you only have access to the Compact menu of investment options (and not the Full menu), you may not be able to access some or all of the managed portfolio options described in this document. If you hold a BT Super Invest account you may also be unable to access some or all of the managed portfolio options in this document. Please refer to the disclosure document for your Panorama Product to confirm your ability to access and invest in the Hyperion managed portfolio options.

Managed portfolio options in BT Managed Portfolios other than those described in this document might also be available to you. Information about these other managed portfolio options is set

out in separate product disclosure statements for BT Managed Portfolios that are also issued by us. You should obtain and consider those product disclosure statements in deciding whether to acquire or continue to hold any interest in BT Managed Portfolios. Contact the Panorama Support team or your adviser for more information on other managed portfolio options that may be available to you, and to obtain a copy of the relevant product disclosure statement for those managed portfolio options.

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Who is the investment manager?

Hyperion Asset Management Limited (Hyperion)

Hyperion has been appointed by us as investment manager to advise on the construction and management of the Hyperion managed portfolio options.

ABN	80 080 135 897
AFSL Number	238380
About the investment manager	<p>Hyperion is a high conviction manager that specialises in identifying and investing in quality Australian shares. Hyperion's investment process produces a relatively concentrated portfolio of quality companies with relatively predictable earnings and superior growth potential.</p> <p>Hyperion's executives are majority equity partners in Hyperion. Hyperion's investment team has substantial capital invested in the business and Hyperion products, demonstrating Hyperion's commitment to the long-term and to aligning the goals of Hyperion's investment team to those of clients.</p>
Investment philosophy and process	<p>Hyperion's investment philosophy and process centres around aiming to buy the highest quality companies with the strongest competitive advantages and organic growth opportunities in an attempt to produce superior shareholder returns over the long-term.</p>

What are the fees and other costs?

Did you know?

Small differences in both investment performance and fees and costs can have a substantial impact on your long term returns.

For example, total annual fees and costs of 2% of your investment balance rather than 1% could reduce your final return by up to 20% over a 30 year period (for example, reduce it from \$100,000 to \$80,000).

You should consider whether features such as superior investment performance or the provision of better member services justify higher fees and costs.

You may be able to negotiate to pay lower contribution fees and management costs where applicable. Ask the fund or your financial adviser.

To find out more

If you would like to find out more, or see the impact of the fees based on your own circumstances, the **Australian Securities and Investments Commission (ASIC)** website (www.moneySMART.gov.au) has a managed funds fee calculator to help you check out different fee options.

This section of the document shows fees and other costs that you may be charged for investing in BT Managed Portfolios. These fees and costs may be deducted from your money, from the returns on your investment or from your portfolio as a whole. Taxes are set out in another part of the PDS.

You should read all the information about fees and costs because it is important to understand their impact on your investment. Fees and costs for the Hyperion managed portfolio options are set out on page 10. All fees are in Australian dollars.

Except where otherwise stated, all fees in this document are expressed as inclusive of any GST and are net of any reduced input tax credits (RITCs) which may be claimed.

What are the fees and other costs?

BT Managed Portfolios

Type of fee or cost ¹	Amount	How and when paid
Fees when your money moves in or out of BT Managed Portfolios		
Establishment fee The fee to open your investment	Nil	Not applicable
Contribution fee The fee on each amount contributed to your investment	Nil	Not applicable
Withdrawal fee The fee on each amount you take out of your investment	Nil	Not applicable
Exit fee The fee to close your investment	Nil	Not applicable
Management costs – The fees and costs for managing your investment²		
The amount you pay for the Hyperion managed portfolio options is shown on page 10.		
Investment management fee	The investment management fee for your portfolio is 0.8500% per annum of the total value invested. Please refer to the Hyperion managed portfolio options list on page 10 for more information.	<ul style="list-style-type: none"> – The investment management fee is calculated based on the average daily value of your portfolio for the month. – The investment management fee is deducted and paid to us from the cash allocation of your portfolio on a monthly basis at the end of each month.
Indirect costs³	<p>Performance-related fees The weighted average performance-related fee is 0.00% per annum.</p> <p>Other indirect costs The weighted average of other indirect costs is 0.00% per annum.</p> <p>Please refer to the Hyperion managed portfolio options list on page 10 for more information.</p>	<ul style="list-style-type: none"> – The calculation of fees and costs in relation to an underlying managed fund or exchange traded fund, and timing of payment, will vary between the underlying managed funds or exchange traded funds. – The indirect costs, including any performance-related fees payable in connection with an underlying managed fund or exchange traded fund, are not directly charged or retained by us. These indirect costs are paid from the assets of the relevant underlying managed funds or exchange traded funds, and will generally be reflected in the unit prices of those underlying managed funds or the closing market prices of the exchange traded funds that are held in your portfolio.
Service fees		
Switching fee The fee for changing investment options	Nil	Not applicable

¹ Adviser fees may also apply.

² Additional fees may apply. Refer to the 'Additional explanation of fees and costs' section of this document for more information.

³ The performance-related fees and other indirect costs are estimates and calculated based on the indirect costs for the 12 month period ending 30 June 2020, or in the case of a new or varied managed portfolio option, as if the managed portfolio option had been in place for the 12 month period ending 30 June 2020. The performance-related fees shown are not a representation of likely future performance. The actual indirect costs of a managed portfolio option in future periods may be different and materially so, given the nature of these costs. For more information, refer to 'Indirect costs' in the 'Additional explanation of fees and costs' section of this document.

What are the fees and other costs?

Example of annual fees and costs for a balanced managed portfolio option or other managed portfolio option

This table gives an example of how the fees and costs for the Hyperion High Conviction Large Cap Portfolio can affect your investment over a 1 year period. You should use this table to compare this product with other managed investment products.

Example - Hyperion High Conviction Large Cap Portfolio		Balance of \$50,000 with a contribution of \$5,000 during the year ¹
Contribution fees	Nil	For every additional \$5,000 you put in, you will be charged \$0.
PLUS Management costs		
– Investment management fee	0.8500%	And, for every \$50,000 you have in the Hyperion High Conviction Large Cap Portfolio you will be charged \$425.00 each year.
– Performance-related fees ²	0.00%	
– Other indirect costs ²	0.00%	
EQUALS		If you had an investment of \$50,000 at the beginning of the year and you put in an additional \$5,000 during that year, you would be charged fees of
Cost of the Hyperion High Conviction Large Cap Portfolio ³		\$425.00
What it costs you will depend on the investment option you choose and the fees you negotiate.		

- 1 The amount used in this example is prescribed by legislation. This example assumes that the \$50,000 is invested for the entire year, the value of the investment is constant over the year and that the additional \$5,000 is invested at the end of the year. Therefore management costs are calculated using the \$50,000 balance only.
- 2 The performance-related fees and other indirect costs are estimates and calculated based on the indirect costs for the 12 month period ending 30 June 2020, or in the case of a new or varied managed portfolio option, as if the managed portfolio option has been in place for the 12 month period ending 30 June 2020. The performance-related fees shown are not a representation of likely future performance. The actual indirect costs of a managed portfolio option in future periods may be different and materially so, given the nature of these costs. For more information, refer to 'Indirect costs' in the 'Additional explanation of fees and costs' section of this document.
- 3 Additional fees may apply. This example does not take into account all the fees and costs that may apply, for example, the total transactional and operational costs. For more information, refer to 'Transactional and operational costs' in the 'Additional explanation of fees and costs' section of this document.

Additional explanation of fees and costs

Management costs

Management costs for each managed portfolio option include the investment management fee, any performance-related fees and other indirect costs.

Management costs do not include transactional and operational costs ie costs associated with investing (including in underlying funds, if applicable). For more information, refer to 'Transactional and operational costs' on page 8.

Investment management fee

We are entitled to be paid an investment management fee as responsible entity of BT Managed Portfolios.

The investment management fee is charged as a percentage of the value of your portfolio. It is accrued daily and paid from the cash allocation of your portfolio monthly.

Payments we make to the investment manager

We may pay the investment manager a fee for investment management services provided to us. This is paid from the investment management fee we receive, and is not an additional cost to you.

Changes in fees and costs

We have the right to introduce fees and to begin reimbursing ourselves for expenses from your portfolio (including performance fees payable to an investment manager), but we will give you 30

days' notice prior to doing so. The constitution provides for the responsible entity to receive a maximum investment management fee of 4% per annum (excluding GST) of the total value invested and a maximum performance fee of 5% per annum (excluding GST) of the total value invested. The responsible entity does not currently charge performance fees.

Expenses

We're entitled to be reimbursed from the scheme for authorised expenses incurred in the management and administration of managed portfolio options in the proper performance of our duties. Currently routine scheme expenses, including trustee, registry, custodian, accounting, audit and legal expenses (excluding transaction costs), are paid out of our investment management fee. If extraordinary or unusual expenses are incurred, we may choose to recover costs from the scheme.

Indirect costs

Indirect costs (also referred to as 'Fees and costs - underlying investments') are determined as a percentage of the value of the relevant managed portfolio option you're invested in. Indirect costs are an estimate of the costs incurred in managing the managed portfolio's assets which directly or indirectly reduce the return on the managed portfolio. These costs are not directly charged or retained by us. These costs are generally deducted from the assets of an underlying managed fund or exchange traded fund.

What are the fees and other costs?

Where the managed portfolio invests in an underlying managed fund or exchange traded fund, we have relied on the information provided by the issuers of those underlying funds and have made reasonable enquiries where necessary to determine the appropriateness of the indirect costs provided.

The amounts included in the table of fees and costs are estimates and calculated based on the indirect costs paid in the 12 month period ending 30 June 2020, or in the case of a new or varied managed portfolio option, as if the managed portfolio option had been in place for the 12 month period ending 30 June 2020.

These indirect costs are reflected in the unit price of the underlying managed funds or the closing market prices of the exchange traded funds that are held in your portfolio and are an additional cost to you.

The actual indirect costs of a managed portfolio option in future periods may be different to the estimates included in this document and materially so, given the nature of these costs, as explained below.

Indirect costs are:

- **Performance-related fees:** An underlying investment manager of a managed fund or exchange traded fund may charge a performance fee, called a performance-related fee. If applicable, it is included in indirect costs and is not an additional cost to you. We do not currently charge performance-related fees.

Generally, a performance-related fee will only be charged in respect of an underlying managed fund or exchange traded fund when the investment return outperforms either the relevant benchmark or a specific performance hurdle return. However, usually, any prior under performance must also be made good before the underlying investment manager qualifies for a performance-related fee.

The performance-related fee rate typically ranges from 0%–30% of the outperformance over the relevant benchmark or performance hurdle and is generally paid at least annually (performance period). Performance-related fees affect the underlying fund's return and therefore the value of your investment in the fund. The performance-related fee may still be payable where the overall performance of the underlying managed fund or exchange traded fund has declined over the performance period. This is because one or more underlying investment managers may have outperformed the benchmark or their performance hurdle over that period.

Where an underlying investment manager's cumulative performance for a period is less than the relevant benchmark or performance hurdle, this underperformance may be carried forward to the following period and no further performance-related fees will be either reflected in the unit price or paid in respect of the underlying investment manager until the underperformance is recouped.

The more exposure a managed portfolio has to an underlying investment that charges performance-related fees, the greater

the potential impact that this will have on your investment in that managed portfolio.

- **Other indirect costs:** The managed portfolio option may incur other indirect costs as a result of investing in underlying managed funds or exchange traded funds. Typical indirect costs include an underlying managed fund's or exchange traded fund's costs which have been included in the valuation of the underlying managed fund or exchange traded fund.

Other indirect costs will also be incurred in respect of the cash allocation of each managed portfolio option.

Transactional and operational costs

- **Transaction fees:** We charge a transaction fee in relation to the buying and selling of listed securities and exchange traded funds in your portfolio. This fee will cover the costs of processing and settling the transactions, including the brokerage payable to the appointed broker. Generally, the fee will be between 0.11% and 0.18% of the transaction amount but may be as high as 0.20% of the transaction amount. As an example, if a \$50,000 transaction occurred in your portfolio, the transaction fees charged at 0.18% would be \$90. In some circumstances, we may not need to process a transaction as it may be possible to net the transaction against transactions for other investors. In these circumstances, we will still charge the transaction fee.
- **Buy/sell spread:** The buy/sell spread (generally applicable to managed funds) is the transaction cost incurred when buying and selling assets in an underlying managed fund when new investors apply for and existing investors redeem units in the underlying managed fund. It is charged by the issuer and is included in the underlying managed fund's unit price.

Typical buy/sell spreads are estimated to be between 0% and 0.70% but may fall outside this range. For example, if \$10,000 is invested in an underlying managed fund, at the maximum buy/sell spread of 0.70%, you will generally incur a cost of \$70 at the time you invest. The buy/sell spread is an additional cost to you. If you require further information on the buy/sell spread applicable to the underlying managed funds, please speak to your adviser or contact us.

- **Other transactional and operational costs:** In relation to an underlying managed fund, where transactional and operational costs arise from trading activity to execute the relevant fund's investment strategy, and are not the result of applications into and redemptions from the relevant fund, these costs (including brokerage, stamp duty and clearing and settlement costs) may not be recouped by the buy/sell spread. In these circumstances, they are an additional cost to you at the time of undertaking the trading activity, and are included in the underlying managed fund's unit price.

In addition, when it comes to buying and selling listed securities and exchange traded funds in your portfolio, there may be transactional and operational costs in addition to transaction fees. These are referred to as bid/ask spreads and represent the difference between the price paid for an

What are the fees and other costs?

underlying investment and the price that it would be disposed of at that time. They are an additional cost to you at the time of undertaking the trading activity.

Our estimate of these transactional and operational costs for the year ended 30 June 2020 for the Hyperion High Conviction Large Cap Portfolio are set out in the example below.

Managed portfolio option	(A) Transactional and operational costs of underlying investments	(B) Transaction fees	(C) = (A) + (B) Total transactional and operational costs
Hyperion High Conviction Large Cap Portfolio	0.08% pa	0.08% pa	0.16% pa

Using the example above, if \$50,000 is invested in the Hyperion High Conviction Large Cap Portfolio, total transactional and operational costs will be \$80. This is comprised of transactional and operational costs of the underlying investments of \$40 and transaction fees of \$40. For the total fees and costs relating to the Hyperion High Conviction Large Cap Portfolio, excluding the transactional and operational costs, refer to the fee example on page 7.

Government duty

Government duty may be payable if you transfer certain assets into or out of your portfolio. For further information regarding how government duty is deducted, refer to the relevant disclosure document for your Panorama Product.

Refer to 'Taxation' in Part 1 of the PDS for information about tax generally.

Other fees and costs

All other fees and costs (such as government fees, bank fees, fees for failed transactions and penalty interest) incurred as a result of a transaction, deposit or withdrawal, will be passed on to you and payable out of the cash allocation of your portfolio.

Additional fees may be paid to a financial adviser if you have consulted a financial adviser. You should refer to the Statement of Advice provided by your financial adviser in which details of the fees are set out. ASIC provides a fee calculator on www.moneysmart.gov.au, which you may use to calculate the effects of fees and costs on your investment in BT Managed Portfolios.

Hyperion managed portfolio options list

The fees and costs applying to each managed portfolio option are set out below.

Option name	APIR code	Investment management fee ¹	Fees and costs – underlying investments ²			Page
			Performance-related fees	Other indirect costs	Total transactional and operational costs	
ASSET CLASS: Australian shares						
Hyperion High Conviction Large Cap Portfolio	WFS0580AU	0.8500% pa	0.00% pa	0.00% pa	0.16% pa	11

1 This fee is payable monthly to us as the responsible entity of BT Managed Portfolios, and is calculated on the average daily value of your portfolio for the month. Refer to 'Investment management fee' in the 'Additional explanation of fees and costs' section of this document for more information.

2 These fees and costs are weighted averages based on the estimated fees and costs for the relevant underlying investments in relation to the 12 months to 30 June 2020, or in the case of a new or varied managed portfolio option, as if the managed portfolio option has been in place for the 12 month period ending 30 June 2020. Refer to 'Indirect costs' in the 'Additional explanation of fees and costs' section of this document for further information.

Hyperion managed portfolio options summaries

Hyperion High Conviction Large Cap Portfolio

APIR code	WFS0580AU		
Designed for investors who	Seek a long term investment in Australian shares and are willing to take more risk and volatility in search of greater returns. The investor is prepared to accept the possibility of negative returns.		
Investment objective	To deliver outperformance relative to the benchmark by 3% pa before fees over a rolling five year period.		
Benchmark index	S&P/ASX 300 Accumulation Index		
Asset class	Australian shares		
Investment style	Active		
Investment strategy and approach	<p>Hyperion aims to find and invest in companies with high return on equity, low gearing and solid track records of revenue growth, that are positioned to deliver long-term organic growth in earnings to shareholders. Hyperion expects these companies will have sustainable competitive advantages.</p> <p>Hyperion's primary focus is finding companies that are expected to provide a value proposition to their customers, enabling that company to charge a premium for the goods or service they produce. This approach aims to deliver long-term earnings growth to the portfolio and therefore rising earnings to investors.</p>		
Investment universe	Predominantly securities within the S&P/ASX 300 Index		
Risk label (SRM)	High (6)		
Minimum investment horizon	5 years		
Minimum investment amount	\$25,000		
Indicative number of assets	15 - 35		
Investment management fee	0.8500% pa		
Fees and costs – underlying investments¹	Performance-related fees	0.00% pa	
	Other indirect costs	0.00% pa	
	Transactional and operational costs	0.08% pa	
	Transaction fees	0.08% pa	
Asset allocation ranges	Asset class	Minimum (%)	Maximum (%)
	Cash ²	2	20
	Australian shares	80	98

1 These fees and costs are weighted averages based on the estimated fees and costs for the relevant underlying investments in relation to the 12 months to 30 June 2020, or in the case of a new or varied managed portfolio option, as if the managed portfolio option has been in place for 12 month period ending 30 June 2020.

2 The 'Cash' asset class includes the cash allocation of the portfolio that is held in BT CMA (or any other cash product nominated by us) but may include allocation to other cash type investments.

For more information

bt.com.au/panorama

support@panorama.com.au

1300 881 716

GPO Box 2861 Adelaide SA 5001



70035-1020ox

BT Managed Portfolios

Part 2 - Investment Options Booklet
InvestSense

Issued 14 December 2020

The Product Disclosure Statement (PDS) is issued by
Westpac Financial Services Limited
ABN 20 000 241 127
Australian Financial Services Licence (AFSL) Number 233716

About the PDS

The PDS should help you to make a decision about whether or not to invest in BT Managed Portfolios ARSN 604 066 686 by:

- giving you a clear overview of BT Managed Portfolios and how it works
- explaining the benefits, features, risks and costs of investing in BT Managed Portfolios
- giving you an understanding of where you can find more information or get help.

The PDS is comprised of 2 parts:

- **Part 1 - General Information.**
Please read this for an overview of BT Managed Portfolios and how it works.
- **Part 2 - Investment Options Booklet (this document).**
This document describes the managed portfolio options within BT Managed Portfolios that are managed by InvestSense Pty Ltd ABN 31 601 876 528 (InvestSense or the investment manager) (together referred to as the InvestSense managed portfolio options) as well as the fees and charges that apply to these managed portfolio options.

Updated information

These documents may change. If information is not materially adverse, we may update information by placing a notice on bt.com.au/panorama. You may also request a paper copy free of charge by calling us on 1300 881 716. The PDS contains important information that you should consider before making a decision about BT Managed Portfolios.

General advice warning

The information in the PDS is general information only and doesn't take into account your personal objectives, financial situation or needs. You should consider whether the information in the PDS is appropriate for you in light of your objectives, financial situation and needs.

Investment manager

InvestSense is the corporate authorised representative of Sentry Wealth Pty Ltd ABN 17 151 866 385 AFSL Number 408800 (Sentry Wealth).

Consent to be named

InvestSense and Sentry Wealth have given and not withdrawn their consents to the inclusion in this document of all information referable to them (and the managed portfolio options InvestSense is engaged to manage) in the form and context in which that information appears.

Availability

If, within your Panorama Investments or Panorama Super (excluding BT Super Invest) account, you only have access to the Compact menu of investment options (and not the Full menu), you may not be able to access some or all of the managed portfolio options described in this document. If you hold a BT Super Invest account you may also be unable to access some or all of the managed portfolio options in this document. Please refer to the disclosure document for your Panorama Product to

confirm your ability to access and invest in the InvestSense managed portfolio options.

Managed portfolio options in BT Managed Portfolios other than those described in this document might also be available to you. Information about these other managed portfolio options is set out in separate product disclosure statements for BT Managed Portfolios that are also issued by us. You should obtain and consider those product disclosure statements in deciding whether to acquire or continue to hold any interest in BT Managed Portfolios. Contact the Panorama Support team or your adviser for more information on other managed portfolio options that may be available to you, and to obtain a copy of the relevant product disclosure statement for those managed portfolio options.

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Who is the investment manager?

InvestSense Pty Ltd (InvestSense)

InvestSense has been appointed by us as investment manager to advise on the construction and management of the InvestSense managed portfolio options.

ABN	31 601 876 528
Authorised Representative Number	1006839
About the investment manager	<p>InvestSense is the corporate representative of Sentry Wealth Pty Ltd ABN 17 151 866 385 AFSL Number 408800. It is a portfolio construction and consulting company founded in 2014.</p> <p>InvestSense's portfolio management team have had extensive experience in financial markets across institutional and retail investment consulting, portfolio management and investment research. InvestSense aims to bring institutional grade experience and systems to create bespoke investment solutions.</p> <p>InvestSense specialises in outcome-based portfolio solutions utilising managed account technology.</p>
Investment philosophy and process	<p>InvestSense believes that prevailing market valuations tend to be indicative of final outcomes over long-time periods. By undertaking a forward-looking view of expected returns and implied risks, InvestSense aims to understand if the market is sufficiently rewarding investors for the risks they are undertaking across different asset class.</p> <p>InvestSense's investment approach combines elements of fundamental and quantitative analysis, top-down and bottom-up views. InvestSense doesn't believe that any single investment style has a permanent edge in delivering superior returns across all asset classes, time horizons and market conditions. Rather, the investment methodology forces the manager to think about which tool, or combination of, is more likely to be effective under various scenarios and the current market environment.</p>

What are the fees and other costs?

Did you know?

Small differences in both investment performance and fees and costs can have a substantial impact on your long term returns.

For example, total annual fees and costs of 2% of your investment balance rather than 1% could reduce your final return by up to 20% over a 30 year period (for example, reduce it from \$100,000 to \$80,000).

You should consider whether features such as superior investment performance or the provision of better member services justify higher fees and costs.

You may be able to negotiate to pay lower contribution fees and management costs where applicable. Ask the fund or your financial adviser.

To find out more

If you would like to find out more, or see the impact of the fees based on your own circumstances, the **Australian Securities and Investments Commission (ASIC)** website (www.moneySMART.gov.au) has a managed funds fee calculator to help you check out different fee options.

This section of the document shows fees and other costs that you may be charged for investing in BT Managed Portfolios. These fees and costs may be deducted from your money, from the returns on your investment or from your portfolio as a whole. Taxes are set out in another part of the PDS.

You should read all the information about fees and costs because it is important to understand their impact on your investment. Fees and costs for the InvestSense managed portfolio options are set out on page 10. All fees are in Australian dollars.

Except where otherwise stated, all fees in this document are expressed as inclusive of any GST and are net of any reduced input tax credits (RITCs) which may be claimed.

What are the fees and other costs?

BT Managed Portfolios

Type of fee or cost ¹	Amount	How and when paid
Fees when your money moves in or out of BT Managed Portfolios		
Establishment fee The fee to open your investment	Nil	Not applicable
Contribution fee The fee on each amount contributed to your investment	Nil	Not applicable
Withdrawal fee The fee on each amount you take out of your investment	Nil	Not applicable
Exit fee The fee to close your investment	Nil	Not applicable
Management costs – The fees and costs for managing your investment²		
The amount you pay for the InvestSense managed portfolio options is shown on page 10.		
Investment management fee	Each managed portfolio option has an investment management fee of 0.3087% per annum of the value invested. Please refer to the InvestSense managed portfolio options list on page 10 for more information.	<ul style="list-style-type: none"> – The investment management fee is calculated based on the average daily value of your portfolio for the month. – The investment management fee is deducted and paid to us from the cash allocation of your portfolio on a monthly basis at the end of each month.
Indirect costs³	<p>Performance-related fees Each managed portfolio option has a weighted average performance-related fee ranging from 0.03% to 0.10% per annum.</p> <p>Other indirect costs The weighted average of each managed portfolio option's other indirect costs ranges from 0.41% to 0.42% per annum.</p> <p>Please refer to the InvestSense managed portfolio options list on page 10 for more information.</p>	<ul style="list-style-type: none"> – The calculation of fees and costs in relation to an underlying managed fund or exchange traded fund, and timing of payment, will vary between the underlying managed funds or exchange traded funds. – The indirect costs, including any performance-related fees payable in connection with an underlying managed fund or exchange traded fund, are not directly charged or retained by us. These indirect costs are paid from the assets of the relevant underlying managed funds or exchange traded funds, and will generally be reflected in the unit prices of those underlying managed funds or the closing market prices of the exchange traded funds that are held in your portfolio.
Service fees		
Switching fee The fee for changing investment options	Nil	Not applicable

¹ Adviser fees may also apply.

² Additional fees may apply. Refer to the 'Additional explanation of fees and costs' section of this document for more information.

³ The performance-related fees and other indirect costs are estimates and calculated based on the indirect costs for the 12 month period ending 30 June 2020, or in the case of a new or varied managed portfolio option, as if the managed portfolio option had been in place for the 12 month period ending 30 June 2020. The performance-related fees shown are not a representation of likely future performance. The actual indirect costs of a managed portfolio option in future periods may be different and materially so, given the nature of these costs. For more information, refer to 'Indirect costs' in the 'Additional explanation of fees and costs' section of this document.

What are the fees and other costs?

Example of annual fees and costs for a balanced managed portfolio option or other managed portfolio option

This table gives an example of how the fees and costs for the InvestSense Multi-Asset CPI+3% Portfolio can affect your investment over a 1 year period. You should use this table to compare this product with other managed investment products.

Example - InvestSense Multi-Asset CPI+3% Portfolio		Balance of \$50,000 with a contribution of \$5,000 during the year ¹
Contribution fees	Nil	For every additional \$5,000 you put in, you will be charged \$0.
PLUS Management costs		
– Investment management fee	0.3087%	And, for every \$50,000 you have in the InvestSense Multi-Asset CPI+3% Portfolio you will be charged \$389.35 each year.
– Performance-related fees ²	0.05%	
– Other indirect costs ²	0.42%	
EQUALS		If you had an investment of \$50,000 at the beginning of the year and you put in an additional \$5,000 during that year, you would be charged fees of \$389.35
Cost of the InvestSense Multi-Asset CPI+3% Portfolio ³		
What it costs you will depend on the investment option you choose and the fees you negotiate.		

- 1 The amount used in this example is prescribed by legislation. This example assumes that the \$50,000 is invested for the entire year, the value of the investment is constant over the year and that the additional \$5,000 is invested at the end of the year. Therefore management costs are calculated using the \$50,000 balance only.
- 2 The performance-related fees and other indirect costs are estimates and calculated based on the indirect costs for the 12 month period ending 30 June 2020, or in the case of a new or varied managed portfolio option, as if the managed portfolio option had been in place for the 12 month period ending 30 June 2020. The performance-related fees shown are not a representation of likely future performance. The actual indirect costs of a managed portfolio option in future periods may be different and materially so, given the nature of these costs. For more information, refer to 'Indirect costs' in the 'Additional explanation of fees and costs' section of this document.
- 3 Additional fees may apply. This example does not take into account all the fees and costs that may apply, for example, the total transactional and operational costs. For more information, refer to 'Transactional and operational costs' in the 'Additional explanation of fees and costs' section of this document.

Additional explanation of fees and costs

Management costs

Management costs for each managed portfolio option include the investment management fee, any performance-related fees and other indirect costs.

Management costs do not include transactional and operational costs ie costs associated with investing (including in underlying funds, if applicable). For more information, refer to 'Transactional and operational costs' on page 8.

Investment management fee

We are entitled to be paid an investment management fee as responsible entity of BT Managed Portfolios.

The investment management fee is charged as a percentage of the value of your portfolio. It is accrued daily and paid from the cash allocation of your portfolio monthly.

Payments made to the investment manager

We may pay the investment manager a fee for investment management services provided to us. This is paid from the investment management fee we receive, and is not an additional cost to you.

Changes in fees and costs

We have the right to introduce fees and to begin reimbursing ourselves for expenses from your portfolio (including performance fees payable to an investment manager), but we will give you 30

days' notice prior to doing so. The constitution provides for the responsible entity to receive a maximum investment management fee of 4% per annum (excluding GST) of the total value invested and a maximum performance fee of 5% per annum (excluding GST) of the total value invested. The responsible entity does not currently charge performance fees.

Expenses

We're entitled to be reimbursed from the scheme for authorised expenses incurred in the management and administration of managed portfolio options in the proper performance of our duties. Currently routine scheme expenses, including trustee, registry, custodian, accounting, audit and legal expenses (excluding transaction costs), are paid out of our investment management fee. If extraordinary or unusual expenses are incurred, we may choose to recover costs from the scheme.

Indirect costs

Indirect costs (also referred to as 'Fees and costs - underlying investments') are determined as a percentage of the value of the relevant managed portfolio option you're invested in. Indirect costs are an estimate of the costs incurred in managing the managed portfolio's assets which directly or indirectly reduce the return on the managed portfolio. These costs are not directly charged or retained by us. These costs are generally deducted from the assets of an underlying managed fund or exchange traded fund.

What are the fees and other costs?

Where the managed portfolio invests in an underlying managed fund or exchange traded fund, we have relied on the information provided by the issuers of those underlying funds and have made reasonable enquiries where necessary to determine the appropriateness of the indirect costs provided.

The amounts included in the table of fees and costs are estimates and calculated based on the indirect costs paid in the 12 month period ending 30 June 2020, or in the case of a new or varied managed portfolio option, as if the managed portfolio option had been in place for the 12 month period ending 30 June 2020.

These indirect costs are reflected in the unit price of the underlying managed funds or the closing market prices of the exchange traded funds that are held in your portfolio and are an additional cost to you.

The actual indirect costs of a managed portfolio option in future periods may be different to the estimates included in this document and materially so, given the nature of these costs, as explained below.

Indirect costs are:

- **Performance-related fees:** An underlying investment manager of a managed fund or exchange traded fund may charge a performance fee, called a performance-related fee. If applicable, it is included in indirect costs and is not an additional cost to you. We do not currently charge performance-related fees.

Generally, a performance-related fee will only be charged in respect of an underlying managed fund or exchange traded fund when the investment return outperforms either the relevant benchmark or a specific performance hurdle return. However, usually, any prior under performance must also be made good before the underlying investment manager qualifies for a performance-related fee.

The performance-related fee rate typically ranges from 0%–30% of the outperformance over the relevant benchmark or performance hurdle and is generally paid at least annually (performance period). Performance-related fees affect the underlying fund's return and therefore the value of your investment in the fund. The performance-related fee may still be payable where the overall performance of the underlying managed fund or exchange traded fund has declined over the performance period. This is because one or more underlying investment managers may have outperformed the benchmark or their performance hurdle over that period.

