

The Directors of the Company, whose names appear in the “Management and Administration” section herein, accept responsibility for the information contained in this document. To the best of the knowledge and belief of the Directors (who have taken all reasonable care to ensure such is the case), the information contained in this document is in accordance with the facts and does not omit anything likely to affect the import of such information.

---

## WELLINGTON MANAGEMENT FUNDS (IRELAND) PLC

(an umbrella type open-ended investment company with variable capital and segregated liability between Funds, incorporated with limited liability under the laws of Ireland with registered number 267944)

**Dated 15 December 2017**

**THIS IS A CONSOLIDATED PROSPECTUS CONSISTING OF THE PROSPECTUS NOTED BY CENTRAL BANK OF IRELAND ON 15 DECEMBER 2017 AND ADDITIONAL INFORMATION FOR INVESTORS IN AUSTRIA, DENMARK, GERMANY, LUXEMBOURG AND THE UNITED KINGDOM NOTED BY THE CENTRAL BANK OF IRELAND.**

**THIS CONSOLIDATED PROSPECTUS DATED 18 DECEMBER 2017 DOES NOT CONSTITUTE A PROSPECTUS FOR THE PURPOSES OF IRISH APPLICABLE LAW AND IS SOLELY FOR USE IN RELATION TO INVESTORS IN AUSTRIA, DENMARK, GERMANY, LUXEMBOURG AND THE UNITED KINGDOM.**

---

<b>FIXED INCOME FUNDS</b>	<b>EQUITY FUNDS</b>	<b>MULTI-ASSET FUNDS</b>
Wellington Emerging Local Debt Fund	Wellington Asia ex Japan Equity Fund	Wellington Dynamic Diversified Income Fund
Wellington Emerging Local Debt Advanced Beta Fund	Wellington Durable Companies Fund	Wellington Multi-Asset Absolute Return Fund
Wellington Emerging Markets Corporate Debt Fund	Wellington Durable Enterprises Fund	
Wellington Emerging and Sovereign Opportunities Fund	Wellington Emerging Markets Equity Fund	
Wellington Global Bond Fund	Wellington Emerging Markets Local Equity Fund	
Wellington Global Credit Buy and Maintain Fund	Wellington Emerging Markets Opportunities Fund	
Wellington Global Credit Plus Fund	Wellington Emerging Markets Systematic Equity Fund	
Wellington Global Currency Absolute Return Fund	Wellington Emerging Market Themes Fund	
Wellington Global High Yield Bond Fund	Wellington Enduring Assets Fund	
Wellington Global Strategic Sovereign Fund	Wellington European Contrarian Value Fund	
Wellington Higher Quality Global High Yield Bond Fund	Wellington Global Health Care Equity Fund	
Wellington Opportunistic Emerging Markets Debt Fund	Wellington Global Impact Fund	
Wellington Opportunistic Fixed Income	Wellington Global Perspectives Fund	
	Wellington Global Property Fund	
	Wellington Global Quality Equity Fund	
	Wellington Hedged Alpha Opportunities Fund	

Fund Wellington Sterling Core Bond Plus Fund Wellington US\$ Core High Yield Bond Fund Wellington World Bond Fund	Wellington Opportunistic Themes Fund Wellington Pan European Small Cap Equity Fund Wellington Strategic European Equity Fund Wellington US Capital Appreciation Equity Fund	
---	--	--

Wellington Management Funds (Ireland) plc (the "Company") is an investment company with variable capital and segregated liability between sub-funds (the "Funds") incorporated on 25 June 1997 and is authorized in Ireland as a UCITS pursuant to the Regulations. Such authorisation is not an endorsement or guarantee of the Company or any Fund by the Central Bank, nor is the Central Bank responsible for the contents of this Prospectus.

The authorisation of the Company by the Central Bank shall not constitute a warranty as to the performance of the Company and the Central Bank shall not be liable for the performance or default of the Company.

**The value of and income from the Shares in the Company may go up or down and you may not get back the amount you have invested in the Company. Fees and expenses charged to a Fund will also negatively affect that Fund's investment return, and you should refer to the "Charges and Expenses" section below. Where a subscription and/or redemption charge is provided for the difference at any one time between the preliminary and repurchase price of Shares in the relevant Fund of the Company means that the investment should be viewed as medium to long term. As describe in the section entitled Dividend Policy dividends may be paid out of capital, for example where the Directors do not wish them to be paid out profits or other sources. In the instance the capital of the relevant Fund will be eroded, the dividend is achieved by foregoing the potential for future capital growth and the cycle may continue until all capital is depleted. Dividends out of capital may have different tax implications to dividends out of income and you should seek advice in this regard. Before investing in the Company, you should consider the risks involved in such investment. Please see relevant "Risk Factors" below.**

If you are in any doubt about the contents of this Prospectus you should consult your Stockbroker, Bank Manager, Solicitor, Accountant or other financial adviser.

Potential subscribers and purchasers of Shares should inform themselves as to (a) the possible tax consequences, (b) the legal requirements, (c) any foreign exchange restrictions or exchange control requirements and (d) any other requisite governmental or other consents or formalities which they might encounter under the laws of the countries of their incorporation, citizenship, residence or domicile and which might be relevant to the subscription, purchase, holding or disposal of Shares.

Any information given, or representations made, by any dealer, salesman or other person not contained in this Prospectus, a Key Investor Information Document or in any reports and accounts of the Company forming part hereof must be regarded as unauthorized and accordingly must not be relied upon. Neither the delivery of this Prospectus or a Key Investor Information Document nor the offer, issue or sale of Shares shall under any circumstances constitute a representation that the information contained in this Prospectus is correct as of any time subsequent to the date of this Prospectus. To reflect material changes, this Prospectus may from time to time be updated and intending subscribers should enquire of the

Company or the relevant Investment Manager as to the issue of any later Prospectus or as to the issue of any reports and accounts of the Company.

This Prospectus may not be used for the purpose of an offer or solicitation in any jurisdiction or in any circumstances in which such offer or solicitation is unlawful or not authorized. In particular: the Shares have not been registered under the United States Securities Act of 1933 (as amended) and may not, unless otherwise permitted by the Company in its sole discretion, be directly or indirectly offered or sold in the United States or to any United States Person. The Company will not be registered under the United States Investment Company Act of 1940 (as amended).

The Articles of Association of the Company give powers to the Directors to impose restrictions on the holding of Shares by (and consequently to redeem Shares held by), or the transfer of Shares to, United States Persons or by any person who appears to be in breach of the laws or requirements of any country or government authority or by any person or persons in circumstances (whether directly or indirectly affecting such person or persons, and whether taken alone or in conjunction with any other persons, connected or not, or any other circumstances appearing to the Directors to be relevant) which, in the opinion of the Directors, might result in the Company incurring any liability to taxation or suffering any other pecuniary or regulatory disadvantages which the Company might not otherwise have incurred or suffered. The Articles of Association also permit the Directors where necessary to repurchase and cancel Shares held by a person who is or is deemed to be or is acting on behalf of a Taxable Irish Person on the occurrence of a chargeable event for taxation purposes.

## TABLE OF CONTENTS

<b>DIRECTORY.....</b>	<b>8</b>
<b>THE COMPANY .....</b>	<b>11</b>
<b>INVESTMENT OBJECTIVES AND POLICIES OF THE FUNDS.....</b>	<b>11</b>
<b>Fixed Income Funds .....</b>	<b>12</b>
Wellington Emerging Local Debt Fund .....	12
Wellington Emerging Local Debt Advanced Beta Fund .....	14
Wellington Emerging Markets Corporate Debt Fund.....	17
Wellington Emerging and Sovereign Opportunities Fund .....	19
Wellington Global Bond Fund .....	22
Wellington Global Credit Buy and Maintain Fund .....	23
Wellington Global Credit Plus Fund .....	25
Wellington Global Currency Absolute Return Fund .....	27
Wellington Global High Yield Bond Fund .....	29
Wellington Global Strategic Sovereign Fund .....	31
Wellington Higher Quality Global High Yield Bond Fund .....	32
Wellington Opportunistic Emerging Markets Debt Fund.....	35
Wellington Opportunistic Fixed Income Fund .....	37
Wellington Sterling Core Bond Plus Fund .....	40
Wellington US\$ Core High Yield Bond Fund .....	41
Wellington World Bond Fund .....	43
<b>Equity Funds .....</b>	<b>45</b>
Wellington Asia ex Japan Equity Fund .....	45
Wellington Durable Companies Fund .....	47
Wellington Durable Enterprises Fund .....	48
Wellington Emerging Markets Equity Fund .....	50
Wellington Emerging Markets Local Equity Fund.....	51
Wellington Emerging Markets Opportunities Fund .....	52
Wellington Emerging Markets Systematic Equity Fund .....	54
Wellington Emerging Market Themes Fund .....	55
Wellington Enduring Assets Fund .....	57

Wellington European Contrarian Value Fund .....	59
Wellington Global Health Care Equity Fund .....	60
Wellington Global Impact Fund .....	61
Wellington Global Perspectives Fund .....	63
Wellington Global Property Fund .....	65
Wellington Global Quality Equity Fund .....	66
Wellington Hedged Alpha Opportunities Fund .....	67
Wellington Opportunistic Themes Fund .....	70
Wellington Pan European Small Cap Equity Fund .....	71
Wellington Strategic European Equity Fund .....	73
Wellington US Capital Appreciation Equity Fund .....	74
<b>Multi-Asset Funds .....</b>	<b>75</b>
Wellington Dynamic Diversified Income Fund .....	75
Wellington Multi-Asset Absolute Return Fund .....	78
<b>ALL FUNDS .....</b>	<b>82</b>
<b>Borrowing and Lending Powers .....</b>	<b>82</b>
<b>Cash and Cash Equivalents .....</b>	<b>82</b>
<b>Credit Rating .....</b>	<b>83</b>
<b>Hedged Share Class Transactions .....</b>	<b>83</b>
<b>Financial Derivative Instruments (FDIs) .....</b>	<b>85</b>
<b>Types and Description of FDIs .....</b>	<b>85</b>
<b>Leverage .....</b>	<b>89</b>
<b>Master Limited Partnerships .....</b>	<b>90</b>
<b>Investment in Other Investment Funds .....</b>	<b>90</b>
<b>Private Placements .....</b>	<b>91</b>
<b>Transferable Securities and Money Market Instruments .....</b>	<b>91</b>
<b>Cluster Munitions .....</b>	<b>91</b>
<b>Securities Lending and Other Transactions .....</b>	<b>91</b>
<b>Collateral .....</b>	<b>91</b>
<b>Other .....</b>	<b>93</b>
<b>RISK FACTORS .....</b>	<b>93</b>
<b>Omnibus Cash Subscription, Redemption and Dividend Account .....</b>	<b>109</b>
<b>DEALING IN SHARES .....</b>	<b>115</b>

