

Modern Slavery Statement

Wellington Management Australia Pty Ltd ABN 19 167 091 090
Financial Year Reporting Period: 1 January 2020 to 31 December 2020

WELLINGTON
MANAGEMENT®

INTRODUCTION

This document is a Modern Slavery Statement (Statement) issued by Wellington Management Australia Pty Ltd (WMA) in accordance with the Modern Slavery Act 2018 (Cth) (Act) and has been approved by the Board of WMA as its principal governing body.

This Statement is voluntary as WMA is not required to comply with the Act in respect of the financial year to which the Statement relates.

This Statement outlines our commitment and steps taken in identifying and addressing modern slavery risks within our business and supply chain to address the requirements of the Act.

STRUCTURE, OPERATIONS AND SUPPLY CHAIN OF THE REPORTING ENTITY

STRUCTURE

WMA, a proprietary limited company organised in Australia (ABN 19 167 091 090), conducts business development and client support services in Australia and New Zealand. The office opened in January 1997 and WMA holds an Australian Financial Services Licence (no. 462912). WMA does not own or control other entities.

WMA is 100% owned by Wellington Management Global Holdings, Ltd., a Bermuda-domiciled holding company. The ultimate parent company of the Wellington Management organisation is Wellington Management Group LLP, a Massachusetts private limited liability partnership owned by 182 partners, all fully active in the business of the firm and which has operations in North America, Europe and Asia Pacific regions. Approximately 900 investment professionals are employed across the Wellington Management Group (Wellington Management).

Sydney, Australia (25 employees)

Address

Wellington Management Australia Pty Ltd	Level 17 126 Phillip Street Sydney NSW 2000 Australia Telephone: +612-8233-6400
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All employee data is as of 31 December 2020.

OPERATIONS AND SUPPLY CHAIN

WMA is engaged exclusively in investment management and serves as a trusted adviser and strategic partner to professional investors and wholesale clients.

As an investment manager, we have a relatively simple supply chain built around supporting our investment management practice. The external vendors we procure goods and services from primarily fall into four broad categories:

- **Professional and employee related services:** such as legal, tax, audit/accountancy advice; external training and recruiting providers; employee insurance and benefit providers
- **Workplace services:** services which support the running of our day-to-day business (e.g., cleaning, catering, office equipment maintenance services and the leasing of our office space)
- **Technology and data services:** systems, software and hardware purchased to provide the technology infrastructure required to undertake our business; market data services
- **Travel services:** as a global organisation serving clients in many different countries, our staff undertake global travel; as such, we engage with a number of travel service providers

Note that historically the firm has engaged in a significant amount of travel. However, like many aspects of our business, we continually re-evaluate the benefits and costs associated with areas of significant business activity. Travel is one such area that has been impacted by the implications of COVID-19 and the evaluation of the firm's carbon footprint. As such, travel may prove to be a less impactful element of our procurement expenditures in the future as we adapt the manner in which we conduct our business to current and future considerations.

RISKS OF MODERN SLAVERY PRACTICES IN OPERATIONS AND SUPPLY CHAIN

Modern slavery has been defined by the Act to include eight types of serious exploitation:

- Trafficking in persons
- Slavery
- Servitude
- Forced labour
- Forced marriage
- Debt bondage
- The worst forms of child labour
- Deceptive recruiting for labour services

INVESTMENT MANAGEMENT

As a professional financial services organisation, WMA considers the risk of modern slavery within its Australian business operations to be low. However, we recognise that there may also be modern slavery risks through its investment management activity:

- **Sector/industry exposure risk:** Certain sectors and industries may have high modern slavery risks because of their characteristics, products and processes. Indicators of this type of risk include the use of unskilled, temporary or seasonal labour, use of short-term contracts and outsourcing, use of foreign workers or temporary or unskilled labour to carry out functions which are not immediately visible (i.e., at night), security and cleaning.
- **Geographic risk:** Certain countries may have higher risk of modern slavery, including due to poor governance, weak rule of law, conflict, migration flows and socio-economic factors.
- **Entity risks:** Certain entities may have exposure to modern slavery risks because of poor governance structures, a record of treating workers poorly or a track record of human rights violations.

Our clients are invested in a variety of investment strategies, including both commingled funds and separate accounts, with broad global and regional supply chains. As such, the underlying companies in which we invest span many sectors/industries, countries and entities, some of which have increased exposure to modern slavery risks. We acknowledge that the risks of modern slavery may be heightened in some of our investee companies' supply chains and operations as a result of the geographical location of some suppliers and areas of operation.

ACTIONS TAKEN BY THE REPORTING ENTITY TO ASSESS AND ADDRESS RISKS, INCLUDING DUE DILIGENCE AND REMEDIATION PROCESSES

POLICIES AND PROCEDURES

We are committed through our Corporate Sustainability Initiative (CSI) to incorporating socially and environmentally sustainable behaviour into everything we do, including sound governance and engagement with our employees, our community, and our environment. We will utilise our procurement procedures and employment policies to raise awareness of the Act with employees and suppliers to help mitigate the risks of slavery and human trafficking in our business. These global policies and procedures include:

- Accommodation of Disabilities Policy
- Drug-Free Workplace Policy
- Equal Employment Opportunity Policy
- Harassment and Discrimination Policy
- Nepotism and Personal Relationships
- Safe Work Environment
- Smoking
- Meeting Best Practices for Accessibility (Hearing Impairments)
- Resource Guide (Disability-Related Resources)
- Voicing Work Environment Concerns

Employees are encouraged, and in some cases our policies require, that they share any concerns they may have regarding misconduct or wrongdoing with their immediate line manager, or an appropriate representative from our Employee Relations / Human Resources department. Additionally, employees are directed to share any concerns relating to money laundering with the firm's anti-money laundering officer.