Where an underlying investment manager's cumulative performance for a period is less than the relevant benchmark or performance hurdle, this underperformance may be carried forward to the following period and no further performance-related fees will be either reflected in the unit price or paid in respect of the underlying investment manager until the underperformance is recouped.

The more exposure a managed portfolio has to an underlying investment that charges performance-related fees, the greater

the potential impact that this will have on your investment in that managed portfolio.

- **Other indirect costs:** The managed portfolio option may incur other indirect costs as a result of investing in underlying managed funds or exchange traded funds. Typical indirect costs include an underlying managed fund's or exchange traded fund's costs which have been included in the valuation of the underlying managed fund or exchange traded fund.

Other indirect costs will also be incurred in respect of the cash allocation of each managed portfolio option.

Transactional and operational costs

- **Transaction fees:** We charge a transaction fee in relation to the buying and selling of listed securities and exchange traded funds in your portfolio. This fee will cover the costs of processing and settling the transactions, including the brokerage payable to the appointed broker. Generally, the fee will be between 0.11% and 0.18% of the transaction amount but may be as high as 0.20% of the transaction amount. As an example, if a \$50,000 transaction occurred in your portfolio, the transaction fees charged at 0.18% would be \$90. In some circumstances, we may not need to process a transaction as it may be possible to net the transaction against transactions for other investors. In these circumstances, we will still charge the transaction fee.
- **Buy/sell spread:** The buy/sell spread (generally applicable to managed funds) is the transaction cost incurred when buying and selling assets in an underlying managed fund when new investors apply for and existing investors redeem units in the underlying managed fund. It is charged by the issuer and is included in the underlying managed fund's unit price.

Typical buy/sell spreads are estimated to be between 0% and 0.70% but may fall outside this range. For example, if \$10,000 is invested in an underlying managed fund, at the maximum buy/sell spread of 0.70%, you will generally incur a cost of \$70 at the time you invest. The buy/sell spread is an additional cost to you. If you require further information on the buy/sell spread applicable to the underlying managed funds, please speak to your adviser or contact us.

- **Other transactional and operational costs:** In relation to an underlying managed fund, where transactional and operational costs arise from trading activity to execute the relevant fund's investment strategy, and are not the result of applications into and redemptions from the relevant fund, these costs (including brokerage, stamp duty and clearing and settlement costs) may not be recouped by the buy/sell spread. In these circumstances, they are an additional cost to you at the time of undertaking the trading activity, and are included in the underlying managed fund's unit price.

In addition, when it comes to buying and selling listed securities and exchange traded funds in your portfolio, there may be transactional and operational costs in addition to transaction fees. These are referred to as bid/ask spreads and represent the difference between the price paid for an

What are the fees and other costs?

underlying investment and the price that it would be disposed of at that time. They are an additional cost to you at the time of undertaking the trading activity.

Our estimate of these transactional and operational costs for the year ended 30 June 2020 for the InvestSense Multi-Asset CPI+3% Portfolio are set out in the example below.

Detailed fee information for each InvestSense managed portfolio option is set out in the 'InvestSense managed portfolio options summaries' section of this document.

Managed portfolio option	(A) Transactional and operational costs of underlying investments	(B) Transaction fees	(C) = (A) + (B) Total transactional and operational costs
InvestSense Multi-Asset CPI+3% Portfolio	0.18% pa	0.06% pa	0.24% pa

Using the example above, if \$50,000 is invested in the InvestSense Multi-Asset CPI+3% Portfolio, total transactional and operational costs will be \$120. This is comprised of transactional and operational costs of the underlying investments of \$90 and transaction fees of \$30. For the total fees and costs relating to the InvestSense Multi-Asset CPI+3% Portfolio, excluding the transactional and operational costs, refer to the fee example on page 7.

Government duty

Government duty may be payable if you transfer certain assets into or out of your portfolio. For further information regarding how government duty is deducted, refer to the relevant disclosure document for your Panorama Product.

Refer to 'Taxation' in Part 1 of the PDS for information about tax generally.

Other fees and costs

All other fees and costs (such as government fees, bank fees, fees for failed transactions and penalty interest) incurred as a result of a transaction, deposit or withdrawal, will be passed on to you and payable out of the cash allocation of your portfolio.

Additional fees may be paid to a financial adviser if you have consulted a financial adviser. You should refer to the Statement of Advice provided by your financial adviser in which details of the fees are set out. ASIC provides a fee calculator on www.moneySMART.gov.au, which you may use to calculate the effects of fees and costs on your investment in BT Managed Portfolios.

Rebates

The issuer of an underlying managed fund (within your portfolio) may provide a rebate of some or all of the investment costs for the underlying managed fund. In general, your eligibility to receive a rebate will be based on your holdings in the relevant underlying managed fund over the period the rebate payment relates to,

where you have an open Panorama Product at the time the rebate is calculated.

Any rebate received will be paid in full to eligible investors. The rebate will be paid into the cash allocation of your portfolio or your Panorama Product's transaction account if you have fully withdrawn from your portfolio.

InvestSense managed portfolio options list

The fees and costs applying to each managed portfolio option are set out below.

Option name	APIR code	Investment management fee ¹	Fees and costs – underlying investments ²			Page
			Performance-related fees	Other indirect costs	Total transactional and operational costs	
ASSET CLASS: Diversified						
InvestSense Multi-Asset CPI+2% Portfolio	WFS3833AU	0.3087% pa	0.03% pa	0.41% pa	0.21% pa	11
InvestSense Multi-Asset CPI+3% Portfolio	WFS4045AU	0.3087% pa	0.05% pa	0.42% pa	0.24% pa	13
InvestSense Multi-Asset CPI+4% Portfolio	WFS9007AU	0.3087% pa	0.08% pa	0.41% pa	0.27% pa	15
InvestSense Multi-Asset CPI+5% Portfolio	WFS8313AU	0.3087% pa	0.10% pa	0.42% pa	0.28% pa	17

- 1 This fee is payable monthly to us as the responsible entity of BT Managed Portfolios, and is calculated on the average daily value of your portfolio for the month. Refer to 'Investment management fee' in the 'Additional explanation of fees and costs' section of this document for more information.
- 2 These fees and costs are weighted averages based on the estimated fees and costs for the relevant underlying investments in relation to the 12 months to 30 June .2020, or in the case of a new or varied managed portfolio option, as if the managed portfolio option had been in place for the 12 month period ending 30 June 2020. These fees and costs are net of any rebate (if applicable) paid by an issuer of an underlying managed fund that forms part of the relevant managed portfolio option and is passed on to you. Refer to 'Indirect costs' and 'Rebates' in the 'Additional explanation of fees and costs' section of this document for further information.

InvestSense managed portfolio options summaries

InvestSense Multi-Asset CPI + 2% Portfolio

APIR code	WFS3833AU		
Designed for investors who	Seek a return above inflation by investing in a diversified portfolio. They are prepared to accept a low to medium level of risk to achieve this objective.		
Investment objective	To deliver total return in line with the benchmark, after fees, over a rolling five year period.		
Benchmark index	Consumer Price Index + 2% pa		
Asset class	Diversified		
Investment style	Active		
Investment strategy and approach	<p>InvestSense believes that prevailing market valuations tend to be indicative of final outcomes over long-time periods. By undertaking a forward-looking view of expected returns and implied risks, InvestSense aims to understand if the market is sufficiently rewarding investors for the risks they are undertaking across different asset classes.</p> <p>The portfolio does not have a pre-defined asset allocation, instead InvestSense employs an objective based approach which aims to determine the appropriate mix of asset classes that is likely to achieve the stated objective while minimising the level of risk. As investment markets fluctuate and therefore expected returns change, InvestSense alters the asset allocation accordingly.</p> <p>In general, the portfolio's long term average exposure will be around 70% defensive assets and around 30% growth assets. However, the portfolio's strategy is relatively unconstrained and there may be times when the actual asset allocation will deviate significantly from the expected long term average position. As a guide, it is expected that the any deviation from the long term average position would be within +/- 30%.</p>		
Investment universe	Australian registered managed funds, exchange traded funds and listed securities predominantly within the S&P/ASX 300 index.		
Risk label (SRM)	Low to medium (3)		
Minimum investment horizon	5 years		
Minimum investment amount	\$50,000		
Indicative number of assets	7 – 60		
Investment management fee	0.3087% pa		
Fees and costs – underlying investments¹	Performance-related fees	0.03% pa	
	Other indirect costs	0.41% pa	
	Transactional and operational costs	0.15% pa	
	Transaction fees	0.06% pa	
Asset allocation ranges	Asset class	Minimum (%)	Maximum (%)
	Cash ²	2	100
	Australian fixed interest	0	80
	International fixed interest	0	80
	Fixed interest other	0	80
	Australian shares	0	40
	International shares	0	40
	Australian property	0	20
	International property	0	20
	Listed infrastructure	0	20
	Alternatives ³	0	30
Diversified ³	0	20	

InvestSense managed portfolio options summaries

- 1 These fees and costs are weighted averages based on the estimated fees and costs for the relevant underlying investments in relation to the 12 months to 30 June 2020, or in the case of a new or varied managed portfolio option, as if the managed portfolio option had been in place for the 12 month period ending 30 June 2020. These fees and costs are net of any rebate (if applicable) paid by an issuer of an underlying managed fund that forms part of the relevant managed portfolio option and is passed on to you. Refer to 'Indirect costs' and 'Rebates' in the 'Additional explanation of fees and costs' section of this document for further information.
- 2 The 'Cash' asset class includes the cash allocation of the portfolio that is held in BT CMA (or any other cash product nominated by us) but may include allocation to other cash type investments.
- 3 The 'Alternatives' and 'Diversified' asset classes may contain both defensive and growth assets.

InvestSense Multi-Asset CPI + 3% Portfolio

APIR code	WFS4045AU		
Designed for investors who	Seek a modest return above inflation with some potential for capital growth by investing in a diversified portfolio. They are prepared to accept a medium level of risk to achieve this objective.		
Investment objective	To deliver total return in line with the benchmark, after fees, over a rolling five year period.		
Benchmark index	Consumer Price Index + 3% pa		
Asset class	Diversified		
Investment style	Active		
Investment strategy and approach	<p>InvestSense believes that prevailing market valuations tend to be indicative of final outcomes over long-time periods. By undertaking a forward-looking view of expected returns and implied risks, InvestSense aims to understand if the market is sufficiently rewarding investors for the risks they are undertaking across different asset classes.</p> <p>The portfolio does not have a pre-defined asset allocation, instead InvestSense employs an objective based approach which aims to determine the appropriate mix of asset classes that is likely to achieve the stated objective while minimising the level of risk. As investment markets fluctuate and therefore expected returns change, InvestSense alters the asset allocation accordingly.</p> <p>In general, the portfolio's long term average exposure will be around 50% defensive assets and around 50% growth assets. However, the portfolio's strategy is relatively unconstrained and there may be times when the actual asset allocation will deviate significantly from the expected long term average position. As a guide, it is expected that the any deviation from the long term average position would be within +/- 30%.</p>		
Investment universe	Australian registered managed funds, exchange traded funds and listed securities predominantly within the S&P/ASX 300 index.		
Risk label (SRM)	Medium (4)		
Minimum investment horizon	5 years		
Minimum investment amount	\$50,000		
Indicative number of assets	7 – 60		
Investment management fee	0.3087% pa		
Fees and costs – underlying investments¹	Performance-related fees	0.05% pa	
	Other indirect costs	0.42% pa	
	Transactional and operational costs	0.18% pa	
	Transaction fees	0.06% pa	
Asset allocation ranges	Asset class	Minimum (%)	Maximum (%)
	Cash ²	2	100
	Australian fixed interest	0	70
	International fixed interest	0	70
	Fixed interest other	0	70
	Australian shares	0	50
	International shares	0	50
	Australian property	0	20
	International property	0	20
	Listed infrastructure	0	20
	Alternatives ³	0	30
Diversified ³	0	20	

InvestSense managed portfolio options summaries

- 1 These fees and costs are weighted averages based on the estimated fees and costs for the relevant underlying investments in relation to the 12 months to 30 June 2020, or in the case of a new or varied managed portfolio option, as if the managed portfolio option had been in place for the 12 month period ending 30 June 2020. These fees and costs are net of any rebate (if applicable) paid by an issuer of an underlying managed fund that forms part of the relevant managed portfolio option and is passed on to you. Refer to 'Indirect costs and 'Rebates' in the 'Additional explanation of fees and costs' section of this document for further information.
- 2 The 'Cash' asset class includes the cash allocation of the portfolio that is held in BT CMA (or any other cash product nominated by us) but may include allocation to other cash type investments.
- 3 The 'Alternatives' and 'Diversified' asset classes may contain both defensive and growth assets.

InvestSense Multi-Asset CPI + 4% Portfolio

APIR code	WFS9007AU		
Designed for investors who	Seek a high return above inflation with capital growth by investing in a diversified portfolio. They are prepared to accept a medium to high level of risk to achieve this objective.		
Investment objective	To deliver total return in line with the benchmark, after fees, over a rolling seven year period.		
Benchmark index	Consumer Price Index + 4% pa		
Asset class	Diversified		
Investment style	Active		
Investment strategy and approach	<p>InvestSense believes that prevailing market valuations tend to be indicative of final outcomes over long-time periods. By undertaking a forward-looking view of expected returns and implied risks, InvestSense aims to understand if the market is sufficiently rewarding investors for the risks they are undertaking across different asset classes.</p> <p>The portfolio does not have a pre-defined asset allocation, instead InvestSense employs an objective based approach which aims to determine the appropriate mix of asset classes that is likely to achieve the stated objective while minimising the level of risk. As investment markets fluctuate and therefore expected returns change, InvestSense alters the asset allocation accordingly.</p> <p>In general, the portfolio's long term average exposure will be around 30% defensive assets and around 70% growth assets. However, the portfolio's strategy is relatively unconstrained and there may be times when the actual asset allocation will deviate significantly from the expected long term average position. As a guide, it is expected that the any deviation from the long term average position would be within +/- 30%.</p>		
Investment universe	Australian registered managed funds, exchange traded funds and listed securities predominantly within the S&P/ASX 300 index.		
Risk label (SRM)	Medium to high (5)		
Minimum investment horizon	7 years		
Minimum investment amount	\$50,000		
Indicative number of assets	7 – 60		
Investment management fee	0.3087% pa		
Fees and costs – underlying investments¹	Performance-related fees	0.08% pa	
	Other indirect costs	0.41% pa	
	Transactional and operational costs	0.20% pa	
	Transaction fees	0.07% pa	
Asset allocation ranges	Asset class	Minimum (%)	Maximum (%)
	Cash ²	2	90
	Australian fixed interest	0	60
	International fixed interest	0	60
	Fixed interest other	0	60
	Australian shares	0	60
	International shares	0	60
	Australian property	0	20
	International property	0	20
	Listed infrastructure	0	20
	Alternatives ³	0	30
Diversified ³	0	20	

InvestSense managed portfolio options summaries

- 1 These fees and costs are weighted averages based on the estimated fees and costs for the relevant underlying investments in relation to the 12 months to 30 June 2020, or in the case of a new or varied managed portfolio option, as if the managed portfolio option had been in place for the 12 month period ending 30 June 2020. These fees and costs are net of any rebate (if applicable) paid by an issuer of an underlying managed fund that forms part of the relevant managed portfolio option and is passed on to you. Refer to 'Indirect costs' and 'Rebates' in the 'Additional explanation of fees and costs' section of this document for further information.
- 2 The 'Cash' asset class includes the cash allocation of the portfolio that is held in BT CMA (or any other cash product nominated by us) but may include allocation to other cash type investments.
- 3 The 'Alternatives' and 'Diversified' asset classes may contain both defensive and growth assets.

InvestSense Multi-Asset CPI + 5% Portfolio

APIR code	WFS8313AU		
Designed for investors who	Seek a high return above inflation with capital growth by investing in a diversified portfolio. They are prepared to accept a high level of risk to achieve this objective.		
Investment objective	To deliver total return in line with the benchmark, after fees, over a rolling 10 year period.		
Benchmark index	Consumer Price Index + 5% pa		
Asset class	Diversified		
Investment style	Active		
Investment strategy and approach	<p>InvestSense believes that prevailing market valuations tend to be indicative of final outcomes over long-time periods. By undertaking a forward-looking view of expected returns and implied risks, InvestSense aims to understand if the market is sufficiently rewarding investors for the risks they are undertaking across different asset classes.</p> <p>The portfolio does not have a pre-defined asset allocation, instead InvestSense employs an objective based approach which aims to determine the appropriate mix of asset classes that is likely to achieve the stated objective while minimising the level of risk. As investment markets fluctuate and therefore expected returns change, InvestSense alters the asset allocation accordingly.</p> <p>In general, the portfolio's long term average exposure will be around 15% defensive assets and around 85% growth assets. However, the portfolio's strategy is relatively unconstrained and there may be times when the actual asset allocation will deviate significantly from the expected long term average position. As a guide, it is expected that the any deviation from the long term average position would be within +/- 30%.</p>		
Investment universe	Australian registered managed funds, exchange traded funds and listed securities predominantly within the S&P/ASX 300 index.		
Risk label (SRM)	High (6)		
Minimum investment horizon	10 years		
Minimum investment amount	\$50,000		
Indicative number of assets	7 – 60		
Investment management fee	0.3087% pa		
Fees and costs – underlying investments¹	Performance-related fees	0.10% pa	
	Other indirect costs	0.42% pa	
	Transactional and operational costs	0.21% pa	
	Transaction fees	0.07% pa	
Asset allocation ranges	Asset class	Minimum (%)	Maximum (%)
	Cash ²	2	70
	Australian fixed interest	0	40
	International fixed interest	0	40
	Fixed interest other	0	40
	Australian shares	0	70
	International shares	0	70
	Australian property	0	20
	International property	0	20
	Listed infrastructure	0	20
	Alternatives ³	0	30
Diversified ³	0	20	

InvestSense managed portfolio options summaries

- 1 These fees and costs are weighted averages based on the estimated fees and costs for the relevant underlying investments in relation to the 12 months to 30 June 2020, or in the case of a new or varied managed portfolio option, as if the managed portfolio option had been in place for the 12 month period ending 30 June 2020. These fees and costs are net of any rebate (if applicable) paid by an issuer of an underlying managed fund that forms part of the relevant managed portfolio option and is passed on to you. Refer to 'Indirect costs' and 'Rebates' in the 'Additional explanation of fees and costs' section of this document for further information.
- 2 The 'Cash' asset class includes the cash allocation of the portfolio that is held in BT CMA (or any other cash product nominated by us) but may include allocation to other cash type investments.
- 3 The 'Alternatives' and 'Diversified' asset classes may contain both defensive and growth assets.

For more information

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70044-1220ox

BT Managed Portfolios

Part 2 - Investment Options Booklet
Lonsec

Issued 14 December 2020

The Product Disclosure Statement (PDS) is issued by
Westpac Financial Services Limited
ABN 20 000 241 127
Australian Financial Services Licence (AFSL) Number 233716

About the PDS

The PDS should help you to make a decision about whether or not to invest in BT Managed Portfolios ARSN 604 066 686 by:

- giving you a clear overview of BT Managed Portfolios and how it works
- explaining the benefits, features, risks and costs of investing in BT Managed Portfolios
- giving you an understanding of where you can find more information or get help.

The PDS is comprised of 2 parts:

- **Part 1 - General Information.**
Please read this for an overview of BT Managed Portfolios and how it works.
- **Part 2 - Investment Options Booklet (this document).**
This document describes the managed portfolio options within BT Managed Portfolios that are managed by Lonsec Investment Solutions Pty Ltd ABN 95 608 837 583 (Lonsec or the investment manager) (together referred to as the Lonsec managed portfolio options) as well as the fees and charges that apply to these managed portfolio options.

Updated information

These documents may change. If information is not materially adverse, we may update information by placing a notice on bt.com.au/panorama. You may also request a paper copy free of charge by calling us on 1300 881 716. The PDS contains important information that you should consider before making a decision about BT Managed Portfolios.

General advice warning

The information in the PDS is general information only and doesn't take into account your personal objectives, financial situation or needs. You should consider whether the information in the PDS is appropriate for you in light of your objectives, financial situation and needs.

Investment manager

Lonsec is an authorised representative of Lonsec Research Pty Ltd ABN 11 151 658 561 AFSL Number 421445 (Lonsec Research).

Consent to be named

Lonsec and Lonsec Research have given and not withdrawn their consents to the inclusion in this document of all information referable to them (and the managed portfolio options Lonsec is engaged to manage) in the form and context in which that information appears.

Availability

If, within your Panorama Investments or Panorama Super (excluding BT Super Invest) account, you only have access to the Compact menu of investment options (and not the Full menu), you may not be able to access some or all of the managed portfolio options described in this document. If you hold a BT Super Invest account you may also be unable to access some or all of the managed portfolio options in this document. Please refer to the disclosure document for your Panorama Product to

confirm your ability to access and invest in the Lonsec managed portfolio options.

Managed portfolio options in BT Managed Portfolios other than those described in this document might also be available to you. Information about these other managed portfolio options is set out in separate product disclosure statements for BT Managed Portfolios that are also issued by us. You should obtain and consider those product disclosure statements in deciding whether to acquire or continue to hold any interest in BT Managed Portfolios. Contact the Panorama Support team or your adviser for more information on other managed portfolio options that may be available to you, and to obtain a copy of the relevant product disclosure statement for those managed portfolio options.

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Who is the investment manager?

Lonsec Investment Solutions Pty Ltd (Lonsec)

Lonsec has been appointed by us as investment manager to advise on the construction and management of the Lonsec managed portfolio options.

ABN	95 608 837 583
Authorised Representative Number	1236821
About the investment manager	Lonsec is the corporate authorised representative of Lonsec Research Pty Ltd ABN 11 151 658 561 AFSL Number 421445 (Lonsec Research) and is authorised to provide financial services on behalf of Lonsec Research. Leveraging Lonsec Research's established research and portfolio construction expertise and deep resources, Lonsec provides access to a range of portfolio solutions.
Investment philosophy and process	<p>Lonsec seeks to maximise returns with a focus on managing downside risk. Lonsec seeks to achieve this by:</p> <ul style="list-style-type: none">– a rigorous research driven approach seeking to identify quality investments– a diversified approach to investing including diversification of investments and underlying investment strategies– utilising strategies that can assist in managing downside risk. <p>This may mean that portfolio performance lags the benchmark in strong markets, however Lonsec believes the portfolios are better aligned to investor expectations, and that they will be better placed to achieve their return objectives.</p>

What are the fees and other costs?

Did you know?

Small differences in both investment performance and fees and costs can have a substantial impact on your long term returns.

For example, total annual fees and costs of 2% of your investment balance rather than 1% could reduce your final return by up to 20% over a 30 year period (for example, reduce it from \$100,000 to \$80,000).

You should consider whether features such as superior investment performance or the provision of better member services justify higher fees and costs.

You may be able to negotiate to pay lower contribution fees and management costs where applicable. Ask the fund or your financial adviser.

To find out more

If you would like to find out more, or see the impact of the fees based on your own circumstances, the **Australian Securities and Investments Commission (ASIC)** website (www.moneySMART.gov.au) has a managed funds fee calculator to help you check out different fee options.

This section of the document shows fees and other costs that you may be charged for investing in BT Managed Portfolios. These fees and costs may be deducted from your money, from the returns on your investment or from your portfolio as a whole. Taxes are set out in another part of the PDS.

You should read all the information about fees and costs because it is important to understand their impact on your investment. Fees and costs for the Lonsec managed portfolio options are set out on page 10. All fees are in Australian dollars.

Except where otherwise stated, all fees in this document are expressed as inclusive of any GST and are net of any reduced input tax credits (RITCs) which may be claimed.

What are the fees and other costs?

BT Managed Portfolios

Type of fee or cost ¹	Amount	How and when paid
Fees when your money moves in or out of BT Managed Portfolios		
Establishment fee The fee to open your investment	Nil	Not applicable
Contribution fee The fee on each amount contributed to your investment	Nil	Not applicable
Withdrawal fee The fee on each amount you take out of your investment	Nil	Not applicable
Exit fee The fee to close your investment	Nil	Not applicable
Management costs – The fees and costs for managing your investment²		
The amount you pay for the Lonsec managed portfolio options is shown on page 10.		
Investment management fee	The investment management fee for your portfolio will depend on the managed portfolio option you have selected. Each managed portfolio option has a separate investment management fee which ranges from 0.3025% to 0.6612% per annum of the value invested. Please refer to the Lonsec managed portfolio options list on page 10 for more information.	<ul style="list-style-type: none"> – The investment management fee is calculated based on the average daily value of your portfolio for the month. – The investment management fee is deducted and paid to us from the cash allocation of your portfolio on a monthly basis at the end of each month.
Indirect costs³	<p>Performance-related fees Each managed portfolio option has a weighted average performance-related fee ranging from 0.00% to 0.06% per annum.</p> <p>Other indirect costs The weighted average of each managed portfolio option's other indirect costs ranges from 0.00% to 0.84% per annum.</p> <p>Please refer to the Lonsec managed portfolio options list on page 10 for more information.</p>	<ul style="list-style-type: none"> – The calculation of fees and costs in relation to an underlying managed fund or exchange traded fund, and timing of payment, will vary between the underlying managed funds or exchange traded funds. – The indirect costs, including any performance-related fees payable in connection with an underlying managed fund or exchange traded fund, are not directly charged or retained by us. These indirect costs are paid from the assets of the relevant underlying managed funds or exchange traded funds, and will generally be reflected in the unit prices of those underlying managed funds or the closing market prices of the exchange traded funds that are held in your portfolio.
Service fees		
Switching fee The fee for changing investment options	Nil	Not applicable

¹ Adviser fees may also apply.

² Additional fees may apply. Refer to the 'Additional explanation of fees and costs' section of this document for more information.

³ The performance-related fees and other indirect costs are estimates and calculated based on the indirect costs for the 12 month period ending 30 June 2020, or in the case of a new or varied managed portfolio option, as if the managed portfolio option had been in place for the 12 month period ending 30 June 2020. The performance-related fees shown are not a representation of likely future performance. The actual indirect costs of a managed portfolio option in future periods may be different and materially so, given the nature of these costs. For more information, refer to 'Indirect costs' in the 'Additional explanation of fees and costs' section of this document.

What are the fees and other costs?

Example of annual fees and costs for a balanced managed portfolio option or other managed portfolio option

This table gives an example of how the fees and costs for the Lonsec Multi-Asset Managed Balanced Portfolio can affect your investment over a 1 year period. You should use this table to compare this product with other managed investment products.

Example - Lonsec Multi-Asset Managed Balanced Portfolio		Balance of \$50,000 with a contribution of \$5,000 during the year ¹
Contribution fees	Nil	For every additional \$5,000 you put in, you will be charged \$0.
PLUS Management costs		
– Investment management fee	0.3025%	And, for every \$50,000 you have in the Lonsec Multi-Asset Managed Balanced Portfolio you will be charged \$501.25 each year.
– Performance-related fees ²	0.04%	
– Other indirect costs ²	0.66%	
EQUALS		If you had an investment of \$50,000 at the beginning of the year and you put in an additional \$5,000 during that year, you would be charged fees of \$501.25
Cost of the Lonsec Multi-Asset Managed Balanced Portfolio ³		
What it costs you will depend on the investment option you choose and the fees you negotiate.		

- 1 The amount used in this example is prescribed by legislation. This example assumes that the \$50,000 is invested for the entire year, the value of the investment is constant over the year and that the additional \$5,000 is invested at the end of the year. Therefore management costs are calculated using the \$50,000 balance only.
- 2 The performance-related fees and other indirect costs are estimates and calculated based on the indirect costs for the 12 month period ending 30 June 2020, or in the case of a new or varied managed portfolio option, as if the managed portfolio option had been in place for the 12 month period ending 30 June 2020. The performance-related fees shown are not a representation of likely future performance. The actual indirect costs of a managed portfolio option in future periods may be different and materially so, given the nature of these costs. For more information, refer to 'Indirect costs' in the 'Additional explanation of fees and costs' section of this document.
- 3 Additional fees may apply. This example does not take into account all the fees and costs that may apply, for example, the total transactional and operational costs. For more information, refer to 'Transactional and operational costs' in the 'Additional explanation of fees and costs' section of this document.

Additional explanation of fees and costs

Management costs

Management costs for each managed portfolio option include the investment management fee, any performance-related fees and other indirect costs.

Management costs do not include transactional and operational costs ie costs associated with investing (including in underlying funds, if applicable). For more information, refer to 'Transactional and operational costs' on page 8.

Investment management fee

We are entitled to be paid an investment management fee as responsible entity of BT Managed Portfolios.

The investment management fee is charged as a percentage of the value of your portfolio. It is accrued daily and paid from the cash allocation of your portfolio monthly.

Payments made to the investment manager

We may pay the investment manager a fee for investment management services provided to us. This is paid from the investment management fee we receive, and is not an additional cost to you.

Changes in fees and costs

We have the right to introduce fees and to begin reimbursing ourselves for expenses from your portfolio (including performance fees payable to an investment manager), but we will give you 30

days' notice prior to doing so. The constitution provides for the responsible entity to receive a maximum investment management fee of 4% per annum (excluding GST) of the total value invested and a maximum performance fee of 5% per annum (excluding GST) of the total value invested. The responsible entity does not currently charge performance fees.

Expenses

We're entitled to be reimbursed from the scheme for authorised expenses incurred in the management and administration of managed portfolio options in the proper performance of our duties. Currently routine scheme expenses, including trustee, registry, custodian, accounting, audit and legal expenses (excluding transaction costs), are paid out of our investment management fee. If extraordinary or unusual expenses are incurred, we may choose to recover costs from the scheme.

Indirect costs

Indirect costs (also referred to as 'Fees and costs - underlying investments') are determined as a percentage of the value of the relevant managed portfolio option you're invested in. Indirect costs are an estimate of the costs incurred in managing the managed portfolio's assets which directly or indirectly reduce the return on the managed portfolio. These costs are not directly charged or retained by us. These costs are generally deducted from the assets of an underlying managed fund or exchange traded fund.

What are the fees and other costs?

Where the managed portfolio invests in an underlying managed fund or exchange traded fund, we have relied on the information provided by the issuers of those underlying funds and have made reasonable enquiries where necessary to determine the appropriateness of the indirect costs provided.

The amounts included in the table of fees and costs are estimates and calculated based on the indirect costs paid in the 12 month period ending 30 June 2020, or in the case of a new or varied managed portfolio option, as if the managed portfolio option had been in place for the 12 month period ending 30 June 2020.

These indirect costs are reflected in the unit price of the underlying managed funds or the closing market prices of the exchange traded funds that are held in your portfolio and are an additional cost to you.

The actual indirect costs of a managed portfolio option in future periods may be different to the estimates included in this document and materially so, given the nature of these costs, as explained below.

Indirect costs are:

- **Performance-related fees:** An underlying investment manager of a managed fund or exchange traded fund may charge a performance fee, called a performance-related fee. If applicable, it is included in indirect costs and is not an additional cost to you. We do not currently charge performance-related fees.

