

**WELLINGTON GLOBAL
QUALITY GROWTH FUND
(AUSTRALIA) & WELLINGTON
EMERGING MARKETS EQUITY
FUND (AUSTRALIA)
MODERN SLAVERY
STATEMENT
FOR THE YEAR ENDED 30 JUNE 2021**

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Background

This document is a modern slavery statement (**'Statement'**) and is a joint Statement made pursuant to section 14 of the *Modern Slavery Act 2018 (Cth)* (the **'Act'**) in respect to the financial year ending 30 June 2021 (the **'Reporting Period'**) in relation to:

- Wellington Global Quality Growth Fund (Australia) (ARSN 628 609 807);
- Wellington Emerging Markets Equity Fund (Australia) (ARSN 133 266 903);

(collectively, the **'Funds'**), each a 'Reporting Entity' under the Act.

The Statement is issued by Equity Trustees Limited ABN 46 004 031 298 (**'ETL'** or **'Responsible Entity'**) in its capacity as the responsible entity of each of the Reporting Entities in accordance with the Act and has been approved by the Board of ETL as their principal governing body.

This Statement discloses the commitment of ETL and Wellington Management Australia Pty Ltd ("WMA") and steps taken in identifying and addressing modern slavery risks within its business and supply chain, which includes the activities implemented in the financial year ending 30 June 2021.

This is the second Statement for the Wellington Global Quality Growth Fund (Australia) and first Statement for the Wellington Emerging Markets Equity Fund (Australia).

Structure, operations and supply chains of the Reporting Entities

Fund Structure

The Reporting Entities are registered managed investment schemes. ETL is the responsible entity of the Funds. The investors of the Funds are classified as wholesale clients pursuant to the *Corporations Act (Cth)* 2001.

The Board of Directors of ETL govern the operations of the Funds. The investments and investment strategy of the Funds are managed by WMA pursuant to an Investment Management Agreement ("**IMA**") between ETL and WMA.

The business activities of the Funds are conducted in accordance with high levels of ethical and professional standards and in accordance with relevant laws in Australia. ETL and WMA are committed to mitigating the risk of modern slavery in the business and supply chains of the Funds and the assets in which it invests.

About Equity Trustees

ETL is a wholly owned subsidiary of EQT Holdings Ltd which is a diversified financial services company publicly listed on the Australian Securities Exchange (ASX: EQT). ETL holds an Australian Financial Services Licence (**'AFSL'**) no. 240975. It acts as a trustee and responsible entity for a range of managed investment schemes and unit trusts, including the Funds. ETL's registered office is Level 1, 575 Bourke Street, Melbourne, VIC 3000, Australia.

About WMA

WMA is the investment manager of the Wellington Global Quality Growth Fund (Australia) and Wellington Emerging Market Equity Fund (Australia)], and is a proprietary limited company registered in Australia. WMA is 100% owned by Wellington Management Global Holdings, Ltd., a Bermuda 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.

WMA holds an AFSL no. 462912. It acts as investment manager for a range of managed investment schemes. WMA's business office is Level 17, 126 Phillip Street Sydney, NSW 2000 and approximately 900 investment professionals are employed across the Wellington Management organisation.

Operations and supply chains

Wellington Global Quality Growth Fund (Australia)

The Fund's investment objective is to provide long-term returns in excess of the MSCI All Country World ex-Tobacco Index (the "MSCI ACWI Index").

The Fund's investment strategy is an active management approach against the MSCI ACWI Index, seeking to achieve the investment objective by investing in the stocks of high-quality growth companies which trade at a discount to the market and return capital to shareholders. The investment style incorporates a macro overlay to the bottom-up stock selection process to best position the portfolio through the stock ranking process.

Wellington Emerging Markets Equity Fund (Australia)

The Fund's investment objective is to seek long-term total returns in excess of the MSCI Emerging Markets Index (the "MSCI EM Index").

The Fund's investment strategy is an active management approach against the MSCI EM Index seeking to achieve the investment objective through a blend of top-down country and sector analysis with bottom-up stock selection in a relatively concentrated portfolio. The Fund generally will be fully invested in equity securities of companies that are either located in emerging markets or conduct substantial business in emerging markets.

In preparing this statement, the Funds' direct supply chains have been considered.

The Funds' operations and supply chains involve custody and administration of assets and also include several support functions including marketing and communication, governance, risk and compliance services and human resources. These support functions are provided by ETL and other external service providers. Internal policies and procedures in relation to the selection of service providers are followed and service providers are typically selected after a due diligence (financial & operational) process which includes risk assessments and thorough reviews with internal subject matter experts.

ETL, as Responsible Entity of the Funds, has entered into agreements with each of the service providers which govern the nature and scope of the services to the Funds.

Administration and Custody of the Funds' assets are held via State Street Australia Limited which has operations in Australia and number of international jurisdictions including North America, Europe and Asia, as part of a global group of companies.

Risks of modern slavery practices in operations and supply chains of the Reporting Entities

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

1. Trafficking in persons;
2. Slavery;
3. Servitude;
4. Forced labour;
5. Forced marriage;
6. Debt bondage;
7. The worst forms of child labour;
8. Deceptive recruiting for labour services.