Available Share Classes .....	115
Other Share Classes .....	116
Application for Shares.....	117
Anti-Money Laundering.....	119
Redemption of Shares .....	119
Exchange of Shares.....	121
Market Timing .....	121
Excessive Trading Policies .....	121
Issue and Redemption Prices / Calculation of Net Asset Value / Valuation of Assets .....	122
Swing Pricing Procedure.....	124
Suspension of Calculation of Net Asset Value .....	125
Restriction on Ownership and Transfer of Shares.....	125
CHARGES AND EXPENSES.....	126
Investment Management Fees .....	126
<i>Performance Fees .....</i>	127
<i>Further Considerations .....</i>	129
Distribution Fees .....	130
Administrator and Depositary Fees .....	132
Directors' Fees .....	132
Preliminary, Redemption and Exchange Charges .....	132
Soft Commissions .....	132
Other Operating Expenses.....	133
MANAGEMENT AND ADMINISTRATION .....	134
The Board of Directors .....	134
The Investment Managers .....	136
Depositary.....	137
Administrator.....	139
Transfer Agent .....	139
Distributor .....	139
TAXATION.....	140
GENERAL INFORMATION .....	161
Reserves Policy .....	164
Dividends Policy .....	164

<b>Frequency of dividend payments .....</b>	<b>166</b>
<b>DEFINITIONS .....</b>	<b>173</b>
APPENDIX I.....	184
APPENDIX II.....	188
APPENDIX III .....	194
APPENDIX IV .....	196
APPENDIX V – ADDITIONAL INFORMATION FOR INVESTORS IN AUSTRIA .....	20184
APPENDIX VI – ADDITIONAL INFORMATION FOR INVESTORS IN DENMARK .....	203
APPENDIX VII – ADDITIONAL INFORMATION FOR INVESTORS IN GERMANY .....	20194
APPENDIX VIII – ADDITIONAL INFORMATION FOR INVESTORS IN LUXEMBOURG .....	20196
APPENDIX IX – ADDITIONAL INFORMATION FOR INVESTORS IN THE UK .....	196

## **DIRECTORY**

### **REGISTERED OFFICE OF THE COMPANY**

25-28 North Wall Quay  
International Financial Services Centre  
Dublin 1  
Ireland

### **INVESTMENT MANAGER**

**in respect of all Funds except for the Wellington Emerging and Sovereign Opportunities Fund, Wellington Global Currency Absolute Return Fund, Wellington Asia Ex Japan Equity Fund, Wellington Emerging Markets Local Equity Fund, Wellington Emerging Markets Opportunities Fund, Wellington Emerging Market Themes Fund, Wellington Pan European Small Cap Equity Fund and Wellington Strategic European Equity Fund**

Wellington Management Company LLP  
251 Little Falls Drive  
Wilmington, Delaware 19808  
USA

### **INVESTMENT MANAGER**

**in respect of the Wellington Emerging and Sovereign Opportunities Fund, Wellington Global Currency Absolute Return Fund, Wellington Pan European Small Cap Equity Fund and Wellington Strategic European Equity Fund**

Wellington Management International Ltd.  
Cardinal Place  
80 Victoria Street  
London SW1E 5JL

### **INVESTMENT MANAGER**

**In respect of the Wellington Asia Ex Japan Equity Fund, Wellington Emerging Markets Local Equity Fund and Wellington Emerging Market Themes Fund**

Wellington Management Singapore Pte Ltd  
1 Marina Boulevard #28-00  
One Marina Boulevard  
Singapore 018989

### **INVESTMENT MANAGER**

**In respect of the Wellington Emerging Markets Opportunities Fund**

Wellington Management Hong Kong Limited  
1401 Hutchison House  
10 Harcourt Road  
Hong Kong



## **SUB-INVESTMENT MANAGERS**

The Investment Manager may delegate the investment management of a portion of the assets of the Wellington Global Currency Absolute Return Fund, Wellington Emerging Market Themes Fund, Wellington Hedged Alpha Opportunities Fund, Wellington Opportunistic Fixed Income Fund, Wellington Multi-Asset Absolute Return Fund and the Wellington Dynamic Diversified Income Fund to sub-investment managers within its group and in such instance, information in respect of the relevant sub-investment managers will be provided to the Shareholders on request and will be disclosed in the periodic reports of the Company.

### **DISTRIBUTOR**

Wellington Global Administrator, Ltd.  
Clarendon House  
2 Church Street  
P.O. Box HM, 666  
Hamilton, HMCX  
Bermuda

### **DIRECTORS**

Sergio Betancourt  
Gerald Brady  
Alan J. Brody  
Greg Konzal  
Liam Manahan  
Lucinda Marrs  
Thomas Murray

### **DEPOSITARY**

State Street Custodial  
Services (Ireland) Limited  
78 Sir John Rogerson's Quay  
Dublin 2  
Ireland

### **ADMINISTRATOR**

State Street Fund  
Services (Ireland) Limited  
78 Sir John Rogerson's Quay  
Dublin 2  
Ireland

### **TRANSFER AGENT**

Brown Brothers Harriman Fund  
Administration Services (Ireland) Limited  
30 Herbert Street  
Dublin 2  
Ireland

**SECRETARY**

Goodbody Secretarial Limited  
25-28 North Wall Quay  
Dublin 1  
Ireland

**AUDITORS**

PricewaterhouseCoopers  
Chartered Accountants  
One Spencer Dock  
North Wall Quay  
Dublin 1  
Ireland

**IRISH LEGAL ADVISERS TO THE  
COMPANY**

A&L Goodbody  
International Financial Services Centre  
North Wall Quay  
Dublin 1  
Ireland

## THE COMPANY

The Company is an open-ended investment company with variable capital and segregated liability between Funds incorporated with registered number 267944 and is authorized in Ireland as a UCITS pursuant to the Regulations.

The Company is structured as an umbrella fund. Each Class of Shares issued relates to a particular Fund the assets of which will be invested in accordance with the investment objective applicable to such Fund. A separate pool of assets shall not be maintained for each Class of Shares within the same Fund.

The creation of further Share Classes must be notified to, and cleared in advance with the Central Bank. On the introduction of any new Class of Shares, the Company will prepare and the Directors will issue documentation setting out the relevant details of each such Class of Shares.

### Profile of a typical investor

The Wellington Emerging and Sovereign Opportunities Fund, Wellington Global Currency Absolute Return Fund and the Wellington Multi-Asset Absolute Return Fund are suitable for investors seeking an absolute return and investors in these Funds must be able to afford to set aside the invested capital for the medium to long term. All other Funds are suitable for investors seeking long-term total return.

All of the Funds are suitable for investors who are prepared to accept, in normal market conditions, a high degree of volatility of Net Asset Value from time to time and each Fund is suitable as an investment in a well diversified portfolio.

## INVESTMENT OBJECTIVES AND POLICIES OF THE FUNDS

Details of the investment objective and policies for each Fund of the Company are set forth below. Any change in the investment objective or a material change in investment policy of a Fund may only be made with the approval on the basis of a majority of votes cast at general meeting of the Shareholders of the relevant Fund. In the event of a change of investment objective or policy of a Fund a reasonable notification period will be provided by that Fund to enable Shareholders to redeem their Shares prior to the implementation of the changes.

Details of the investment restrictions laid down in accordance with the Central Bank's Rulebook are set out in Appendix II. Such restrictions apply to each Fund and apply at the time of purchase or entry into each relevant transaction. The Directors may from time to time impose such further investment restrictions on any Fund as shall be compatible with or in the interests of Shareholders, in order to comply with the laws and regulations of the countries where Shareholders of the Company are located.

Where a Fund utilises financial derivative instruments, further detail in relation to the relevant financial derivatives instrument and the potential effect of such financial derivatives instrument is set out in the section entitled **Types and Description of FDIs**.

Information on other assets that the Funds may invest in can be found in the sections entitled **All Funds** and **Risk Factors**.

## **Fixed Income Funds**

The Wellington Opportunistic Emerging Markets Debt Fund is currently closed to further investment. Shares of this Fund are no longer offered to, and are not available for subscription by, new subscribers or existing Shareholders, except as described below.

The Directors may allow further investment in the Fund on a limited basis, as capacity arises. Any decision to allow further investment is made at the sole discretion of the Directors, on the basis of the particular circumstances of the proposed investment and available capacity at that time. The Directors may reopen the Fund at any time without advance notice.

From time to time, the Funds may be exposed to the performance of Transferable Securities and Money Market Instruments issued or guaranteed by an EU Member State, its local authorities, non-EU Member States or public international bodies of which one or more EU Member States are members (an "Issuer"). In such instances, the relevant Fund may have an exposure of in excess of 35% of its Net Asset Value to the Transferable Securities or Money Market Instruments of a single Issuer. In all instances, the diversification requirements applicable to such instruments shall be adhered to.

### ***Wellington Emerging Local Debt Fund***

The investment objective of the Fund is to seek long-term total returns.

The Investment Manager will actively manage the Fund against the JP Morgan Government Bond Index – Emerging Markets Global Diversified Index (the "Index"), seeking to achieve the objective primarily through investment in a diversified portfolio of emerging markets local currency-denominated debt securities. The Index consists of domestic currency government bonds to which international investors can gain exposure. The Index uses a weighting scheme to reduce the weight of large countries and redistributing the excess to the smaller weight countries with a maximum weight of 10% per country.

The Fund will invest, either directly or indirectly through the types of financial derivative instruments ("FDI") more fully described in the section entitled **Types and Description of FDIs** for investment purposes and for efficient portfolio management including hedging against risk. FDI will primarily provide both long and short exposure to emerging markets fixed income securities, currencies and interest rates. The Fund may also invest, in the same manner, in bonds issued by sovereign, quasi-sovereign agency, supranational and sub national government issuers; mortgage-, commercial mortgage-, and asset-backed securities; corporate debt; hybrid securities comprising convertible securities as more fully described in the section entitled **Types and Description of FDIs**, contingent capital securities that may be automatically written down upon the occurrence of a specific event and contingent convertible securities that may be automatically converted into an equity security upon the occurrence of a specific event; sukuk (financial instruments with cash flows similar to conventional bonds that are structured to comply with Islamic law), warrants, loan participation securities that qualify as an eligible investment by the Fund (including, but not limited to, trade finance loan participations), and, in addition, bank loan assignments that qualify as Money Market Instruments; and credit and index linked securities, which are debt securities of companies whose interest payments and/or payment at maturity depend primarily on the performance of one or more underlying credit exposures or market indices. A particular credit-linked security's underlying credit exposure may be to a sovereign, quasi-sovereign or corporate issuer. Underlying index exposures may be to an index tied to a country's economic exposure, debt or currency. In each case, the underlying credit or index exposure will be consistent with the Fund's investment

objective and policies. The Fund also may invest in structured notes (which are synthetic securities with embedded components (such as an option)); as well as other debt securities issued by public or private issuers, both fixed- and floating-rate, including forward contracts on such securities and equity securities where they are a result of a corporate action, conversion or exercising a warrant.

The net market exposure (sum of long and synthetic short positions including cash) of the Fund will always be positive, meaning that long positions will be in greater proportion than any synthetic short positions. Whilst the Fund's typical net market exposure may vary in time, it is expected to range between 50% and 150% of the Net Asset Value of the Fund, depending on the Investment Manager's analysis of the prevailing market conditions and considered in light of the investment objective of the Fund. These figures do not include derivatives relating to foreign exchange which may be used for hedging or investment purposes.

The indices to which the Fund will gain exposure will be eligible indices according to the Central Bank requirements and will comprise indices the constituents of which include the types of securities described above in which the Fund may invest.

The Fund may invest in any country which is considered by the Investment Manager to be an emerging market. These are primarily located in Latin/Central America and the Caribbean, Central and Eastern Europe, Middle East, Africa and Asia. Developed market exposures are also permitted. The Fund may make substantial investment in securities traded on Russian markets.