Generally, a performance-related fee will only be charged in respect of an underlying managed fund or exchange traded fund when the investment return outperforms either the relevant benchmark or a specific performance hurdle return. However, usually, any prior under performance must also be made good before the underlying investment manager qualifies for a performance-related fee.

The performance-related fee rate typically ranges from 0%–30% of the outperformance over the relevant benchmark or performance hurdle and is generally paid at least annually (performance period). Performance-related fees affect the underlying fund's return and therefore the value of your investment in the fund. The performance-related fee may still be payable where the overall performance of the underlying managed fund or exchange traded fund has declined over the performance period. This is because one or more underlying investment managers may have outperformed the benchmark or their performance hurdle over that period.

Where an underlying investment manager's cumulative performance for a period is less than the relevant benchmark or performance hurdle, this underperformance may be carried forward to the following period and no further performance-related fees will be either reflected in the unit price or paid in respect of the underlying investment manager until the underperformance is recouped.

The more exposure a managed portfolio has to an underlying investment that charges performance-related fees, the greater

the potential impact that this will have on your investment in that managed portfolio.

- **Other indirect costs:** The managed portfolio option may incur other indirect costs as a result of investing in underlying managed funds or exchange traded funds. Typical indirect costs include an underlying managed fund's or exchange traded fund's costs which have been included in the valuation of the underlying managed fund or exchange traded fund.

Other indirect costs will also be incurred in respect of the cash allocation of each managed portfolio option.

Transactional and operational costs

- **Transaction fees:** We charge a transaction fee in relation to the buying and selling of listed securities and exchange traded funds in your portfolio. This fee will cover the costs of processing and settling the transactions, including the brokerage payable to the appointed broker. Generally, the fee will be between 0.11% and 0.18% of the transaction amount but may be as high as 0.20% of the transaction amount. As an example, if a \$50,000 transaction occurred in your portfolio, the transaction fees charged at 0.18% would be \$90. In some circumstances, we may not need to process a transaction as it may be possible to net the transaction against transactions for other investors. In these circumstances, we will still charge the transaction fee.
- **Buy/sell spread:** The buy/sell spread (generally applicable to managed funds) is the transaction cost incurred when buying and selling assets in an underlying managed fund when new investors apply for and existing investors redeem units in the underlying managed fund. It is charged by the issuer and is included in the underlying managed fund's unit price.

Typical buy/sell spreads are estimated to be between 0% and 0.70% but may fall outside this range. For example, if \$10,000 is invested in an underlying managed fund, at the maximum buy/sell spread of 0.70%, you will generally incur a cost of \$70 at the time you invest. The buy/sell spread is an additional cost to you. If you require further information on the buy/sell spread applicable to the underlying managed funds, please speak to your adviser or contact us.

- **Other transactional and operational costs:** In relation to an underlying managed fund, where transactional and operational costs arise from trading activity to execute the relevant fund's investment strategy, and are not the result of applications into and redemptions from the relevant fund, these costs (including brokerage, stamp duty and clearing and settlement costs) may not be recouped by the buy/sell spread. In these circumstances, they are an additional cost to you at the time of undertaking the trading activity, and are included in the underlying managed fund's unit price.

In addition, when it comes to buying and selling listed securities and exchange traded funds in your portfolio, there may be transactional and operational costs in addition to transaction fees. These are referred to as bid/ask spreads and represent the difference between the price paid for an

What are the fees and other costs?

underlying investment and the price that it would be disposed of at that time. They are an additional cost to you at the time of undertaking the trading activity.

Our estimate of these transactional and operational costs for the year ended 30 June 2020 for the Lonsec Multi-Asset Managed Balanced Portfolio are set out in the example below.

Detailed fee information for each Lonsec managed portfolio option is set out in the 'Lonsec managed portfolio options summaries' section of this document.

Managed portfolio option	(A) Transactional and operational costs of underlying investments	(B) Transaction fees	(C) = (A) + (B) Total transactional and operational costs
Lonsec Multi-Asset Managed Balanced Portfolio	0.16% pa	0.01% pa	0.17% pa

Using the example above, if \$50,000 is invested in the Lonsec Multi-Asset Managed Balanced Portfolio, total transactional and operational costs will be \$85. This is comprised of transactional and operational costs of the underlying investments of \$80 and transaction fees of \$5. For the total fees and costs relating to the Lonsec Multi-Asset Managed Balanced Portfolio, excluding the transactional and operational costs, refer to the fee example on page 7.

Government duty

Government duty may be payable if you transfer certain assets into or out of your portfolio. For further information regarding how government duty is deducted, refer to the relevant disclosure document for your Panorama Product.

Refer to 'Taxation' in Part 1 of the PDS for information about tax generally.

Other fees and costs

All other fees and costs (such as government fees, bank fees, fees for failed transactions and penalty interest) incurred as a result of a transaction, deposit or withdrawal, will be passed on to you and payable out of the cash allocation of your portfolio.

Additional fees may be paid to a financial adviser if you have consulted a financial adviser. You should refer to the Statement of Advice provided by your financial adviser in which details of the fees are set out. ASIC provides a fee calculator on www.moneysmart.gov.au, which you may use to calculate the effects of fees and costs on your investment in BT Managed Portfolios.

Rebates

The issuer of an underlying managed fund (within your portfolio) may provide a rebate of some or all of the investment costs for the underlying managed fund. In general, your eligibility to receive a rebate will be based on your holdings in the relevant underlying managed fund over the period the rebate payment relates to,

where you have an open Panorama Product at the time the rebate is calculated.

Any rebate received will be paid in full to eligible investors. The rebate will be paid into the cash allocation of your portfolio or your Panorama Product's transaction account if you have fully withdrawn from your portfolio.

Lonsec managed portfolio options list

The fees and costs applying to each managed portfolio option are set out below.

Option name	APIR code	Investment management fee ¹	Fees and costs – underlying investments ²			Page
			Performance-related fees	Other indirect costs	Total transactional and operational costs	
ASSET CLASS: Australian shares						
Lonsec Core Australian Equities Portfolio	WFS6119AU	0.6612% pa	0.00% pa	0.00% pa	0.22% pa	11
ASSET CLASS: Diversified						
Lonsec Listed Managed Balanced Portfolio	WFS6380AU	0.3025% pa	0.00% pa	0.22% pa	0.31% pa	12
Lonsec Listed Managed Growth Portfolio	WFS2949AU	0.3025% pa	0.00% pa	0.24% pa	0.31% pa	13
Lonsec Listed Managed High Growth Portfolio	WFS3324AU	0.3025% pa	0.00% pa	0.25% pa	0.33% pa	14
Lonsec Multi-Asset Managed Defensive Portfolio	WFS0560AU	0.3025% pa	0.00% pa	0.42% pa	0.10% pa	15
Lonsec Multi-Asset Managed Conservative Portfolio	WFS0561AU	0.3025% pa	0.02% pa	0.55% pa	0.11% pa	16
Lonsec Multi-Asset Managed Balanced Portfolio	WFS0562AU	0.3025% pa	0.04% pa	0.66% pa	0.17% pa	17
Lonsec Multi-Asset Managed Growth Portfolio	WFS0563AU	0.3025% pa	0.04% pa	0.73% pa	0.23% pa	18
Lonsec Multi-Asset Managed High Growth Portfolio	WFS0564AU	0.3025% pa	0.06% pa	0.84% pa	0.25% pa	19
Lonsec Retirement Managed Conservative Portfolio	WFS4282AU	0.3025% pa	0.00% pa	0.64% pa	0.10% pa	20
Lonsec Retirement Managed Balanced Portfolio	WFS2645AU	0.3025% pa	0.00% pa	0.71% pa	0.08% pa	21
Lonsec Retirement Managed Growth Portfolio	WFS8120AU	0.3025% pa	0.00% pa	0.78% pa	0.06% pa	22

1 This fee is payable monthly to us as the responsible entity of BT Managed Portfolios, and is calculated on the average daily value of your portfolio for the month. Refer to 'Investment management fee' in the 'Additional explanation of fees and costs' section of this document for more information.

2 These fees and costs are weighted averages based on the estimated fees and costs for the relevant underlying investments in relation to the 12 months to 30 June 2020, or in the case of a new or varied managed portfolio option, as if the managed portfolio option had been in place for the 12 month period ending 30 June 2020. These fees and costs are net of any rebate (if applicable) paid by an issuer of an underlying managed fund that forms part of the relevant managed portfolio option and is passed on to you. Refer to 'Indirect costs' and 'Rebates' in the 'Additional explanation of fees and costs' section of this document for further information.

Lonsec managed portfolio options summaries

Lonsec Core Australian Equities Portfolio

APIR code	WFS6119AU		
Designed for investors who	Seek capital growth with income potential over the medium to long term. They are prepared to accept a high risk of capital loss to achieve this objective.		
Investment objective	To outperform the benchmark before fees over a rolling five year period.		
Benchmark index	S&P/ASX 200 Accumulation Index		
Asset class	Australian shares		
Investment style	Active		
Investment strategy and approach	Lonsec adopts an active approach to investing. Lonsec incorporates top down and bottom-up company research focusing on quality companies trading at a reasonable price to construct a low turnover, concentrated portfolio of 15 to 25 ASX listed securities.		
Investment universe	Predominantly securities within the S&P/ASX 200 Index		
Risk label (SRM)	High (6)		
Minimum investment horizon	5 years		
Minimum investment amount	\$25,000		
Indicative number of assets	15 - 25		
Investment management fee	0.6612% pa		
Fees and costs – underlying investments¹	Performance-related fees	0.00% pa	
	Other indirect costs	0.00% pa	
	Transactional and operational costs	0.14% pa	
	Transaction fees	0.08% pa	
Asset allocation ranges	Asset class	Minimum (%)	Maximum (%)
	Cash ²	2	10
	Australian shares ³	90	98

- 1 These fees and costs are weighted averages based on the estimated fees and costs for the relevant underlying investments in relation to the 12 months to 30 June 2020, or in the case of a new or varied managed portfolio option, as if the managed portfolio option had been in place for 12 month period ending 30 June 2020.
- 2 The 'Cash' asset class includes the cash allocation of the portfolio that is held in BT CMA (or any other cash product nominated by us) but may include allocation to other cash type investments.
- 3 The 'Australian shares' asset class may include allocation to listed property securities (ie Australian Real Estate Investment Trusts).

Lonsec Listed Managed Balanced Portfolio

APIR code	WFS6380AU		
Designed for investors who	Seek a diversified portfolio to generate a balance of income and capital growth over the medium term through exposure across a range of asset classes. They are prepared to accept a medium to high level of risk to achieve this objective.		
Investment objective	To outperform the benchmark after fees over a rolling five-year period.		
Benchmark index	Morningstar Peer Group Investment Trust Multisector Balanced Index		
Asset class	Diversified		
Investment style	Active		
Investment strategy and approach	<p>The portfolio invests in a mix of income and growth assets, which may include Australian and international shares, property and infrastructure, fixed interest and income securities, alternative assets and cash.</p> <p>In general, the portfolio will have a long-term average exposure of around 60% to growth assets and around 40% to defensive assets, however the allocations will be actively-managed within the allowable ranges depending on market conditions.</p>		
Investment universe	Predominantly securities within the S&P/ASX 200 Index and exchange traded funds		
Risk label (SRM)	Medium to high (5)		
Minimum investment horizon	5 years		
Minimum investment amount	\$25,000		
Indicative number of assets	10 - 40		
Investment management fee	0.3025% pa		
Fees and costs – underlying investments¹	Performance-related fees	0.00% pa	
	Other indirect costs	0.22% pa	
	Transactional and operational costs	0.15% pa	
	Transaction fees	0.16% pa	
Asset allocation ranges	Asset class	Minimum (%)	Maximum (%)
	Cash ²	2	25
	Australian fixed interest	5	40
	International fixed interest	10	35
	Fixed interest other	0	40
	Australian shares	10	45
	International shares	10	45
	Australian property	0	15
	International property	0	15
	Listed infrastructure	0	15
Alternatives ³	0	30	

1 These fees and costs are weighted averages based on the estimated fees and costs for the relevant underlying investments in relation to the 12 months to 30 June 2020, or in the case of a new or varied managed portfolio option, as if the managed portfolio option had been in place for the 12 month period ending 30 June 2020. These fees and costs are net of any rebate (if applicable) paid by an issuer of an underlying managed fund that forms part of the relevant managed portfolio option and is passed on to you. Refer to 'Indirect costs' and 'Rebates' in the 'Additional explanation of fees and costs' section of this document for further information.

2 The 'Cash' asset class includes the cash allocation of the portfolio that is held in BT CMA (or any other cash product nominated by us) but may include allocation to other cash type investments.

3 The 'Alternatives' asset class may contain both defensive and growth assets.

Lonsec Listed Managed Growth Portfolio

APIR code	WFS2949AU		
Designed for investors who	Seek a diversified portfolio to primarily generate capital growth over the medium to long term through exposure to a range of asset classes. They are prepared to accept a medium to high level of risk to achieve this objective.		
Investment objective	To outperform the benchmark after fees over a rolling six-year period.		
Benchmark index	Morningstar Peer Group Investment Trust Multisector Growth Index		
Asset class	Diversified		
Investment style	Active		
Investment strategy and approach	<p>The portfolio invests in a mix of growth and income assets, which may include Australian and international shares, property and infrastructure, fixed interest and income securities, alternative assets and cash.</p> <p>In general, the portfolio will have a long-term average exposure of around 80% to growth assets and around 20% to defensive assets, however the allocations will be actively-managed within the allowable ranges depending on market conditions.</p>		
Investment universe	Predominantly securities within the S&P/ASX 200 Index and exchange traded funds		
Risk label (SRM)	Medium to high (5)		
Minimum investment horizon	6 years		
Minimum investment amount	\$25,000		
Indicative number of assets	10 - 40		
Investment management fee	0.3025% pa		
Fees and costs – underlying investments¹	Performance-related fees	0.00% pa	
	Other indirect costs	0.24% pa	
	Transactional and operational costs	0.15% pa	
	Transaction fees	0.16% pa	
Asset allocation ranges	Asset class	Minimum (%)	Maximum (%)
	Cash ²	2	20
	Australian fixed interest	0	30
	International fixed interest	0	25
	Fixed interest other	0	30
	Australian shares	15	60
	International shares	15	65
	Australian property	0	15
	International property	0	15
	Listed infrastructure	0	15
Alternatives ³	0	30	

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2 The 'Cash' asset class includes the cash allocation of the portfolio that is held in BT CMA (or any other cash product nominated by us) but may include allocation to other cash type investments.

3 The 'Alternatives' asset class may contain both defensive and growth assets.

Lonsec Listed Managed High Growth Portfolio

APIR code	WFS3324AU		
Designed for investors who	Seek a diversified portfolio to generate capital growth over the long term through exposure to a range of asset classes. They are prepared to accept a high level of risk to achieve this objective.		
Investment objective	To outperform the benchmark after fees over a rolling seven-year period.		
Benchmark index	Morningstar Peer Group Investment Trust Multisector Aggressive Index		
Asset class	Diversified		
Investment style	Active		
Investment strategy and approach	<p>The portfolio invests predominantly in growth assets, which may include Australian and international shares, property, infrastructure and alternative assets.</p> <p>In general, the portfolio will have a long-term average exposure of around 98% to growth assets and around 2% to defensive assets, however the allocations will be actively-managed within the allowable ranges depending on market conditions.</p>		
Investment universe	Predominantly securities within the S&P/ASX 200 Index and exchange traded funds		
Risk label (SRM)	High (6)		
Minimum investment horizon	7 years		
Minimum investment amount	\$25,000		
Indicative number of assets	10 - 40		
Investment management fee	0.3025% pa		
Fees and costs – underlying investments¹	Performance-related fees	0.00% pa	
	Other indirect costs	0.25% pa	
	Transactional and operational costs	0.16% pa	
	Transaction fees	0.17% pa	
Asset allocation ranges	Asset class	Minimum (%)	Maximum (%)
	Cash ²	2	20
	Australian shares	15	70
	International shares	20	75
	Australian property	0	15
	International property	0	15
	Listed infrastructure	0	15
	Alternatives ³	0	30

1 These fees and costs are weighted averages based on the estimated fees and costs for the relevant underlying investments in relation to the 12 months to 30 June 2020, or in the case of a new or varied managed portfolio option, as if the managed portfolio option had been in place for the 12 month period ending 30 June 2020. These fees and costs are net of any rebate (if applicable) paid by an issuer of an underlying managed fund that forms part of the relevant managed portfolio option and is passed on to you. Refer to 'Indirect costs' and 'Rebates' in the 'Additional explanation of fees and costs' section of this document for further information.

2 The 'Cash' asset class includes the cash allocation of the portfolio that is held in BT CMA (or any other cash product nominated by us) but may include allocation to other cash type investments.

3 The 'Alternatives' asset class may contain both defensive and growth assets.

Lonsec Multi-Asset Managed Defensive Portfolio

APIR code	WFS0560AU		
Designed for investors who	Seek a high level of income or have a relatively short investment time frame. They are prepared to accept a low level of risk to achieve this objective.		
Investment objective	To outperform the benchmark after fees over a rolling three-year period.		
Benchmark index	Morningstar Peer Group Investment Trust Multisector Conservative Index		
Asset class	Diversified		
Investment style	Active		
Investment strategy and approach	Lonsec adopts a diversified approach to portfolio construction, with a strong focus on risk. The portfolio has a diversified exposure to shares, property and fixed income and alternative assets. Lonsec applies a dynamic approach to portfolio construction, however over the long term the portfolio is expected to have a 20% allocation to growth assets and an 80% allocation to income generating assets.		
Investment universe	Australian registered managed funds and exchange traded funds		
Risk label (SRM)	Low (2)		
Minimum investment horizon	3 years		
Minimum investment amount	\$25,000		
Indicative number of assets	8 - 40		
Investment management fee	0.3025% pa		
Fees and costs – underlying investments¹	Performance-related fees	0.00% pa	
	Other indirect costs	0.42% pa	
	Transactional and operational costs	0.08% pa	
	Transaction fees	0.02% pa	
Asset allocation ranges	Asset class	Minimum (%)	Maximum (%)
	Cash ²	2	40
	Australian fixed interest	10	50
	International fixed interest	5	50
	Fixed interest other	6	30
	Australian shares	2	25
	International shares	2	25
	Australian property	0	15
	International property	0	15
	Listed infrastructure	0	15
Alternatives ³	0	30	

1 These fees and costs are weighted averages based on the estimated fees and costs for the relevant underlying investments in relation to the 12 months to 30 June 2020, or in the case of a new or varied managed portfolio option, as if the managed portfolio option had been in place for the 12 month period ending 30 June 2020. These fees and costs are net of any rebate (if applicable) paid by an issuer of an underlying managed fund that forms part of the relevant managed portfolio option and is passed on to you. Refer to 'Indirect costs' and 'Rebates' in the 'Additional explanation of fees and costs' section of this document for further information.

2 The 'Cash' asset class includes the cash allocation of the portfolio that is held in BT CMA (or any other cash product nominated by us) but may include allocation to other cash type investments.

3 The 'Alternatives' asset class may contain both defensive and growth assets.

Lonsec Multi-Asset Managed Conservative Portfolio

APIR code	WFS0561AU		
Designed for investors who	Seek an income stream with some capital growth attached over the medium term. They are prepared to accept a low to medium level of risk to achieve this objective.		
Investment objective	To outperform the benchmark after fees over a rolling four-year period.		
Benchmark index	Morningstar Peer Group Investment Trust Multisector Moderate Index		
Asset class	Diversified		
Investment style	Active		
Investment strategy and approach	Lonsec adopts a diversified approach to portfolio construction, with a strong focus on risk. The portfolio has a diversified exposure to shares, property and fixed income and alternative assets. Lonsec applies a dynamic approach to portfolio construction, however over the long term the portfolio is expected to have a 40% allocation to growth assets and a 60% allocation to income generating assets.		
Investment universe	Australian registered managed funds and exchange traded funds		
Risk label (SRM)	Low to medium (3)		
Minimum investment horizon	4 years		
Minimum investment amount	\$25,000		
Indicative number of assets	8 – 40		
Investment management fee	0.3025% pa		
Fees and costs – underlying investments¹	Performance-related fees	0.02% pa	
	Other indirect costs	0.55% pa	
	Transactional and operational costs	0.10% pa	
	Transaction fees	0.01% pa	
Asset allocation ranges	Asset class	Minimum (%)	Maximum (%)
	Cash ²	2	30
	Australian fixed interest	10	45
	International fixed interest	5	45
	Fixed interest other	6	25
	Australian shares	5	30
	International shares	5	30
	Australian property	0	15
	International property	0	15
	Listed infrastructure	0	15
Alternatives ³	0	30	

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2 The 'Cash' asset class includes the cash allocation of the portfolio that is held in BT CMA (or any other cash product nominated by us) but may include allocation to other cash type investments.

3 The 'Alternatives' asset class may contain both defensive and growth assets.

Lonsec Multi-Asset Managed Balanced Portfolio

APIR code	WFS0562AU		
Designed for investors who	Seek growth over the medium to long term. They are prepared to accept a medium level of risk to achieve this objective.		
Investment objective	To outperform the benchmark after fees over a rolling five-year period.		
Benchmark index	Morningstar Peer Group Investment Trust Multisector Balanced Index		
Asset class	Diversified		
Investment style	Active		
Investment strategy and approach	Lonsec adopts a diversified approach to portfolio construction, with a strong focus on risk. The portfolio has a diversified exposure to shares, property and fixed income and alternative assets. Lonsec applies a dynamic approach to portfolio construction, however over the long term the portfolio is expected to have a 60% allocation to growth assets and a 40% allocation to income generating assets.		
Investment universe	Australian registered managed funds and exchange traded funds		
Risk label (SRM)	Medium (4)		
Minimum investment horizon	5 years		
Minimum investment amount	\$25,000		
Indicative number of assets	8 – 40		
Investment management fee	0.3025% pa		
Fees and costs – underlying investments¹	Performance-related fees	0.04% pa	
	Other indirect costs	0.66% pa	
	Transactional and operational costs	0.16% pa	
	Transaction fees	0.01% pa	
Asset allocation ranges	Asset class	Minimum (%)	Maximum (%)
	Cash ²	2	25
	Australian fixed interest	5	40
	International fixed interest	0	35
	Fixed interest other	0	40
	Australian shares	10	45
	International shares	10	45
	Australian property	0	15
	International property	0	15
	Listed infrastructure	0	15
Alternatives ³	0	30	

1 These fees and costs are weighted averages based on the estimated fees and costs for the relevant underlying investments in relation to the 12 months to 30 June 2020, or in the case of a new or varied managed portfolio option, as if the managed portfolio option had been in place for the 12 month period ending 30 June 2020. These fees and costs are net of any rebate (if applicable) paid by an issuer of an underlying managed fund that forms part of the relevant managed portfolio option and is passed on to you. Refer to 'Indirect costs and 'Rebates' in the 'Additional explanation of fees and costs' section of this document for further information.

2 The 'Cash' asset class includes the cash allocation of the portfolio that is held in BT CMA (or any other cash product nominated by us) but may include allocation to other cash type investments.

3 The 'Alternatives' asset class may contain both defensive and growth assets.

Lonsec Multi-Asset Managed Growth Portfolio

APIR code	WFS0563AU		
Designed for investors who	Seek growth over the long term. They are prepared to accept a medium to high level of risk to achieve this objective.		
Investment objective	To outperform the benchmark after fees over a rolling six-year period.		
Benchmark index	Morningstar Peer Group Investment Trust Multisector Growth Index		
Asset class	Diversified		
Investment style	Active		
Investment strategy and approach	Lonsec adopts a diversified approach to portfolio construction, with a strong focus on risk. The portfolio has a diversified exposure to shares, property and fixed income and alternative assets. Lonsec applies a dynamic approach to portfolio construction, however over the long term the portfolio is expected to have an 80% allocation to growth assets and a 20% allocation to income generating assets.		
Investment universe	Australian registered managed funds and exchange traded funds		
Risk label (SRM)	Medium to high (5)		
Minimum investment horizon	6 years		
Minimum investment amount	\$25,000		
Indicative number of assets	8 – 40		
Investment management fee	0.3025% pa		
Fees and costs – underlying investments¹	Performance-related fees	0.04% pa	
	Other indirect costs	0.73% pa	
	Transactional and operational costs	0.21% pa	
	Transaction fees	0.02% pa	
Asset allocation ranges	Asset class	Minimum (%)	Maximum (%)
	Cash ²	2	20
	Australian fixed interest	0	30
	International fixed interest	0	25
	Fixed interest other	0	30
	Australian shares	15	60
	International shares	15	65
	Australian property	0	15
	International property	0	15
	Listed infrastructure	0	15
Alternatives ³	0	30	

1 These fees and costs are weighted averages based on the estimated fees and costs for the relevant underlying investments in relation to the 12 months to 30 June 2020, or in the case of a new or varied managed portfolio option, as if the managed portfolio option had been in place for the 12 month period ending 30 June 2020. These fees and costs are net of any rebate (if applicable) paid by an issuer of an underlying managed fund that forms part of the relevant managed portfolio option and is passed on to you. Refer to 'Indirect costs' and 'Rebates' in the 'Additional explanation of fees and costs' section of this document for further information.

2 The 'Cash' asset class includes the cash allocation of the portfolio that is held in BT CMA (or any other cash product nominated by us) but may include allocation to other cash type investments.

3 The 'Alternatives' asset class may contain both defensive and growth assets.

Lonsec Multi-Asset Managed High Growth Portfolio

APIR code	WFS0564AU		
Designed for investors who	Seek to maximise capital growth over the long term. They are prepared to accept a high level of risk to achieve this objective.		
Investment objective	To outperform the benchmark after fees over a rolling seven-year period.		
Benchmark index	Morningstar Peer Group Investment Trust Multisector Aggressive Index		
Asset class	Diversified		
Investment style	Active		
Investment strategy and approach	Lonsec adopts a diversified approach to portfolio construction, with a strong focus on risk. The portfolio has a diversified exposure to shares, property and alternative assets. Lonsec applies a dynamic approach to portfolio construction, however over the long term the portfolio is expected to have a 98% allocation to growth assets and a 2% allocation to cash.		
Investment universe	Australian registered managed funds and exchange traded funds		
Risk label (SRM)	High (6)		
Minimum investment horizon	7 years		
Minimum investment amount	\$25,000		
Indicative number of assets	8 - 40		
Investment management fee	0.3025% pa		
Fees and costs – underlying investments¹	Performance-related fees	0.06% pa	
	Other indirect costs	0.84% pa	
	Transactional and operational costs	0.23% pa	
	Transaction fees	0.02% pa	
Asset allocation ranges	Asset class	Minimum (%)	Maximum (%)
	Cash ²	2	20
	Australian shares	15	70
	International shares	20	75
	Australian property	0	15
	International property	0	15
	Listed infrastructure	0	15
	Alternatives ³	0	30

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2 The 'Cash' asset class includes the cash allocation of the portfolio that is held in BT CMA (or any other cash product nominated by us) but may include allocation to other cash type investments.

3 The 'Alternatives' asset class may contain both defensive and growth assets.

Lonsec Retirement Managed Conservative Portfolio

APIR code	WFS4282AU		
Designed for investors who	Seek income and some capital growth, with a focus on managing risks such as market and inflation risk. They are prepared to accept a medium level of risk to achieve this objective.		
Investment objective	To deliver 4% income per annum with some capital growth over a rolling three-year period. The portfolio aims to outperform the benchmark before fees over a rolling three-year period.		
Benchmark index	Morningstar Peer Group Investment Trust Multisector Moderate Index		
Asset class	Diversified		
Investment style	Active		
Investment strategy and approach	<p>The portfolio seeks to generate competitive income and capital returns with lower downside risk than the market. This is achieved by diversifying the portfolios by asset class, investment strategy, fund managers and sources of return. Although the portfolio does not largely focus on benchmarks, comparison of its returns against the benchmark index, before fees, is adequate for the purpose of assessing the portfolio's relative performance.</p> <p>In general, the portfolio will have a long-term average exposure of around 40% to growth assets and around 60% to defensive assets, however the allocations will be actively managed within the allowable ranges depending on market conditions.</p>		
Investment universe	Australian registered managed funds and exchange traded funds		
Risk label (SRM)	Medium (4)		
Minimum investment horizon	3 years		
Minimum investment amount	\$25,000		
Indicative number of assets	10 - 25		
Investment management fee	0.3025% pa		
Fees and costs – underlying investments¹	Performance-related fees	0.00% pa	
	Other indirect costs	0.64% pa	
	Transactional and operational costs	0.09% pa	
	Transaction fees	0.01% pa	
Asset allocation ranges	Asset class	Minimum (%)	Maximum (%)
	Cash ²	2	30
	Australian fixed interest	10	50
	International fixed interest	5	45
	Fixed interest other	0	30
	Diversified ³	0	30
	Australian shares	10	35
	International shares	0	30
	Australian property	0	20
	International property	0	15
	Listed infrastructure	0	15
Alternatives ³	0	30	

1 These fees and costs are weighted averages based on the estimated fees and costs for the relevant underlying investments in relation to the 12 months to 30 June 2020, or in the case of a new or varied managed portfolio option, as if the managed portfolio option had been in place for the 12 month period ending 30 June 2020. These fees and costs are net of any rebate (if applicable) paid by an issuer of an underlying managed fund that forms part of the relevant managed portfolio option and is passed on to you. Refer to 'Indirect costs' and 'Rebates' in the 'Additional explanation of fees and costs' section of this document for further information.

2 The 'Cash' asset class includes the cash allocation of the portfolio that is held in BT CMA (or any other cash product nominated by us) but may include allocation to other cash type investments.

3 The 'Alternatives' asset class may contain both defensive and growth assets.

Lonsec Retirement Managed Balanced Portfolio

APIR code	WFS2645AU		
Designed for investors who	Seek income and a moderate level of capital growth, with a focus on managing risks such as market and inflation risk. They are prepared to accept a medium to high level of risk to achieve this objective.		
Investment objective	To deliver 4% income per annum with moderate capital growth over a rolling four-year period. The portfolio aims to outperform the benchmark before fees over a rolling four-year period.		
Benchmark index	Morningstar Peer Group Investment Trust Multisector Balanced Index		
Asset class	Diversified		
Investment style	Active		
Investment strategy and approach	<p>The portfolio seeks to generate competitive income and capital returns with lower downside risk than the market. This is achieved by diversifying the portfolios by asset class, investment strategy, fund managers and sources of return. Although the portfolio does not largely focus on benchmarks, comparison of its returns against the benchmark index, before fees, is adequate for the purpose of assessing the portfolio's relative performance.</p> <p>In general, the portfolio will have a long-term average exposure of around 60% to growth assets and around 40% to defensive assets, however the allocations will be actively managed within the allowable ranges depending on market conditions.</p>		
Investment universe	Australian registered managed funds and exchange traded funds		
Risk label (SRM)	Medium to high (5)		
Minimum investment horizon	4 years		
Minimum investment amount	\$25,000		
Indicative number of assets	10 - 25		
Investment management fee	0.3025% pa		
Fees and costs – underlying investments¹	Performance-related fees	0.00% pa	
	Other indirect costs	0.71% pa	
	Transactional and operational costs	0.08% pa	
	Transaction fees	0.00% pa	
Asset allocation ranges	Asset class	Minimum (%)	Maximum (%)
	Cash ²	2	25
	Australian fixed interest	5	40
	International fixed interest	0	35
	Fixed interest other	0	30
	Diversified ³	0	30
	Australian shares	10	50
	International shares	5	35
	Australian property	0	20
	International property	0	15
	Listed infrastructure	0	15
Alternatives ³	0	30	

1 These fees and costs are weighted averages based on the estimated fees and costs for the relevant underlying investments in relation to the 12 months to 30 June 2020, or in the case of a new or varied managed portfolio option, as if the managed portfolio option had been in place for the 12 month period ending 30 June 2020. These fees and costs are net of any rebate (if applicable) paid by an issuer of an underlying managed fund that forms part of the relevant managed portfolio option and is passed on to you. Refer to 'Indirect costs' and 'Rebates' in the 'Additional explanation of fees and costs' section of this document for further information.