SUPPLY CHAIN

WMA is committed to continuously improving awareness and responding to the risk of modern slavery in its operations and supply chain. The nature of our business activities and the high standards that we expect from both our suppliers and ourselves is reflected in our overall assessment that the risk of modern slavery in our supply chain is low. We have a centralised procurement function responsible for Wellington Management's vendor management processes globally. Within this function, there is a Third Party Risk Management (TPRM) team that initiates the due diligence review process for new suppliers as well as periodic ongoing reviews for certain existing suppliers.

In order to assess and reduce risk, we undertook a review of suppliers utilised during the 2020 financial year, along with our procurement and vendor oversight processes. As part of our initiative to identify and mitigate slavery and human trafficking risk, we have taken a risk-based approach to our evaluation. With regards to our own supply chain, we have a zero-tolerance policy to modern slavery and human trafficking. Where applicable, we may incorporate modern slavery related provisions in our contractual agreements, and we may also request that a supplier provide information regarding the necessary actions it has taken to prevent or remediate modern slavery in its business or its supply chain. Third party service providers are systematically identified and reviewed for potential modern slavery risks at onboarding, based on risk factors such as the third party's industry and country of operation. On a periodic basis, the subset of the vendor population meeting these high-risk criteria are compared against the broader service provider population to validate that applicable third parties presenting potential modern slavery risk have been identified, and that the associated risk has been evaluated and appropriately mitigated where applicable. Should any supplier be found to use modern slavery in any part of their supply chain and/or their business, it will result in remediation discussions and ultimately could result in contract termination.

Over this reporting period, we have made progress in implementing actions to assist in addressing the modern slavery risks associated with our supply chain. These include reviewing and, where necessary, updating due diligence procedures, and reviewing our suppliers' statements specifically related to Modern Slavery.

INVESTMENT MANAGEMENT

Wellington Management is taking a multi-layered approach to tracking and managing the risk of modern slavery in client portfolios. First, we are developing a training program for sector and sovereign research analysts to increase their understanding of modern slavery, how it might show up in company and country securities, and the questions analysts might ask when meeting with company and country leadership. Second, we are working closely with MSCI to ensure that we are making full use of their current screening tools and are collaborating with their research team as they develop new screening tools for sovereign issuers in particular. This collaboration is ongoing, and we expect they will be well-prepared to increase their reporting for sovereigns. Additionally, we are in the process of developing questionnaires to be sent to a broad cross-section of companies with global supply chains to build a base level of knowledge on the level of engagement with known practices, which can better manage supply chain risk. Finally, we plan to screen portfolios at least twice per year, leveraging MSCI controversy data.

Ongoing interactions between the centralised Sustainable Investment Team and portfolio managers related to company engagement, proxy voting, and portfolio reviews are all opportunities to educate investors on ESG issues and trends. Portfolio managers, industry analysts and ESG analysts all take part in our ongoing dialogue with companies, and we share engagement information using a central collaboration platform. Analysts regularly discuss issuers, write investment notes and make comments in our morning investment meeting. This collaboration is a form of ongoing training within our firm.

In addition, Wellington Management maintains multiple internal e-mail distribution lists related to ESG and sustainable investing in order to facilitate information sharing across multiple functions of the firm. Content shared in this forum could include trends or common questions among clients of a certain channel and recent academic studies regarding ESG.

We have become increasingly aware of the pernicious nature of modern slavery—particularly the potential for supply chains and those not directly controlled by companies marketing goods to end users—to be at greater risk for human trafficking and other human rights abuses. Wellington Management is currently undertaking a comprehensive review of the ways in which we can improve our due diligence and engagement efforts on this issue across our clients' portfolios.

Andria Weil, our Director of Sustainable Investment Policy, has led regional training sessions open to all colleagues on the topic of Modern Slavery in company supply chains, in addition to dedicated sessions for our Investment Research, Client and Investment Product and Fund Strategies (IPFS) groups.

During the first half of each year, the Sustainable Investment Team hosts a proxy season preview to educate investors about major governance developments, focusing on a selection of "hot topics" we expect to be most pertinent throughout the season. This gives the Sustainable Investment Team an opportunity to reiterate any shifts in our approach to vote recommendations on certain topics. These sessions deepen understanding of key issues ahead of time so that we can have more productive debates about significant votes.

HOW THE REPORTING ENTITY ASSESSES THE EFFECTIVENESS OF ACTIONS TO ASSESS AND ADDRESS RISKS

As this is the first Statement, we are in the early stages of assessing the effectiveness of our risk-based approach.

The WMA Board of Directors will be provided with an annual assessment of the implementation and effectiveness of actions to ensure that the obligations contained in this Statement are met. The Board will consider the effectiveness of the measures set out above and has the authority to make amendments to this Statement as it sees fit.

CONSULTATION PROCESS

As there are no subsidiaries or entities owned or controlled by WMA, this requirement is not applicable.

OTHER RELEVANT INFORMATION

There is no other relevant information for this reporting period.

APPROVAL

This Statement was approved by the Board of Directors of Wellington Management Australia Pty Ltd on 28 October 2021.

Signed by:



Name: Aisling Freiheit
Title: Director