



Vanguard®

Manager Select Series

Investment manager brief



Profile: Wellington Management

September 2019

Key facts

- Founded in 1928
- Headquartered in Boston, Massachusetts
- More than USD\$1.1 trillion in assets under management as at 30 June 2019
- More than 2,000 employees worldwide
- Serves as an investment adviser to over 2,000 institutions
- Private partnership offering investment strategies across equity, fixed income, and multi-strategy/alternative asset classes applying various philosophies and processes

Investment focus

Asset class	Global emerging markets equity
Investment style	Core – all cap
Annual turnover (expected range)	60–100% p.a.
Number of holdings (expected range)	Over 100
Active share	70–80%
Tracking error (expected range)	2–6% (not targeted)

Manager highlights

Wellington describe their investment model as a 'community of boutiques'. Each investment team has freedom of philosophy and process, while benefiting from the resources of a large, global firm.

This includes analyst-managed portfolios that have been offered by Wellington since 1984. In total Wellington's Global Industry Analysts (GIAs) manage in excess of USD\$100 billion on behalf of clients.

The structure allows for deep coverage across a broad investment universe.

Each GIA runs a concentrated sub-portfolio and holds the ultimate decision-making authority for the investments within their industry.

Investment management team

- 12 GIAs
- Average of nearly two decades of experience
- Deep industry expertise and unparalleled access to company management

Portfolio oversight team

- Analyst oversight
- Independent portfolio oversight
- Portfolio implementation and risk management

Investment philosophy/process

Wellington focuses on selecting the best stock in each industry, seeking to exploit intra-industry dispersion of returns.

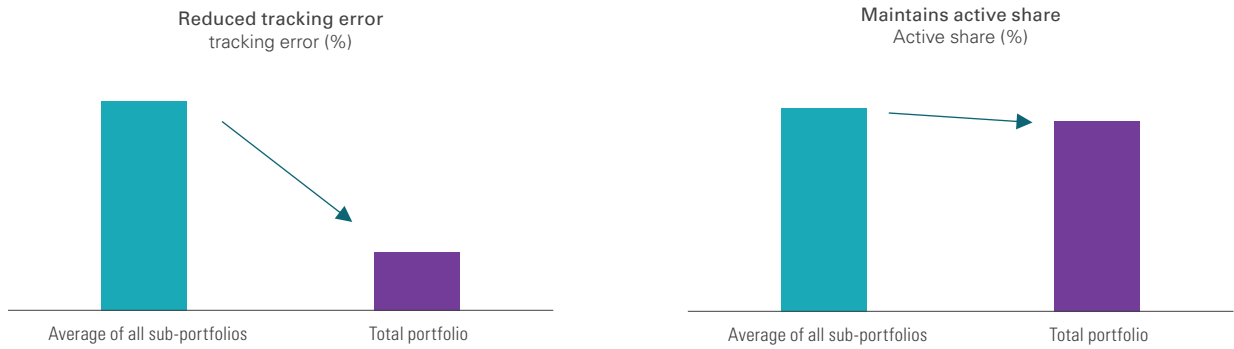
The varying approach to each industry by the GIAs allows for a clear picture and results in differentiated insights.

The performance of each sub-portfolio is driven by stock selection, with industry weights tied to the benchmark.

Diversification by industry and style contributes to a more consistent return pattern over time.

The Vanguard Active Emerging Market Equity Fund's strategy will closely align with Wellington's Emerging Market Equity Research Strategy which has been operating since 2010.

Construction of the GIA Managed Portfolio results in the combination of concentrated, best idea sub-portfolios with reduced overall tracking error while maintaining a high active share.



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