2 The 'Cash' asset class includes the cash allocation of the portfolio that is held in BT CMA (or any other cash product nominated by us) but may include allocation to other cash type investments.

3 The 'Alternatives' asset class may contain both defensive and growth assets.

Lonsec Retirement Managed Growth Portfolio

APIR code	WFS8120AU		
Designed for investors who	Seek income and a high level of capital growth, with a focus on managing risks such as market and inflation risk. They are prepared to accept a medium to high level of risk to achieve this objective.		
Investment objective	To deliver 4% income per annum with high capital growth over a rolling five-year period. The portfolio aims to outperform the benchmark before fees over a rolling five-year period.		
Benchmark index	Morningstar Peer Group Investment Trust Multisector Growth Index		
Asset class	Diversified		
Investment style	Active		
Investment strategy and approach	<p>The portfolio seeks to generate competitive income and capital returns with lower downside risk than the market. This is achieved by diversifying the portfolios by asset class, investment strategy, fund managers and sources of return. Although the portfolio does not largely focus on benchmarks, comparison of its returns against the benchmark index, before fees, is adequate for the purpose of assessing the portfolio's relative performance.</p> <p>In general, the portfolio will have a long-term average exposure of around 80% to growth assets and around 20% to defensive assets, however the allocations will be actively managed within the allowable ranges depending on market conditions.</p>		
Investment universe	Australian registered managed funds and exchange traded funds		
Risk label (SRM)	Medium to high (5)		
Minimum investment horizon	5 years		
Minimum investment amount	\$25,000		
Indicative number of assets	10 - 25		
Investment management fee	0.3025% pa		
Fees and costs – underlying investments¹	Performance-related fees	0.00% pa	
	Other indirect costs	0.78% pa	
	Transactional and operational costs	0.06% pa	
	Transaction fees	0.00% pa	
Asset allocation ranges	Asset class	Minimum (%)	Maximum (%)
	Cash ²	2	20
	Australian fixed interest	0	30
	International fixed interest	0	25
	Fixed interest other	0	30
	Diversified ³	0	30
	Australian shares	15	70
	International shares	10	45
	Australian property	0	20
	International property	0	15
	Listed infrastructure	0	15
Alternatives ³	0	30	

1 These fees and costs are weighted averages based on the estimated fees and costs for the relevant underlying investments in relation to the 12 months to 30 June 2020. These fees and costs are net of any rebate (if applicable) paid by an issuer of an underlying managed fund that forms part of the relevant managed portfolio option and is passed on to you. Refer to 'Rebates' in the 'Additional explanation of fees and costs' section of this document for further information.

2 The 'Cash' asset class includes the cash allocation of the portfolio that is held in BT CMA (or any other cash product nominated by us) but may include allocation to other cash type investments.

3 The 'Alternatives' asset class may contain both defensive and growth assets.

For more information

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BT Managed Portfolios

Part 2 - Investment Options Booklet
Morningstar

Issued 14 December 2020

The Product Disclosure Statement (PDS) is issued by
Westpac Financial Services Limited
ABN 20 000 241 127
Australian Financial Services Licence (AFSL) Number 233716

About the PDS

The PDS should help you to make a decision about whether or not to invest in BT Managed Portfolios ARSN 604 066 686 by:

- giving you a clear overview of BT Managed Portfolios and how it works
- explaining the benefits, features, risks and costs of investing in BT Managed Portfolios
- giving you an understanding of where you can find more information or get help.

The PDS is comprised of 2 parts:

- **Part 1 - General Information.**
Please read this for an overview of BT Managed Portfolios and how it works.
- **Part 2 - Investment Options Booklet (this document).**
This document describes the managed portfolio options within BT Managed Portfolios that are managed by Morningstar Investment Management Australia Limited ABN 54 071 808 501 (Morningstar or the investment manager) (together referred to as the Morningstar managed portfolio options) as well as the fees and charges that apply to these managed portfolio options.

Updated information

These documents may change. If information is not materially adverse, we may update information by placing a notice on bt.com.au/panorama. You may also request a paper copy free of charge by calling us on 1300 881 716. The PDS contains important information that you should consider before making a decision about BT Managed Portfolios.

General advice warning

The information in the PDS is general information only and doesn't take into account your personal objectives, financial situation or needs. You should consider whether the information in the PDS is appropriate for you in light of your objectives, financial situation and needs.

Consent to be named

Morningstar has given and not withdrawn its consent to the inclusion in this document of all information referable to it (and the managed portfolio options it is engaged to manage) in the form and context in which that information appears.

Availability

If, within your Panorama Investments or Panorama Super (excluding BT Super Invest) account, you only have access to the Compact menu of investment options (and not the Full menu), you may not be able to access some or all of the managed portfolio options described in this document. If you hold a BT Super Invest account you may also be unable to access some or all of the managed portfolio options in this document. Please refer to the disclosure document for your Panorama Product to confirm your ability to access and invest in the Morningstar managed portfolio options.

Managed portfolio options in BT Managed Portfolios other than those described in this document might also be available to you.

Information about these other managed portfolio options is set out in separate product disclosure statements for BT Managed Portfolios that are also issued by us. You should obtain and consider those product disclosure statements in deciding whether to acquire or continue to hold any interest in BT Managed Portfolios. Contact the Panorama Support team or your adviser for more information on other managed portfolio options that may be available to you, and to obtain a copy of the relevant product disclosure statement for those managed portfolio options.

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Who is the investment manager?

Morningstar Investment Management Australia Limited (Morningstar)

Morningstar has been appointed by us as investment manager to advise on the construction and management of the Morningstar Series 2 managed portfolio options.

ABN	54 071 808 501
AFSL Number	228986
About the investment manager	<p>Morningstar is a provider of asset allocation, portfolio construction and investment research services with experience in the United States, Australia and other international markets. Morningstar advises and manages funds for superannuation funds, institutions, platform distributors, financial advisers and individuals.</p> <p>At its foundation, Morningstar's investment philosophy focuses on what drives markets and investment outcomes.</p> <p>Morningstar observes that at certain times, the price of individual asset classes tend to deviate significantly from their long-term valuations. In order to take advantage of these deviations, Morningstar uses a valuation-driven asset allocation approach that seeks to identify those assets, regions or sectors that currently present the most attractive risk-reward profile and then looks to construct portfolios based around these assets. In this way, Morningstar aims to deliver consistent returns with a focus on capital preservation.</p>
Investment philosophy and process	<p>Morningstar's investment process is guided by their seven investment principles:</p> <ul style="list-style-type: none">– putting investors first– being independently minded– investing for the long term– being valuation-driven investors– taking a fundamental investment approach– striving to minimise costs– building portfolios holistically.

What are the fees and other costs?

Did you know?

Small differences in both investment performance and fees and costs can have a substantial impact on your long term returns.

For example, total annual fees and costs of 2% of your investment balance rather than 1% could reduce your final return by up to 20% over a 30 year period (for example, reduce it from \$100,000 to \$80,000).

You should consider whether features such as superior investment performance or the provision of better member services justify higher fees and costs.

You may be able to negotiate to pay lower contribution fees and management costs where applicable. Ask the fund or your financial adviser.

To find out more

If you would like to find out more, or see the impact of the fees based on your own circumstances, the **Australian Securities and Investments Commission (ASIC)** website (www.moneySMART.gov.au) has a managed funds fee calculator to help you check out different fee options.

This section of the document shows fees and other costs that you may be charged for investing in BT Managed Portfolios. These fees and costs may be deducted from your money, from the returns on your investment or from your portfolio as a whole. Taxes are set out in another part of the PDS.

You should read all the information about fees and costs because it is important to understand their impact on your investment. Fees and costs for the Morningstar managed portfolio options are set out on page 10. All fees are in Australian dollars.

Except where otherwise stated, all fees in this document are expressed as inclusive of any GST and are net of any reduced input tax credits (RITCs) which may be claimed.

What are the fees and other costs?

BT Managed Portfolios

Type of fee or cost ¹	Amount	How and when paid
Fees when your money moves in or out of BT Managed Portfolios		
Establishment fee The fee to open your investment	Nil	Not applicable
Contribution fee The fee on each amount contributed to your investment	Nil	Not applicable
Withdrawal fee The fee on each amount you take out of your investment	Nil	Not applicable
Exit fee The fee to close your investment	Nil	Not applicable
Management costs – The fees and costs for managing your investment²		
The amount you pay for the Morningstar managed portfolio options is shown on page 10.		
Investment management fee	The investment management fee for your portfolio will depend on the managed portfolio option you have selected. Each managed portfolio option has a separate investment management fee which ranges from 0.5137% to 0.6777% per annum of the value invested. Please refer to the Morningstar managed portfolio options list on page 10 for more information.	<ul style="list-style-type: none"> – The investment management fee is calculated based on the average daily value of your portfolio for the month. – The investment management fee is deducted and paid to us from the cash allocation of your portfolio on a monthly basis at the end of each month.
Indirect costs³	<p>Performance-related fees The weighted average performance-related fee is 0.00% per annum.</p> <p>Other indirect costs The weighted average of each managed portfolio option's other indirect costs ranges from 0.15% to 0.25% per annum.</p> <p>Please refer to the Morningstar managed portfolio options list on page 10 for more information.</p>	<ul style="list-style-type: none"> – The calculation of fees and costs in relation to an underlying managed fund or exchange traded fund, and timing of payment, will vary between the underlying managed funds or exchange traded funds. – The indirect costs, including any performance-related fees payable in connection with an underlying managed fund or exchange traded fund, are not directly charged or retained by us. These indirect costs are paid from the assets of the relevant underlying managed funds or exchange traded funds, and will generally be reflected in the unit prices of those underlying managed funds or the closing market prices of the exchange traded funds that are held in your portfolio.
Service fees		
Switching fee The fee for changing investment options	Nil	Not applicable

¹ Adviser fees may also apply.

² Additional fees may apply. Refer to the 'Additional explanation of fees and costs' section of this document for more information.

³ The performance-related fees and other indirect costs are estimates and calculated based on the indirect costs for the 12 month period ending 30 June 2020, or in the case of a new or varied managed portfolio option, as if the managed portfolio option had been in place for the 12 month period ending 30 June 2020. The performance-related fees shown are not a representation of likely future performance. The actual indirect costs of a managed portfolio option in future periods may be different and materially so, given the nature of these costs. For more information, refer to 'Indirect costs' in the 'Additional explanation of fees and costs' section of this document.

What are the fees and other costs?

Example of annual fees and costs for a balanced managed portfolio option or other managed portfolio option

This table gives an example of how the fees and costs for the Morningstar Balanced Portfolio can affect your investment over a 1 year period. You should use this table to compare this product with other managed investment products.

Example - Morningstar Balanced Portfolio		Balance of \$50,000 with a contribution of \$5,000 during the year ¹
Contribution fees	Nil	For every additional \$5,000 you put in, you will be charged \$0.
PLUS Management costs		
– Investment management fee	0.5649%	And, for every \$50,000 you have in the Morningstar Balanced Portfolio you will be charged \$387.45 each year.
– Performance-related fees ²	0.00%	
– Other indirect costs ²	0.21%	
EQUALS		If you had an investment of \$50,000 at the beginning of the year and you put in an additional \$5,000 during that year, you would be charged fees of
Cost of the Morningstar Balanced Portfolio ³		\$387.45
What it costs you will depend on the investment option you choose and the fees you negotiate.		

- 1 The amount used in this example is prescribed by legislation. This example assumes that the \$50,000 is invested for the entire year, the value of the investment is constant over the year and that the additional \$5,000 is invested at the end of the year. Therefore management costs are calculated using the \$50,000 balance only.
- 2 The performance-related fees and other indirect costs are estimates and calculated based on the indirect costs for the 12 month period ending 30 June 2020, or in the case of a new or varied managed portfolio option, as if the managed portfolio option had been in place for the 12 month period ending 30 June 2020. The performance-related fees shown are not a representation of likely future performance. The actual indirect costs of a managed portfolio option in future periods may be different and materially so, given the nature of these costs. For more information, refer to 'Indirect costs' in the 'Additional explanation of fees and costs' section of this document.
- 3 Additional fees may apply. This example does not take into account all the fees and costs that may apply, for example, the total transactional and operational costs. For more information, refer to 'Transactional and operational costs' in the 'Additional explanation of fees and costs' section of this document.

Additional explanation of fees and costs

Management costs

Management costs for each managed portfolio option include the investment management fee, any performance-related fees and other indirect costs.

Management costs do not include transactional and operational costs ie costs associated with investing (including in underlying funds, if applicable). For more information, refer to 'Transactional and operational costs' on page 8.

Investment management fee

We are entitled to be paid an investment management fee as responsible entity of BT Managed Portfolios.

The investment management fee is charged as a percentage of the value of your portfolio. It is accrued daily and paid from the cash allocation of your portfolio monthly.

Payments made to the investment manager

We may pay the investment manager a fee for investment management services provided to us. This is paid from the investment management fee we receive, and is not an additional cost to you.

Changes in fees and costs

We have the right to introduce fees and to begin reimbursing ourselves for expenses from your portfolio (including performance fees payable to an investment manager), but we will give you 30 days' notice prior to doing so. The constitution provides for the

responsible entity to receive a maximum investment management fee of 4% per annum (excluding GST) of the total value invested and a maximum performance fee of 5% per annum (excluding GST) of the total value invested. The responsible entity does not currently charge performance fees.

Expenses

We're entitled to be reimbursed from the scheme for authorised expenses incurred in the management and administration of managed portfolio options in the proper performance of our duties. Currently routine scheme expenses, including trustee, registry, custodian, accounting, audit and legal expenses (excluding transaction costs), are paid out of our investment management fee. If extraordinary or unusual expenses are incurred, we may choose to recover costs from the scheme.

Indirect costs

Indirect costs (also referred to as 'Fees and costs - underlying investments') are determined as a percentage of the value of the relevant managed portfolio option you're invested in. Indirect costs are an estimate of the costs incurred in managing the managed portfolio's assets which directly or indirectly reduce the return on the managed portfolio. These costs are not directly charged or retained by us. These costs are generally deducted from the assets of an underlying managed fund or exchange traded fund.

What are the fees and other costs?

Where the managed portfolio invests in an underlying managed fund or exchange traded fund, we have relied on the information provided by the issuers of those underlying funds and have made reasonable enquiries where necessary to determine the appropriateness of the indirect costs provided.

The amounts included in the table of fees and costs are estimates and calculated based on the indirect costs paid in the 12 month period ending 30 June 2020, or in the case of a new or varied managed portfolio option, as if the managed portfolio option had been in place for the 12 month period ending 30 June 2020.

These indirect costs are reflected in the unit price of the underlying managed funds or the closing market prices of the exchange traded funds that are held in your portfolio and are an additional cost to you.

The actual indirect costs of a managed portfolio option in future periods may be different to the estimates included in this document and materially so, given the nature of these costs, as explained below.

Indirect costs are:

- **Performance-related fees:** An underlying investment manager of a managed fund or exchange traded fund may charge a performance fee, called a performance-related fee. If applicable, it is included in indirect costs and is not an additional cost to you. We do not currently charge performance-related fees.

Generally, a performance-related fee will only be charged in respect of an underlying managed fund or exchange traded fund when the investment return outperforms either the relevant benchmark or a specific performance hurdle return. However, usually, any prior under performance must also be made good before the underlying investment manager qualifies for a performance-related fee.

The performance-related fee rate typically ranges from 0%–30% of the outperformance over the relevant benchmark or performance hurdle and is generally paid at least annually (performance period). Performance-related fees affect the underlying fund's return and therefore the value of your investment in the fund. The performance-related fee may still be payable where the overall performance of the underlying managed fund or exchange traded fund has declined over the performance period. This is because one or more underlying investment managers may have outperformed the benchmark or their performance hurdle over that period.

Where an underlying investment manager's cumulative performance for a period is less than the relevant benchmark or performance hurdle, this underperformance may be carried forward to the following period and no further performance-related fees will be either reflected in the unit price or paid in respect of the underlying investment manager until the underperformance is recouped.

The more exposure a managed portfolio has to an underlying investment that charges performance-related fees, the greater

the potential impact that this will have on your investment in that managed portfolio.

- **Other indirect costs:** The managed portfolio option may incur other indirect costs as a result of investing in underlying managed funds or exchange traded funds. Typical indirect costs include an underlying managed fund's or exchange traded fund's costs which have been included in the valuation of the underlying managed fund or exchange traded fund.

Other indirect costs will also be incurred in respect of the cash allocation of each managed portfolio option.

Transactional and operational costs

- **Transaction fees:** We charge a transaction fee in relation to the buying and selling of listed securities and exchange traded funds in your portfolio. This fee will cover the costs of processing and settling the transactions, including the brokerage payable to the appointed broker. Generally, the fee will be between 0.11% and 0.18% of the transaction amount but may be as high as 0.20% of the transaction amount. As an example, if a \$50,000 transaction occurred in your portfolio, the transaction fees charged at 0.18% would be \$90. In some circumstances, we may not need to process a transaction as it may be possible to net the transaction against transactions for other investors. In these circumstances, we will still charge the transaction fee.
- **Buy/sell spread:** The buy/sell spread (generally applicable to managed funds) is the transaction cost incurred when buying and selling assets in an underlying managed fund when new investors apply for and existing investors redeem units in the underlying managed fund. It is charged by the issuer and is included in the underlying managed fund's unit price.

Typical buy/sell spreads are estimated to be between 0% and 0.70% but may fall outside this range. For example, if \$10,000 is invested in an underlying managed fund, at the maximum buy/sell spread of 0.70%, you will generally incur a cost of \$70 at the time you invest. The buy/sell spread is an additional cost to you. If you require further information on the buy/sell spread applicable to the underlying managed funds, please speak to your adviser or contact us.

- **Other transactional and operational costs:** In relation to an underlying managed fund, where transactional and operational costs arise from trading activity to execute the relevant fund's investment strategy, and are not the result of applications into and redemptions from the relevant fund, these costs (including brokerage, stamp duty and clearing and settlement costs) may not be recouped by the buy/sell spread. In these circumstances, they are an additional cost to you at the time of undertaking the trading activity, and are included in the underlying managed fund's unit price.

In addition, when it comes to buying and selling listed securities and exchange traded funds in your portfolio, there may be transactional and operational costs in addition to transaction fees. These are referred to as bid/ask spreads and represent the difference between the price paid for an

What are the fees and other costs?

underlying investment and the price that it would be disposed of at that time. They are an additional cost to you at the time of undertaking the trading activity.

Our estimate of these transactional and operational costs for the year ended 30 June 2020 for the Morningstar Balanced Portfolio are set out in the example below.

Detailed fee information for each Morningstar managed portfolio option is set out in the 'Morningstar managed portfolio options summaries' section of this document.

Managed portfolio option	(A) Transactional and operational costs of underlying investments	(B) Transaction fees	(C) = (A) + (B) Total transactional and operational costs
Morningstar Balanced Portfolio	0.27% pa	0.11% pa	0.38% pa

Using the example above, if \$50,000 is invested in the Morningstar Balanced Portfolio, total transactional and operational costs will be \$190. This is comprised of transactional and operational costs of the underlying investments of \$135 and transaction fees of \$55. For the total fees and costs relating to the Morningstar Balanced Portfolio, excluding the transactional and operational costs, refer to the fee example on page 7.

Government duty

Government duty may be payable if you transfer certain assets into or out of your portfolio. For further information regarding how government duty is deducted, refer to the relevant disclosure document for your Panorama Product.

Refer to 'Taxation' in Part 1 of the PDS for information about tax generally.

Other fees and costs

All other fees and costs (such as government fees, bank fees, fees for failed transactions and penalty interest) incurred as a result of a transaction, deposit or withdrawal, will be passed on to you and payable out of the cash allocation of your portfolio.

Additional fees may be paid to a financial adviser if you have consulted a financial adviser. You should refer to the Statement of Advice provided by your financial adviser in which details of the fees are set out. ASIC provides a fee calculator on www.moneysmart.gov.au, which you may use to calculate the effects of fees and costs on your investment in BT Managed Portfolios.

Rebates

The issuer of an underlying managed fund (within your portfolio) may provide a rebate of some or all of the investment costs for the underlying managed fund. In general, your eligibility to receive a rebate will be based on your holdings in the relevant underlying managed fund over the period the rebate payment relates to, where you have an open Panorama Product at the time the rebate is calculated.

Any rebate received will be paid in full to eligible investors. The rebate will be paid into the cash allocation of your portfolio or your Panorama Product's transaction account if you have fully withdrawn from your portfolio.

Morningstar managed portfolio options list

The fees and costs applying to each managed portfolio option are set out below.

Option name	APIR code	Investment management fee ¹	Fees and costs – underlying investments ²			Page
			Performance-related fees	Other indirect costs	Total transactional and operational costs	
ASSET CLASS: Diversified						
Morningstar Conservative Portfolio	WFS1737AU	0.5137% pa	0.00% pa	0.15% pa	0.29% pa	11
Morningstar Moderate Portfolio	WFS1498AU	0.5137% pa	0.00% pa	0.19% pa	0.30% pa	12
Morningstar Balanced Portfolio	WFS6866AU	0.5649% pa	0.00% pa	0.21% pa	0.38% pa	13
Morningstar Diversified Income Portfolio	WFS7914AU	0.5649% pa	0.00% pa	0.20% pa	0.30% pa	14
Morningstar Growth Portfolio	WFS8423AU	0.6264% pa	0.00% pa	0.25% pa	0.47% pa	15
Morningstar High Growth Portfolio	WFS6916AU	0.6777% pa	0.00% pa	0.25% pa	0.51% pa	16

1 This fee is payable monthly to us as the responsible entity of BT Managed Portfolios, and is calculated on the average daily value of your portfolio for the month. Refer to 'Investment management fee' in the 'Additional explanation of fees and costs' section of this document for more information.

2 These fees and costs are weighted averages based on the estimated fees and costs for the relevant underlying investments in relation to the 12 months to 30 June 2020, or in the case of a new or varied managed portfolio option, as if the managed portfolio option had been in place for the 12 month period ending 30 June 2020. These fees and costs are net of any rebate (if applicable) paid by an issuer of an underlying managed fund that forms part of the relevant managed portfolio option and is passed on to you. Refer to 'Indirect costs' and 'Rebates' in the 'Additional explanation of fees and costs' section of this document for further information.

Morningstar managed portfolio options summaries

Morningstar Conservative Portfolio

APIR code	WFS1737AU		
Designed for investors who	Seek diversification across multiple asset classes, investment strategies and styles in order to achieve a rate of return above inflation. They are prepared to accept a low risk of capital loss to achieve this objective.		
Investment objective	To deliver outperformance of the benchmark before fees over a rolling two year period.		
Benchmark index	Consumer Price Index + 0.75% pa		
Asset class	Diversified		
Investment style	Active		
Investment strategy and approach	This is an actively managed diversified portfolio of securities across both defensive asset classes, such as cash and fixed interest securities, and growth asset classes such as Australian equities, property and global securities. In general, the portfolio's long term average exposure will be around 85% defensive assets and around 15% growth assets. The defensive/growth allocations will be actively managed to generally be within a range of +/-20% relative to the long term average exposure.		
Investment universe	Australian registered managed funds, exchange traded funds and securities predominantly within the S&P/ASX 300 Index		
Risk label (SRM)	Low (2)		
Minimum investment horizon	2 years		
Minimum investment amount	\$25,000		
Indicative number of assets	15 - 60		
Investment management fee	0.5137% pa		
Fees and costs – underlying investments¹	Performance-related fees	0.00% pa	
	Other indirect costs	0.15% pa	
	Transactional and operational costs	0.23% pa	
	Transaction fees	0.06% pa	
Asset allocation ranges	Asset class	Minimum (%)	Maximum (%)
	Cash ²	2	90
	Australian fixed interest	0	70
	International fixed interest	0	70
	Fixed interest other	0	70
	Australian shares	0	15
	International shares	0	15
	Australian property	0	15
	International property	0	15
	Listed infrastructure	0	15
	Alternatives ³	0	20
Diversified ³	0	20	

1 These fees and costs are weighted averages based on the estimated fees and costs for the relevant underlying investments in relation to the 12 months to 30 June 2020, or in the case of a new or varied managed portfolio option, as if the managed portfolio option had been in place for the 12 month period ending 30 June 2020. These fees and costs are net of any rebate (if applicable) paid by an issuer of an underlying managed fund that forms part of the relevant managed portfolio option and is passed on to you. Refer to 'Indirect costs' and 'Rebates' in the 'Additional explanation of fees and costs' section of this document for further information.

2 The 'Cash' asset class includes the cash allocation of the portfolio that is held in BT CMA (or any other cash product nominated by us) but may include allocation to other cash type investments.

3 The 'Alternatives' and 'Diversified' asset classes may contain both defensive and growth assets.

Morningstar Moderate Portfolio

APIR code	WFS1498AU		
Designed for investors who	Seek diversification across multiple asset classes, investment strategies and styles in order to achieve a rate of return above inflation. They are prepared to accept a low to medium risk of capital loss to achieve this objective.		
Investment objective	To deliver outperformance of the benchmark before fees over a rolling three year period.		
Benchmark index	Consumer Price Index + 1% pa		
Asset class	Diversified		
Investment style	Active		
Investment strategy and approach	This is an actively managed diversified portfolio of securities across both defensive asset classes, such as cash and fixed interest securities, and growth asset classes such as Australian equities, property and global securities. In general, the portfolio's long term average exposure will be around 70% defensive assets and around 30% growth assets. The defensive/growth allocations will be actively managed to generally be within a range of +/-20% relative to the long term average exposure.		
Investment universe	Australian registered managed funds, exchange traded funds and securities predominantly within the S&P/ASX 300 Index		
Risk label (SRM)	Low to medium (3)		
Minimum investment horizon	3 years		
Minimum investment amount	\$25,000		
Indicative number of assets	25 - 60		
Investment management fee	0.5137% pa		
Fees and costs – underlying investments¹	Performance-related fees	0.00% pa	
	Other indirect costs	0.19% pa	
	Transactional and operational costs	0.22% pa	
	Transaction fees	0.08% pa	
Asset allocation ranges	Asset class	Minimum (%)	Maximum (%)
	Cash ²	2	70
	Australian Fixed Interest	0	50
	International Fixed Interest	0	50
	Fixed Interest other	0	50
	Australian Shares	0	30
	International Shares	0	30
	Australian Property	0	25
	International Property	0	25
	Listed Infrastructure	0	25
	Alternatives ³	0	25
Diversified ³	0	25	

1 These fees and costs are weighted averages based on the estimated fees and costs for the relevant underlying investments in relation to the 12 months to 30 June 2020, or in the case of a new or varied managed portfolio option, as if the managed portfolio option had been in place for the 12 month period ending 30 June 2020. These fees and costs are net of any rebate (if applicable) paid by an issuer of an underlying managed fund that forms part of the relevant managed portfolio option and is passed on to you. Refer to 'Indirect costs' and 'Rebates' in the 'Additional explanation of fees and costs' section of this document for further information.

2 The 'Cash' asset class includes the cash allocation of the portfolio that is held in BT CMA (or any other cash product nominated by us) but may include allocation to other cash type investments.

3 The 'Alternatives' and 'Diversified' asset classes may contain both defensive and growth assets.

Morningstar Balanced Portfolio

APIR code	WFS6866AU		
Designed for investors who	Seek diversification across multiple asset classes, investment strategies and styles in order to achieve a rate of return above inflation. They are prepared to accept a medium risk of capital loss to achieve this objective.		
Investment objective	To deliver outperformance of the benchmark before fees over a rolling five year period.		
Benchmark index	Consumer Price Index + 2.5% pa		
Asset class	Diversified		
Investment style	Active		
Investment strategy and approach	This is an actively managed diversified portfolio of securities across both defensive asset classes, such as cash and fixed interest securities, and growth asset classes such as Australian equities, property and global securities. In general, the portfolio's long term average exposure will be around 50% defensive assets and around 50% growth assets. The defensive/growth allocations will be actively managed to generally be within a range of +/-20% relative to the long term average exposure.		
Investment universe	Australian registered managed funds, exchange traded funds and securities predominantly within the S&P/ASX 300 Index		
Risk label (SRM)	Medium (4)		
Minimum investment horizon	5 years		
Minimum investment amount	\$25,000		
Indicative number of assets	25 - 60		
Investment management fee	0.5649% pa		
Fees and costs – underlying investments¹	Performance-related fees	0.00% pa	
	Other indirect costs	0.21% pa	
	Transactional and operational costs	0.27% pa	
	Transaction fees	0.11% pa	
Asset allocation ranges	Asset class	Minimum (%)	Maximum (%)
	Cash ²	2	55
	Australian fixed interest	0	40
	International fixed interest	0	40
	Fixed interest other	0	40
	Australian shares	0	45
	International shares	0	45
	Australian property	0	35
	International property	0	35
	Listed infrastructure	0	35
	Alternatives ³	0	25
Diversified ³	0	25	

1 These fees and costs are weighted averages based on the estimated fees and costs for the relevant underlying investments in relation to the 12 months to 30 June 2020, or in the case of a new or varied managed portfolio option, as if the managed portfolio option had been in place for the 12 month period ending 30 June 2020. These fees and costs are net of any rebate (if applicable) paid by an issuer of an underlying managed fund that forms part of the relevant managed portfolio option and is passed on to you. Refer to 'Indirect costs' and 'Rebates' in the 'Additional explanation of fees and costs' section of this document for further information.

2 The 'Cash' asset class includes the cash allocation of the portfolio that is held in BT CMA (or any other cash product nominated by us) but may include allocation to other cash type investments.