Currency exposure to multiple currencies will be taken on an opportunistic basis. Currency exposure to both emerging markets and developed countries, including cross-currency positions, which are not related to the Fund's bond and cash equivalent positions, will be assumed.

There is no limit on the duration of individual Fund holdings; however, duration at the Fund level is expected not to exceed 8 years, in normal market circumstances.

The Fund generally will be diversified by country, currency and issuer but may hold positions that are concentrated from time to time.

Investments will be drawn from the broad credit spectrum. The Fund's weighted average credit quality, including cash and cash equivalents may be below investment grade. There will be no limitations on the credit quality of individual securities or currencies in the Fund.

It is expected that the Fund will generally incur leverage up to a maximum rate of 1300% of its Net Asset Value through the use of FDIs. Leverage is calculated as the sum of the notional values of FDIs. Where FDIs are used for hedging purposes or are themselves hedged against equal and opposite trades, the sum of gross notional values of FDIs may not reflect the true economic risk of the Fund. The maximum figure above includes 300% for Share Class related hedging, which is comprised of 100% for the hedging itself and 200% to allow for FDI roll overs involving positions being closed out against equal and opposite trades. This is included at a Fund level but will only concern holders of currency Hedged Share Classes. If the expected level of leverage were calculated taking into account netting of equal and opposite foreign exchange forward contracts, and excluding the share class hedging, the level of leverage would be expected to be lower and generally between 0% and 300% of the Fund's Net Asset Value. Further information on leverage can be found in the section entitled **Leverage**.

The Investment Manager uses a risk management technique known as relative VaR to assess the Fund's market risk to seek to ensure that its use of FDIs is within regulatory limits. In accordance with the requirements of the Central Bank, the daily VaR of the Fund may not exceed twice the daily VaR of the Index calculated using a parametric approach with a one-tailed 99% confidence level for a one month holding horizon and considering at least three years of historical data.

**An investment in the Fund should not constitute a substantial proportion of an investment portfolio and may not be appropriate for all investors**

The Net Asset Value of the Fund is expected to have a high volatility from time to time.

### *Wellington Emerging Local Debt Advanced Beta Fund*

The investment objective of the Fund is to seek long-term total returns.

The Investment Manager will actively manage the Fund, seeking to achieve the objective primarily through investment in a diversified portfolio of emerging markets local currency-denominated sovereign debt securities.

The Investment Manager seeks to build a portfolio that targets a return that is broadly equivalent to overall market returns but with less risk. Overall market returns are considered to be the return of a market capitalization weighted index. The exposure of such an index to a market is broadly referred to as "Beta". Such an index can provide a certain level of diversification and return, however, traditional index methodology uses the market capitalization of a country's outstanding debt to determine that country's weighting, which results in more-indebted countries often dominating the index. The Investment Manager considers that the Fund can be constructed to provide exposure to a market in an alternate manner to that of the indices (beta) described above but with lower risk. The Investment Manager calls this "Advanced Beta". In this regard, by utilizing the "Advanced Beta" approach the Investment Manager seeks to reduce the risk of emphasizing larger issues of debt due to strict focus on market capitalization, by applying an additional screening process in the selection of debt securities for the Fund to provide a similar level of exposure but with lower risk. The Fund focuses on bonds that will mature within two to ten years, favors interest rate risk in countries that have steep yield curves, favors currency risk in countries where short-term rates are attractive, and balances risk among markets based on historical data. The Investment Manager will invest in an unconstrained manner using the above outputs with a forward-looking perspective on the creditworthiness of each country, as well as the liquidity and trading costs in each market.

When the Fund invests in emerging market local currency denominated debt securities it creates an implicit short exposure in the Base Currency of the Fund. Changes in exchange rates between the Base Currency and the local market currencies could create volatility in the Fund's returns. The Investment Manager will, using currency derivatives, seek to reduce this volatility by diversifying the Fund's Base Currency short exposure across a basket of short exposures to developed market currencies. In order to ensure the USD and non-USD Share Classes have substantially the same exposure to the basket of developed market currency short exposures and therefore similar investment returns, the Dealing Currency of the non-USD Share Classes will include a hedge against the USD Base Currency as described in more detail in the section entitled **Other Share Class Transactions**.

Although the Fund is not constructed relative to a benchmark, the JP Morgan Government Bond Index – Emerging Markets Global Diversified Index (the “Index”) will serve as a reference benchmark. The Index consists of domestic currency government bonds to which international investors can gain exposure. The Index uses a weighting scheme to reduce the weight of large countries and redistributing the excess to the smaller weight countries with a maximum weight of 10% per country.

The Fund will invest, either directly or indirectly through financial derivative instruments (“FDI”) (set out below); FDI will primarily provide both long and short exposure to emerging markets fixed income securities and currencies and developed market currencies. The Fund may invest in bonds issued by sovereign, quasi-sovereign agency, supranational and sub national government issuers; loan participation securities that qualify as an eligible investment by the Fund and may be securitised or unsecuritised, warrants and credit and index linked securities, which are debt securities of companies whose interest payments and/or payment at maturity depend primarily on the performance of one or more underlying credit exposures or market indices. A particular credit-linked security’s underlying credit exposure may be to a sovereign or quasi-sovereign issuer. Underlying index exposures may be to an index tied to a country’s economic exposure, debt or currency. In each case, the underlying credit or index exposure will be consistent with the Fund’s investment objective and policies. The Fund may also hold securities issued pursuant to Rule 144A and/or Regulation S securities (Regulation S securities are those offered outside the United States without registration under the United States Securities Act of 1933 (as amended)) and other debt securities issued by public or private issuers, both fixed- and floating-rate, including forward contracts on such securities.

The Fund may invest in collective investment schemes as described in the section entitled **Investment in Other Investment Funds** and in exchange traded funds (“ETFs”) that provide exposure to the types of securities listed above and which constitute an eligible investment for the Fund. Such ETFs will be listed and/or traded on the markets and/or exchanges as set out in Appendix I and regulated as UCITS or as AIF ETFs.

The Fund may buy and sell exchange-traded and over-the-counter derivative instruments, comprising currency, interest rate, bond and index options, interest rate, bond, index and currency futures, or options on futures, credit default swaps, index credit default swaps, interest rate, total return and currency swaps, swaptions and swaps on an index, deliverable and non-deliverable currency forwards, forwards on bonds or other debt securities and forward rate agreements, to gain exposure to the instruments listed above in pursuit of the investment objective and for efficient portfolio management purposes including hedging against risk. The Fund may engage in repurchase transactions for efficient portfolio management purposes only. Full details of the types of FDIs and the ways in which the Fund may utilize them are further detailed in the section entitled **Types and Description of FDIs**.

The net market exposure (sum of long and synthetic short positions including cash) of the Fund will always be positive, meaning that long positions will be in greater proportion than any synthetic short positions. Whilst the Fund’s typical net market exposure may vary in time, it is expected to range between 90% and 120% of the Net Asset Value of the Fund, depending on the Investment Manager’s analysis of the prevailing market conditions and considered in light of the investment objective of the Fund. These figures do not include derivatives relating to foreign exchange which may be used for hedging or investment purposes

The indices to which the Fund will gain exposure will be eligible indices according to the Central Bank requirements and will comprise indices the constituents of which include the types of securities described above in which the Fund may directly invest.

The Fund will be denominated in US Dollars. Currency exposure, from the use of forward currency exchange contracts in multiple currencies, will be taken on an opportunistic basis as more fully described in the section entitled **Forward Contracts**. Currency exposure to both emerging markets and developed countries, including cross-currency positions, which are not related to the Fund's bond and cash equivalent positions, will be assumed. Debt securities may be denominated in US Dollars or other currencies. The Fund may hold cash and cash equivalents as described in the section below entitled **Cash and Cash Equivalents** in multiple currencies without restriction.

There is no limit on the duration of individual Fund holdings; however, duration at the Fund level is expected not to exceed 8 years, in normal market circumstances.

The Fund may invest in any country which is considered by the Investment Manager to be an emerging market. These are primarily located in Latin/Central America and the Caribbean, Central and Eastern Europe, Middle East, Africa and Asia. Developed market exposures are also permitted. The Fund may make substantial investment in securities traded on Russian markets from time to time.

The Fund generally will be diversified by country, currency, sector and issuer, but may hold positions that are concentrated from time to time. The Fund's weighted average credit quality is expected to be investment grade, but investments may be drawn from a broad credit spectrum. However, the Fund may only purchase securities if rated at least speculative grade i.e. B3 by Moody's, B- by S&P, or B- by Fitch, or an equivalent internal rating by the Investment Manager. In case of two different ratings, the lower rating shall be decisive. In case of three or more different ratings, the lower rating of the two best ratings shall be decisive. Any securities which fall below the minimum required rating subsequent to purchase will be sold within six months from the downgrading, unless the rating is upgraded within that period. The Investment Manager will under no circumstances rely exclusively or automatically on external ratings in determining the credit risk of a financial instrument, and the Investment Manager will perform its own credit assessment with respect to each investment.

It is expected that the Fund will generally incur leverage up to a maximum rate of 700% of its Net Asset Value through the use of FDIs. Leverage is calculated as the sum of the notional values of FDIs. Where FDIs are used for hedging purposes or are themselves hedged against equal and opposite trades, the sum of gross notional values of FDIs may not reflect the true economic risk of the Fund. The above maximum figure includes 300% for Share Class related hedging, which is comprised of 100% for the hedging itself and 200% to allow for FDI roll overs involving positions being closed out against equal and opposite trades. This is included at a Fund level but will only concern holders of non-USD Share Classes. If the expected level of leverage were calculated taking into account netting of equal and opposite foreign exchange forward contracts, and excluding the share class hedging, the level of leverage would be expected to be lower and generally between 0% and 200% of the Fund's Net Asset Value. Further information on leverage can be found in the section entitled **Leverage**.

The Investment Manager uses a risk management technique known as relative VaR to assess the Fund's market risk to seek to ensure that its use of FDIs is within regulatory limits. In accordance with the requirements of the Central Bank, the daily VaR of the Fund may not exceed twice the daily VaR of the



Index calculated using a parametric approach with a one-tailed 99% confidence level for a one month holding horizon and considering at least three years of historical data.

**An investment in the Fund should not constitute a substantial proportion of an investment portfolio and may not be appropriate for all investors**

The Net Asset Value of the Fund is expected to have a high volatility from time to time.

#### *Wellington Emerging Markets Corporate Debt Fund*

The investment objective of the Fund is to seek long-term total returns.

The Investment Manager will actively manage the Fund against the JPMorgan Corporate Emerging Market Bond Index Broad Diversified (the "Index"), seeking to achieve the objective through investment in a diversified portfolio, primarily consisting of US Dollar denominated emerging markets corporate bonds. The Index is market capitalization weighted and consists of US-denominated Emerging Market corporate bonds. To ensure the Index remains diversified, the weights of the index countries with larger corporate debt are limited by only including a specified portion of the face value of their debt.

