

Pendal Wholesale Plus diversified fund range



Why diversified funds?

Investing to build long-term wealth has become more difficult than ever: risks are more pronounced, returns harder to find. In this environment investing in the right asset class, at the right time, in the right amounts, is difficult for many to achieve.

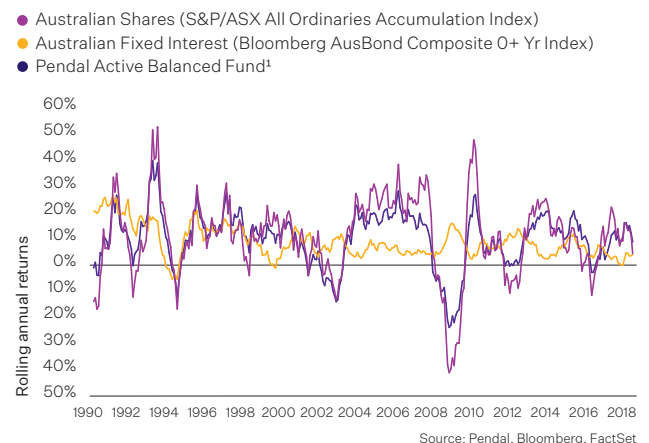
A diversified fund is a single investment, spread across many different asset classes and strategies.

Typically, diversified funds invest in Australian and international shares, property securities, fixed interest, cash and alternatives and are designed to achieve your investment requirements but with greater diversification than a single investment in one of these asset classes.

As shown in the adjacent chart, both shares (the aqua line) and fixed interest (the grey line), rise and fall over time. However these two types of investments often behave in opposite ways; when shares prices fall, bonds typically increase in value, and vice versa.

Combining assets that behave in contrasting ways in one portfolio can help reduce the impact of a negative investment environment, while still taking advantage of the better times.

Combining assets – diversification – can improve overall returns and smooth the investment journey



Simplify your investment decisions

The Pendal Wholesale Plus diversified fund range is offered by BT Financial Group and managed by Pendal Institutional Limited (Pendal).² It provides a range of options to suit people comfortable with various levels of risk and return.

Take advantage of Pendal's active investment and portfolio management expertise:

- ✓ Experience – a highly experienced team actively managing the portfolio to clearly defined objectives.
- ✓ Diversification – our funds are expertly allocated across over 50 markets.
- ✓ Access – gain access to markets that can be difficult to invest in directly, such as alternatives and international fixed interest.
- ✓ Risk management – our investment process aims to avoid undue risk.

¹ The Pendal Wholesale Plus Diversified Funds gain their investment exposure by investing into the Pendal wholesale fund equivalents. Accordingly, the performance returns shown for the Pendal Active Balanced Fund relate to the underlying fund that the Pendal Wholesale Plus Active Balanced Fund invests into. The returns show how the Pendal Wholesale Plus Active Balanced Fund would have performed had the fund been in existence over the relevant time periods shown. The Pendal Wholesale Plus Active Balanced Fund (formerly the BT Wholesale Plus Active Balanced Fund) commenced in June 2016. The rolling annual returns shown for the Pendal Wholesale Active Balanced Fund assume the reinvestment of distributions and are calculated using exit prices, net of management costs. The Pendal Wholesale Plus Active Balanced Fund charges different management costs to those of the Pendal Active Balanced Fund, which may also affect the performance returns of the Pendal Wholesale Plus Active Balanced Fund. Past performance is not an indicator of future performance.

² The Pendal Wholesale Plus diversified fund range consists of the Pendal Wholesale Plus Active Conservative Fund, Pendal Wholesale Plus Active Moderate Fund, Pendal Wholesale Plus Active Balanced Fund, Pendal Wholesale Plus Active Growth Fund and the Pendal Wholesale Plus Active High Growth Fund.

Pendal Wholesale Plus diversified funds

Pendal is the manager of the Pendal Wholesale Plus diversified fund range. Pendal actively blends a variety of traditional and alternative asset classes including Australian and international shares, property securities, fixed interest, cash investments and alternatives.



³ The Pendal Wholesale Plus Active Conservative Fund, Pendal Wholesale Plus Active Balanced Fund and Pendal Wholesale Plus Active Growth Fund have implemented Tactical Asset Allocation as part of their fund investment strategy. The Pendal Wholesale Plus Active Moderate Fund and Pendal Wholesale Plus Active High Growth Fund do not currently implement Tactical Asset Allocation as part of their fund investment strategy.

⁴ The reference to a fund investing in an asset class includes all types of investments which give exposure to that asset, directly or indirectly, including through derivatives and investment in other funds which invest primarily in that asset class, and through any type of investment which would ordinarily be understood in financial markets to be included in that asset class. It does not preclude investment in other types of assets where we consider it appropriate to do so in the interests of investors.