It is acknowledged that the following types of modern slavery risks and their indicators can exist in the operations and supply chains as well as in the equity holdings of the fund of the Funds:

- **Sector and industry 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 time) for example, security and cleaning.

In respect of the Funds, based on sectors identified using the Responsible Investment Association Australasia (RIAA) Investor Toolkit and the Australian Council of Superannuation Investors (ACSI) Modern Slavery Risks, Rights and Responsibilities: A Guide for Companies and Investors and the Responsible Sourcing Tool, we have identified that the investments of the Funds are exposed to the following categories that exhibit sector and industry risk:

Wellington Global Quality Growth Fund (Australia)

- Construction;
- Accommodation and food services activities; Healthcare Services; Financial services;
- Manufacturing; and
- IT services & software

Wellington Emerging Markets Equity Fund (Australia)

- Construction;
 - Healthcare Services;
 - IT services & software;
 - Mining & quarrying;
 - Financial services; and
 - Property
- **Product and services risk:** where certain products and services have high modern slavery risks because of the way they are produced, provided or used. We have not identified any significant areas of product services risk in the operations or supply chains.
 - **Geographic risk:** where some countries may have higher risk of modern slavery, including due to poor governance, weak rule of law, conflict, migration flows and socio-economic factors. We have analysed the investments of the Funds in respect of geographic risk and based on the Global Slavery Index 2018 and have identified no areas of geographic risk in their investments, although note that some countries of elevated risk are represented in the Funds' benchmarks.

Entity risks: where an entity may have particular modern slavery risks because of their reliance on long and/or complex supply chains, insufficient oversight or governance structures, or historical controversies in the area of human rights.

Actions taken by the Reporting Entities and ETL to assess and address risks, including due diligence and remediation processes.

ETL and WMA are both committed to continuously improving awareness and response to the risk of modern slavery in the operations and supply chains of the Funds.

During the Reporting Period, the Investment Manager undertook the following actions:

Wellington take our obligations in relation to the prevention of slavery and human trafficking seriously and are committed to taking appropriate steps to ensure the requirements of the Act are met within our business and supply chain. The nature of our business activities and the high standards which we expect from both our suppliers and ourselves, is reflected in our overall assessment that the risk of

slavery and human trafficking in our supply chain is low. We have a centralized 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.

As part of our initiative to identify and mitigate slavery and human trafficking risk, we have taken a risk-based approach to our evaluation. Each supplier is evaluated on a case by case basis, based on a combination of both its geographic region and the sector(s) in which it operates, taking into account regions and industries that have been determined to be more susceptible to slavery and human trafficking. 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 a supplier provide information regarding the necessary actions it has taken to prevent modern slavery in its business or its supply chain or request an annual certification to confirm appropriate provisions are in place. With regards to investment portfolios, we are primarily focused on engagement when we suspect weak supply chain standards.

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 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.

During the Reporting Period, ETL undertook the following actions:

- updated the annual due diligence questionnaire to include modern slavery questions designed to identify any potential risks in the supply chains of the Funds,
- undertook Modern Slavery training to the ETL Board of Directors relating to the obligations of the Act and the responsible members of the ETL Board in approving these Statements;
- actively engaged with investment managers when any suspected modern slavery activity was detected.

How the Reporting Entities and ETL assess the effectiveness of actions to assess and address risks

As this is the second year of modern slavery reporting for ETL as the Responsible Entity of the Funds, it is in the early stages of assessing the effectiveness of the risk-based approach which includes the review of geographical jurisdictions the Reporting Entities are exposed to and the likely exposure within any investable assets that may align to areas of known modern slavery risks.

ETL intends to provide its Board of Directors with an annual assessment on the implementation and effectiveness of actions to ensure the obligations within this Statement are met. The ETL Board shall consider the effectiveness of the measures as set out above and have the authority to make amendments to this Statement as it sees fit.

Consultation process

There are no subsidiaries or entities owned or controlled by the Reporting Entity, which is a Trust. However, the trustee of the Trust and the investment manager of the trust consult on the preparation of this MSS.

The trustee of the Reporting Entity is ETL (the issuer of this statement). The trustee is responsible for holding the assets of the trust, issuing interests in the trust to investors and entering into agreements on behalf of the trust.

The investment manager of the trust is WMA. The investment manager is appointed by the trustee under an Investment Management Agreement. The role of the investment manager is to make investment decisions regarding the assets of the trust. For clarity, WMA is not owned or controlled by the issuer of this MSS.

Senior management of the investment manager and the trustee consult on all content included in the MSS and jointly identify, consider and address modern slavery risks set out in the MSS. The MSS is then reviewed and approved by the board of the trustee.

Other relevant information

There is no other relevant information to be included for this reporting period.

Approval

This Statement was approved and signed by Philip Gentry on behalf of the Board of Directors of ETL, the responsible entity of the Reporting Entities, on 23 December 2021.



Philip Gentry

Chair

Date: 23 December 2021

For clients wishing to discuss this Statement, please contact your client service representative.

For media inquiries wishing to discuss this Statement, please contact:

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