Fund construction is based on combining fundamental bottom-up corporate credit research and security selection with top-down macroeconomic and quantitative analysis. The Fund will primarily invest in companies domiciled in any country that is considered by the Investment Manager to be a developing or emerging market. These are primarily located in Latin/Central America and the Caribbean, Central and Eastern Europe, Middle East, Africa and Asia. The Fund may make substantial investment in securities traded on Russian markets

The Fund may invest, either directly or indirectly through the use of FDI, primarily in bonds issued by corporates and quasi-sovereign agencies but may also invest, in the same manner, in bonds issued by sovereigns, supranational and sub national government issuers. These bonds will primarily be denominated in US Dollars, but may also be denominated in euros or other currencies.

The Fund may also buy and sell index linked bonds and credit linked notes whose interest payments and/or payment at maturity depend primarily on the performance of an underlying index or security. The underlying exposure of an index linked bond may be tied to a market index (such as a bond index or a credit default swap index) or an economic index (such as growth or inflation indices). The underlying exposure of a credit linked note is typically tied to a sovereign, quasi-sovereign or corporate bond issuer. In each case, the underlying exposure will be consistent with the Fund's investment objective and policies. The Fund also may invest in structured notes (which are synthetic securities with embedded components (such as an option)). Such structured notes shall give exposure to underlying fixed income securities on an unleveraged basis.

The Fund also may buy and sell asset-backed securities, real estate investment trust (REIT) debt, hybrid securities such as convertible bonds, contingent capital securities (which may be automatically written down upon the occurrence of a specific event) and contingent convertible securities (which may be automatically converted into an equity security upon the occurrence of a particular event), GDNs (global depositary notes), sukuk (financial instruments with cash flows similar to conventional bonds that are structured to comply with Islamic law), loan participation securities that qualify as an eligible investment by the Fund (including, but not limited to, trade finance loan participations) and may be securitised or

unsecuritised, and in addition, bank loan assignments that qualify as Money Market Instruments; credit linked notes issued by public or private issuers, as well as other bonds that may be fixed- and floating rate and equity securities, where they are the result of a conversion, corporate action, or exercising a warrant. The Fund may also hold private placements, including those issued pursuant to Rule 144A and/or Regulation S securities (Regulation S securities are those offered outside the United States without registration under the United States Securities Act of 1933 (as amended) (the “1933 Act”)).

The Fund may invest in collective investment schemes as described in the section entitled **Investment in Other Investment Funds** and in exchange traded funds (“ETFs”) that provide exposure to the types of securities listed above and which constitute an eligible investment for the Fund. Such ETFs will be listed and/or traded on the markets and/or exchanges as set out in Appendix I and regulated as UCITS or as AIF ETFs.

As a means of indirectly gaining both long and short exposure to the instruments listed above in pursuit of the investment objective and for efficient portfolio management purposes including hedging against risk, the Fund may buy and sell exchange-traded and over-the-counter FDIs, including interest rate, bond, index (including credit index), equity and currency futures; currency, interest rate, inflation, equity, total return, credit default and index credit default swaps; currency, bond, equity, interest rate index, swap options and options on futures; deliverable and non-deliverable currency forward contracts, bond forwards and warrants. FDIs are more fully described in the section entitled **Types and Description of FDIs**. The Fund may hold outright (i.e. net) short positions synthetically through the use of FDIs.

The net market exposure (sum of long and synthetic short positions including cash) of the Fund will always be positive, meaning that long positions will be in greater proportion than any synthetic short positions. Whilst the Fund’s typical net market exposure may vary in time, it is expected to range between 80% and 150% of the Net Asset Value of the Fund, depending on the Investment Manager’s analysis of the prevailing market conditions and considered in light of the investment objective of the Fund. These figures do not include derivatives relating to foreign exchange which may be used for hedging or investment purposes.

Non-US Dollar denominated positions may be unhedged, partially hedged, or fully hedged depending on the Investment Manager’s investment outlook and hedges will be implemented primarily via deliverable and non-deliverable currency forward contracts. Currency exposure to both emerging and developed market currencies, including cross-currency positions, which are not related to the denomination of the Fund’s positions, may be assumed as opportunities arise.

There is no limit on the duration of individual Fund holdings; however, duration at the Fund level will be limited to the duration of the Index +/- 2 years. Duration indicates price sensitivity to fluctuations in interest rates. Duration is measured in years - the higher the duration, the more likely prices will drop as interest rates increase. For example, a bond with 5 year duration will likely decrease in value by 5% if interest rates rise 1% and increase in value by 5% if interest rates fall 1%. If the duration of the Fund’s reference benchmark is 6 years, for example, the above statement means that the duration of the Fund will not be lower than 4 years, and will not be higher than 8 years.

The Fund will generally be diversified by country, currency and issuer but may hold concentrated positions in currencies, countries and issuers from time to time.

Investments will be drawn from the broad credit spectrum. The Fund's weighted average credit quality, including cash and cash equivalents may be below investment grade. There will be no limitations on the credit quality of individual securities or currencies in the Fund.

The Investment Manager uses a risk management technique known as relative VaR to assess the Fund's market risk to seek to ensure that its use of FDIs is within regulatory limits. In accordance with the requirements of the Central Bank, the daily VaR of the Fund may not exceed twice the daily VaR of the Index calculated using a parametric approach with a one-tailed 99% confidence level for a one month holding horizon and considering at least three years of historical data.

It is expected that the Fund will generally incur leverage at a rate of between 0% and 400% of its Net Asset Value through the use of FDIs. Leverage is calculated as the sum of the notional values of FDIs. Where FDIs are used for hedging purposes or are themselves hedged against equal and opposite trades, the sum of gross notional values of FDIs may not reflect the true economic risk of the Fund. The above maximum figure includes 300% for Share Class related hedging, which is comprised of 100% for the hedging itself and 200% to allow for FDI roll overs involving positions being closed out against equal and opposite trades. This is included at a Fund level but will only concern holders of currency Hedged Share Classes. If the expected level of leverage were calculated taking into account netting of equal and opposite foreign exchange forward contracts, and excluding the share class hedging, the level of leverage would be expected to be lower and generally between 0% and 30% of the Fund's Net Asset Value. Further information on leverage can be found in the section entitled **Leverage**.

**An investment in the Fund should not constitute a substantial proportion of an investment portfolio and may not be appropriate for all investors**

The Net Asset Value of the Fund is expected to have a high volatility from time to time.

#### *Wellington Emerging and Sovereign Opportunities Fund*

The investment objective of the Fund is to seek absolute returns above a cash benchmark over the medium to long term.

The Investment Manager will actively manage the Fund, seeking to achieve the objective by entering into FDIs and direct investments, to gain both short and long exposure to interest rate, foreign exchange and debt securities markets. The Fund will gain exposure primarily to global emerging and developed sovereign markets with some limited allocation to global emerging markets corporate bonds.

The Bank of America Merrill Lynch 3-month US T Bill index (the "Index") will serve as the cash benchmark. The Index consists of short-term U.S. Government securities with a remaining term to final maturity of less than three months.

The approach is unconstrained in nature and will seek to gain both long and short exposure by combining a model based approach and a fundamental approach for interest rate, currency and debt securities markets. The model based process is followed to determine predominantly the interest rate and currency positioning in the Fund. It is based on models that are used to assess fair value and to identify momentum in interest rates and currency markets. Each model is assigned risk limits and stop losses so that downside risk can be clearly quantified and to combat the effect of market movement. Processes are enhanced on an ongoing basis to ensure their effectiveness as financial markets evolve. The

fundamental process is employed to determine predominantly positions in sovereign and corporate debt securities. Rigorous fundamental analysis is the foundation of this investment process. The analysis is approached from different perspectives, including a top-down assessment of macroeconomic and political conditions and a bottom-up view derived from fundamental analysis of the dominant issuers and industries in each country and intensive credit research. By gaining exposures in this manner the Fund shall therefore endeavour to generate opportunities regardless of market direction.

The Fund will invest, either directly or indirectly through the use of FDI, in debt securities denominated in US Dollars, euros, or the currencies of emerging or developed markets, including debt instruments issued by emerging and developed markets governments, sovereigns, quasi-sovereign agencies, supranational, sub national government issuers, and corporate issuers. Such debt securities include mortgage-, commercial mortgage backed securities, corporate debt, REIT debt securities, sukuk (financial instruments with cash flows similar to conventional bonds that are structured to comply with Islamic law), hybrid securities comprising convertible securities as more fully described in the section entitled **Types and Description of FDIs**, contingent capital securities that may be automatically written down upon the occurrence of a specific event and contingent convertible securities that may be automatically converted into an equity security upon the occurrence of a specific event, credit-linked securities (including credit linked notes) and index-linked securities which are debt securities of companies whose interest payments and/or payment at maturity depend primarily on the performance of one or more underlying credit exposures or market indices. The Fund may hold equity securities where they are a result of a corporate action, conversion or exercising a warrant. A particular credit-linked security's underlying credit exposure may be to a sovereign, quasi-sovereign or corporate issuer. Underlying index exposures may be to an index tied to debt, currency or another measure of a country's economic exposure, for example a bond index or a credit default swap index. In each case, the underlying credit or index exposure will be consistent with the Fund's investment objective and policies.

The Fund may buy and sell exchange-traded and over-the-counter derivative instruments, including interest rate, bond, index (including credit index) and currency futures; currency, interest rate, inflation, total return swaps, and credit default swaps; currency, bond, interest rate and swap options; deliverable and non-deliverable currency forward contracts, bond forwards, warrants, "to-be announced" (TBA) securities and may hold outright (i.e. net) short positions synthetically through the use of derivative instruments for efficient portfolio management purposes including hedging against risk as well as for investment purposes in pursuit of the Fund's investment objective. FDIs are more fully described in the section entitled **Types and Description of FDIs**.

The net market exposure (sum of long and synthetic short positions including cash) of the Fund will vary in time, but will typically range from a maximum net short position of 500% to a maximum net long position of 1000% of the Net Asset Value of the Fund, depending on the Investment Manager's analysis of the prevailing market conditions and considered in light of the investment objective of the Fund. These figures do not include derivatives relating to foreign exchange which may be used for hedging or investment purposes.

Currency exposure to multiple currencies will be taken on an opportunistic basis. Currency exposure to both emerging markets and developed countries, including cross-currency positions, which are not related to the Fund's bond and cash equivalent positions, will be assumed.

For the purposes of this Fund, an emerging market is one that the Investment Manager considers to be an emerging market.

The Fund generally will be diversified by country, currency and issuer but may hold concentrated positions from time to time. For example, the Fund may directly invest up to 20% in securities traded on Russian markets.

Investments will be drawn from the broad credit spectrum ranging from permitted unrated issues, below investment grade emerging markets issues to highly rated developed market government issues. There will be no limitations on the credit quality of individual securities or currencies in the Fund.

Net exposure to corporate debt securities will not represent more than 20% of the Fund's Net Asset Value at the time of purchase.

The Fund may invest more than 30% of its Net Asset Value in below investment grade securities and may invest more than 20% of its Net Asset Value in emerging markets.

The level of leverage in the Fund is not expected to exceed 5000% of its Net Asset Value. Leverage is calculated as the sum of the notional values of the FDIs. The above maximum figure includes 300% for Share Class related hedging, which is comprised of 100% for the hedging itself and 200% to allow for FDI roll overs involving positions being closed out against equal and opposite trades. This is included at a Fund level but will only concern holders of currency Hedged Share Classes. Further information on leverage can be found in the section entitled **Leverage**.