3 The 'Alternatives' and 'Diversified' asset classes may contain both defensive and growth assets.

Morningstar Diversified Income Portfolio

APIR code	WFS7914AU		
Designed for investors who	Seek diversification across multiple asset classes, investment strategies and styles in order to achieve a consistent level of income at or above prevailing cash levels. In addition, they seek a moderate rate of return above inflation and are prepared to accept a medium risk of capital loss to achieve these objectives.		
Investment objective	To deliver outperformance of the benchmark before fees over a rolling four year period.		
Benchmark index	Consumer Price Index + 2% pa		
Asset class	Diversified		
Investment style	Active		
Investment strategy and approach	This is an actively managed diversified portfolio of securities across both defensive asset classes, such as cash and fixed interest securities, and growth asset classes such as Australian equities, property and global securities. In general, the portfolio's long term average exposure will be around 60% defensive assets and 40% growth assets. The defensive/growth allocations will be actively managed to generally be within a range of +/-20% relative to the long term average exposure.		
Investment universe	Australian registered managed funds, exchange traded funds and securities predominantly within the S&P/ASX 300 Index		
Risk label (SRM)	Medium (4)		
Minimum investment horizon	4 years		
Minimum investment amount	\$25,000		
Indicative number of assets	25 - 60		
Investment management fee	0.5649% pa		
Fees and costs – underlying investments¹	Performance-related fees	0.00% pa	
	Other indirect costs	0.20% pa	
	Transactional and operational costs	0.23% pa	
	Transaction fees	0.07% pa	
Asset allocation ranges	Asset class	Minimum (%)	Maximum (%)
	Cash ²	2	80
	Australian fixed interest	0	40
	International fixed interest	0	40
	Fixed interest other	0	40
	Australian shares	0	40
	International shares	0	40
	Australian property	0	25
	International property	0	25
	Listed infrastructure	0	25
	Alternatives ³	0	20
Diversified ³	0	20	

1 These fees and costs are weighted averages based on the estimated fees and costs for the relevant underlying investments in relation to the 12 months to 30 June 2020, or in the case of a new or varied managed portfolio option, as if the managed portfolio option had been in place for the 12 month period ending 30 June 2020. These fees and costs are net of any rebate (if applicable) paid by an issuer of an underlying managed fund that forms part of the relevant managed portfolio option and is passed on to you. Refer to 'Indirect costs' and 'Rebates' in the 'Additional explanation of fees and costs' section of this document for further information.

2 The 'Cash' asset class includes the cash allocation of the portfolio that is held in BT CMA (or any other cash product nominated by us) but may include allocation to other cash type investments.

3 The 'Alternatives' and 'Diversified' asset classes may contain both defensive and growth assets.

Morningstar Growth Portfolio

APIR code	WFS8423AU		
Designed for investors who	Seek diversification across multiple asset classes, investment strategies and styles in order to achieve a high rate of return above inflation. They are prepared to accept a medium to high risk of capital loss to achieve this objective.		
Investment objective	To deliver outperformance of the benchmark before fees over a rolling seven year period.		
Benchmark index	Consumer Price Index + 3.5% pa		
Asset class	Diversified		
Investment style	Active		
Investment strategy and approach	This is an actively managed diversified portfolio of securities across both defensive asset classes, such as cash and fixed interest securities and growth asset classes such as Australian equities, property and global securities. In general, the portfolio's long term average exposure will be around 30% defensive assets and around 70% growth assets. The defensive/growth allocations will be actively managed to generally be within a range of +/-20% relative to the long term average exposure.		
Investment universe	Australian registered managed funds, exchange traded funds and securities predominantly within the S&P/ASX 300 Index		
Risk label (SRM)	Medium to high (5)		
Minimum investment horizon	7 years		
Minimum investment amount	\$25,000		
Indicative number of assets	25 - 60		
Investment management fee	0.6264% pa		
Fees and costs – underlying investments¹	Performance-related fees	0.00% pa	
	Other indirect costs	0.25% pa	
	Transactional and operational costs	0.33% pa	
	Transaction fees	0.14% pa	
Asset allocation ranges	Asset class	Minimum (%)	Maximum (%)
	Cash ²	2	45
	Australian fixed interest	0	30
	International fixed interest	0	30
	Fixed interest other	0	30
	Australian shares	0	60
	International shares	0	60
	Australian property	0	40
	International property	0	40
	Listed infrastructure	0	40
	Alternatives ³	0	25
Diversified ³	0	25	

1 These fees and costs are weighted averages based on the estimated fees and costs for the relevant underlying investments in relation to the 12 months to 30 June 2020, or in the case of a new or varied managed portfolio option, as if the managed portfolio option had been in place for the 12 month period ending 30 June 2020. These fees and costs are net of any rebate (if applicable) paid by an issuer of an underlying managed fund that forms part of the relevant managed portfolio option and is passed on to you. Refer to 'Indirect costs' and 'Rebates' in the 'Additional explanation of fees and costs' section of this document for further information.

2 The 'Cash' asset class includes the cash allocation of the portfolio that is held in BT CMA (or any other cash product nominated by us) but may include allocation to other cash type investments.

3 The 'Alternatives' and 'Diversified' asset classes may contain both defensive and growth assets.

Morningstar High Growth Portfolio

APIR code	WFS6916AU		
Designed for investors who	Seek diversification across multiple asset classes, investment strategies and styles in order to achieve a very high rate of return above inflation. They are prepared to accept a high risk of capital loss to achieve this objective.		
Investment objective	To deliver outperformance of the benchmark before fees over a rolling nine year period.		
Benchmark index	Consumer Price Index + 4.5% pa		
Asset class	Diversified		
Investment style	Active		
Investment strategy and approach	This is an actively managed diversified portfolio of securities across both defensive asset classes, such as cash and fixed interest securities and growth asset classes such as Australian equities, property and global securities. In general, the portfolio's long term average exposure will be around 10% defensive assets and around 90% growth assets. The defensive/growth allocations will be actively managed to generally be within a range of +/-20% for defensive and +/-10% for growth relative to the long term average exposure.		
Investment universe	Australian registered managed funds, exchange traded funds and securities predominantly within the S&P/ASX 300 Index		
Risk label (SRM)	High (6)		
Minimum investment horizon	9 years		
Minimum investment amount	\$25,000		
Indicative number of assets	25 - 60		
Investment management fee	0.6777% pa		
Fees and costs – underlying investments¹	Performance-related fees	0.00% pa	
	Other indirect costs	0.25% pa	
	Transactional and operational costs	0.39% pa	
	Transaction fees	0.12% pa	
Asset allocation ranges	Asset class	Minimum (%)	Maximum (%)
	Cash ²	2	35
	Australian fixed interest	0	20
	International fixed interest	0	20
	Fixed interest other	0	20
	Australian shares	0	75
	International shares	0	75
	Australian property	0	45
	International property	0	45
	Listed infrastructure	0	45
	Alternatives ³	0	25
Diversified ³	0	25	

1 These fees and costs are weighted averages based on the estimated fees and costs for the relevant underlying investments in relation to the 12 months to 30 June 2020, or in the case of a new or varied managed portfolio option, as if the managed portfolio option had been in place for the 12 month period ending 30 June 2020. These fees and costs are net of any rebate (if applicable) paid by an issuer of an underlying managed fund that forms part of the relevant managed portfolio option and is passed on to you. Refer to 'Indirect costs' and 'Rebates' in the 'Additional explanation of fees and costs' section of this document for further information.

2 The 'Cash' asset class includes the cash allocation of the portfolio that is held in BT CMA (or any other cash product nominated by us) but may include allocation to other cash type investments.

3 The 'Alternatives' and 'Diversified' asset classes may contain both defensive and growth assets.

For more information

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BT Managed Portfolios

Part 2 - Investment Options Booklet
Pandal

Issued 30 October 2020

The Product Disclosure Statement (PDS) is issued by
Westpac Financial Services Limited
ABN 20 000 241 127
Australian Financial Services Licence (AFSL) Number 233716

About the PDS

The PDS should help you to make a decision about whether or not to invest in BT Managed Portfolios ARSN 604 066 686 by:

- giving you a clear overview of BT Managed Portfolios and how it works
- explaining the benefits, features, risks and costs of investing in BT Managed Portfolios
- giving you an understanding of where you can find more information or get help.

The PDS is comprised of 2 parts:

- **Part 1 - General Information.**
Please read this for an overview of BT Managed Portfolios and how it works.
- **Part 2 - Investment Options Booklet (this document).**
This document describes the managed portfolio options within BT Managed Portfolios that are managed by Pandal Institutional Limited ABN 17 126 390 627 (Pandal or the investment manager) (together referred to as the Pandal managed portfolio options) as well as the fees and charges that apply to these managed portfolio options.

Updated information

These documents may change. If information is not materially adverse, we may update information by placing a notice on bt.com.au/panorama. You may also request a paper copy free of charge by calling us on 1300 881 716. The PDS contains important information that you should consider before making a decision about BT Managed Portfolios.

General advice warning

The information in the PDS is general information only and doesn't take into account your personal objectives, financial situation or needs. You should consider whether the information in the PDS is appropriate for you in light of your objectives, financial situation and needs.

Consent to be named

Pandal has given and not withdrawn its consent to the inclusion in this document of all information referable to it (and the managed portfolio options it is engaged to manage) in the form and context in which that information appears.

Availability

If, within your Panorama Investments or Panorama Super (excluding BT Super Invest) account, you only have access to the Compact menu of investment options (and not the Full menu), you may not be able to access some or all of the managed portfolio options described in this document. If you hold a BT Super Invest account you may also be unable to access some or all of the managed portfolio options in this document. Please refer to the disclosure document for your Panorama Product to confirm your ability to access and invest in the Pandal managed portfolio options.

Managed portfolio options in BT Managed Portfolios other than those described in this document might also be available to you. Information about these other managed portfolio options is set

out in separate product disclosure statements for BT Managed Portfolios that are also issued by us. You should obtain and consider those product disclosure statements in deciding whether to acquire or continue to hold any interest in BT Managed Portfolios. Contact the Panorama Support team or your adviser for more information on other managed portfolio options that may be available to you, and to obtain a copy of the relevant product disclosure statement for those managed portfolio options.

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Who is the investment manager?

Pendal Institutional Limited (Pendal)

Pendal has been appointed by us as investment manager to advise on the construction and management of the Pendal managed portfolio options.

ABN	17 126 390 627
AFSL Number	316455
About the investment manager	<p>Pendal is a global investment management business focused on seeking to deliver superior investment returns for investors through active management. Pendal offers investors a range of Australian and international investment choices including shares, property securities, fixed income and cash strategies, as well as multi-asset and responsible investments. To complement its in-house expertise, Pendal also partners with leading global investment managers.</p> <p>Pendal does not have a 'house view' and operates a multi-boutique style business. Pendal's investment teams are supported by a strong operational platform across risk and compliance, sales, marketing and operations, allowing Pendal's fund managers to focus on generating returns for investors.</p> <p>Pendal is a wholly owned subsidiary of Pendal Group Limited. Pendal Group Limited is one of Australia's largest and most enduring pure investment managers (ASX: PDL).</p>
Investment philosophy and process	<p>Pendal believes that share price movements are driven by two things:</p> <ul style="list-style-type: none">— changes in earnings potential— changes in the value the market places on those earnings (the rating). <p>Pendal's process for Australian shares applies a fundamental, in-depth and detailed approach to analysing companies, where it assesses the financial risk, business franchise and management quality of a business which in turn informs its view on the value of that company.</p>

What are the fees and other costs?

Did you know?

Small differences in both investment performance and fees and costs can have a substantial impact on your long term returns.

For example, total annual fees and costs of 2% of your investment balance rather than 1% could reduce your final return by up to 20% over a 30 year period (for example, reduce it from \$100,000 to \$80,000).

You should consider whether features such as superior investment performance or the provision of better member services justify higher fees and costs.

You may be able to negotiate to pay lower contribution fees and management costs where applicable. Ask the fund or your financial adviser.

To find out more

If you would like to find out more, or see the impact of the fees based on your own circumstances, the **Australian Securities and Investments Commission (ASIC)** website (www.moneysmart.gov.au) has a managed funds fee calculator to help you check out different fee options.

This section of the document shows fees and other costs that you may be charged for investing in BT Managed Portfolios. These fees and costs may be deducted from your money, from the returns on your investment or from your portfolio as a whole. Taxes are set out in another part of the PDS.

You should read all the information about fees and costs because it is important to understand their impact on your investment. Fees and costs for the Pandal managed portfolio options are set out on page 10. All fees are in Australian dollars.

Except where otherwise stated, all fees in this document are expressed as inclusive of any GST and are net of any reduced input tax credits (RITCs) which may be claimed.

What are the fees and other costs?

BT Managed Portfolios

Type of fee or cost ¹	Amount	How and when paid
Fees when your money moves in or out of BT Managed Portfolios		
Establishment fee The fee to open your investment	Nil	Not applicable
Contribution fee The fee on each amount contributed to your investment	Nil	Not applicable
Withdrawal fee The fee on each amount you take out of your investment	Nil	Not applicable
Exit fee The fee to close your investment	Nil	Not applicable
Management costs – The fees and costs for managing your investment² The amount you pay for the Pandal managed portfolio options is shown on page 10.		
Investment management fee	The investment management fee for your portfolio will depend on the managed portfolio option you have selected. Each managed portfolio option has a separate investment management fee which ranges from 0.6000% to 0.7000% per annum of the value invested. Please refer to the Pandal managed portfolio options list on page 10 for more information.	<ul style="list-style-type: none"> – The investment management fee is calculated based on the average daily value of your portfolio for the month. – The investment management fee is deducted and paid to us from the cash allocation of your portfolio on a monthly basis at the end of each month.
Indirect costs³	<p>Performance-related fees Each managed portfolio option has a weighted average performance-related fee of 0.00% per annum.</p> <p>Other indirect costs The weighted average of each managed portfolio option's other indirect costs is 0.00% per annum.</p> <p>Please refer to the Pandal managed portfolio options list on page 10 for more information.</p>	<ul style="list-style-type: none"> – The calculation of fees and costs in relation to an underlying managed fund or exchange traded fund, and timing of payment, will vary between the underlying managed funds or exchange traded funds. – The indirect costs, including any performance-related fees payable in connection with an underlying managed fund or exchange traded fund, are not directly charged or retained by us. These indirect costs are paid from the assets of the relevant underlying managed funds or exchange traded funds, and will generally be reflected in the unit prices of those underlying managed funds or the closing market prices of the exchange traded funds that are held in your portfolio.
Service fees		
Switching fee The fee for changing investment options	Nil	Not applicable

¹ Adviser fees may also apply.

² Additional fees may apply. Refer to the 'Additional explanation of fees and costs' section of this document for more information.

³ The performance-related fees and other indirect costs are estimates and calculated based on the indirect costs for the 12 month period ending 30 June 2020, or in the case of a new or varied managed portfolio option, as if the managed portfolio option had been in place for the 12 month period ending 30 June 2020. The performance-related fees shown are not a representation of likely future performance. The actual indirect costs of a managed portfolio option in future periods may be different and materially so, given the nature of these costs. For more information, refer to 'Indirect costs' in the 'Additional explanation of fees and costs' section of this document.

What are the fees and other costs?

Example of annual fees and costs for a balanced managed portfolio option or other managed portfolio option

This table gives an example of how the fees and costs for the Pental Australian Shares Portfolio can affect your investment over a 1 year period. You should use this table to compare this product with other managed investment products.

Example - Pental Australian Shares Portfolio		Balance of \$50,000 with a contribution of \$5,000 during the year ¹
Contribution fees	Nil	For every additional \$5,000 you put in, you will be charged \$0.
PLUS Management costs		
– Investment management fee	0.6900%	And, for every \$50,000 you have in the Pental Australian Shares Portfolio you will be charged \$345.00 each year.
– Performance-related fees ²	0.00%	
– Other indirect costs ²	0.00%	
EQUALS		If you had an investment of \$50,000 at the beginning of the year and you put in an additional \$5,000 during that year, you would be charged fees of
Cost of the Pental Australian Shares Portfolio ³		\$345.00
What it costs you will depend on the investment option you choose and the fees you negotiate.		

- 1 The amount used in this example is prescribed by legislation. This example assumes that the \$50,000 is invested for the entire year, the value of the investment is constant over the year and that the additional \$5,000 is invested at the end of the year. Therefore management costs are calculated using the \$50,000 balance only.
- 2 The performance-related fees and other indirect costs are estimates and calculated based on the indirect costs for the 12 month period ending 30 June 2020, or in the case of a new or varied managed portfolio option, as if the managed portfolio option has been in place for the 12 month period ending 30 June 2020. The performance-related fees shown are not a representation of likely future performance. The actual indirect costs of a managed portfolio option in future periods may be different and materially so, given the nature of these costs. For more information, refer to 'Indirect costs' in the 'Additional explanation of fees and costs' section of this document.
- 3 Additional fees may apply. This example does not take into account all the fees and costs that may apply, for example, the total transactional and operational costs. For more information, refer to 'Transactional and operational costs' in the 'Additional explanation of fees and costs' section of this document.

Additional explanation of fees and costs

Management costs

Management costs for each managed portfolio option include the investment management fee, any performance-related fees and other indirect costs.

Management costs do not include transactional and operational costs ie costs associated with investing (including in underlying funds, if applicable). For more information, refer to 'Transactional and operational costs' on page 8.

Investment management fee

We are entitled to be paid an investment management fee as responsible entity of BT Managed Portfolios.

The investment management fee is charged as a percentage of the value of your portfolio. It is accrued daily and paid from the cash allocation of your portfolio monthly.

Payments we make to the investment manager

We may pay the investment manager a fee for investment management services provided to us. This is paid from the investment management fee we receive, and is not an additional cost to you.

Changes in fees and costs

We have the right to introduce fees and to begin reimbursing ourselves for expenses from your portfolio (including performance fees payable to an investment manager), but we will give you 30 days' notice prior to doing so. The constitution provides for the

responsible entity to receive a maximum investment management fee of 4% per annum (excluding GST) of the total value invested and a maximum performance fee of 5% per annum (excluding GST) of the total value invested. The responsible entity does not currently charge performance fees.

Expenses

We're entitled to be reimbursed from the scheme for authorised expenses incurred in the management and administration of managed portfolio options in the proper performance of our duties. Currently routine scheme expenses, including trustee, registry, custodian, accounting, audit and legal expenses (excluding transaction costs), are paid out of our investment management fee. If extraordinary or unusual expenses are incurred, we may choose to recover costs from the scheme.

Indirect costs

Indirect costs (also referred to as 'Fees and costs - underlying investments') are determined as a percentage of the value of the relevant managed portfolio option you're invested in. Indirect costs are an estimate of the costs incurred in managing the managed portfolio's assets which directly or indirectly reduce the return on the managed portfolio. These costs are not directly charged or retained by us. These costs are generally deducted from the assets of an underlying managed fund or exchange traded fund.

What are the fees and other costs?

Where the managed portfolio invests in an underlying managed fund or exchange traded fund, we have relied on the information provided by the issuers of those underlying funds and have made reasonable enquiries where necessary to determine the appropriateness of the indirect costs provided.

The amounts included in the table of fees and costs are estimates and calculated based on the indirect costs paid in the 12 month period ending 30 June 2020, or in the case of a new or varied managed portfolio option, as if the managed portfolio option had been in place for the 12 month period ending 30 June 2020.

These indirect costs are reflected in the unit price of the underlying managed funds or the closing market prices of the exchange traded funds that are held in your portfolio and are an additional cost to you.

The actual indirect costs of a managed portfolio option in future periods may be different to the estimates included in this document and materially so, given the nature of these costs, as explained below.

Indirect costs are:

- **Performance-related fees:** An underlying investment manager of a managed fund or exchange traded fund may charge a performance fee, called a performance-related fee. If applicable, it is included in indirect costs and is not an additional cost to you. We do not currently charge performance-related fees.

Generally, a performance-related fee will only be charged in respect of an underlying managed fund or exchange traded fund when the investment return outperforms either the relevant benchmark or a specific performance hurdle return. However, usually, any prior under performance must also be made good before the underlying investment manager qualifies for a performance-related fee.

The performance-related fee rate typically ranges from 0%–30% of the outperformance over the relevant benchmark or performance hurdle and is generally paid at least annually (performance period). Performance-related fees affect the underlying fund's return and therefore the value of your investment in the fund. The performance-related fee may still be payable where the overall performance of the underlying managed fund or exchange traded fund has declined over the performance period. This is because one or more underlying investment managers may have outperformed the benchmark or their performance hurdle over that period.

Where an underlying investment manager's cumulative performance for a period is less than the relevant benchmark or performance hurdle, this underperformance may be carried forward to the following period and no further performance-related fees will be either reflected in the unit price or paid in respect of the underlying investment manager until the underperformance is recouped.

The more exposure a managed portfolio has to an underlying investment that charges performance-related fees, the greater

the potential impact that this will have on your investment in that managed portfolio.

- **Other indirect costs:** The managed portfolio option may incur other indirect costs as a result of investing in underlying managed funds or exchange traded funds. Typical indirect costs include an underlying managed fund's or exchange traded fund's costs which have been included in the valuation of the underlying managed fund or exchange traded fund.

Other indirect costs will also be incurred in respect of the cash allocation of each managed portfolio option.

Transactional and operational costs

- **Transaction fees:** We charge a transaction fee in relation to the buying and selling of listed securities and exchange traded funds in your portfolio. This fee will cover the costs of processing and settling the transactions, including the brokerage payable to the appointed broker. Generally, the fee will be between 0.11% and 0.18% of the transaction amount but may be as high as 0.20% of the transaction amount. As an example, if a \$50,000 transaction occurred in your portfolio, the transaction fees charged at 0.18% would be \$90. In some circumstances, we may not need to process a transaction as it may be possible to net the transaction against transactions for other investors. In these circumstances, we will still charge the transaction fee.
- **Buy/sell spread:** The buy/sell spread (generally applicable to managed funds) is the transaction cost incurred when buying and selling assets in an underlying managed fund when new investors apply for and existing investors redeem units in the underlying managed fund. It is charged by the issuer and is included in the underlying managed fund's unit price.

Typical buy/sell spreads are estimated to be between 0% and 0.70% but may fall outside this range. For example, if \$10,000 is invested in an underlying managed fund, at the maximum buy/sell spread of 0.70%, you will generally incur a cost of \$70 at the time you invest. The buy/sell spread is an additional cost to you. If you require further information on the buy/sell spread applicable to the underlying managed funds, please speak to your adviser or contact us.

- **Other transactional and operational costs:** In relation to an underlying managed fund, where transactional and operational costs arise from trading activity to execute the relevant fund's investment strategy, and are not the result of applications into and redemptions from the relevant fund, these costs (including brokerage, stamp duty and clearing and settlement costs) may not be recouped by the buy/sell spread. In these circumstances, they are an additional cost to you at the time of undertaking the trading activity, and are included in the underlying managed fund's unit price.

In addition, when it comes to buying and selling listed securities and exchange traded funds in your portfolio, there may be transactional and operational costs in addition to transaction fees. These are referred to as bid/ask spreads and represent the difference between the price paid for an

What are the fees and other costs?

underlying investment and the price that it would be disposed of at that time. They are an additional cost to you at the time of undertaking the trading activity.

Our estimate of these transactional and operational costs for the year ended 30 June 2020 for the Pandal Australian Shares Portfolio are set out in the example below.

Detailed fee information for each Pandal managed portfolio option is set out in the 'Pandal managed portfolio options summaries' section of this document.

Managed portfolio option	(A) Transactional and operational costs of underlying investments	(B) Transaction fees	(C) = (A) + (B) Total transactional and operational costs
Pandal Australian Shares Portfolio	0.14% pa	0.11% pa	0.25% pa

Using the example above, if \$50,000 is invested in the Pandal Australian Shares Portfolio, total transactional and operational costs will be \$125. This is comprised of transactional and operational costs of the underlying investments of \$70 and transaction fees of \$55. For the total fees and costs relating to the Pandal Australian Shares Portfolio, excluding the transactional and operational costs, refer to the fee example on page 7.

Government duty

Government duty may be payable if you transfer certain assets into or out of your portfolio. For further information regarding how government duty is deducted, refer to the relevant disclosure document for your Panorama Product.

Refer to 'Taxation' in Part 1 of the PDS for information about tax generally.

Other fees and costs

All other fees and costs (such as government fees, bank fees, fees for failed transactions and penalty interest) incurred as a result of a transaction, deposit or withdrawal, will be passed on to you and payable out of the cash allocation of your portfolio.

Additional fees may be paid to a financial adviser if you have consulted a financial adviser. You should refer to the Statement of Advice provided by your financial adviser in which details of the fees are set out. ASIC provides a fee calculator on www.moneySMART.gov.au, which you may use to calculate the effects of fees and costs on your investment in BT Managed Portfolios.

Pendal managed portfolio options list

The fees and costs applying to each managed portfolio option are set out below.

Option name	APIR code	Investment management fee ¹	Fees and costs – underlying investments ²			Page
			Performance-related fees	Other indirect costs	Total transactional and operational costs	
ASSET CLASS: Australian shares						
Pendal Australian Shares Portfolio	WFS0551AU	0.6900% pa	0.00% pa	0.00% pa	0.25% pa	11
Pendal Specialised Retirement Income Portfolio	WFS0558AU	0.7000% pa	0.00% pa	0.00% pa	0.24% pa	12
Pendal Sustainable Future Australian Shares Portfolio	WFS7406AU	0.7000% pa	0.00% pa	0.00% pa	0.26% pa	13
Pendal Tax Effective Income Portfolio	WFS0557AU	0.7000% pa	0.00% pa	0.00% pa	0.22% pa	16
ASSET CLASS: Australian property						
Pendal Australian Listed Property Portfolio	WFS0550AU	0.6000% pa	0.00% pa	0.00% pa	0.34% pa	17

1 This fee is payable monthly to us as the responsible entity of BT Managed Portfolios, and is calculated on the average daily value of your portfolio for the month. Refer to 'Investment management fee' in the 'Additional explanation of fees and costs' section of this document for more information.

2 These fees and costs are weighted averages based on the estimated fees and costs for the relevant underlying investments in relation to the 12 months to 30 June 2020, or in the case of a new or varied managed portfolio option, as if the managed portfolio option has been in place for the 12 month period ending 30 June 2020. Refer to 'Indirect costs' in the 'Additional explanation of fees and costs' section of this document for further information.

Pendal managed portfolio options summaries

Pendal Australian Shares Portfolio

APIR code	WFS0551AU		
Designed for investors who	Seek a broad based, active Australian share portfolio utilising a fundamental company research approach where outperformance is driven primarily by share selection.		
Investment objective	To deliver outperformance relative to the benchmark after fees over a rolling three year period.		
Benchmark index	S&P/ASX 300 Accumulation Index		
Asset class	Australian shares		
Investment style	Active		
Investment strategy and approach	Pendal employs a bottom up, fundamental approach to build a diversified portfolio of Australian shares where the majority of active risk and outperformance is driven by stock selection. The portfolio will focus primarily on capital growth.		
Investment universe	Predominantly securities within the S&P/ASX 300 Index		
Risk label (SRM)	High (6)		
Minimum investment horizon	5 years		
Minimum investment amount	\$25,000		
Indicative number of assets	15 - 35		
Investment management fee	0.6900% pa		
Fees and costs – underlying investments¹	Performance-related fees	0.00% pa	
	Other indirect costs	0.00% pa	
	Transactional and operational costs	0.14% pa	
	Transaction fees	0.11% pa	
Asset allocation ranges	Asset class	Minimum (%)	Maximum (%)
	Cash ²	2	10
	Australian shares ³	90	98

1 These fees and costs are weighted averages based on the estimated fees and costs for the relevant underlying investments in relation to the 12 months to 30 June 2020, or in the case of a new or varied managed portfolio option, as if the managed portfolio option has been in place for 12 month period ending 30 June 2020.

2 The 'Cash' asset class includes the cash allocation of the portfolio that is held in BT CMA (or any other cash product nominated by us) but may include allocation to other cash type investments.

3 The 'Australian shares' asset class may include allocation to listed property securities (ie Australian Real Estate Investment Trusts).

Pendal Specialised Retirement Income Portfolio

APIR code	WFS0558AU		
Designed for investors who	Seek to use their low tax status to maximise total return by investing in a diversified portfolio of Australian shares that exhibits a high level of franked dividends.		
Investment objective	To deliver outperformance relative to the benchmark after fees over a rolling three year period while delivering a higher gross yield than the market.		
Benchmark index	S&P/ASX 300 Accumulation Index		
Asset class	Australian shares		
Investment style	Active		
Investment strategy and approach	<p>Pendal employs a bottom up, fundamental approach to build a diversified portfolio of Australian shares where the majority of active risk and outperformance is driven by stock selection.</p> <p>The portfolio focuses on both capital growth and delivering a higher than market yield and franking credits but no considerations for Capital Gains Tax (CGT) allowing for higher turnover to drive returns.</p>		
Investment universe	Predominantly securities within the S&P/ASX 300 Index		
Risk label (SRM)	High (6)		
Minimum investment horizon	5 years		
Minimum investment amount	\$25,000		
Indicative number of assets	15 - 35		
Investment management fee	0.7000% pa		
Fees and costs – underlying investments¹	Performance-related fees	0.00% pa	
	Other indirect costs	0.00% pa	
	Transactional and operational costs	0.13% pa	
	Transaction fees	0.11% pa	
Asset allocation ranges	Asset class	Minimum (%)	Maximum (%)
	Cash ²	2	10
	Australian shares ³	90	98

1 These fees and costs are weighted averages based on the estimated fees and costs for the relevant underlying investments in relation to the 12 months to 30 June 2020, or in the case of a new or varied managed portfolio option, as if the managed portfolio option has been in place for 12 month period ending 30 June 2020.

2 The 'Cash' asset class includes the cash allocation of the portfolio that is held in BT CMA (or any other cash product nominated by us) but may include allocation to other cash type investments.

3 The 'Australian shares' asset class may include allocation to listed property securities (ie Australian Real Estate Investment Trusts).

Pendal Sustainable Future Australian Shares Portfolio

APIR code	WFS7406AU		
Designed for investors who	Seek an actively managed portfolio of Australian shares which demonstrate attractive financial and environmental, social and governance (ESG) features. The portfolio will not invest in businesses involved with the production of fossil fuels, alcohol, gaming, tobacco, pornography and weapons or have those that have significant human rights, corporate governance or environmental breaches.		
Investment objective	To deliver outperformance relative to the benchmark before fees over a rolling five year period by investing in companies which Pendal has identified as having leading financial, ethical and sustainability characteristics.		
Benchmark index	S&P/ASX 300 Accumulation Index		
Asset class	Australian shares		
Investment style	Active		
Investment strategy and approach	<p>Pendal's investment strategy aims to add value through active stock selection and fundamental company research. Pendal selects stocks based on their assessment of the company's long term worth and its ability to outperform the market.</p> <p>Pendal's fundamental company research looks at the following:</p> <ul style="list-style-type: none"> – Valuation – current share price versus longer term projected price. – Risk factors – financial and non-financial. – Franchise – performance of the company when compared with its peers. – Management quality. <p>Pendal's ethical and sustainability screening process considers a company's material ESG exposures as it relates to both industry and company specific activities. Through Pendal's industry screens, Pendal seeks companies in industries that provide a direct benefit to social and/or environmental outcomes. These screens also identify those industries that have unethical activities and create social harm. Company specific activities are assessed using a 'Best of Sector' approach that rates companies on their exposure and management of material ESG issues. Specifically Pendal seeks exposure to companies that rate above their peers while avoiding those whose assessment places them materially below sector expectations.</p> <p>The portfolio is constructed by incorporating Pendal's best stock ideas within the context of Pendal's fundamental research and sustainable assessment, with appropriate levels of diversification to increase the possibility of the portfolio's return and risk targets being realised.</p>		
Investment universe	Predominantly securities within the S&P/ASX Accumulation 300 Index		
Risk label (SRM)	High (6)		
Minimum investment horizon	5 years		
Minimum investment amount	\$25,000		
Indicative number of assets	15 - 40		
Investment management fee	0.7000% pa		
Fees and costs – underlying investments¹	Performance-related fees	0.00% pa	
	Other indirect costs	0.00% pa	
	Transactional and operational costs	0.15% pa	
	Transaction fees	0.11% pa	
Asset allocation ranges	Asset class	Minimum (%)	Maximum (%)
	Cash ²	2	5
	Australian shares ³	95	98

1 These fees and costs are weighted averages based on the estimated fees and costs for the relevant underlying investments in relation to the 12 months to 30 June 2020, or in the case of a new or varied managed portfolio option, as if the managed portfolio option has been in place for 12 month period ending 30 June 2020.