Stuart Eliot

Senior Portfolio Manager

Years at Pental 8yrs
Industry Experience 29yrs



Alan Polley

Portfolio Manager

Years at Pental 1yr
Industry Experience 16yrs

A well-resourced team with global experience

Stuart Eliot, Senior Portfolio Manager, joined Pental in 2009 and has been Portfolio Manager for Pental's diversified funds for six years. Over that time, Stuart has been instrumental in enhancing the suite of funds within the Pental Multi Asset team across all facets of the investment process.

Alan Polley, Portfolio Manager, brings over 16 years' investment management and consulting experience to his role. In his most recent role at TCorp Alan was responsible for the portfolio management of over \$40 billion in multi-asset portfolios as well as developing TCorp's strategic and dynamic asset allocation processes.

The Pental Wholesale Plus diversified funds provide investors with access not only to the Pental Diversified team led by Stuart Eliot, but also access to over 70 expert investment professionals at Pental spread across both Australia and the world. As well as accessing our own investment talent, Pental partners with leading global investment managers to drive tailored strategies.

Selection of underlying fund managers



Crispin Murray

Head of Equities,
Pental

Crispin manages our Australian equity funds. The Pental Wholesale Plus diversified funds gain their Australian equities exposure by investing into the Pental Institutional Core Australian Share Sector Trust, managed by Crispin, which has outperformed the S&P/ASX 300 Accumulation Index in 13 out of the past 15 years.⁵



Vimal Gor

Head of Income &
Fixed Interest, Pental

Vimal oversees our income and fixed interest funds with \$19.4 billion in funds under management as at 31 March 2018. Pental was awarded the Money Management/Lonsec Australian Fixed Income Fund Manager of the Year 2015.



James Syme

Senior Fund Manager,
JOHCM

James has nearly 20 years' experience leading emerging markets funds with peak funds under management of over \$4 billion. He co-manages the JOHCM Global Emerging Markets Opportunities Fund. J O Hambro Capital Management (JOHCM) is a wholly owned subsidiary of Pental Group Limited.



AQR Capital Management, LLC (AQR) is a global investment management firm with over US\$155 billion under management. AQR takes a systematic, research-driven approach to managing a range of alternative and traditional equity strategies.



AEW Capital Management, L.P (AEW) manages US\$70.3 billion of real estate assets and securities.⁶ AEW integrates quantitative research with hands-on real estate and capital markets expertise.

What you should know before you invest

All investments carry risk. The likely investment return and the risk of losing money is different for each managed investment scheme as different strategies carry different levels of risk depending on the underlying mix of assets that make up each fund. While we use our expertise to manage risk, risks cannot be completely eliminated. The value of an investment will go up and down, returns will vary and are not guaranteed, and future returns may be different from past returns. Laws affecting your investment may also change. The specific risks for this fund include those associated with markets, securities, currencies, interest rates, credit, liquidity and derivatives. The appropriate level of risk for you will depend on your age, investment time frame, where other parts of your wealth are invested and how comfortable you are with the possibility of losing some of your money in some years.

For more information speak to your financial adviser or visit bt.com.au/wholesaleplus

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⁵ Based on the performance of the Pental Institutional Core Australian Share Sector Trust before taxes and includes a partial year in 2003. The performance of the Pental Institutional Core Australian Share Sector Trust does not take into account management costs as the fund does not charge such costs to its investors. Past performance is not an indicator of future performance.

⁶ Total worldwide assets under management includes €58.6 billion in assets managed by AEW Europe and its affiliates as of 31 March 2018.

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Westpac Financial Services Ltd ABN 20 000 241 127 AFSL 233716 (WFSL) is the responsible entity and issuer of units of each of the funds in the Pental Wholesale Plus diversified fund range – the Pental Wholesale Plus Active Balanced Fund ARSN 612 671 155, Pental Wholesale Plus Active Conservative Fund ARSN 612 671 253, Pental Wholesale Plus Growth Fund ARSN: 612 670 836, Pental Wholesale Plus Active High Growth Fund ARSN 612 670 621 and the Pental Wholesale Plus Active Moderate Fund ARSN 612 671 593 (the Funds). WFSL is a subsidiary of Westpac Banking Corporation ABN 33 007 457 141 AFSL 233714 (Westpac). Pental Fund Services Limited (PFSL) ABN 13 161 249 332, AFSL 431426 is the responsible entity and issuer of units in the Pental Active Balanced Fund ARSN 088 251 496.

A Product Disclosure Statement (PDS) for each of the Pental Wholesale Plus diversified funds can be obtained from your financial adviser, by calling 1300 657 010 or from bt.com.au/wholesaleplus. A PDS for the Pental Active Balanced Fund can be obtained from your financial adviser, by calling 1800 813 886 or from www.pentalgroup.com. You should obtain and consider the PDS before deciding whether to acquire, continue to hold or dispose of units in any of the Funds. An investment in a Fund is not an investment in, deposit with or other liability of, Westpac or any other company in the Westpac Group or Pental Group of companies. An investment in a Fund is subject to investment risk, including possible delays in the payment of withdrawals and loss of income and principal invested. No member of the Westpac Group or Pental Group of companies stands behind or otherwise guarantees the capital value, investment performance or any particular rate of return of a fund.

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