The market risk of the Fund, including the risk associated with the use of short opportunities, will be assessed within the regulatory limits specified below in the section entitled **Financial Derivative Instruments (FDIs)** using a risk management technique known as absolute VaR calculated using a parametric approach. The VaR approach is a measure of maximum potential loss. More particularly, the VaR approach measures the maximum potential loss at a given confidence level over a specific time period under normal market conditions. As specified in the section entitled **Financial Derivative Instruments (FDIs)** the Fund adopts a one-tailed 99% confidence level under normal market conditions for a one month holding horizon and considering at least three years of historical data. This is equivalent to saying that there is a 1% probability (confidence level) that the potential loss could be greater than the VaR amount. This is most likely to arise in abnormal market conditions or at times of extraordinary high impact events. In that instance the VaR approach does not measure the maximum potential loss and the Fund and Shareholders could likely suffer serious financial consequences as a result. Stress testing is performed on the Funds to monitor the impact of potential losses as a result of low probability events. These use a range of historical or hypothetical events which may be unrepresentative of actual abnormal market conditions or high impact events. The Company has in place procedures to limit the risks and protect Shareholder interests especially under abnormal market conditions. These may include reducing the use of the FDIs by the Fund, adopting stop-losses and undergoing more representative and more frequent stress testing.

**An investment in the Fund should not constitute a substantial proportion of an investment portfolio and may not be appropriate for all investors.**

The Net Asset Value of the Fund is expected to have a high volatility from time to time.

## *Wellington Global Bond Fund*

The investment objective of the Fund is to seek long-term total returns.

The Investment Manager will actively manage the Fund against the Bloomberg Barclays Global Aggregate Index (the “Index”), seeking to achieve the objective through investment in a globally diversified portfolio of fixed income securities within a rigorous risk management framework. The Index is comprised of Fixed Income securities from a broad array of geographies and sectors with a maturity of over one year.

The Fund will invest, either directly or indirectly (both long and short) through the use of FDIs, in debt securities of issuers domiciled around the world for investment purposes and for efficient portfolio management including hedging against risk. The Fund may buy and sell bonds issued by government, agency, and supranational issuers; mortgage, commercial mortgage, and asset-backed securities; hybrid securities comprising convertible securities as more fully described in the section entitled **Types and Description of FDIs**, contingent capital securities that may be automatically written down upon the occurrence of a specific event and contingent convertible securities that may be automatically converted into an equity security upon the occurrence of a specific event; corporate and REIT debt; credit-linked, index-linked, and capital securities (securities that combine the features of bonds and preferred stock); warrants, loan participation securities that qualify as an eligible investment by the Fund (including, but not limited to, trade finance loan participations) and, in addition, bank loan assignments that qualify as Money Market Instruments; as well as other debt securities issued by public or private issuers, both fixed and floating-rate, including forward contracts on such securities. The Fund may hold equity securities where they are a result of a corporate action, conversion or exercising a warrant.

The net market exposure (sum of long and synthetic short positions including cash) of the Fund will typically be positive, meaning that long positions will generally be in greater proportion than synthetic short positions. Whilst the Fund’s typical net market exposure may vary in time, it is expected to range between 0% and 150% of the Net Asset Value of the Fund, depending on the Investment Manager’s analysis of the prevailing market conditions and considered in light of the investment objective of the Fund. These figures do not include derivatives relating to foreign exchange which may be used for hedging or investment purposes.

Currency exposure will be taken on an opportunistic basis. Currency exposure including cross-currency positions, which are not related to the Fund’s bond and cash equivalent positions, may be assumed.

Investments will represent a broad credit spectrum, including issues rated below investment-grade. There is no minimum credit rating for individual securities or currencies.

The Fund generally will be diversified by country, currency and issuer relative to the global bond market. The Fund will conduct most of its trading in the United States, Canada, Europe, Japan and Australia.

It is expected that the Fund will generally incur leverage at a rate of between 50% and 800% of its Net Asset Value through the use of FDIs. Leverage is calculated as the sum of the notional values of the FDIs. Where FDIs are used for hedging purposes or are themselves hedged against equal and opposite trades, the sum of gross notional values of FDIs may not reflect the true economic risk of the Fund. The above maximum figure includes 300% for Share Class related hedging, which is comprised of 100% for the hedging itself and 200% to allow for FDI roll overs involving positions being closed out against equal and

opposite trades. This is included at a Fund level but will only concern holders of currency Hedged Share Classes. Further information on leverage can be found in the section entitled **Leverage**.

The Investment Manager uses a risk management technique known as relative VaR to assess the Fund's market risk to seek to ensure that its use of FDIs is within regulatory limits. In accordance with the requirements of the Central Bank, the daily VaR of the Fund may not exceed twice the daily VaR of the Index calculated using a parametric approach with a one-tailed 99% confidence level for a one month holding horizon and considering at least three years of historical data.

The Net Asset Value of the Fund is expected to have a high volatility from time to time.

### ***Wellington Global Credit Buy and Maintain Fund***

The investment objective of the Fund is to seek long-term total returns.

The Investment Manager will actively manage the Fund, seeking to achieve the objective by investing primarily in fixed income debt securities on a hedged interest rate duration basis. The Investment Manager will use a combination of top down and bottom up credit analysis to structure a Fund that seeks to hold securities to maturity unless their credit outlook deteriorates or securities with a better forecast return are identified.

The Fund may invest either directly or indirectly through FDI, in a diversified portfolio of debt securities of issuers domiciled around the world. These will comprise securities issued by government, agency, quasi-sovereign, supranational, commercial, and sub-national government issuers as well residential and commercial mortgage-backed securities, asset-backed securities, corporate bonds, real estate investment trust (REIT) debt (which are bonds and convertible bonds issued by a REIT), both fixed and floating rate, preferred securities, warrants, hybrid securities comprising convertible securities as more fully described in the section entitled **Types and Description of FDIs**, contingent capital securities that may be automatically written down upon the occurrence of a specific event and contingent convertible securities that may be automatically converted into an equity security upon the occurrence of a specific event. The Fund may also hold securities issued pursuant to Rule 144A and/or Regulation S securities (Regulation S securities are those offered outside the United States without registration under the United States Securities Act of 1933 (as amended)), bank loan assignments that qualify as Money Market Instruments and equity securities where they are a result of a corporate action, conversion or exercising a warrant.

The Fund may also buy and sell index linked bonds and credit linked notes whose interest payments and/or payment at maturity depend on the performance of an underlying index or security. The underlying exposure of an index linked bond may be tied to a market index (such as a bond index or a credit default swap index) or an economic index (such as growth or inflation indices). The underlying exposure of a credit linked note is typically tied to a sovereign, quasi-sovereign or corporate bond issuer. In each case, the underlying exposure will be consistent with the Fund's investment objective and policies. The Fund also may invest in structured notes (which are synthetic securities with embedded components (such as an option)). Such structured notes shall give exposure to underlying fixed income securities on either a leveraged or an unleveraged basis.

The Fund may also invest in collective investment schemes as described in the section entitled **Investment in Other Investment Funds** and in exchange traded funds that provide exposure to the types of securities listed above and which constitute an eligible investment for the Fund. Such exchange traded

funds will be listed and/or traded on the markets and exchanges as set out in Appendix I and regulated as UCITS or as AIF exchange traded funds. No more than 5% of Net Asset Value of the Fund will be invested in non-listed and non-traded collective investment schemes.

The Fund may buy and sell exchange-traded and over-the-counter derivative instruments, comprising currency, interest rate, bond and index options, interest rate, bond, index and currency futures, or options on futures, credit default swaps, index credit default swaps, interest rate, total return and currency swaps, swaptions and swaps on an index, deliverable and non-deliverable currency forwards, forwards on bonds or other debt securities, contracts for difference (CFD) and “to-be-announced” (TBA) securities to gain both long and short exposure to the instruments listed above in pursuit of the investment objective and for efficient portfolio management purposes including hedging against risk. The Fund may engage in repurchase transactions for efficient portfolio management purposes only. Full details of the types of FDIs and the ways in which the Fund may utilize them are further detailed in the section entitled **Types and Description of FDIs**.

The net market exposure (sum of long and synthetic short positions including cash) of the Fund will typically be positive, meaning that long positions will generally be in greater proportion than any synthetic short positions. Whilst the Fund’s typical net market exposure may vary in time, it is expected to range between 5% and 50% of the Net Asset Value of the Fund, depending on the Investment Manager’s analysis of the prevailing market conditions and considered in light of the investment objective of the Fund. These figures do not include derivatives relating to foreign exchange which may be used for hedging or investment purposes.

The indices to which the Fund will gain exposure will be eligible indices according to the Central Bank requirements and will comprise indices the constituents of which include the types of securities described above in which the Fund may directly invest.

Where the Fund invests in debt securities, these debt securities may be denominated in US Dollars or other currencies. The Fund may hold cash and cash equivalents as described in the section below entitled **Cash and Cash Equivalents** in multiple currencies without restriction.

The Fund will be denominated in US Dollars. Currency exposure, from the use of forward currency exchange contracts in multiple currencies, as more fully described in the section entitled **Forward Contracts**, is actively managed within the Fund and may include cross-currency positions which may or may not be influenced by the Fund’s bond and cash equivalent positions.

The Fund will consist of different maturities. However, the interest rate duration of the Fund will be hedged through the use of FDI. The total average interest rate duration of the Fund will typically be 0.25 years, plus or minus 0.25 years. There are no limits on the duration of individual holdings, and certain defensive investment strategies may result in negative duration positions at the individual security, country and total Fund levels.

The Fund will generally be well diversified by country, currency, industry, sector, issuer and market capitalisation but may hold positions that are concentrated in this manner from time to time. Investments will be drawn from a broad credit spectrum, including issues rated below investment grade. The Fund’s Net Credit Exposure to securities rated below investment-grade will not represent more than 20% of its net assets at the time of purchase. Within that allocation, a maximum of 5% of the Fund net assets may be invested in below investment-grade corporate debt issued by companies domiciled in emerging markets



(for the purposes of this Fund an emerging market will be those countries that the Investment Manager considers to be an emerging market, typically those with relatively low gross national product per capital but with the potential for rapid economic growth, located in Asia, Africa, the Middle East, Latin America and the developing countries of Europe). Credit ratings for issues will be the highest of Moody's, S&P's, or Fitch's long term ratings. If a security is unrated, then an implied credit rating, as deemed by the Investment Manager, may be used.

It is expected that the Fund will generally incur leverage at a rate of between 0% and 600% of its Net Asset Value through the use of FDIs. Leverage is calculated as the sum of the notional values of FDIs. The above maximum figure includes 300% for Share Class related hedging, which is comprised of 100% for the hedging itself and 200% to allow for FDI roll overs involving positions being closed out against equal and opposite trades. This is included at a Fund level but will only concern holders of currency Hedged Share Classes. Further information on leverage can be found in the section entitled **Leverage**.

The market risk of the Fund will be assessed within the regulatory limits specified below in the section entitled **Types and Description of FDIs** using a risk management technique known as absolute VaR. The daily VaR of the Fund is calculated to ensure that it does not exceed 4.47% of the Fund's Net Asset Value calculated using a parametric approach. As specified in the section entitled **Financial Derivative Instruments (FDIs)** the Fund adopts a one-tailed 99% confidence level under normal market conditions for a one month holding horizon and considering at least three years of historical data.

**An investment in the Fund should not constitute a substantial proportion of an investment portfolio and may not be appropriate for all investors.**

The Net Asset Value of the Fund is expected to have a high level of volatility from time to time.