2 The 'Cash' asset class includes the cash allocation of the portfolio that is held in BT CMA (or any other cash product nominated by us) but may include allocation to other cash type investments.

3 The 'Australian shares' asset class may include allocation to listed property securities (ie Australian Real Estate Investment Trusts).

Pendal managed portfolio options summaries

ESG approach when selecting, retaining and realising investments

The portfolio invests in shares of Australian companies that are considered to meet Pendal's ethical and sustainable criteria whilst representing an attractive financial valuation.

The investible universe, the S&P/ASX 300, is screened for industries that have direct business involvement in business activities that are deemed harmful to the community and the environment (refer to 'Ethical practices' section below for a summary of these industries).

Following this screening process, companies within the remaining industries are researched. Within each industry, using a 'Best of Sector' approach, companies are evaluated against a set of ESG criteria (refer to 'Sustainability' section on this page for summary of these ESG considerations) and then overall sustainability performance is assessed relative to their industry peers. Leaders and laggards are identified on the material sustainable risks and opportunities relevant to each specific company and industry. Companies with sustainability performance that is significantly below their sector peers are removed from the investible universe.

Stocks are selected for the portfolio by combining financial valuation with the sustainability assessment to ensure that the company meets the dual objective of financial returns within a sustainability framework.

The portfolio's compliance with the investment guidelines is reviewed regularly (at least monthly, but this timeframe is not fixed). If Pendal's review process identifies that an investment ceases to comply with the investment guidelines for the portfolio, the investment will usually be sold as soon as is reasonably practicable, having regard to the interests of investors.

Labour, environmental, social and ethical considerations

Ethical practices

The portfolio will not invest in industries with direct business involvement in the following activities:

- fossil fuel production and extraction such as coal, gas and oil
- the production of tobacco or alcohol
- manufacture or provision of gaming facilities
- manufacture of weapons or armaments, and
- manufacture of pornography.

Sustainability

In addition, Pendal's sustainable assessment process considers the extent to which a company exhibits appropriate strategic recognition, board oversight, policies and systems to manage the company's material ESG issues. Specifically, the assessment considers issues such as:

- Environmental considerations:
 - management of environmental impacts through the implementation of best practice environmental techniques, technologies and product design
 - environmental performance against a range of environmental indicators including, for example, greenhouse gas emissions, energy and water use and environmental incidents
 - the capacity to consult key stakeholders in relation to activities that may have significant environmental impacts
 - adoption of best practice with regards to management and disclosure of material risks and opportunities associated with climate change.
- Social practices and labour standards:
 - equal opportunity, anti-discrimination and industrial relations policies and practices
 - staff incentives, development and training
 - employee benefits and entitlements
 - human capital management performance against a range of indicators, such as voluntary turnover and gender diversity in senior management
 - products or services that provide positive social impacts such as improved health & community well-being, disease prevention, and education

Pendal managed portfolio options summaries

- management of contractors and suppliers, and
- workplace health and safety performance against indicators such as fatalities and lost time injury frequency rate.
- Corporate governance, business conduct and ethical considerations:
 - codes of conduct and the extent of their integration into the company's operations
 - provision of regular and appropriate training
 - whistleblower policies and procedures
 - ethical conduct and performance of employees and officers – the extent to which companies are adopting principles in areas such as complying with the law, fair and open dealings and accepting responsibility for their actions
 - product safety and consumer protection, and
 - engagement practices with employees, shareholders, and key community stakeholders.

Pendal managed portfolio options summaries

Pendal Tax Effective Income Portfolio

APIR code	WFS0557AU		
Designed for investors who	Seek an exposure to a diversified portfolio of Australian shares that exhibits a high level of franked dividends with low turnover to minimise the effect of Capital Gains Tax (CGT) on holding.		
Investment objective	To deliver outperformance relative to the benchmark after fees on a rolling three year period while delivering a higher gross yield than the market.		
Benchmark index	S&P/ASX 300 Accumulation Index		
Asset class	Australian shares		
Investment style	Active		
Investment strategy and approach	<p>Pendal employs a bottom up, fundamental approach to build a diversified portfolio of Australian shares where the majority of active risk and outperformance is driven by stock selection.</p> <p>The portfolio focuses on both capital growth and delivering higher than market yield with a particular consideration for CGT.</p>		
Investment universe	Predominantly securities within the S&P/ASX Accumulation 300 Index		
Risk label (SRM)	High (6)		
Minimum investment horizon	5 years		
Minimum investment amount	\$25,000		
Indicative number of assets	15 - 35		
Investment management fee	0.7000% pa		
Fees and costs – underlying investments¹	Performance-related fees	0.00% pa	
	Other indirect costs	0.00% pa	
	Transactional and operational costs	0.15% pa	
	Transaction fees	0.07% pa	
Asset allocation ranges	Asset class	Minimum (%)	Maximum (%)
	Cash ²	2	10
	Australian shares ³	90	98

1 These fees and costs are weighted averages based on the estimated fees and costs for the relevant underlying investments in relation to the 12 months to 30 June 2020, or in the case of a new or varied managed portfolio option, as if the managed portfolio option has been in place for 12 month period ending 30 June 2020.

2 The 'Cash' asset class includes the cash allocation of the portfolio that is held in BT CMA (or any other cash product nominated by us) but may include allocation to other cash type investments.

3 The 'Australian shares' asset class may include allocation to listed property securities (ie Australian Real Estate Investment Trusts).

Pendal managed portfolio options summaries

Pendal Australian Listed Property Portfolio

APIR code	WFS0550AU		
Designed for investors who	Seek a broad based, active Australian listed property portfolio utilising a fundamental company research approach where outperformance is driven primarily by security selection.		
Investment objective	To deliver outperformance relative to the benchmark after fees over a rolling three year period.		
Benchmark index	S&P/ASX 300 A-REIT Accumulation Index		
Asset class	Australian property		
Investment style	Active		
Investment strategy and approach	Pendal employs a bottom up, fundamental approach to build a diversified portfolio of Australian listed property shares.		
Investment universe	Predominantly securities within the S&P/ASX 300 A-REIT Index		
Risk label (SRM)	High (6)		
Minimum investment horizon	5 years		
Minimum investment amount	\$25,000		
Indicative number of assets	8 - 15		
Investment management fee	0.6000% pa		
Fees and costs – underlying investments¹	Performance-related fees	0.00% pa	
	Other indirect costs	0.00% pa	
	Transactional and operational costs	0.27% pa	
	Transaction fees	0.07% pa	
Asset allocation ranges	Asset class	Minimum (%)	Maximum (%)
	Cash ²	2	10
	Australian property	90	98

1 These fees and costs are weighted averages based on the estimated fees and costs for the relevant underlying investments in relation to the 12 months to 30 June 2020, or in the case of a new or varied managed portfolio option, as if the managed portfolio option has been in place for 12 month period ending 30 June 2020.

2 The 'Cash' asset class includes the cash allocation of the portfolio that is held in BT CMA (or any other cash product nominated by us) but may include allocation to other cash type investments.

For more information

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70038-1020ox

BT Managed Portfolios

Part 2 - Investment Options Booklet Quilla

Issued 14 December 2020

The Product Disclosure Statement (PDS) is issued by
Westpac Financial Services Limited
ABN 20 000 241 127
Australian Financial Services Licence (AFSL) Number 233716

About the PDS

The PDS should help you to make a decision about whether or not to invest in BT Managed Portfolios ARSN 604 066 686 by:

- giving you a clear overview of BT Managed Portfolios and how it works
- explaining the benefits, features, risks and costs of investing in BT Managed Portfolios
- giving you an understanding of where you can find more information or get help.

The PDS is comprised of 2 parts:

- **Part 1 - General Information.**
Please read this for an overview of BT Managed Portfolios and how it works.
- **Part 2 - Investment Options Booklet (this document).**
This document describes the managed portfolio options within BT Managed Portfolios that are managed by Quilla Consulting Pty Ltd ABN 99 600 052 659 (Quilla or the investment manager) (together referred to as the Quilla managed portfolio options) as well as the fees and charges that apply to these managed portfolio options.

Updated information

These documents may change. If information is not materially adverse, we may update information by placing a notice on bt.com.au/panorama. You may also request a paper copy free of charge by calling us on 1300 881 716. The PDS contains important information that you should consider before making a decision about BT Managed Portfolios.

General advice warning

The information in the PDS is general information only and doesn't take into account your personal objectives, financial situation or needs. You should consider whether the information in the PDS is appropriate for you in light of your objectives, financial situation and needs.

Consent to be named

Quilla has given and not withdrawn its consent to the inclusion in this document of all information referable to it (and the managed portfolio options it is engaged to manage) in the form and context in which that information appears.

Availability

If, within your Panorama Investments or Panorama Super (excluding BT Super Invest) account, you only have access to the Compact menu of investment options (and not the Full menu), you may not be able to access some or all of the managed portfolio options described in this document. If you hold a BT Super Invest account you may also be unable to access some or all of the managed portfolio options in this document. Please refer to the disclosure document for your Panorama Product to confirm your ability to access and invest in the Quilla managed portfolio options.

Managed portfolio options in BT Managed Portfolios other than those described in this document might also be available to you. Information about these other managed portfolio options is set

out in separate product disclosure statements for BT Managed Portfolios that are also issued by us. You should obtain and consider those product disclosure statements in deciding whether to acquire or continue to hold any interest in BT Managed Portfolios. Contact the Panorama Support team or your adviser for more information on other managed portfolio options that may be available to you, and to obtain a copy of the relevant product disclosure statement for those managed portfolio options.

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Who is the investment manager?

Quilla Consulting Pty Ltd (Quilla)

Quilla has been appointed by us as investment manager to advise on the construction and management of the Quilla managed portfolio options.

ABN	99 600 052 659
AFSL Number	511401
About the investment manager	Quilla provides portfolio construction and management services. Quilla is a boutique investment group that is wholly owned by its two founding directors. Quilla aims to always act in clients' best interests and to deliver original investment insights which add value for clients. Quilla's fund management professionals have experience in investing in Australia, as well as in London and New York. Quilla aims to provide both consulting and investment management services, with a particular focus on global economic and financial market research, dynamic asset allocation, fund selection and risk analysis.
Investment philosophy and process	Quilla believes that building long-term wealth is best achieved by trying to limit capital losses in the short-term. Quilla expects to deliver a suitable level of returns by limiting capital losses and managing risk as efficiently as possible, through diversified portfolios which can cope with a range of economic and financial market outcomes. Quilla aims to combine its own economic and market forecasting models with scenario analysis and stress testing. Quilla believes its integrated manager selection and monitoring program represents industry best practice for identifying the funds and exchange traded funds (ETFs) to hold in the portfolios to achieve the targeted investment outcomes.

What are the fees and other costs?

Did you know?

Small differences in both investment performance and fees and costs can have a substantial impact on your long term returns.

For example, total annual fees and costs of 2% of your investment balance rather than 1% could reduce your final return by up to 20% over a 30 year period (for example, reduce it from \$100,000 to \$80,000).

You should consider whether features such as superior investment performance or the provision of better member services justify higher fees and costs.

You may be able to negotiate to pay lower contribution fees and management costs where applicable. Ask the fund or your financial adviser.

To find out more

If you would like to find out more, or see the impact of the fees based on your own circumstances, the **Australian Securities and Investments Commission (ASIC)** website (www.moneysmart.gov.au) has a managed funds fee calculator to help you check out different fee options.

This section of the document shows fees and other costs that you may be charged for investing in BT Managed Portfolios. These fees and costs may be deducted from your money, from the returns on your investment or from your portfolio as a whole. Taxes are set out in another part of the PDS.

You should read all the information about fees and costs because it is important to understand their impact on your investment. Fees and costs for the Quilla managed portfolio options are set out on page 10. All fees are in Australian dollars.

Except where otherwise stated, all fees in this document are expressed as inclusive of any GST and are net of any reduced input tax credits (RITCs) which may be claimed.

What are the fees and other costs?

BT Managed Portfolios

Type of fee or cost ¹	Amount	How and when paid
Fees when your money moves in or out of BT Managed Portfolios		
Establishment fee The fee to open your investment	Nil	Not applicable
Contribution fee The fee on each amount contributed to your investment	Nil	Not applicable
Withdrawal fee The fee on each amount you take out of your investment	Nil	Not applicable
Exit fee The fee to close your investment	Nil	Not applicable
Management costs – The fees and costs for managing your investment² The amount you pay for the Quilla managed portfolio options is shown on page 10.		
Investment management fee	Each managed portfolio option has an investment management fee of 0.3300% per annum of the value invested. Please refer to the Quilla managed portfolio options list on page 10 for more information.	<ul style="list-style-type: none"> – The investment management fee is calculated based on the average daily value of your portfolio for the month. – The investment management fee is deducted and paid to us from the cash allocation of your portfolio on a monthly basis at the end of each month.
Indirect costs³	<p>Performance-related fees Each managed portfolio option has a weighted average performance-related fee ranging from 0.03% to 0.12% per annum.</p> <p>Other indirect costs The weighted average of each managed portfolio option's other indirect costs range from 0.70% to 0.80% per annum.</p> <p>Please refer to the Quilla managed portfolio options list on page 10 for more information.</p>	<ul style="list-style-type: none"> – The calculation of fees and costs in relation to an underlying managed fund or exchange traded fund, and timing of payment, will vary between the underlying managed funds or exchange traded funds. – The indirect costs, including any performance-related fees payable in connection with an underlying managed fund or exchange traded fund, are not directly charged or retained by us. These indirect costs are paid from the assets of the relevant underlying managed funds or exchange traded funds, and will generally be reflected in the unit prices of those underlying managed funds or the closing market prices of the exchange traded funds that are held in your portfolio.
Service fees		
Switching fee The fee for changing investment options	Nil	Not applicable

¹ Adviser fees may also apply.

² Additional fees may apply. Refer to the 'Additional explanation of fees and costs' section of this document for more information.

³ The performance-related fees and other indirect costs are estimates and calculated based on the indirect costs for the 12 month period ending 30 June 2020, or in the case of a new or varied managed portfolio option, as if the managed portfolio option had been in place for the 12 month period ending 30 June 2020. The performance-related fees shown are not a representation of likely future performance. The actual indirect costs of a managed portfolio option in future periods may be different and materially so, given the nature of these costs. For more information, refer to 'Indirect costs' in the 'Additional explanation of fees and costs' section of this document.

What are the fees and other costs?

Example of annual fees and costs for a balanced managed portfolio option or other managed portfolio option

This table gives an example of how the fees and costs for the Quilla Wealth Accelerator Portfolio can affect your investment over a 1 year period. You should use this table to compare this product with other managed investment products.

Example - Quilla Wealth Accelerator Portfolio		Balance of \$50,000 with a contribution of \$5,000 during the year ¹
Contribution fees	Nil	For every additional \$5,000 you put in, you will be charged \$0.
PLUS Management costs		
– Investment management fee	0.3300%	And, for every \$50,000 you have in the Quilla Wealth Accelerator Portfolio you will be charged \$580.00 each year.
– Performance-related fees ²	0.04%	
– Other indirect costs ²	0.79%	
EQUALS		If you had an investment of \$50,000 at the beginning of the year and you put in an additional \$5,000 during that year, you would be charged fees of \$580.00
Cost of the Quilla Wealth Accelerator Portfolio ³		
What it costs you will depend on the investment option you choose and the fees you negotiate.		

- 1 The amount used in this example is prescribed by legislation. This example assumes that the \$50,000 is invested for the entire year, the value of the investment is constant over the year and that the additional \$5,000 is invested at the end of the year. Therefore management costs are calculated using the \$50,000 balance only.
- 2 The performance-related fees and other indirect costs are estimates and calculated based on the indirect costs for the 12 month period ending 30 June 2020, or in the case of a new or varied managed portfolio option, as if the managed portfolio option had been in place for the 12 month period ending 30 June 2020. The performance-related fees shown are not a representation of likely future performance. The actual indirect costs of a managed portfolio option in future periods may be different and materially so, given the nature of these costs. For more information, refer to 'Indirect costs' in the 'Additional explanation of fees and costs' section of this document.
- 3 Additional fees may apply. This example does not take into account all the fees and costs that may apply, for example, the total transactional and operational costs. For more information, refer to 'Transactional and operational costs' in the 'Additional explanation of fees and costs' section of this document.

Additional explanation of fees and costs

Management costs

Management costs for each managed portfolio option include the investment management fee, any performance-related fees and other indirect costs.

Management costs do not include transactional and operational costs ie costs associated with investing (including in underlying funds, if applicable). For more information, refer to 'Transactional and operational costs' on page 8.

Investment management fee

We are entitled to be paid an investment management fee as responsible entity of BT Managed Portfolios.

The investment management fee is charged as a percentage of the value of your portfolio. It is accrued daily and paid from the cash allocation of your portfolio monthly.

Payments made to the investment manager

We may pay the investment manager a fee for investment management services provided to us. This is paid from the investment management fee we receive, and is not an additional cost to you.

Changes in fees and costs

We have the right to introduce fees and to begin reimbursing ourselves for expenses from your portfolio (including performance fees payable to an investment manager), but we will give you 30

days' notice prior to doing so. The constitution provides for the responsible entity to receive a maximum investment management fee of 4% per annum (excluding GST) of the total value invested and a maximum performance fee of 5% per annum (excluding GST) of the total value invested. The responsible entity does not currently charge performance fees.

Expenses

We're entitled to be reimbursed from the scheme for authorised expenses incurred in the management and administration of managed portfolio options in the proper performance of our duties. Currently routine scheme expenses, including trustee, registry, custodian, accounting, audit and legal expenses (excluding transaction costs), are paid out of our investment management fee. If extraordinary or unusual expenses are incurred, we may choose to recover costs from the scheme.

Indirect costs

Indirect costs (also referred to as 'Fees and costs - underlying investments') are determined as a percentage of the value of the relevant managed portfolio option you're invested in. Indirect costs are an estimate of the costs incurred in managing the managed portfolio's assets which directly or indirectly reduce the return on the managed portfolio. These costs are not directly charged or retained by us. These costs are generally deducted from the assets of an underlying managed fund or exchange traded fund.

What are the fees and other costs?

Where the managed portfolio invests in an underlying managed fund or exchange traded fund, we have relied on the information provided by the issuers of those underlying funds and have made reasonable enquiries where necessary to determine the appropriateness of the indirect costs provided.

The amounts included in the table of fees and costs are estimates and calculated based on the indirect costs paid in the 12 month period ending 30 June 2020, or in the case of a new or varied managed portfolio option, as if the managed portfolio option had been in place for the 12 month period ending 30 June 2020.

These indirect costs are reflected in the unit price of the underlying managed funds or the closing market prices of the exchange traded funds that are held in your portfolio and are an additional cost to you.

The actual indirect costs of a managed portfolio option in future periods may be different to the estimates included in this document and materially so, given the nature of these costs, as explained below.

Indirect costs are:

- **Performance-related fees:** An underlying investment manager of a managed fund or exchange traded fund may charge a performance fee, called a performance-related fee. If applicable, it is included in indirect costs and is not an additional cost to you. We do not currently charge performance-related fees.

Generally, a performance-related fee will only be charged in respect of an underlying managed fund or exchange traded fund when the investment return outperforms either the relevant benchmark or a specific performance hurdle return. However, usually, any prior under performance must also be made good before the underlying investment manager qualifies for a performance-related fee.

The performance-related fee rate typically ranges from 0%–30% of the outperformance over the relevant benchmark or performance hurdle and is generally paid at least annually (performance period). Performance-related fees affect the underlying fund's return and therefore the value of your investment in the fund. The performance-related fee may still be payable where the overall performance of the underlying managed fund or exchange traded fund has declined over the performance period. This is because one or more underlying investment managers may have outperformed the benchmark or their performance hurdle over that period.

Where an underlying investment manager's cumulative performance for a period is less than the relevant benchmark or performance hurdle, this underperformance may be carried forward to the following period and no further performance-related fees will be either reflected in the unit price or paid in respect of the underlying investment manager until the underperformance is recouped.

The more exposure a managed portfolio has to an underlying investment that charges performance-related fees, the greater

the potential impact that this will have on your investment in that managed portfolio.

- **Other indirect costs:** The managed portfolio option may incur other indirect costs as a result of investing in underlying managed funds or exchange traded funds. Typical indirect costs include an underlying managed fund's or exchange traded fund's costs which have been included in the valuation of the underlying managed fund or exchange traded fund.

Other indirect costs will also be incurred in respect of the cash allocation of each managed portfolio option.

Transactional and operational costs

- **Transaction fees:** We charge a transaction fee in relation to the buying and selling of listed securities and exchange traded funds in your portfolio. This fee will cover the costs of processing and settling the transactions, including the brokerage payable to the appointed broker. Generally, the fee will be between 0.11% and 0.18% of the transaction amount but may be as high as 0.20% of the transaction amount. As an example, if a \$50,000 transaction occurred in your portfolio, the transaction fees charged at 0.18% would be \$90. In some circumstances, we may not need to process a transaction as it may be possible to net the transaction against transactions for other investors. In these circumstances, we will still charge the transaction fee.
- **Buy/sell spread:** The buy/sell spread (generally applicable to managed funds) is the transaction cost incurred when buying and selling assets in an underlying managed fund when new investors apply for and existing investors redeem units in the underlying managed fund. It is charged by the issuer and is included in the underlying managed fund's unit price.

Typical buy/sell spreads are estimated to be between 0% and 0.70% but may fall outside this range. For example, if \$10,000 is invested in an underlying managed fund, at the maximum buy/sell spread of 0.70%, you will generally incur a cost of \$70 at the time you invest. The buy/sell spread is an additional cost to you. If you require further information on the buy/sell spread applicable to the underlying managed funds, please speak to your adviser or contact us.

- **Other transactional and operational costs:** In relation to an underlying managed fund, where transactional and operational costs arise from trading activity to execute the relevant fund's investment strategy, and are not the result of applications into and redemptions from the relevant fund, these costs (including brokerage, stamp duty and clearing and settlement costs) may not be recouped by the buy/sell spread. In these circumstances, they are an additional cost to you at the time of undertaking the trading activity, and are included in the underlying managed fund's unit price.

In addition, when it comes to buying and selling listed securities and exchange traded funds in your portfolio, there may be transactional and operational costs in addition to transaction fees. These are referred to as bid/ask spreads and represent the difference between the price paid for an

What are the fees and other costs?

underlying investment and the price that it would be disposed of at that time. They are an additional cost to you at the time of undertaking the trading activity.

Our estimate of these transactional and operational costs for the year ended 30 June 2020 for the Quilla Wealth Accelerator Portfolio are set out in the example below.

Detailed fee information for each Quilla managed portfolio option is set out in the 'Quilla managed portfolio options summaries' section of this document.

Managed portfolio option	(A) Transactional and operational costs of underlying investments	(B) Transaction fees	(C) = (A) + (B) Total transactional and operational costs
Quilla Wealth Accelerator Portfolio	0.33% pa	0.06% pa	0.39% pa

Using the example above, if \$50,000 is invested in the Quilla Wealth Accelerator Portfolio, total transactional and operational costs will be \$195. This is comprised of transactional and operational costs of the underlying investments of \$165 and transaction fees of \$30. For the total fees and costs relating to the Quilla Wealth Accelerator Portfolio, excluding the transactional and operational costs, refer to the fee example on page 7.

Government duty

Government duty may be payable if you transfer certain assets into or out of your portfolio. For further information regarding how government duty is deducted, refer to the relevant disclosure document for your Panorama Product.

Refer to 'Taxation' in Part 1 of the PDS for information about tax generally.

Other fees and costs

All other fees and costs (such as government fees, bank fees, fees for failed transactions and penalty interest) incurred as a result of a transaction, deposit or withdrawal, will be passed on to you and payable out of the cash allocation of your portfolio.

Additional fees may be paid to a financial adviser if you have consulted a financial adviser. You should refer to the Statement of Advice provided by your financial adviser in which details of the fees are set out. ASIC provides a fee calculator on www.moneysmart.gov.au, which you may use to calculate the effects of fees and costs on your investment in BT Managed Portfolios.

Rebates

The issuer of an underlying managed fund (within your portfolio) may provide a rebate of some or all of the investment costs for the underlying managed fund. In general, your eligibility to receive a rebate will be based on your holdings in the relevant underlying managed fund over the period the rebate payment relates to, where you have an open Panorama Product at the time the rebate is calculated.

Any rebate received will be paid in full to eligible investors. The rebate will be paid into the cash allocation of your portfolio or your Panorama Product's transaction account if you have fully withdrawn from your portfolio.

Quilla managed portfolio options list

The fees and costs applying to each managed portfolio option are set out below.

Option name	APIR code	Investment management fee ¹	Fees and costs – underlying investments ²			Page
			Performance-related fees	Other indirect costs	Total transactional and operational costs	
ASSET CLASS: Diversified						
Quilla Wealth Accumulator Portfolio	WFS5303AU	0.3300% pa	0.03% pa	0.70% pa	0.31% pa	11
Quilla Wealth Accelerator Portfolio	WFS3019AU	0.3300% pa	0.04% pa	0.79% pa	0.39% pa	13
Quilla Wealth Accelerator Plus Portfolio	WFS9270AU	0.3300% pa	0.12% pa	0.80% pa	0.26% pa	15

1 This fee is payable monthly to us as the responsible entity of BT Managed Portfolios, and is calculated on the average daily value of your portfolio for the month. Refer to 'Investment management fee' in the 'Additional explanation of fees and costs' section of this document for more information.

2 These fees and costs are weighted averages based on the estimated fees and costs for the relevant underlying investments in relation to the 12 months to 30 June 2020, or in the case of a new or varied managed portfolio option, as if the managed portfolio option had been in place for the 12 month period ending 30 June 2020. These fees and costs are net of any rebate (if applicable) paid by an issuer of an underlying managed fund that forms part of the relevant managed portfolio option and is passed on to you. Refer to 'Indirect costs' and 'Rebates' in the 'Additional explanation of fees and costs' section of this document for further information.

Quilla managed portfolio options summaries

Quilla Wealth Accumulator Portfolio

APIR code	WFS5303AU		
Designed for investors who	Seek above average growth and who appreciate the benefits of capital preservation and active management.		
Investment objective	The portfolio aims to deliver an investment return of 4.5% pa above inflation (Reserve Bank of Australia's trimmed mean measure), before fees, over a rolling five year period.		
Benchmark index	Composite of the underlying investments' indices based on the expected long term average (neutral weighting) to those underlying investments:		
	Asset class	Benchmark	
		Neutral weighting (%)	
	Cash	Bloomberg AusBond Bank Bill Index SM	10
	Australian fixed interest	Bloomberg AusBond Composite 0+ Yr Index SM	12.5
	International fixed interest	Bloomberg Barclays Global Aggregate Bond Index (Fully Hedged) in Australian Dollars	12.5
	Fixed interest other	Bloomberg Barclays Global Aggregate Bond Index (Fully Hedged) in AUD	0
	Australian shares	S&P/ASX 200 Accumulation Index	17.5
	International shares	50% MSCI World ex Australia (Standard) Index and 50% MSCI World ex Australia (Standard) Index Hedged in Australian Dollars	27.5
	Australian property	S&P/ASX 200 A-REIT Accumulation Index	2.5
	International property	FTSE EPRA/NAREIT Developed ex Australia Rental Index, Australian Dollar Hedged	5
	Listed infrastructure	S&P Global Infrastructure Index (Australian Dollar) (Hedged) (Net TR)	0
	Alternatives	Bloomberg AusBond Bank Bill Index SM	12.5
	Diversified	Consumer Price Index + 4%	0
	Total		100
Asset class	Diversified		
Investment style	Active		
Investment strategy and approach	The portfolio is an actively managed diversified mix of investments across growth assets (including Australian and global equities, listed property and infrastructure), income-oriented assets (including cash and fixed interest) and alternative assets (absolute return strategies). In general, the portfolio will hold around 65% in growth and alternative assets and 35% in income assets. However these allocations will be actively managed within the allowed ranges depending on market conditions.		
Investment universe	Australian registered managed funds and exchange traded funds		
Risk label (SRM)	Medium to high (5)		
Minimum investment horizon	5 years		
Minimum investment amount	\$25,000		
Indicative number of assets	10 – 30		
Investment management fee	0.3300% pa		
Fees and costs – underlying investments¹	Performance-related fees	0.03% pa	
	Other indirect costs	0.70% pa	
	Transactional and operational costs	0.23% pa	
	Transaction fees	0.08% pa	

Quilla managed portfolio options summaries

	Asset class	Minimum (%)	Maximum (%)
Asset allocation ranges	Cash ²	2	80
	Australian fixed interest	0	40
	International fixed interest	0	40
	Fixed interest other	0	40
	Australian shares	0	50
	International shares	0	50
	Australian property	0	40
	International property	0	40
	Listed infrastructure	0	30
	Alternatives ³	0	50
	Diversified ³	0	40

1 These fees and costs are weighted averages based on the estimated fees and costs for the relevant underlying investments in relation to the 12 months to 30 June 2020, or in the case of a new or varied managed portfolio option, as if the managed portfolio option had been in place for the 12 month period ending 30 June 2020. These fees and costs are net of any rebate (if applicable) paid by an issuer of an underlying managed fund that forms part of the relevant managed portfolio option and is passed on to you. Refer to 'Indirect costs' and 'Rebates' in the 'Additional explanation of fees and costs' section of this document for further information.

2 The 'Cash' asset class includes the cash allocation of the portfolio that is held in BT CMA (or any other cash product nominated by us) but may include allocation to other cash type investments.

