

Wellington Global Bond MPS Fund

Manager Profile

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WELLINGTON
MANAGEMENT®

Manager Overview

Wellington Management Australia Pty Ltd ('Wellington') is the investment manager of the Wellington Global Bond MPS Fund, and is part of the Wellington Management Group.¹

Tracing its history to 1928, the Wellington Management Group is one of the largest investment management groups in the world. With over US\$1 trillion in assets under management², members of the Wellington Management Group serve as trusted investment advisers to more than 2,200 institutional clients and mutual fund sponsors in over 60 countries. Collectively, the Wellington Management Group is also one of the world's largest investment subadvisors, providing investment expertise and experience to banks, insurance companies, and asset management firms. Its investment capabilities are built on the strength of rigorous, proprietary research and span nearly all segments of the global capital markets, including equity, fixed income, multi-asset, and alternative strategies. As a private partnership whose sole business is investment management, the Wellington Management Group has aimed for its long-term views and interests to be aligned with those of its clients.

Investment Philosophy and Style

Wellington believes its distinctive strength is its commitment to rigorous, proprietary research — the foundation upon which the firm's investment approaches are built. Another hallmark of Wellington is its culture, that is, its dedication to collaboration and a sense of community, a trait the firm believes is its sustainable competitive advantage. It has built its organization to foster healthy debate, diversity of thought, and the free exchange of ideas — conditions that Wellington thinks are essential for informed investment decision making. Actively sharing insights across asset classes and investment disciplines help create a marketplace of ideas that is leveraged for the benefit of client portfolios.

Wellington does not have a chief investment officer and instead, is organized as a collection of teams — each functioning as an entrepreneurial entity within the organization. This helps ensure each team has the resources it needs to seek to deliver strong, consistent results for clients. Each investment team has freedom of philosophy and process, while benefiting from the resources of a global firm — chief among them research teams, which cover all major asset classes from many perspectives, including fundamental, quantitative, macroeconomic, and technical analysis. This investment model is described as a "community of boutiques." For over 90 years, Wellington's thoughtful and informed active management has aimed to help clients achieve their long-term objectives.

¹ Wellington Management Australia Pty Ltd, along with other subsidiaries of Wellington Management Group LLP, are referred to in this document as "Wellington Management Group".

² As at 31 December 2020.

Investment Process

With over US\$500 billion in fixed income assets under management², Wellington's fixed income capabilities span all publicly traded global bond market sectors. Wellington's fixed income approaches combine both top-down and bottom-up inputs to seek to identify and exploit fixed income market inefficiencies around the world. Macroeconomic analysts and market strategists aim to identify top-down structural and cyclical risks and opportunities, while Wellington's bottom-up, fundamental research approach aims to draw on insights from both fixed income and equity analysts.

The Wellington Global Bond MPS Fund (the 'Fund') seeks to generate consistent excess returns through the combination of investment strategies intended to be lowly correlated developed by Wellington's highly specialised investment teams. Each team has a unique area of focus which is sector, region, or investment style based. This team structure aims to ensure that the portfolio is highly diversified with the intention of producing more consistent risk-adjusted returns in a wide variety of market environments.

The objective of the investment process is to: identify a diversified set of independent investment ideas, efficiently allocate capital to those investment ideas, and transparently manage portfolio risk, in a multimanager team construct. This process can be broken down into three essential components: idea generation, alpha/risk allocation, and risk monitoring.

Idea Generation

Wellington's idea generation for the Fund is a bottom-up process driven by individual portfolio managers on each of the alpha teams: Macro, Quantitative and Credit.

Alpha/Risk Allocation

During the alpha/risk allocation process, capital is first allocated across the three alpha teams (Macro, Quantitative and Credit). Within those teams, each portfolio manager is then allocated an individual alpha/risk budget. The allocation is developed based upon the Fund's return objective, risk tolerance and guideline constraints and is continually reviewed to ensure it is in line with those parameters. With this approach, the portfolio managers are not forced to target a constant risk budget, making for higher quality investment decisions over time.

Risk Monitoring

The objective of the risk monitoring process is to identify unintended concentration risk. The risk monitoring process is intended to check that each portfolio's aggregate risk profile is consistent with its return objective, risk tolerance, and guidelines on a daily basis, with particular focus on concentration risk. The risk monitoring process evaluates portfolios pre- and post-trade across multiple dimensions, including aggregate interest-rate, credit, and currency sensitivities, ex-ante tracking risk, sensitivity to macro factors, as well as through a spectrum of historical scenarios and stress-tests. The goal of this analysis is to test various assumptions made throughout the investment process are fully stressed at the individual strategy, alpha source, and aggregate portfolio level and to anticipate when the assumptions may be wrong.

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WFSL is the responsible entity for the Wellington Global Bond MPS Fund ARSN 625 871 338 ('Fund'). A Product Disclosure Statement or other disclosure document ('PDS') is available for the Fund and can be obtained by calling 1800 819 935 or by visiting bt.com.au/MPS. The Financial Services Guide ('FSG') for WFSL can also be obtained via the Product Disclosure Statement page on bt.com.au. Any retail client should obtain and consider the PDS for the Fund and the FSG before deciding whether to acquire, continue to hold or dispose of units in the Fund.

The Fund is only accessible through the CoreSeries Portfolios, a range of managed portfolio options available within BT Managed Portfolios ARSN 604 066 686 (BTMP). WFSL is the responsible entity and issuer of interests in BTMP. BTMP is available through Panorama Investments or Panorama Super. BT Portfolio Services Ltd ABN 73 095 055 208 AFSL 233715 (BTPS) operates Panorama Investments and administers Panorama Super. BT Funds Management Limited ABN 63 002 916 458 AFSL 233724 (BTFM) is the trustee and issuer of Panorama Super, which is part of Retirement Wrap ABN 39 827 542 991. Westpac Banking Corporation ABN 33 007 457 141 AFSL and Australian credit licence 233714 (Westpac) is the issuer of the BT Cash Management Account and the BT Cash Management Account Saver. Together, these products are referred to as the Panorama products. A PDS for the relevant Panorama products can be obtained by contacting BT on 1300 881 716. A retail investor should obtain and consider the relevant PDS before deciding whether to acquire, continue to hold or dispose of interests in the Panorama products. Conditions, fees and charges apply for the Panorama products and may change. The Panorama products are only available in Australia.

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WFSL has appointed Wellington Management Australia Pty Ltd ABN 19 167 091 090 AFSL No. 462912 as the investment manager ('Manager') for the Fund. The Manager has consented to the statements pertaining to it in this document, in the form and context in which they appear and has not withdrawn its consent as at the date this document was published.

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Information current as of 31 December 2020.

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