### *Wellington Global Credit Plus Fund*

The investment objective of the Fund is to seek long-term total returns in excess of the Custom Bloomberg Barclays Global Aggregate Corporate (Fin 40% cap) USD/Euro/GBP 1% Cap \$500M Min Index (ex Tier 1, Upper Tier 2, and Capital Credit securities) Index (the "Index"). The Index is composed of investment grade corporate bonds with minimum amounts outstanding denominated in US Dollars, euros, and Sterling within the industrial, utility and financial services sectors with individual issuers capped at 1%, financials capped at 40% and excluding certain subordinated debt instruments.

The Investment Manager will actively manage the Fund against the Index, seeking to achieve its objective by investing primarily in a diversified portfolio of investment grade corporate debt instruments that may comprise constituents of the Index. The Fund will also invest in debt securities of issuers domiciled around the world including securities issued by commercial, governmental or supranational entities, including residential and commercial mortgage-backed securities, asset-backed securities, corporate and real estate investment trust (REIT) debt, which are debt instruments issued by a REIT, credit-linked, index-linked, capital securities (securities that combine the features of bonds and preferred stocks), preferred stock, warrants, hybrid securities comprising convertible securities as more fully described in the section entitled **Types and Description of FDIs**, contingent capital securities that may be automatically written down upon the occurrence of a specific event and contingent convertible securities that may be automatically converted into an equity security upon the occurrence of a specific event, as well as other types of debt securities, both fixed and floating-rate, including forward contracts on such securities, and hold equity securities where they are a result of a corporate action, conversion or

exercising a warrant. The Fund may hold private placements, comprising those issued pursuant to Rule 144A and/or Regulation S securities (Regulation S securities are those offered outside the United States without registration under the United States Securities Act of 1933 (as amended)) and Transferable Securities, such as loan participation securities that qualify as an eligible investment by the Fund, that reference bank loans or trade finance loans.

The Fund seeks to generate consistent excess returns through a disciplined investment process that integrates top-down analysis of global investment themes, rigorous fundamental economic analysis, and specialist research on individual credit sectors with bottom-up corporate security selection. The Fund diversifies across credit sector allocation, security selection, government duration, currency and country rotation strategies.

The Fund generally will be diversified by country, currency, sector and issuer, but may hold positions that are concentrated from time to time. The Fund's weighted average credit quality is expected to be investment grade, but investments will be drawn from a broad credit spectrum. However, the Fund may only purchase securities if rated at least B3 by Moody's, B- by S&P, or B- by Fitch, or an equivalent internal rating by the Investment Manager. Any securities which fall below the minimum required rating subsequent to purchase will be sold within six months from the downgrading, unless the rating is upgraded within that period. Credit ratings for instruments will be the lowest of Moody's, S&P, or Fitch's long-term ratings, or an equivalent internal rating by the Investment Manager. The Fund's Net Credit Exposure to securities rated below investment grade (including debt issued by issuers domiciled in emerging markets) will not represent more than 15% of its Net Asset Value at the time of purchase. The Fund's Net Credit Exposure to securitised debt instruments will not represent more than 30% of its Net Asset Value at the time of purchase. The Fund's Net Credit Exposure to convertible debt instruments will not represent more than 15% of its Net Asset Value at the time of purchase. For the purposes of this Fund, the Investment Manager considers an emerging market as a country that has a long-term foreign currency rating below investment grade. If a security is unrated, then an implied credit rating, as deemed by the Investment Manager, may be used.

The Fund may buy and sell exchange-traded and over-the-counter derivative instruments, including interest rate, index (including credit index) and currency futures, currency, interest rate, total return swaps, and credit default swaps, currency, bond, and swap options, deliverable and non-deliverable currency forward contracts and "to-be-announced" (TBA) securities to gain both long and short exposure to the instruments listed above in pursuit of the investment objective and for efficient portfolio management, including hedging against risk. Full details of the types of FDIs and the ways in which the Fund may utilize them are further detailed in the section entitled **Types and Description of FDIs**.

The net market exposure (sum of long and synthetic short positions including cash) of the Fund will always be positive, meaning that long positions will be in greater proportion than any synthetic short positions. Whilst the Fund's typical net market exposure may vary in time, it is expected to range between 50% and 130% of the Net Asset Value of the Fund, depending on the Investment Manager's analysis of the prevailing market conditions and considered in light of the investment objective of the Fund. These figures do not include derivatives relating to foreign exchange which may be used for hedging or investment purposes

It is expected that the Fund will generally incur leverage at a rate of between 0% and 700% of its Net Asset Value through the use of FDIs. Leverage is calculated as the sum of the notional values of FDIs. The above maximum figure includes 300% for Share Class related hedging, which is comprised of

100% for the hedging itself and 200% to allow for FDI roll overs involving positions being closed out against equal and opposite trades. This is included at a Fund level but will only concern holders of currency Hedged Share Classes. Further information on leverage can be found in the section entitled **Leverage**.

Currency exposure, from the use of forward currency exchange contracts in multiple currencies, as more fully described in the section of the same name below, will be taken on an opportunistic basis. Such currency exposure may or may not be influenced by the Fund's bond and cash equivalent positions.

The Fund may also invest in collective investment schemes as described in the section entitled **Investment in Other Investment Funds**.

The Investment Manager uses a risk management technique known as relative VaR to assess the Fund's market risk to seek to ensure that its use of FDIs is within regulatory limits. In accordance with the requirements of the Central Bank, the daily VaR of the Fund may not exceed twice the daily VaR of the Index calculated using a parametric approach with a one-tailed 99% confidence level for a one month holding horizon and considering at least three years of historical data.

The Net Asset Value of the Fund is expected to have a high volatility from time to time.

#### ***Wellington Global Currency Absolute Return Fund***

The investment objective of the Fund is to seek absolute returns above a cash benchmark over the medium to long term.

The Investment Manager will actively manage the Fund, seeking to achieve the objective through investing in a range of global currencies via financial derivative instruments (FDI). The Fund will also maintain a portfolio of liquid fixed income securities and cash to provide liquidity and cover for the exposures generated through the use of FDI.

The Investment Manager believes that currency markets are deep and liquid and investment opportunities can be accessed through a research intensive investment process combined with robust risk management and embedded diversification. The Investment Manager believes, that whilst ultimately macroeconomic variables drive currency valuation, in the near-term markets can over or underreact. In addition, the large number of market participants who are not trying to generate a profit purely from currency transactions (e.g. market hedging and trade flow activity) can cause currencies to become mispriced, creating active investment opportunities. The overall strategy aims to capture these opportunities through a combination of currency strategies, managed within pre-specified risk limits and selected to both enhance diversification and to improve the risk-return profile of the Fund. The managers of these strategies work closely with a team of dedicated research analysts, to explore potential cyclical, structural, policy and political scenarios and their implications across global currency markets. The team works together to develop an understanding of the distribution of outcomes for economies, the global cycle and markets, but importantly each strategy manager is given the autonomy to apply that understanding as they see fit in their area of specialisation. This embeds an element of diversification within the aggregate portfolio as the individual investment processes employed tend to be lowly correlated, and stylistically different.

The Bank of America Merrill Lynch 3-month US Treasury Bill Index (the “Index”) will serve as the cash benchmark and is used to calculate the performance fee as disclosed in the section entitled **Performance Fees**. The Index consists of short-term U.S. Government securities with a remaining term to final maturity of less than three months.

The Fund may buy and sell exchange-traded and over-the-counter derivative instruments, both long and short, comprising currency futures or options and deliverable and non-deliverable currency forwards, as well as interest rate and bond futures to gain exposure to the instruments listed below in pursuit of the investment objective and for efficient portfolio management purposes, including hedging against risk. Currency exposure will be to both emerging markets and developed countries, including cross-currency positions. The use of derivatives forms an important part of the investment strategy. Full details of the types of FDIs and the ways in which the Fund may utilize them are further detailed in the section entitled **Types and Description of FDIs**.

The Fund may also invest either directly or indirectly through FDI, in the following instruments in pursuit of the Fund’s investment objective: fixed and floating rate debt securities of issuers around the world comprising securities issued by government, agency, quasi-sovereign, supranational, commercial, and sub-national government issuers as well residential and commercial mortgage-backed securities (including “to-be-announced” (TBA) securities), asset-backed securities and corporate bonds, securities issued pursuant to Rule 144A and/or Regulation S securities (Regulation S securities are those offered outside the United States without registration under the United States Securities Act of 1933 (as amended)) and cash and cash equivalents as described in the section below entitled **Cash and Cash Equivalents**.

The Fund may also invest in collective investment schemes as described in the section entitled Investment in Other Investment Funds and in exchange traded funds (“ETFs”) that provide exposure to the types of securities listed above and which constitute an eligible investment for the Fund. Such ETFs will be listed and/or traded on the markets and/or exchanges as set out in Appendix I and regulated as UCITS or as AIF ETFs. No more than 5% of Net Asset Value of the Fund will be invested in non-listed and non-traded collective investment schemes.

Currency positions, when obtained through forward FX, have low net market exposure due to their relative value nature, with a long currency exposure and an offsetting short currency exposure (e.g. long USD vs. short EUR). The net market exposure of currency forwards at any point in time represents the profit and loss on those positions. The Fund’s net market exposure (measured by the sum of the market values of securities held to replicate the Fund’s cash benchmark, the profit and loss of currency forwards and the net notional exposure of any other currency derivatives) will be positive. This means that long positions will be in greater proportion than any synthetic short positions, typically between 50% and 150% of the Net Asset Value of the Fund.

The Fund will generally be well diversified but may hold currency positions that are concentrated from time to time. The Fund will be denominated in US Dollars.

It is expected that the Fund will generally incur leverage up to a maximum rate of 1800% of its Net Asset Value through the use of FDIs. Leverage is calculated as the sum of the notional values of FDIs. Where FDIs are used for hedging purposes or are themselves hedged against equal and opposite trades, the sum of gross notional values of FDIs may not reflect the true economic risk of the Fund. The maximum figure above includes 300% for Share Class related hedging, which is comprised of 100% for the hedging itself

and 200% to allow for FDI roll overs involving positions being closed out against equal and opposite trades. This is included at a Fund level but will only concern holders of currency Hedged Share Classes. Further information on leverage can be found in the section entitled **Leverage**.

The market risk of the Fund will be assessed within the regulatory limits specified below in the section entitled **Types and Description of FDIs** using a risk management technique known as absolute VaR. The daily VaR of the Fund is calculated to ensure that it does not exceed 4.47% of the Fund's Net Asset Value calculated using a parametric approach. As specified in the section entitled **Financial Derivative Instruments (FDIs)** the Fund adopts a one-tailed 99% confidence level under normal market conditions for a one month holding horizon and considering at least three years of historical data.

**An investment in the Fund should not constitute a substantial proportion of an investment portfolio and may not be appropriate for all investors.**

The Net Asset Value of the Fund is expected to have a high level of volatility from time to time.

### *Wellington Global High Yield Bond Fund*

The investment objective of the Fund is to seek long-term total returns.