3 The 'Alternatives' and 'Diversified' asset classes may contain both defensive and growth assets.

Quilla Wealth Accelerator Portfolio

APIR code	WFS3019AU		
Designed for investors who	Seek above average growth and who appreciate the benefits of capital preservation and active management.		
Investment objective	The portfolio aims to deliver an investment return of 5.5% pa above inflation (Reserve Bank of Australia's trimmed mean measure), before fees, over a rolling seven year period.		
Benchmark index	Composite of the underlying investments' indices based on the expected long term average (neutral weighting) to those underlying investments:		
	Asset class	Benchmark	
		Neutral weighting (%)	
	Cash	Bloomberg AusBond Bank Bill Index SM	5
	Australian fixed interest	Bloomberg AusBond Composite 0+ Yr Index SM	5
	International fixed interest	Bloomberg Barclays Global Aggregate Bond Index (Fully Hedged) in Australian Dollars	5
	Fixed interest other	Bloomberg Barclays Global Aggregate Bond Index (Fully Hedged) in AUD	0
	Australian shares	S&P/ASX 200 Accumulation Index	30
	International shares	50% MSCI World ex Australia (Standard) Index and 50% MSCI World ex Australia (Standard) Index Hedged in Australian Dollars	40
	Australian property	S&P/ASX 200 A-REIT Accumulation Index	2.5
	International property	FTSE EPRA/NAREIT Developed ex Australia Rental Index, Australian Dollar Hedged	2.5
	Listed infrastructure	S&P Global Infrastructure Index (Australian Dollar) (Hedged) (Net TR)	0
	Alternatives	Bloomberg AusBond Bank Bill Index SM	10
Diversified	Consumer Price Index + 4%	0	
	Total	100	
Asset class	Diversified		
Investment style	Active		
Investment strategy and approach	The portfolio is an actively managed diversified mix of investments across growth assets (including Australian and global equities, listed property and infrastructure), income-oriented assets (including cash and fixed interest) and alternative assets (absolute return strategies). In general, the portfolio will hold around 85% in growth and alternative assets and 15% in income assets. However these allocations will be actively managed within the allowed ranges depending on market conditions.		
Investment universe	Australian registered managed funds and exchange traded funds		
Risk label	High		
Minimum investment horizon	7 years		
Minimum investment amount	\$25,000		
Indicative number of assets	10 – 30		
Investment management fee	0.3300% pa		
Fees and costs – underlying investments¹	Performance-related fees	0.04% pa	
	Other indirect costs	0.79% pa	
	Transactional and operational costs	0.33% pa	
	Transaction fees	0.06% pa	

Quilla managed portfolio options summaries

	Asset class	Minimum (%)	Maximum (%)
Asset allocation ranges	Cash ²	2	80
	Australian fixed interest	0	40
	International fixed interest	0	40
	Fixed interest other	0	40
	Australian shares	0	70
	International shares	0	70
	Australian property	0	50
	International property	0	50
	Listed infrastructure	0	30
	Alternatives ³	0	60
	Diversified ³	0	30

1 These fees and costs are weighted averages based on the estimated fees and costs for the relevant underlying investments in relation to the 12 months to 30 June 2020, or in the case of a new or varied managed portfolio option, as if the managed portfolio option had been in place for the 12 month period ending 30 June 2020. These fees and costs are net of any rebate (if applicable) paid by an issuer of an underlying managed fund that forms part of the relevant managed portfolio option and is passed on to you. Refer to 'Indirect costs' and 'Rebates' in the 'Additional explanation of fees and costs' section of this document for further information.

2 The 'Cash' asset class includes the cash allocation of the portfolio that is held in BT CMA (or any other cash product nominated by us) but may include allocation to other cash type investments.

3 The 'Alternatives' and 'Diversified' asset classes may contain both defensive and growth assets.

Quilla Wealth Accelerator Plus Portfolio

APIR code	WFS9270AU		
Designed for investors who	Seek the potential for high capital growth with some income by investing in a diversified portfolio, which invests predominantly in growth assets. They are prepared to accept a high level of risk to achieve this objective.		
Investment objective	To outperform the benchmark before fees over a rolling nine year period.		
Benchmark index	Consumer Price Index + 6.5% pa		
Asset class	Diversified		
Investment style	Active		
Investment strategy and approach	The portfolio is an actively managed diversified mix of investments across growth assets (including Australian and international shares, listed property and infrastructure) and defensive assets (including cash and fixed interest). In general, the portfolio will hold around 98% in growth assets and 2% in defensive assets. However these allocations will be actively managed within the allowed ranges depending on market conditions.		
Investment universe	Australian registered managed funds and exchange traded funds		
Risklabel	High (6)		
Minimum investment horizon	9 years		
Minimum investment amount	\$25,000		
Indicative number of assets	10 – 30		
Investment management fee	0.3300% pa		
Fees and costs – underlying investments¹	Performance-related fees	0.12% pa	
	Other indirect costs	0.80% pa	
	Transactional and operational costs	0.21% pa	
	Transaction fees	0.05% pa	
Asset allocation ranges	Asset class	Minimum (%)	Maximum (%)
	Cash ²	2	30
	Australian fixed interest	0	40
	International fixed interest	0	40
	Fixed interest other	0	40
	Australian shares	0	70
	International shares	0	70
	Australian property	0	50
	International property	0	50
	Listed infrastructure	0	30
	Alternatives ³	0	50
Diversified ³	0	50	

1 These fees and costs are weighted averages based on the estimated fees and costs for the relevant underlying investments in relation to the 12 months to 30 June 2020, or in the case of a new or varied managed portfolio option, as if the managed portfolio option had been in place for the 12 month period ending 30 June 2020. These fees and costs are net of any rebate (if applicable) paid by an issuer of an underlying managed fund that forms part of the relevant managed portfolio option and is passed on to you. Refer to 'Indirect costs' and 'Rebates' in the 'Additional explanation of fees and costs' section of this document for further information.

2 The 'Cash' asset class includes the cash allocation of the portfolio that is held in BT CMA (or any other cash product nominated by us) but may include allocation to other cash type investments.

3 The 'Alternatives' and 'Diversified' asset classes may contain both defensive and growth assets.

For more information

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BT Managed Portfolios

Part 2 - Investment Options Booklet
SSGA

Issued 14 December 2020

The Product Disclosure Statement (PDS) is issued by
Westpac Financial Services Limited
ABN 20 000 241 127
Australian Financial Services Licence (AFSL) Number 233716

About the PDS

The PDS should help you to make a decision about whether or not to invest in BT Managed Portfolios ARSN 604 066 686 by:

- giving you a clear overview of BT Managed Portfolios and how it works
- explaining the benefits, features, risks and costs of investing in BT Managed Portfolios
- giving you an understanding of where you can find more information or get help.

The PDS is comprised of 2 parts:

- **Part 1 - General Information** .
Please read this for an overview of BT Managed Portfolios and how it works.
- **Part 2 - Investment Options Booklet (this document)**.
This document describes the managed portfolio options within BT Managed Portfolios that are managed by State Street Global Advisors, Australia, Limited ABN 42 003 914 225 (SSGA or the investment manager) (together referred to as the State Street managed portfolio options) as well as the fees and charges that apply to these managed portfolio options.

Updated information

These documents may change. If information is not materially adverse, we may update information by placing a notice on bt.com.au/panorama. You may also request a paper copy free of charge by calling us on 1300 881 716. The PDS contains important information that you should consider before making a decision about BT Managed Portfolios.

General advice warning

The information in the PDS is general information only and doesn't take into account your personal objectives, financial situation or needs. You should consider whether the information in the PDS is appropriate for you in light of your objectives, financial situation and needs.

Consent to be named

SSGA has given and not withdrawn its consent to the inclusion in this document of all information referable to it (and the managed portfolio options it is engaged to manage) in the form and context in which that information appears.

Availability

If, within your Panorama Investments or Panorama Super (excluding BT Super Invest) account, you only have access to the Compact menu of investment options (and not the Full menu), you may not be able to access some or all of the managed portfolio options described in this document. If you hold a BT Super Invest account you may also be unable to access some or all of the managed portfolio options in this document. Please refer to the disclosure document for your Panorama Product to confirm your ability to access and invest in the State Street managed portfolio options.

Managed portfolio options in BT Managed Portfolios other than those described in this document might also be available to you.

Information about these other managed portfolio options is set out in separate product disclosure statements for BT Managed Portfolios that are also issued by us. You should obtain and consider those product disclosure statements in deciding whether to acquire or continue to hold any interest in BT Managed Portfolios. Contact the Panorama Support team or your adviser for more information on other managed portfolio options that may be available to you, and to obtain a copy of the relevant product disclosure statement for those managed portfolio options.

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Who is the investment manager?

State Street Global Advisors, Australia, Limited (SSGA)

SSGA has been appointed by us as investment manager to advise on the construction and management of the State Street managed portfolio options.

ABN	42 003 914 225
AFSL Number	238276
About the investment manager	<p>SSGA is a wholly-owned subsidiary of State Street Bank and Trust Company which is in turn a wholly-owned subsidiary of State Street Corporation.</p> <p>The State Street managed portfolio options are brought to you by the creators of the world's first Exchange Traded Funds (ETFs). The portfolios are designed, built and managed by the SSGA Investment Solutions Group (ISG), which has been managing multi-asset portfolios since 1982.</p> <p>SSGA has extensive experience in asset allocation, offering comprehensive solutions, a broad range of asset allocation capabilities, risk management and fiduciary advice. With a global and local team of over 50 portfolio managers, SSGA operates in major investment centres around the world to deliver client-centric investment solutions by combining systematic quantitative models and fundamental investment acumen.</p> <p>SSGA's investment management process is the result of many years of experience and ongoing research. In the development of customised multi-asset class strategies, the team aims to leverage expertise across global markets and asset classes utilising SSGA's extensive network of global resources.</p>
Investment philosophy and process	<p>The State Street managed portfolio options have been designed by ISG to deliver robust asset allocation, which is guided by four core considerations including:</p> <ul style="list-style-type: none">– Forward-looking return expectations - SSGA run an optimisation process that leverages long-term asset class returns, risk and correlation forecasts to identify an asset allocation that efficiently balances these objectives.– Risk-focused framework - risk is managed at the total portfolio level and the portfolio construction process balances the trade-offs between risk and return.– Costs - the portfolios have been constructed with the total cost of ownership in mind. A fee-conscious approach controls portfolio expenses, offering a direct, positive impact to a portfolio's bottom line in the form of improved returns.– Implementation - constructed using the Australian ETF universe, the portfolios are expected to predominantly invest in SSGA's SPDR ETFs provided the ETF meets SSGA's investment criteria. Only the ETFs that meet ISG's investment criteria are included in the portfolios, irrespective of issuer. All ETFs held in the portfolios are also reviewed by an independent specialist team at SSGA, who conduct ETF due diligence and monitoring as well as day-to-day manager selection and review. <p>Constructed using the ETF universe, and utilising both SSGA ETFs and external providers' ETFs, only ETFs that meet SSGA's investment criteria are included in the portfolios.</p>

What are the fees and other costs?

Did you know?

Small differences in both investment performance and fees and costs can have a substantial impact on your long term returns.

For example, total annual fees and costs of 2% of your investment balance rather than 1% could reduce your final return by up to 20% over a 30 year period (for example, reduce it from \$100,000 to \$80,000).

You should consider whether features such as superior investment performance or the provision of better member services justify higher fees and costs.

You may be able to negotiate to pay lower contribution fees and management costs where applicable. Ask the fund or your financial adviser.

To find out more

If you would like to find out more, or see the impact of the fees based on your own circumstances, the **Australian Securities and Investments Commission (ASIC)** website (www.moneySMART.gov.au) has a managed funds fee calculator to help you check out different fee options.

This section of the document shows fees and other costs that you may be charged for investing in BT Managed Portfolios. These fees and costs may be deducted from your money, from the returns on your investment or from your portfolio as a whole. Taxes are set out in another part of the PDS.

You should read all the information about fees and costs because it is important to understand their impact on your investment. Fees and costs for the State Street managed portfolio options are set out on page 10. All fees are in Australian dollars.

Except where otherwise stated, all fees in this document are expressed as inclusive of any GST and are net of any reduced input tax credits (RITCs) which may be claimed.

What are the fees and other costs?

BT Managed Portfolios

Type of fee or cost ¹	Amount	How and when paid
Fees when your money moves in or out of BT Managed Portfolios		
Establishment fee The fee to open your investment	Nil	Not applicable
Contribution fee The fee on each amount contributed to your investment	Nil	Not applicable
Withdrawal fee The fee on each amount you take out of your investment	Nil	Not applicable
Exit fee The fee to close your investment	Nil	Not applicable
Management costs – The fees and costs for managing your investment² The amount you pay for the State Street managed portfolio options is shown on page 10.		
Investment management fee	Each managed portfolio option has an investment management fee of 0.1037% per annum of the value invested. Please refer to the State Street managed portfolio options list on page 10 for more information.	<ul style="list-style-type: none"> — The investment management fee is calculated based on the average daily value of your portfolio for the month. — The investment management fee is deducted and paid to us from the cash allocation of your portfolio on a monthly basis at the end of each month.
Indirect costs³	<p>Performance-related fees Each managed portfolio option has a weighted average performance-related fee of 0.00% per annum.</p> <p>Other indirect costs The weighted average of each managed portfolio option's other indirect costs range from 0.24% to 0.35% per annum.</p> <p>Please refer to the State Street managed portfolio options list on page 10 for more information.</p>	<ul style="list-style-type: none"> — The calculation of fees and costs in relation to an underlying managed fund or exchange traded fund, and timing of payment, will vary between the underlying managed funds or exchange traded funds. — The indirect costs, including any performance-related fees payable in connection with an underlying managed fund or exchange traded fund, are not directly charged or retained by us. These indirect costs are paid from the assets of the relevant underlying managed funds or exchange traded funds, and will generally be reflected in the unit prices of those underlying managed funds or the closing market prices of the exchange traded funds that are held in your portfolio.
Service fees		
Switching fee The fee for changing investment options	Nil	Not applicable

¹ Adviser fees may also apply.

² Additional fees may apply. Refer to the 'Additional explanation of fees and costs' section of this document for more information.

³ The performance-related fees and other indirect costs are estimates and calculated based on the indirect costs for the 12 month period ending 30 June 2020, or in the case of a new or varied managed portfolio option, as if the managed portfolio option had been in place for the 12 month period ending 30 June 2020. The performance-related fees shown are not a representation of likely future performance. The actual indirect costs of a managed portfolio option in future periods may be different and materially so, given the nature of these costs. For more information, refer to 'Indirect costs' in the 'Additional explanation of fees and costs' section of this document.

What are the fees and other costs?

Example of annual fees and costs for a balanced managed portfolio option or other managed portfolio option

This table gives an example of how the fees and costs for the State Street Balanced ETF Portfolio can affect your investment over a 1 year period. You should use this table to compare this product with other managed investment products.

Example - State Street Balanced ETF Portfolio		Balance of \$50,000 with a contribution of \$5,000 during the year ¹
Contribution fees	Nil	For every additional \$5,000 you put in, you will be charged \$0.
PLUS Management costs		
– Investment management fee	0.1037%	And, for every \$50,000 you have in the State Street Balanced ETF Portfolio you will be charged \$176.85 each year.
– Performance-related fees ²	0.00%	
– Other indirect costs ²	0.25%	
EQUALS		If you had an investment of \$50,000 at the beginning of the year and you put in an additional \$5,000 during that year, you would be charged fees of \$176.85 What it costs you will depend on the investment option you choose and the fees you negotiate.
Cost of the State Street Balanced ETF Portfolio ³		

- 1 The amount used in this example is prescribed by legislation. This example assumes that the \$50,000 is invested for the entire year, the value of the investment is constant over the year and that the additional \$5,000 is invested at the end of the year. Therefore management costs are calculated using the \$50,000 balance only.
- 2 The performance-related fees and other indirect costs are estimates and calculated based on the indirect costs for the 12 month period ending 30 June 2020, or in the case of a new or varied managed portfolio option, as if the managed portfolio option had been in place for the 12 month period ending 30 June 2020. The performance-related fees shown are not a representation of likely future performance. The actual indirect costs of a managed portfolio option in future periods may be different and materially so, given the nature of these costs. For more information, refer to 'Indirect costs' in the 'Additional explanation of fees and costs' section of this document.
- 3 Additional fees may apply. This example does not take into account all the fees and costs that may apply, for example, the total transactional and operational costs. For more information, refer to 'Transactional and operational costs' in the 'Additional explanation of fees and costs' section of this document.

Additional explanation of fees and costs

Management costs

Management costs for each managed portfolio option include the investment management fee, any performance-related fees and other indirect costs.

Management costs do not include transactional and operational costs ie costs associated with investing (including in underlying funds, if applicable). For more information, refer to 'Transactional and operational costs' on page 8.

Investment management fee

We are entitled to be paid an investment management fee as responsible entity of BT Managed Portfolios.

The investment management fee is charged as a percentage of the value of your portfolio. It is accrued daily and paid from the cash allocation of your portfolio monthly. We do not pay any fee from the investment management fee to the investment manager for investment management services provided to us.

The investment manager is also the exchange traded fund issuer of some of the exchange traded funds included in the State Street managed portfolio options. The investment manager is expected to receive fees in its capacity as exchange traded fund issuer of those exchange traded funds.

Changes in fees and costs

We have the right to introduce fees and to begin reimbursing ourselves for expenses from your portfolio (including performance fees payable to an investment manager), but we will give you 30 days' notice prior to doing so. The constitution provides for the responsible entity to receive a maximum investment management fee of 4% per annum (excluding GST) of the total value invested and a maximum performance fee of 5% per annum (excluding GST) of the total value invested. The responsible entity does not currently charge performance fees.

Expenses

We're entitled to be reimbursed from the scheme for authorised expenses incurred in the management and administration of managed portfolio options in the proper performance of our duties. Currently routine scheme expenses, including trustee, registry, custodian, accounting, audit and legal expenses (excluding transaction costs), are paid out of our investment management fee. If extraordinary or unusual expenses are incurred, we may choose to recover costs from the scheme.

Indirect costs

Indirect costs (also referred to as 'Fees and costs - underlying investments') are determined as a percentage of the value of the relevant managed portfolio option you're invested in. Indirect costs are an estimate of the costs incurred in managing the managed portfolio's assets which directly or indirectly reduce

What are the fees and other costs?

the return on the managed portfolio. These costs are not directly charged or retained by us. These costs are generally deducted from the assets of an underlying managed fund or exchange traded fund.

Where the managed portfolio invests in an underlying managed fund or exchange traded fund, we have relied on the information provided by the issuers of those underlying funds and have made reasonable enquiries where necessary to determine the appropriateness of the indirect costs provided.

The amounts included in the table of fees and costs are estimates and calculated based on the indirect costs paid in the 12 month period ending 30 June 2020, or in the case of a new or varied managed portfolio option, as if the managed portfolio option had been in place for the 12 month period ending 30 June 2020.

These indirect costs are reflected in the unit price of the underlying managed funds or the closing market prices of the exchange traded funds that are held in your portfolio and are an additional cost to you.

The actual indirect costs of a managed portfolio option in future periods may be different to the estimates included in this document and materially so, given the nature of these costs, as explained below.

Indirect costs are:

- **Performance-related fees:** An underlying investment manager of a managed fund or exchange traded fund may charge a performance fee, called a performance-related fee. If applicable, it is included in indirect costs and is not an additional cost to you. We do not currently charge performance-related fees.

Generally, a performance-related fee will only be charged in respect of an underlying managed fund or exchange traded fund when the investment return outperforms either the relevant benchmark or a specific performance hurdle return. However, usually, any prior under performance must also be made good before the underlying investment manager qualifies for a performance-related fee.

The performance-related fee rate typically ranges from 0%–30% of the outperformance over the relevant benchmark or performance hurdle and is generally paid at least annually (performance period). Performance-related fees affect the underlying fund's return and therefore the value of your investment in the fund. The performance-related fee may still be payable where the overall performance of the underlying managed fund or exchange traded fund has declined over the performance period. This is because one or more underlying investment managers may have outperformed the benchmark or their performance hurdle over that period.

Where an underlying investment manager's cumulative performance for a period is less than the relevant benchmark or performance hurdle, this underperformance may be carried forward to the following period and no further performance-related fees will be either reflected in the unit

price or paid in respect of the underlying investment manager until the underperformance is recouped.

The more exposure a managed portfolio has to an underlying investment that charges performance-related fees, the greater the potential impact that this will have on your investment in that managed portfolio.

- **Other indirect costs:** The managed portfolio option may incur other indirect costs as a result of investing in underlying managed funds or exchange traded funds. Typical indirect costs include an underlying managed fund's or exchange traded fund's costs which have been included in the valuation of the underlying managed fund or exchange traded fund.

Other indirect costs will also be incurred in respect of the cash allocation of each managed portfolio option.

Transactional and operational costs

- **Transaction fees:** We charge a transaction fee in relation to the buying and selling of listed securities and exchange traded funds in your portfolio. This fee will cover the costs of processing and settling the transactions, including the brokerage payable to the appointed broker. Generally, the fee will be between 0.11% and 0.18% of the transaction amount but may be as high as 0.20% of the transaction amount. As an example, if a \$50,000 transaction occurred in your portfolio, the transaction fees charged at 0.18% would be \$90. In some circumstances, we may not need to process a transaction as it may be possible to net the transaction against transactions for other investors. In these circumstances, we will still charge the transaction fee.
- **Buy/sell spread:** The buy/sell spread (generally applicable to managed funds) is the transaction cost incurred when buying and selling assets in an underlying managed fund when new investors apply for and existing investors redeem units in the underlying managed fund. It is charged by the issuer and is included in the underlying managed fund's unit price.

Typical buy/sell spreads are estimated to be between 0% and 0.70% but may fall outside this range. For example, if \$10,000 is invested in an underlying managed fund, at the maximum buy/sell spread of 0.70%, you will generally incur a cost of \$70 at the time you invest. The buy/sell spread is an additional cost to you. If you require further information on the buy/sell spread applicable to the underlying managed funds, please speak to your adviser or contact us.

- **Other transactional and operational costs:** In relation to an underlying managed fund, where transactional and operational costs arise from trading activity to execute the relevant fund's investment strategy, and are not the result of applications into and redemptions from the relevant fund, these costs (including brokerage, stamp duty and clearing and settlement costs) may not be recouped by the buy/sell spread. In these circumstances, they are an additional cost to you at the time of undertaking the trading activity, and are included in the underlying managed fund's unit price.

What are the fees and other costs?

In addition, when it comes to buying and selling listed securities and exchange traded funds in your portfolio, there may be transactional and operational costs in addition to transaction fees. These are referred to as bid/ask spreads and represent the difference between the price paid for an underlying investment and the price that it would be disposed of at that time. They are an additional cost to you at the time of undertaking the trading activity.

Our estimate of these transactional and operational costs for the year ended 30 June 2020 for the State Street Balanced ETF Portfolio are set out in the example below.

Detailed fee information for each State Street managed portfolio option is set out in the 'State Street managed portfolio options summaries' section of this document.

Managed portfolio option	(A) Transactional and operational costs of underlying investments	(B) Transaction fees	(C) = (A) + (B) Total transactional and operational costs
State Street Balanced ETF Portfolio	0.19% pa	0.18% pa	0.37% pa

Using the example above, if \$50,000 is invested in the State Street Balanced ETF Portfolio, total transactional and operational costs will be \$185. This is comprised of transactional and operational costs of the underlying investments of \$95 and transaction fees of \$90. For the total fees and costs relating to the State Street Balanced ETF Portfolio, excluding the transactional and operational costs, refer to the fee example on page 7.

Government duty

Government duty may be payable if you transfer certain assets into or out of your portfolio. For further information regarding how government duty is deducted, refer to the relevant disclosure document for your Panorama Product.

Refer to 'Taxation' in Part 1 of the PDS for information about tax generally.

Other fees and costs

All other fees and costs (such as government fees, bank fees, fees for failed transactions and penalty interest) incurred as a result of a transaction, deposit or withdrawal, will be passed on to you and payable out of the cash allocation of your portfolio.

Additional fees may be paid to a financial adviser if you have consulted a financial adviser. You should refer to the Statement of Advice provided by your financial adviser in which details of the fees are set out. ASIC provides a fee calculator on www.moneysmart.gov.au, which you may use to calculate the effects of fees and costs on your investment in BT Managed Portfolios.

State Street managed portfolio options list

The fees and costs applying to each managed portfolio option are set out below.

Option name	APIR code	Investment management fee ¹	Fees and costs – underlying investments ²			Page
			Performance-related fees	Other indirect costs	Total transactional and operational costs	
ASSET CLASS: Diversified						
State Street Target Income ETF Portfolio	WFS8185AU	0.1037% pa	0.00% pa	0.35% pa	0.56% pa	11
State Street Moderate ETF Portfolio	WFS4115AU	0.1037% pa	0.00% pa	0.24% pa	0.37% pa	13
State Street Balanced ETF Portfolio	WFS2684AU	0.1037% pa	0.00% pa	0.25% pa	0.37% pa	15
State Street Growth ETF Portfolio	WFS2055AU	0.1037% pa	0.00% pa	0.27% pa	0.38% pa	17

1 This fee is payable monthly to us as the responsible entity of BT Managed Portfolios, and is calculated on the average daily value of your portfolio for the month. Refer to 'Investment management fee' in the 'Additional explanation of fees and costs' section of this document for more information.

2 These fees and costs are weighted averages based on the estimated fees and costs for the relevant underlying investments in relation to the 12 months to 30 June 2020, or in the case of a new or varied managed portfolio option, as if the managed portfolio option had been in place for the 12 month period ending 30 June 2020. Refer to 'Indirect costs' in the 'Additional explanation of fees and costs' section of this document for more information.

State Street managed portfolio options summaries

State Street Target Income ETF Portfolio

APIR code	WFS8185AU		
Designed for investors who	Seek a consistent income return that grows over the long term. They are prepared to accept a medium risk of capital loss to achieve this objective.		
Investment objective	To deliver a target level of distribution income of 3% per annum, before fees and expenses, each financial year. The target income is subject to change on an annual basis with market conditions. There is a risk that the investment manager will not achieve this investment objective, or not produce returns that track the benchmark.		
Benchmark index	Composite of the underlying asset classes' indices based on the expected long term average (neutral weighting) to those underlying asset classes:		
	Asset class	Benchmark	
		Neutral weighting (%)	
	Cash	S&P/ASX Bank Bill Index	10
	Australian fixed interest	50% S&P/ASX Government Bond Index and 50% Bloomberg AusBond Credit 0+ Yr Index SM	30
	Fixed interest other	Bloomberg Barclays Global High Yield Index (AUD Hedged)	10
	Australian shares	MSCI Australia Select High Dividend Yield Net Returns Index	30
International shares	S&P Global Dividend Aristocrats Net Total Return Index	20	
	Total	100	
Asset class	Diversified		
Investment style	Index		
Investment strategy and approach	<p>SSGA's portfolio construction process is founded on a strategic asset allocation framework and aims to use long-term asset class returns, yield expectations, risk and correlation forecasts to identify an asset allocation that drives the targeted income. Given the objectives focus on both income generation and capital income growth, the portfolio is expected to hold higher yielding growth assets as well as income assets most of the time.</p> <p>Constructed using the ETF universe, and utilising both SSGA ETFs and external providers' ETFs, only ETFs that meet SSGA's investment criteria are included in the portfolio. The portfolio is rebalanced on an annual basis back to SSGA's desired asset allocation.</p> <p>Over the long term, the portfolio aims to have a 50% allocation to defensive assets and a 50% allocation to growth assets. This is subject to change on an annual basis with market conditions and SSGA's annual review of the strategic asset allocation.</p>		
Investment universe	ASX traded ETFs		
Risk label (SRM)	Medium (4)		
Minimum investment horizon	3 years		
Minimum investment amount	\$25,000		
Indicative number of assets	5 – 12		
Investment management fee	0.1037% pa		
Fees and costs – underlying investments¹	Performance-related fees	0.00% pa	
	Other indirect costs	0.35% pa	
	Transactional and operational costs	0.38% pa	
	Transaction fees	0.18% pa	

State Street managed portfolio options summaries

	Asset class	Minimum (%)	Maximum (%)
Asset allocation ranges	Cash ²	5	20
	Australian fixed interest	20	40
	Fixed interest other	5	15
	Australian shares	20	40
	International shares	10	30

1 These fees and costs are weighted averages based on the estimated fees and costs for the relevant underlying investments in relation to the 12 months to 30 June 2020, or in the case of a new or varied managed portfolio option, as if the managed portfolio option had been in place for the 12 month period ending 30 June 2020.

2 The 'Cash' asset class includes the cash allocation of the portfolio that is held in BT CMA (or any other cash product nominated by us) but may include allocation to other cash type investments.

State Street Moderate ETF Portfolio

APIR code	WFS4115AU	
Designed for investors who	Seek a well-diversified portfolio that is designed to balance downside risk to capital and capital appreciation.	
Investment objective	To deliver performance, before fees and expenses, that tracks the benchmark on an annual basis. There is a risk that the investment manager will not achieve this investment objective, or not produce returns that track the benchmark.	
Benchmark index	Composite of the underlying asset classes' indices based on the expected long term average (neutral weighting) to those underlying asset classes:	
	Asset class	Benchmark
		Neutral weighting (%)
	Cash	S&P/ASX Bank Bill Index
	Australian fixed interest	50% S&P/ASX Government Bond Index and 50% Bloomberg AusBond Credit 0+ Yr Index SM
	Australian shares	S&P/ASX 200 Accumulation Index
	International shares	83% MSCI World ex Australia (Standard) Index (Net Dividends) in Australian Dollars and 17% MSCI Emerging Markets Index
	Total	100
Asset class	Diversified	
Investment style	Index	
Investment strategy and approach	<p>The portfolio seeks to provide optimal capital efficiency over a long-term horizon and is designed to generate a moderate amount of capital growth along with some income, with exposures to both defensive and growth assets.</p> <p>SSGA's portfolio construction process uses long-term asset class returns, risk and correlation forecasts to identify an asset allocation that efficiently balances the portfolio's objectives. These allocations are then carefully refined by the experienced portfolio management team and the portfolio is rebalanced on a quarterly basis back to SSGA's desired asset allocation.</p> <p>Constructed using the ETF universe, and utilising both SSGA ETFs and external providers' ETFs, only ETFs that meet SSGA's investment criteria are included in the portfolio.</p> <p>Over the long term, the portfolio aims to have a 45% allocation to defensive assets and a 55% allocation to growth assets. This is subject to change on an annual basis with market conditions and SSGA's annual review of the strategic asset allocation.</p>	
Investment universe	ASX traded ETFs	
Risk label (SRM)	Medium (4)	
Minimum investment horizon	3 years	
Minimum investment amount	\$25,000	
Indicative number of assets	5 – 12	
Investment management fee	0.1037% pa	
Fees and costs – underlying investments¹	Performance-related fees	0.00% pa
	Other indirect costs	0.24% pa
	Transactional and operational costs	0.19% pa
	Transaction fees	0.18% pa

State Street managed portfolio options summaries

	Asset class	Minimum (%)	Maximum (%)
Asset allocation ranges	Cash ²	10	20
	Australian fixed interest	20	40
	Australian shares	17.5	32.5
	International shares	20	40

1 These fees and costs are weighted averages based on the estimated fees and costs for the relevant underlying investments in relation to the 12 months to 30 June 2020, or in the case of a new or varied managed portfolio option, as if the managed portfolio option had been in place for the 12 month period ending 30 June 2020.

2 The 'Cash' asset class includes the cash allocation of the portfolio that is held in BT CMA (or any other cash product nominated by us) but may include allocation to other cash type investments.