The Investment Manager will actively manage the Fund against the Bank of America Merrill Lynch Global High Yield Constrained Index ("the Index"), seeking to achieve the objective by investing primarily in debt securities worldwide which are considered by the Investment Manager to be below investment grade. The Index tracks the performance of below investment grade corporate debt publicly issued in markets around the world and is modified capitalization weighted, with the largest issuers capped at 2% of the weight of the total index with the excess weight redistributed equally amongst the issuers under that cap.

The Fund's investment approach is based on analysis of the credit profile of individual high yield issuers, as well as the macro and micro environment for high yield bonds. The identification of high conviction fundamental credit research ideas is expected to be the primary focus of the approach and is complemented by top-down analysis, including identifying sectors that the Investment Manager believes are experiencing long-term cyclical change. Through this, the Investment Manager looks to construct a portfolio that is well diversified by industry but also able to take advantage of favourable secular or cyclical industry trends. This top-down analysis approach will also include a geographical view, analysing the regions that we wish to overweight or underweight. The implementation of the strategy is contingent on the Investment Manager's conviction on fundamental, credit research ideas. Both of the above are subject to a strong focus on risk, which is monitored throughout the investment process and actively managed at the security, sector and total portfolio level, with the objective of generating strong risk-adjusted returns in a wide variety of market environments. Total returns are sought from two sources, a high level of current income and capital appreciation.

The Fund will invest, either directly or indirectly (both long and short) through the use of FDIs, in high yield (i.e., below investment grade) debt securities of issuers domiciled around the world for investment purposes and for efficient portfolio management, including hedging against risk. The Fund may invest up to 5% of its Net Asset Value in securities traded in the Russian markets. The Fund may invest in a broad range of debt securities of various types and maturities issued by commercial, governmental or supranational entities, including, for example, debentures, loan participation securities that qualify as an

eligible investment by the Fund that reference bank loans or trade finance loans, loans assignments that qualify as Money Market Instruments, REIT debt securities, sukuk (financial instruments with cash flows similar to conventional bonds that are structured to comply with Islamic law), hybrid securities comprising convertible securities as more fully described in the section entitled **Types and Description of FDIs**, contingent capital securities that may be automatically written down upon the occurrence of a specific event and contingent convertible securities that may be automatically converted into an equity security upon the occurrence of a specific event, preferred stock, warrants, rights, floating rate and variable rate notes, collateralized debt obligations and collateralized loan obligations, collateralized securities (such as securities collateralized or backed by mortgages or credit card receivables), coupon-bearing and deferred interest instruments (such as zero coupon bonds). The Fund may also invest in debt securities of corporations issued under Rule 144A or Regulation S under the US Securities Act of 1933.

The Fund will generally invest in corporate and sovereign debt that carries a credit rating of Ba1 or lower from Moody's or BB+ or lower from Standard & Poor's. The Fund may also invest in non-rated debt instruments deemed to be of similar credit quality by the Investment Manager. Higher rated debt instruments with comparable yields may also be included. The Fund may invest in the debt instruments of issuers in default or bankruptcy. The average quality of the Fund's holdings will tend to be in the B2/B range, but is expected to fluctuate. Lower quality credits may be a focus at certain times. In the event of split ratings on a security, the Investment Manager will use the highest rating of Moody's, Standard & Poor's or Fitch. If a security is unrated, then an equivalent credit rating, as deemed by the Investment Manager, may be used. In the event that a security is downgraded after its purchase, the Investment Manager may continue to hold such security on behalf of the Fund if it determines that it is in the best interest of the Fund. The Fund may hold equity securities, up to 5% of the market value of the Fund, if such securities are received as a result of a corporate restructuring or as a result of owning equity-linked securities (e.g. convertible bonds, warrants).

The indices to which the Fund will gain exposure will be eligible indices according to the Central Bank requirements and will comprise indices the constituents of which include the types of securities described above in which the Fund may directly invest.

The Fund may also invest in collective investment schemes as described in the section entitled **Investment in Other Investment Funds**, and in exchange traded funds ("ETFs") that provide exposure to the types of securities listed above and which constitute an eligible investment for the Fund. Such ETFs will be listed and/or traded on the markets and/or exchanges as set out in Appendix I and regulated as UCITS or as AIF ETFs.

The net market exposure (sum of long and synthetic short positions including cash) of the Fund will always be positive, meaning that long positions will be in greater proportion than any synthetic short positions. Whilst the Fund's typical net market exposure may vary in time, it is expected to range between 80% and 120% of the Net Asset Value of the Fund, depending on the Investment Manager's analysis of the prevailing market conditions and considered in light of the investment objective of the Fund. These figures do not include the use of derivatives for foreign exchange which are generally limited to hedging.

The Fund may invest in derivatives as more fully described in the section entitled **Types and Description of FDIs**. It is expected that the Fund will generally incur leverage at a rate of between 0% and 400% of its Net Asset Value through the use of FDIs. Leverage is calculated as the sum of the notional values of the FDIs. The above maximum figure includes 300% for Share Class related hedging, which is comprised of

100% for the hedging itself and 200% to allow for FDI roll overs involving positions being closed out against equal and opposite trades. This is included at a Fund level but will only concern holders of currency Hedged Share Classes. Further information on leverage can be found in the section entitled **Leverage**.

The Investment Manager uses a risk management technique known as relative VaR to assess the Fund's market risk to seek to ensure that its use of FDIs is within regulatory limits. In accordance with the requirements of the Central Bank, the daily VaR of the Fund may not exceed twice the daily VaR of the Index calculated using a parametric approach with a one-tailed 99% confidence level for a one month holding horizon and considering at least three years of historical data.

**An investment in the Fund should not constitute a substantial proportion of an investment portfolio and may not be appropriate for all investors.**

The Net Asset Value of the Fund is expected to have a high volatility from time to time.

#### *Wellington Global Strategic Sovereign Fund*

The investment objective of the Fund is to seek long-term total returns.

The Investment Manager will actively manage the Fund, seeking to achieve the objective by providing investors with access to a long only, diversified portfolio of global government debt securities whilst strategically managing country and interest rate risks. Research forms the basis of the investment process whereby the Investment Manager utilizes a proprietary sovereign risk analysis framework to analyse countries based on their fiscal profile, economic performance and structural flexibility. The aim of this research is to identify sovereign issuers with three key criteria: stable to improving credit characteristics, attractive valuations and high market liquidity. Countries are assessed by the Investment Manager on this basis through both a quantitative and qualitative process aimed at providing a full picture of a country's risk profile. The Investment Manager uses this assessment to select the countries for inclusion in the Fund and purchases debt securities issued by these countries with a focus on issue diversification, liquidity and the Investment Manager's evaluation of value. Interest rate risk is strategically managed at the Fund level, with the aim of managing Fund duration throughout an interest rate cycle.

Although the Fund is not constructed relative to a benchmark, the Bloomberg Barclays Global Treasury Hedged to US dollar Index (the 'Index') will serve as a reference benchmark. The Index is designed to track the local currency sovereign debt of investment grade countries on a currency hedged basis.

The Fund may invest, either directly or indirectly through the use of FDI, in a diversified Fund of debt securities issued primarily by governments in countries globally with an above investment grade sovereign credit rating. The Fund may also hold securities issued pursuant to Rule 144A and/or Regulation S securities (Regulation S securities are those offered outside the United States without registration under the United States Securities Act of 1933 (as amended)).

These debt securities may be denominated in US Dollars or other currencies. The Fund may hold cash and cash equivalents as described in the section below entitled Cash and Cash Equivalents in multiple currencies without restriction. The Fund will be denominated in US Dollars. Non-US Dollar exposures within the Fund will generally be hedged back to US Dollars.

The Fund may buy and sell exchange-traded and over-the-counter FDIs, both long and short, comprising interest rate and bond futures, interest rate swaps, bond and currency forwards, forward rate agreements and warrants, to gain exposure to the instruments listed above in pursuit of the investment objective and for efficient portfolio management purposes, including hedging against risk. Full details of the types of FDIs and the ways in which the Fund may utilize them are further detailed in the section entitled **Types and Description of FDIs**.

The net market exposure (sum of long and synthetic short positions including cash) of the Fund will always be positive, meaning that long positions will be in greater proportion than any synthetic short positions. Whilst the Fund's typical net market exposure may vary in time, it is expected to range between 80% and 150% of the Net Asset Value of the Fund, depending on the Investment Manager's analysis of the prevailing market conditions and considered in light of the investment objective of the Fund. These figures do not include the use of derivatives for foreign exchange which are generally limited to hedging.

The Fund generally will be diversified by country and issuer, but may hold positions that are concentrated from time to time. The Fund will not invest in collective investment schemes as described in the section entitled **Investment in Other Investment Funds**. Securities may only be purchased if rated at least investment grade i.e. Baa3 by Moody's, BBB- by S&P, or BBB- by Fitch. Unrated securities cannot be purchased unless a corresponding issuer rating can be applied to the security. In instances where the ratings from the above agencies differ, the lower rating shall be decisive. Any securities which fall below the minimum required rating subsequent to purchase will be sold within three months from the downgrading, unless the rating is upgraded within that period. The Investment Manager will under no circumstances rely exclusively or automatically on external ratings in determining the credit risk of a financial instrument, and the Investment Manager will perform its own credit assessment with respect to each investment. .

It is expected that the Fund will generally incur leverage at a rate of between 0% and 800% of its Net Asset Value through the use of FDIs. Leverage is calculated as the sum of the notional values of FDIs. The above maximum figure includes 300% for Share Class related hedging, which is comprised of 100% for the hedging itself and 200% to allow for FDI roll overs involving positions being closed out against equal and opposite trades. This is included at a Fund level but will only concern holders of currency Hedged Share Classes. Further information on leverage can be found in the section entitled **Leverage**.

The market risk of the Fund will be assessed within the regulatory limits specified below in the section entitled Types and Description of FDIs using a risk management technique known as absolute VaR. The daily VaR of the Fund is calculated to ensure that it does not exceed 4.47% of the Fund's Net Asset Value calculated using a parametric approach. As specified in the section entitled Financial Derivative Instruments (FDIs) the Fund adopts a one-tailed 99% confidence level under normal market conditions for a one month holding horizon and considering at least three years of historical data.

The Net Asset Value of the Fund is expected to have a high level of volatility from time to time.

### ***Wellington Higher Quality Global High Yield Bond Fund***

The investment objective of the Fund is to seek long-term total returns.



The Investment Manager will actively manage the Fund against the Bank of America Merrill Lynch Global High Yield Constrained BB-B Index ("the Index") (a subset of the Bank of America Merrill Lynch Global High Yield Constrained Index), seeking to achieve the objective by investing primarily in debt securities worldwide which are considered by the Investment Manager to be rated BB1 through B3 inclusive. The Index tracks the performance of below investment grade corporate debt publicly issued in markets around the world comprising securities rated BB1 through B3 inclusive, based on a composite of Moody's and S&P and is modified capitalization weighted, with the largest issuers capped at 2% of the weight of the total index with the excess weight redistributed equally amongst the issuers under that cap.

The Fund's investment approach is based on analysis of the credit profile of individual high yield issuers, as well as the macro and micro environment for high yield bonds. The identification of high conviction fundamental credit research ideas is expected to be the primary focus of the approach and is complemented by top-down analysis, including identifying sectors that the Investment Manager believes are experiencing long-term cyclical change. Through this, the Investment Manager looks to construct a portfolio that is well diversified by industry but also able to take advantage of favourable secular or cyclical industry trends. This top-down analysis approach will also include a geographical view, analysing the regions that we wish to overweight or underweight. The implementation of the strategy is contingent on the Investment Manager's conviction on fundamental, credit research ideas. Both of the above are subject to a strong focus on risk, which is monitored throughout the investment process and actively managed at the security, sector and total portfolio level, with the objective of generating strong risk-adjusted returns in a wide variety of market environments. Total returns are sought from two sources, a high level of current income and capital appreciation.