State Street Balanced ETF Portfolio

APIR code	WFS2684AU	
Designed for investors who	Seek a well-diversified portfolio with exposure to capital growth and management of downside risk to capital.	
Investment objective	To deliver performance, before fees and expenses, that tracks the benchmark on an annual basis. There is a risk that the investment manager will not achieve this investment objective, or not produce returns that track the benchmark.	
Benchmark index	Composite of the underlying asset classes' indices based on the expected long term average (neutral weighting) to those underlying asset classes:	
	Asset class	Benchmark
		Neutral weighting (%)
	Cash	S&P/ASX Bank Bill Index
	Australian fixed interest	50% S&P/ASX Government Bond Index and 50% Bloomberg AusBond Credit 0+ Yr Index SM
	Australian shares	S&P/ASX 200 Accumulation Index
International shares	80% MSCI World ex Australia (Standard) Index (Net Dividends) in Australian Dollars and 20% MSCI Emerging Markets Index	
	Total	100
Asset class	Diversified	
Investment style	Index	
Investment strategy and approach	<p>The portfolio seeks to provide optimal capital efficiency over a long-term horizon and is designed to provide capital growth while taking a modest amount of risk with exposures across both defensive and growth assets.</p> <p>SSGA's portfolio construction process uses long-term asset class returns, risk and correlation forecasts to identify an asset allocation that efficiently balances the portfolio's objectives. These allocations are then carefully refined by the experienced portfolio management team and the portfolio is rebalanced on a quarterly basis back to SSGA's desired asset allocation.</p> <p>Constructed using the ETF universe, and utilising both SSGA ETFs and external providers' ETFs, only ETFs that meet SSGA's investment criteria are included in the portfolio.</p> <p>Over the long term, the portfolio aims to have a 32.5% allocation to defensive assets and a 67.5% allocation to growth assets. This is subject to change on an annual basis with market conditions and SSGA's annual review of the strategic asset allocation.</p>	
Investment universe	ASX traded ETFs	
Risk label (SRM)	Medium to high (5)	
Minimum investment horizon	3 years	
Minimum investment amount	\$25,000	
Indicative number of assets	5 – 12	
Investment management fee	0.1037% pa	
Fees and costs – underlying investments¹	Performance-related fees	0.00% pa
	Other indirect costs	0.25% pa
	Transactional and operational costs	0.19% pa
	Transaction fees	0.18% pa

State Street managed portfolio options summaries

	Asset class	Minimum (%)	Maximum (%)
Asset allocation ranges	Cash ²	6.25	18.75
	Australian fixed interest	10	30
	Australian shares	20	40
	International shares	25	50

1 These fees and costs are weighted averages based on the estimated fees and costs for the relevant underlying investments in relation to the 12 months to 30 June 2020, or in the case of a new or varied managed portfolio option, as if the managed portfolio option had been in place for the 12 month period ending 30 June 2020.

2 The 'Cash' asset class includes the cash allocation of the portfolio that is held in BT CMA (or any other cash product nominated by us) but may include allocation to other cash type investments.

State Street Growth ETF Portfolio

APIR code	WFS2055AU	
Designed for investors who	Seek exposure to capital growth and who are comfortable carrying greater risk of downside loss and volatility of returns.	
Investment objective	To deliver performance, before fees and expenses, that tracks the benchmark on an annual basis. There is a risk that the investment manager will not achieve this investment objective, or not produce returns that track the benchmark.	
Benchmark index	Composite of the underlying asset classes' indices based on the expected long term average (neutral weighting) to those underlying asset classes:	
	Asset class	Benchmark
		Neutral weighting (%)
	Cash	S&P/ASX Bank Bill Index
	Australian fixed interest	33% S&P/ASX Government Bond Index and 67% Bloomberg AusBond Credit 0+ Yr Index SM
	Australian shares	S&P/ASX 200 Accumulation Index
	International shares	78% MSCI World ex Australia (Standard) Index (Net Dividends) in Australian Dollars and 22% MSCI Emerging Markets Index
	Total	100
Asset class	Diversified	
Investment style	Index	
Investment strategy and approach	<p>The portfolio seeks to provide optimal capital efficiency over a long-term horizon and is designed to predominantly focus on capital growth with exposures weighted to growth assets although it does have some exposures to defensive assets.</p> <p>SSGA's portfolio construction process uses long-term asset class returns, risk and correlation forecasts to identify an asset allocation that efficiently balances the portfolio's objectives. These allocations are then carefully refined by the experienced portfolio management team and the portfolio is rebalanced on a quarterly basis back to SSGA's desired asset allocation.</p> <p>Constructed using the ETF universe, and utilising both SSGA ETFs and external providers' ETFs, only ETFs that meet SSGA's investment criteria are included in the portfolio.</p> <p>Over the long term, the portfolio aims to have a 20% allocation to defensive assets and an 80% allocation to growth assets. This is subject to change on an annual basis with market conditions and SSGA's annual review of the strategic asset allocation.</p>	
Investment universe	ASX traded ETFs	
Risk label (SRM)	High (6)	
Minimum investment horizon	5 years	
Minimum investment amount	\$25,000	
Indicative number of assets	5 – 12	
Investment management fee	0.1037% pa	
Fees and costs – underlying investments¹	Performance-related fees	0.00% pa
	Other indirect costs	0.27% pa
	Transactional and operational costs	0.20% pa
	Transaction fees	0.18% pa

State Street managed portfolio options summaries

	Asset class	Minimum (%)	Maximum (%)
Asset allocation ranges	Cash ²	2	10
	Australian fixed interest	5	35
	Australian shares	25	45
	International shares	30	60

1 These fees and costs are weighted averages based on the estimated fees and costs for the relevant underlying investments in relation to the 12 months to 30 June 2020, or in the case of a new or varied managed portfolio option, as if the managed portfolio option had been in place for the 12 month period ending 30 June 2020.

2 The 'Cash' asset class includes the cash allocation of the portfolio that is held in BT CMA (or any other cash product nominated by us) but may include allocation to other cash type investments.

For more information

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BT Managed Portfolios

Part 2 - Investment Options Booklet Zenith

Issued 14 December 2020

The Product Disclosure Statement (PDS) is issued by
Westpac Financial Services Limited
ABN 20 000 241 127
Australian Financial Services Licence (AFSL) Number 233716

About the PDS

The PDS should help you to make a decision about whether or not to invest in BT Managed Portfolios ARSN 604 066 686 by:

- giving you a clear overview of BT Managed Portfolios and how it works
- explaining the benefits, features, risks and costs of investing in BT Managed Portfolios
- giving you an understanding of where you can find more information or get help.

The PDS is comprised of 2 parts:

- **Part 1 - General Information.**
Please read this for an overview of BT Managed Portfolios and how it works.
- **Part 2 - Investment Options Booklet (this document).**
This document describes the managed portfolio options within BT Managed Portfolios that are managed by Zenith Investment Partners Pty Ltd ABN 27 103 132 672 (Zenith or the investment manager) (together referred to as the Zenith managed portfolio options) as well as the fees and charges that apply to these managed portfolio options.

Updated information

These documents may change. If information is not materially adverse, we may update information by placing a notice on bt.com.au/panorama. You may also request a paper copy free of charge by calling us on 1300 881 716. The PDS contains important information that you should consider before making a decision about BT Managed Portfolios.

General advice warning

The information in the PDS is general information only and doesn't take into account your personal objectives, financial situation or needs. You should consider whether the information in the PDS is appropriate for you in light of your objectives, financial situation and needs.

Consent to be named

Zenith has given and not withdrawn its consent to the inclusion in this document of all information referable to it (and the managed portfolio options it is engaged to manage) in the form and context in which that information appears.

Availability

If, within your Panorama Investments or Panorama Super (excluding BT Super Invest) account, you only have access to the Compact menu of investment options (and not the Full menu), you may not be able to access some or all of the managed portfolio options described in this document. If you hold a BT Super Invest account you may also be unable to access some or all of the managed portfolio options in this document. Please refer to the disclosure document for your Panorama Product to confirm your ability to access and invest in the Zenith managed portfolio options.

Managed portfolio options in BT Managed Portfolios other than those described in this document might also be available to you. Information about these other managed portfolio options is set

out in separate product disclosure statements for BT Managed Portfolios that are also issued by us. You should obtain and consider those product disclosure statements in deciding whether to acquire or continue to hold any interest in BT Managed Portfolios. Contact the Panorama Support team or your adviser for more information on other managed portfolio options that may be available to you, and to obtain a copy of the relevant product disclosure statement for those managed portfolio options.

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Who is the investment manager?

Zenith Investment Partners Pty Ltd (Zenith)

Zenith has been appointed by us as investment manager to advise on the construction and management of the Zenith managed portfolio options.

ABN	27 103 132 672
AFSL Number	226872
About the investment manager	Zenith is an investment consulting and research provider dedicated to the delivery of premium investment solutions. Founded in 2002, Zenith has been a long standing provider of these services to the Australian financial services industry.
Investment philosophy and process	Zenith's investment philosophy is based on the premise that, for a significant number of Australian retail investors, the most suitable investment method is via a well-structured, well-researched suite of managed fund portfolios that target risk-adjusted, 'cash plus' objectives over specific time frames. The portfolios are designed to achieve their investment objective through all market cycles whilst minimising risk. The two key aspects to this approach are diversification (within and across asset classes) and absolute return (use of benchmark-unaware strategies). By employing these techniques Zenith aims to protect against capital drawdowns and provide less volatile and consistent performance for investors.

What are the fees and other costs?

Did you know?

Small differences in both investment performance and fees and costs can have a substantial impact on your long term returns.

For example, total annual fees and costs of 2% of your investment balance rather than 1% could reduce your final return by up to 20% over a 30 year period (for example, reduce it from \$100,000 to \$80,000).

You should consider whether features such as superior investment performance or the provision of better member services justify higher fees and costs.

You may be able to negotiate to pay lower contribution fees and management costs where applicable. Ask the fund or your financial adviser.

To find out more

If you would like to find out more, or see the impact of the fees based on your own circumstances, the **Australian Securities and Investments Commission (ASIC)** website (www.moneySMART.gov.au) has a managed funds fee calculator to help you check out different fee options.

This section of the document shows fees and other costs that you may be charged for investing in BT Managed Portfolios. These fees and costs may be deducted from your money, from the returns on your investment or from your portfolio as a whole. Taxes are set out in another part of the PDS.

You should read all the information about fees and costs because it is important to understand their impact on your investment. Fees and costs for the Zenith managed portfolio options are set out on page 10. All fees are in Australian dollars.

Except where otherwise stated, all fees in this document are expressed as inclusive of any GST and are net of any reduced input tax credits (RITCs) which may be claimed.

What are the fees and other costs?

BT Managed Portfolios

Type of fee or cost ¹	Amount	How and when paid
Fees when your money moves in or out of BT Managed Portfolios		
Establishment fee The fee to open your investment	Nil	Not applicable
Contribution fee The fee on each amount contributed to your investment	Nil	Not applicable
Withdrawal fee The fee on each amount you take out of your investment	Nil	Not applicable
Exit fee The fee to close your investment	Nil	Not applicable
Management costs – The fees and costs for managing your investment² The amount you pay for the Zenith managed portfolio options is shown on page 10.		
Investment management fee	Each managed portfolio option has an investment management fee of 0.2000% per annum of the value invested. Please refer to the Zenith managed portfolio options list on page 10 for more information.	<ul style="list-style-type: none"> – The investment management fee is calculated based on the average daily value of your portfolio for the month. – The investment management fee is deducted and paid to us from the cash allocation of your portfolio on a monthly basis at the end of each month.
Indirect costs³	<p>Performance-related fees Each managed portfolio option has a weighted average performance-related fee ranging from 0.08% to 0.17% per annum.</p> <p>Other indirect costs The weighted average of each managed portfolio option's other indirect costs ranges from 0.64% to 0.82% per annum.</p> <p>Please refer to the Zenith managed portfolio options list on page 10 for more information.</p>	<ul style="list-style-type: none"> – The calculation of fees and costs in relation to an underlying managed fund or exchange traded fund, and timing of payment, will vary between the underlying managed funds or exchange traded funds. – The indirect costs, including any performance-related fees payable in connection with an underlying managed fund or exchange traded fund, are not directly charged or retained by us. These indirect costs are paid from the assets of the relevant underlying managed funds or exchange traded funds, and will generally be reflected in the unit prices of those underlying managed funds or the closing market prices of the exchange traded funds that are held in your portfolio.
Service fees		
Switching fee The fee for changing investment options	Nil	Not applicable

¹ Adviser fees may also apply.

² Additional fees may apply. Refer to the 'Additional explanation of fees and costs' section of this document for more information.

³ The performance-related fees and other indirect costs are estimates and calculated based on the indirect costs for the 12 month period ending 30 June 2020, or in the case of a new or varied managed portfolio option, as if the managed portfolio option had been in place for the 12 month period ending 30 June 2020. The performance-related fees shown are not a representation of likely future performance. The actual indirect costs of a managed portfolio option in future periods may be different and materially so, given the nature of these costs. For more information, refer to 'Indirect costs' in the 'Additional explanation of fees and costs' section of this document.

What are the fees and other costs?

Example of annual fees and costs for a balanced managed portfolio option or other managed portfolio option

This table gives an example of how the fees and costs for the Zenith Elite Blends Balanced Portfolio can affect your investment over a 1 year period. You should use this table to compare this product with other managed investment products.

Example - Zenith Elite Blends Balanced Portfolio		Balance of \$50,000 with a contribution of \$5,000 during the year ¹
Contribution fees	Nil	For every additional \$5,000 you put in, you will be charged \$0.
PLUS Management costs		
– Investment management fee	0.2000%	And, for every \$50,000 you have in the Zenith Elite Blends Balanced Portfolio you will be charged \$540.00 each year.
– Performance-related fees ²	0.13%	
– Other indirect costs ²	0.75%	
EQUALS		If you had an investment of \$50,000 at the beginning of the year and you put in an additional \$5,000 during that year, you would be charged fees of \$540.00
Cost of the Zenith Elite Blends Balanced Portfolio ³		
What it costs you will depend on the investment option you choose and the fees you negotiate.		

- 1 The amount used in this example is prescribed by legislation. This example assumes that the \$50,000 is invested for the entire year, the value of the investment is constant over the year and that the additional \$5,000 is invested at the end of the year. Therefore management costs are calculated using the \$50,000 balance only.
- 2 The performance-related fees and other indirect costs are estimates and calculated based on the indirect costs for the 12 month period ending 30 June 2020, or in the case of a new or varied managed portfolio option, as if the managed portfolio option had been in place for the 12 month period ending 30 June 2020. The performance-related fees shown are not a representation of likely future performance. The actual indirect costs of a managed portfolio option in future periods may be different and materially so, given the nature of these costs. For more information, refer to 'Indirect costs' in the 'Additional explanation of fees and costs' section of this document.
- 3 Additional fees may apply. This example does not take into account all the fees and costs that may apply, for example, the total transactional and operational costs. For more information, refer to 'Transactional and operational costs' in the 'Additional explanation of fees and costs' section of this document.

Additional explanation of fees and costs

Management costs

Management costs for each managed portfolio option include the investment management fee, any performance-related fees and other indirect costs.

Management costs do not include transactional and operational costs ie costs associated with investing (including in underlying funds, if applicable). For more information, refer to 'Transactional and operational costs' on page 8.

Investment management fee

We are entitled to be paid an investment management fee as responsible entity of BT Managed Portfolios.

The investment management fee is charged as a percentage of the value of your portfolio. It is accrued daily and paid from the cash allocation of your portfolio monthly.

Payments made to the investment manager

We may pay the investment manager a fee for investment management services provided to us. This is paid from the investment management fee we receive, and is not an additional cost to you.

Changes in fees and costs

We have the right to introduce fees and to begin reimbursing ourselves for expenses from your portfolio (including performance fees payable to an investment manager), but we will give you 30

days' notice prior to doing so. The constitution provides for the responsible entity to receive a maximum investment management fee of 4% per annum (excluding GST) of the total value invested and a maximum performance fee of 5% per annum (excluding GST) of the total value invested. The responsible entity does not currently charge performance fees.

Expenses

We're entitled to be reimbursed from the scheme for authorised expenses incurred in the management and administration of managed portfolio options in the proper performance of our duties. Currently routine scheme expenses, including trustee, registry, custodian, accounting, audit and legal expenses (excluding transaction costs), are paid out of our investment management fee. If extraordinary or unusual expenses are incurred, we may choose to recover costs from the scheme.

Indirect costs

Indirect costs (also referred to as 'Fees and costs - underlying investments') are determined as a percentage of the value of the relevant managed portfolio option you're invested in. Indirect costs are an estimate of the costs incurred in managing the managed portfolio's assets which directly or indirectly reduce the return on the managed portfolio. These costs are not directly charged or retained by us. These costs are generally deducted from the assets of an underlying managed fund or exchange traded fund.

What are the fees and other costs?

Where the managed portfolio invests in an underlying managed fund or exchange traded fund, we have relied on the information provided by the issuers of those underlying funds and have made reasonable enquiries where necessary to determine the appropriateness of the indirect costs provided.

The amounts included in the table of fees and costs are estimates and calculated based on the indirect costs paid in the 12 month period ending 30 June 2020, or in the case of a new or varied managed portfolio option, as if the managed portfolio option had been in place for the 12 month period ending 30 June 2020.

These indirect costs are reflected in the unit price of the underlying managed funds or the closing market prices of the exchange traded funds that are held in your portfolio and are an additional cost to you.

The actual indirect costs of a managed portfolio option in future periods may be different to the estimates included in this document and materially so, given the nature of these costs, as explained below.

Indirect costs are:

- **Performance-related fees:** An underlying investment manager of a managed fund or exchange traded fund may charge a performance fee, called a performance-related fee. If applicable, it is included in indirect costs and is not an additional cost to you. We do not currently charge performance-related fees.

Generally, a performance-related fee will only be charged in respect of an underlying managed fund or exchange traded fund when the investment return outperforms either the relevant benchmark or a specific performance hurdle return. However, usually, any prior under performance must also be made good before the underlying investment manager qualifies for a performance-related fee.

The performance-related fee rate typically ranges from 0%–30% of the outperformance over the relevant benchmark or performance hurdle and is generally paid at least annually (performance period). Performance-related fees affect the underlying fund's return and therefore the value of your investment in the fund. The performance-related fee may still be payable where the overall performance of the underlying managed fund or exchange traded fund has declined over the performance period. This is because one or more underlying investment managers may have outperformed the benchmark or their performance hurdle over that period.

Where an underlying investment manager's cumulative performance for a period is less than the relevant benchmark or performance hurdle, this underperformance may be carried forward to the following period and no further performance-related fees will be either reflected in the unit price or paid in respect of the underlying investment manager until the underperformance is recouped.

The more exposure a managed portfolio has to an underlying investment that charges performance-related fees, the greater

the potential impact that this will have on your investment in that managed portfolio.

- **Other indirect costs:** The managed portfolio option may incur other indirect costs as a result of investing in underlying managed funds or exchange traded funds. Typical indirect costs include an underlying managed fund's or exchange traded fund's costs which have been included in the valuation of the underlying managed fund or exchange traded fund.

Other indirect costs will also be incurred in respect of the cash allocation of each managed portfolio option.

Transactional and operational costs

- **Transaction fees:** We charge a transaction fee in relation to the buying and selling of listed securities and exchange traded funds in your portfolio. This fee will cover the costs of processing and settling the transactions, including the brokerage payable to the appointed broker. Generally, the fee will be between 0.11% and 0.18% of the transaction amount but may be as high as 0.20% of the transaction amount. As an example, if a \$50,000 transaction occurred in your portfolio, the transaction fees charged at 0.18% would be \$90. In some circumstances, we may not need to process a transaction as it may be possible to net the transaction against transactions for other investors. In these circumstances, we will still charge the transaction fee.
- **Buy/sell spread:** The buy/sell spread (generally applicable to managed funds) is the transaction cost incurred when buying and selling assets in an underlying managed fund when new investors apply for and existing investors redeem units in the underlying managed fund. It is charged by the issuer and is included in the underlying managed fund's unit price.

Typical buy/sell spreads are estimated to be between 0% and 0.70% but may fall outside this range. For example, if \$10,000 is invested in an underlying managed fund, at the maximum buy/sell spread of 0.70%, you will generally incur a cost of \$70 at the time you invest. The buy/sell spread is an additional cost to you. If you require further information on the buy/sell spread applicable to the underlying managed funds, please speak to your adviser or contact us.

- **Other transactional and operational costs:** In relation to an underlying managed fund, where transactional and operational costs arise from trading activity to execute the relevant fund's investment strategy, and are not the result of applications into and redemptions from the relevant fund, these costs (including brokerage, stamp duty and clearing and settlement costs) may not be recouped by the buy/sell spread. In these circumstances, they are an additional cost to you at the time of undertaking the trading activity, and are included in the underlying managed fund's unit price.

In addition, when it comes to buying and selling listed securities and exchange traded funds in your portfolio, there may be transactional and operational costs in addition to transaction fees. These are referred to as bid/ask spreads and represent the difference between the price paid for an

What are the fees and other costs?

underlying investment and the price that it would be disposed of at that time. They are an additional cost to you at the time of undertaking the trading activity.

Our estimate of these transactional and operational costs for the year ended 30 June 2020 for the Zenith Elite Blends Balanced Portfolio are set out in the example below.

Detailed fee information for each Zenith managed portfolio option is set out in the 'Zenith managed portfolio options summaries' section of this document.

Managed portfolio option	(A) Transactional and operational costs of underlying investments	(B) Transaction fees	(C) = (A) + (B) Total transactional and operational costs
Zenith Elite Blends Balanced Portfolio	0.20% pa	0.00% pa	0.20% pa

Using the example above, if \$50,000 is invested in the Zenith Elite Blends Balanced Portfolio, total transactional and operational costs will be \$100. This is comprised of transactional and operational costs of the underlying investments of \$100 and transaction fees of \$0. For the total fees and costs relating to the Zenith Elite Blends Balanced Portfolio, excluding the transactional and operational costs, refer to the fee example on page 7.

Government duty

Government duty may be payable if you transfer certain assets into or out of your portfolio. For further information regarding how government duty is deducted, refer to the relevant disclosure document for your Panorama Product.

Refer to 'Taxation' in Part 1 of the PDS for information about tax generally.

Other fees and costs

All other fees and costs (such as government fees, bank fees, fees for failed transactions and penalty interest) incurred as a result of a transaction, deposit or withdrawal, will be passed on to you and payable out of the cash allocation of your portfolio.

Additional fees may be paid to a financial adviser if you have consulted a financial adviser. You should refer to the Statement of Advice provided by your financial adviser in which details of the fees are set out. ASIC provides a fee calculator on www.moneysmart.gov.au, which you may use to calculate the effects of fees and costs on your investment in BT Managed Portfolios.

Rebates

The issuer of an underlying managed fund (within your portfolio) may provide a rebate of some or all of the investment costs for the underlying managed fund. In general, your eligibility to receive a rebate will be based on your holdings in the relevant underlying managed fund over the period the rebate payment relates to, where you have an open Panorama Product at the time the rebate is calculated.

Any rebate received will be paid in full to eligible investors. The rebate will be paid into the cash allocation of your portfolio or your Panorama Product's transaction account if you have fully withdrawn from your portfolio.

Zenith managed portfolio options list

The fees and costs applying to each portfolio option are set below.

Option name	APIR code	Investment management fee ¹	Fees and costs – underlying investments ²			Page
			Performance-related fees	Other indirect costs	Total transactional and operational costs	
ASSET CLASS: Diversified						
Zenith Elite Blends Moderate Portfolio	WFS0616AU	0.2000% pa	0.08% pa	0.64% pa	0.13% pa	11
Zenith Elite Blends Balanced Portfolio	WFS0617AU	0.2000% pa	0.13% pa	0.75% pa	0.20% pa	12
Zenith Elite Blends Growth Portfolio	WFS0618AU	0.2000% pa	0.17% pa	0.82% pa	0.25% pa	13

1 This fee is payable monthly to us as the responsible entity of BT Managed Portfolios, and is calculated on the average daily value of your portfolio for the month. Refer to 'Investment management fee' in the 'Additional explanation of fees and costs' section of this document for more information.

2 These fees and costs are weighted averages based on the estimated fees and costs for the relevant underlying investments in relation to the 12 months to 30 June 2020, or in the case of a new or varied managed portfolio option, as if the managed portfolio option had been in place for the 12 month period ending 30 June 2020. These fees and costs are net of any rebate (if applicable) paid by an issuer of an underlying managed fund that forms part of the relevant managed portfolio option and is passed on to you. Refer to 'Indirect costs' and 'Rebates' in the 'Additional explanation of fees and costs' section of this document for further information.

Zenith managed portfolio options summaries

Zenith Elite Blends Moderate Portfolio

APIR code	WFS0616AU		
Designed for investors who	Seek a moderate portfolio which aims to deliver a solid income return and a modest amount of capital growth.		
Investment objective	To outperform the Bloomberg Ausbond Bank Bill Index by a minimum of 2.5% pa before fees over a rolling three year period.		
Benchmark index	Morningstar Peer Group Investment Trust Multisector Moderate Index		
Asset class	Diversified		
Investment style	Active		
Investment strategy and approach	The portfolio is actively managed and invests across both defensive asset classes, such as fixed interest and cash, and growth asset classes, such as equities, property and alternatives. Over the long term, the portfolio aims to have a 60% allocation to defensive assets and a 40% allocation to growth assets.		
Investment universe	Australian registered managed funds and exchange traded funds		
Risk label (SRM)	Low to medium (3)		
Minimum investment horizon	3 years		
Minimum investment amount	\$5,000		
Indicative number of assets	6 - 25		
Investment management fee	0.2000% pa		
Fees and costs – underlying investments¹	Performance-related fees	0.08% pa	
	Other indirect costs	0.64% pa	
	Transactional and operational costs	0.13% pa	
	Transaction fees	0.00% pa	
Asset allocation ranges	Asset class	Minimum (%)	Maximum (%)
	Cash ²	2	75
	Australian fixed interest	0	65
	International fixed interest	0	65
	Fixed interest other	0	65
	Australian shares	0	40
	International shares	0	40
	Australian property	0	10
	International property	0	10
	Listed infrastructure	0	10
Alternatives ³	0	25	

1 These fees and costs are weighted averages based on the estimated fees and costs for the relevant underlying investments in relation to the 12 months to 30 June 2020, or in the case of a new or varied managed portfolio option, as if the managed portfolio option had been in place for the 12 month period ending 30 June 2020. These fees and costs are net of any rebate (if applicable) paid by an issuer of an underlying managed fund that forms part of the relevant managed portfolio option and is passed on to you. Refer to 'Indirect costs' and 'Rebates' in the 'Additional explanation of fees and costs' section of this document for further information.

2 The 'Cash' asset class includes the cash allocation of the portfolio that is held in BT CMA (or any other cash product nominated by us) but may include allocation to other cash type investments.

3 The 'Alternatives' asset class may contain both defensive and growth assets.

Zenith Elite Blends Balanced Portfolio

APIR code	WFS0617AU		
Designed for investors who	Seek a balanced portfolio which aims to deliver both income and capital growth.		
Investment objective	To outperform the Bloomberg Ausbond Bank Bill Index by a minimum of 3.25% pa before fees over a rolling four year period.		
Benchmark index	Morningstar Peer Group Investment Trust Multisector Balanced Index		
Asset class	Diversified		
Investment style	Active		
Investment strategy and approach	The portfolio is actively managed and invests across both defensive asset classes, such as fixed interest and cash, and growth asset classes, such as equities, property and alternatives. Over the long term, the portfolio aims to have a 40% allocation to defensive assets and a 60% allocation to growth assets.		
Investment universe	Australian registered managed funds and exchange traded funds		
Risk label (SRM)	Medium (4)		
Minimum investment horizon	4 years		
Minimum investment amount	\$5,000		
Indicative number of assets	6-25		
Investment management fee	0.2000% pa		
Fees and costs – underlying investments¹	Performance-related fees	0.13% pa	
	Other indirect costs	0.75% pa	
	Transactional and operational costs	0.20% pa	
	Transaction fees	0.00% pa	
Asset allocation ranges	Asset class	Minimum (%)	Maximum (%)
	Cash ²	2	60
	Australian fixed interest	0	45
	International fixed interest	0	45
	Fixed interest other	0	45
	Australian shares	0	60
	International shares	0	60
	Australian property	0	12.5
	International property	0	12.5
	Listed infrastructure	0	15
Alternatives ³	0	30	

1 These fees and costs are weighted averages based on the estimated fees and costs for the relevant underlying investments in relation to the 12 months to 30 June 2020, or in the case of a new or varied managed portfolio option, as if the managed portfolio option had been in place for the 12 month period ending 30 June 2020. These fees and costs are net of any rebate (if applicable) paid by an issuer of an underlying managed fund that forms part of the relevant managed portfolio option and is passed on to you. Refer to 'Indirect costs' and 'Rebates' in the 'Additional explanation of fees and costs' section of this document for further information.

2 The 'Cash' asset class includes the cash allocation of the portfolio that is held in BT CMA (or any other cash product nominated by us) but may include allocation to other cash type investments.

3 The 'Alternatives' asset class may contain both defensive and growth assets.

Zenith Elite Blends Growth Portfolio

APIR code	WFS0618AU		
Designed for investors who	Seek a growth portfolio which aims to deliver income and a strong level of capital growth.		
Investment objective	To outperform the Bloomberg Ausbond Bank Bill Index by a minimum of 4% pa before fees over a rolling five year period.		
Benchmark index	Morningstar Peer Group Investment Trust Multisector Growth Index		
Asset class	Diversified		
Investment style	Active		
Investment strategy and approach	The portfolio is actively managed and invests across both defensive asset classes, such as fixed interest and cash, and growth asset classes, such as equities, property and alternatives. Over the long term, the portfolio aims to have a 25% allocation to defensive assets and a 75% allocation to growth assets.		
Investment universe	Australian registered managed funds and exchange traded funds		
Risk label (SRM)	Medium to high (5)		
Minimum investment horizon	5 years		
Minimum investment amount	\$5,000		
Indicative number of assets	6 - 25		
Investment management fee	0.2000% pa		
Fees and costs – underlying investments¹	Performance-related fees	0.17% pa	
	Other indirect costs	0.82% pa	
	Transactional and operational costs	0.25% pa	
	Transaction fees	0.00% pa	
Asset allocation ranges	Asset class	Minimum (%)	Maximum (%)
	Cash ²	2	40
	Australian fixed interest	0	25
	International fixed interest	0	25
	Fixed interest other	0	25
	Australian shares	15	80
	International shares	15	80
	Australian property	0	15
	International property	0	15
	Listed infrastructure	0	20
Alternatives ³	0	35	

1 These fees and costs are weighted averages based on the estimated fees and costs for the relevant underlying investments in relation to the 12 months to 30 June 2020, or in the case of a new or varied managed portfolio option, as if the managed portfolio option had been in place for the 12 month period ending 30 June 2020. These fees and costs are net of any rebate (if applicable) paid by an issuer of an underlying managed fund that forms part of the relevant managed portfolio option and is passed on to you. Refer to 'Indirect costs' and 'Rebates' in the 'Additional explanation of fees and costs' section of this document for further information.

2 The 'Cash' asset class includes the cash allocation of the portfolio that is held in BT CMA (or any other cash product nominated by us) but may include allocation to other cash type investments.

3 The 'Alternatives' asset class may contain both defensive and growth assets.

For more information

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