The Fund will invest, either directly or indirectly (both long and short) through the use of FDIs, in high yield (i.e., below investment grade) debt securities of issuers domiciled around the world for investment purposes and for efficient portfolio management, including hedging against risk. The Fund may invest in a broad range of debt securities of various types and maturities issued by commercial, governmental or supranational entities, comprising debentures, loan participation securities that qualify as an eligible investment by the Fund that reference bank loans or trade finance loans, bank loan assignments that qualify as Money Market Instruments, REIT debt securities, sukuk (financial instruments with cash flows similar to conventional bonds that are structured to comply with Islamic law), hybrid securities comprising convertible securities as more fully described in the section entitled **Types and Description of FDIs**, preferred stock, warrants, rights, floating rate and variable rate notes, collateralized debt obligations and collateralized loan obligations, collateralized securities (such as securities collateralized or backed by mortgages or credit card receivables), coupon-bearing and deferred interest instruments (such as zero coupon bonds) or any other securities, issuers and security types represented in the Index. The Fund may also hold securities issued pursuant to Rule 144A and/or Regulation S securities (Regulation S securities are those offered outside the United States without registration under the United States Securities Act of 1933 (as amended)) and equity securities where they are a result of a corporate action, conversion or exercising a warrant.

The indices to which the Fund will gain exposure will be eligible indices according to the Central Bank requirements and will comprise indices the constituents of which include the types of securities described above in which the Fund may directly invest.

The Fund may hold debt securities denominated in US Dollars or other currencies. The Investment Manager may employ currency hedging through the use of forward currency exchange contracts in

multiple currencies, as more fully described in the section entitled Forward Contracts below, to bring the Fund's currency exposures closer to those of the Index when it believes it is advisable to do so.

The Fund may buy and sell exchange-traded and over-the-counter FDIs, both long and short, comprising interest rate futures, interest rate swaps, credit default swaps, index credit default swaps, currency forwards and forward rate agreements, to gain exposure to the instruments listed above in pursuit of the investment objective and for efficient portfolio management purposes, including hedging against risk. Full details of the types of FDIs and the ways in which the Fund may utilize them are further detailed in the section entitled **Types and Description of FDIs**.

The Fund will generally be diversified by country, currency, sector and issuer and may have greater than 20% exposure to securities issued by issuers located in what the Investment Manager considers to be emerging markets, including Russia.

Investments will be drawn from the broad credit spectrum. The Fund may acquire securities, if rated at least investment grade, i.e. Baa3 by Moody's, BBB- by S&P, or BBB- by Fitch, or an equivalent internal rating by the Investment Manager. High-yield securities may be acquired if they have a rating of at least speculative grade, i.e. B3 by Moody's, B- by S&P, or B- by Fitch, or an equivalent internal rating by the Investment Manager. In case of two different ratings, the lower rating shall be decisive. In case of three or more different ratings, the lower rating of the two best ratings shall be decisive. The Investment Manager will under no circumstances rely exclusively or automatically on external ratings in determining the credit risk of a financial instrument, and in addition the Investment Manager will perform its own credit assessment with respect to each investment. Any securities which fall below the minimum required rating following acquisition will be sold within six months from the downgrading, unless the rating is upgraded within that period.

The net market exposure (sum of long and synthetic short positions including cash) of the Fund will always be positive, meaning that long positions will be in greater proportion than any synthetic short positions. Whilst the Fund's typical net market exposure may vary in time, it is expected to range between 80% and 120% of the Net Asset Value of the Fund, depending on the Investment Manager's analysis of the prevailing market conditions and considered in light of the investment objective of the Fund. These figures do not include the use of derivatives for foreign exchange which are generally limited to hedging.

Short positions may only be taken through financial derivative instruments ("FDI") for investment purposes or for hedging risk. The gross exposure of the Fund's short positions for investment purposes is not expected to exceed 10% of the Net Asset Value of the Fund.

It is expected that the Fund will generally incur leverage at a rate of between 0% and 400% of its Net Asset Value through the use of FDIs. Leverage is calculated as the sum of the notional values of the FDIs. The above maximum figure includes 300% for Share Class related hedging, which is comprised of 100% for the hedging itself and 200% to allow for FDI roll overs involving positions being closed out against equal and opposite trades. This is included at a Fund level but will only concern holders of currency Hedged Share Classes. Further information on leverage can be found in the section entitled **Leverage**.

The Investment Manager uses a risk management technique known as relative VaR to assess the Fund's market risk to seek to ensure that its use of FDIs is within regulatory limits. In accordance with the requirements of the Central Bank, the daily VaR of the Fund may not exceed twice the daily VaR of the

Index calculated using a parametric approach with a one-tailed 99% confidence level for a one month holding horizon and considering at least three years of historical data.

An investment in the Fund should not constitute a substantial proportion of an investment portfolio and may not be appropriate for all investors.

The Net Asset Value of the Fund is expected to have a high volatility from time to time.

### ***Wellington Opportunistic Emerging Markets Debt Fund***

The investment objective of the Fund is to seek long-term total returns.

The Investment Manager will actively manage the Fund against the JP Morgan Emerging Markets Bond Index Global (the “Index”), seeking to achieve the objective primarily through investment in a diversified portfolio of emerging markets debt securities and currency instruments. The Index tracks total returns for US Dollar-denominated debt instruments, both fixed and floating, issued by emerging market sovereign and quasi-sovereign entities.

The Fund will invest, either directly or indirectly through the types of financial derivative instruments (“FDI”) more fully described in the section entitled **Types and Description of FDIs** for investment purposes and for efficient portfolio management, including hedging against risk. FDI will primarily provide both long and short exposure to emerging markets fixed income securities, currencies and interest rates. The Fund may also invest, in the same manner, in bonds issued by sovereign, quasi-sovereign agency, supranational and sub national government issuers; mortgage-, commercial mortgage-, and asset-backed securities; hybrid securities comprising convertible securities as more fully described in the section entitled **Types and Description of FDIs**, contingent capital securities that may be automatically written down upon the occurrence of a specific event and contingent convertible securities that may be automatically converted into an equity security upon the occurrence of a specific event; corporate debt; sukuk (financial instruments with cash flows similar to conventional bonds that are structured to comply with Islamic law), warrants, loan participation securities that qualify as an eligible investment by the Fund (including, but not limited to, trade finance loan participations) and, in addition, bank loan assignments that qualify as Money Market Instruments; and credit and index linked securities, which are debt securities of companies whose interest payments and/or payment at maturity depend primarily on the performance of one or more underlying credit exposures or market indices. A particular credit-linked security’s underlying credit exposure may be to a sovereign, quasi-sovereign or corporate issuer. Underlying index exposures may be to an index tied to a country’s economic exposure, debt or currency. In each case, the underlying credit or index exposure will be consistent with the Fund’s investment objective and policies. The Fund also may invest in structured notes (which are synthetic securities with embedded components (such as an option)); as well as other debt securities issued by public or private issuers, both fixed- and floating-rate, including forward contracts on such securities, and may hold equity securities where they are a result of a corporate action, conversion or exercising a warrant.

The net market exposure (sum of long and synthetic short positions including cash) of the Fund will always be positive, meaning that long positions will be in greater proportion than any synthetic short positions. Whilst the Fund’s typical net market exposure may vary in time, it is expected to range between 75% and 200% of the Net Asset Value of the Fund, depending on the Investment Manager’s analysis of the prevailing market conditions and considered in light of the investment objective of the

Fund. These figures do not include derivatives relating to foreign exchange which may be used for hedging or investment purposes.

The indices to which the Fund will gain exposure will be eligible indices according to the Central Bank requirements and will comprise indices the constituents of which include the types of securities described above in which the Fund may invest.

The Fund may invest in any country which is considered by the Investment Manager to be an emerging market. These are primarily located in Latin/Central America and the Caribbean, Central and Eastern Europe, Middle East, Africa and Asia. Developed market exposures are also permitted. The Fund may make substantial investment in securities traded on Russian markets.

Currency exposure to multiple currencies will be taken on an opportunistic basis. Currency exposure to both emerging markets and developed countries, including cross-currency positions, which are not related to the Fund's bond and cash equivalent positions, will be assumed.

The Fund generally will be diversified by country, currency and issuer but may hold concentrated positions from time to time.

Investments will be drawn from the broad credit spectrum. The Fund's weighted average credit quality, including cash and cash equivalents may be below investment grade. There will be no limitations on the credit quality of individual securities or currencies in the Fund.

The Fund will invest in both US Dollar-denominated securities and in securities denominated in currencies other than the US Dollar.

It is expected that the Fund will generally incur leverage at a rate of between 0% and 600% of its Net Asset Value through the use of FDIs. Leverage is calculated as the sum of the notional values of FDIs. Where FDIs are used for hedging purposes or are themselves hedged against equal and opposite trades, the sum of gross notional values of FDIs may not reflect the true economic risk of the Fund. The above maximum figure includes 300% for Share Class related hedging, which is comprised of 100% for the hedging itself and 200% to allow for FDI roll overs involving positions being closed out against equal and opposite trades. This is included at a Fund level but will only concern holders of currency Hedged Share Classes. If the expected level of leverage were calculated taking into account netting of equal and opposite foreign exchange forward contracts, and excluding the share class hedging, the level of leverage would be expected to be lower and generally between 0% and 150% of the Fund's Net Asset Value. Further information on leverage can be found in the section entitled **Leverage**.

The Investment Manager uses a risk management technique known as relative VaR to assess the Fund's market risk to seek to ensure that its use of FDIs is within regulatory limits. In accordance with the requirements of the Central Bank, the daily VaR of the Fund may not exceed twice the daily VaR of the Index calculated using a parametric approach with a one-tailed 99% confidence level for a one month holding horizon and considering at least three years of historical data.

**An investment in the Fund should not constitute a substantial proportion of an investment portfolio and may not be appropriate for all investors.**

The Net Asset Value of the Fund is expected to have a high volatility from time to time.

### *Wellington Opportunistic Fixed Income Fund*

The investment objective of the Fund is to seek long-term total returns.

The Investment Manager will actively manage the Fund, seeking to achieve the objective by investing primarily in a broad range of fixed income asset classes. The Fund seeks to maximise total return by providing long and short (synthetic) exposure in an unconstrained manner to a broad range of fixed income debt securities across multiple geographies, including securities with both investment grade and non-investment grade credit ratings.

The Fund's investment strategy is based on the belief that fixed income market inefficiencies exist and are most prevalent outside the core developed market sovereign and investment grade corporate sectors focused on by most investors. The Investment Manager believes that these inefficiencies can be captured through researching the investment universe without constraint and by being willing to invest where the Investment Manager's research and analysis indicates the best total return opportunities arise.

The Investment Manager uses the following when building the Fund:

- 1) Allocations to areas of the global fixed income market that the Investment Manager considers misunderstood by other investors, for example where there is crisis, complacency or where structural change is going unrecognised. Ideas are implemented through investments in sovereign, government-related, corporate or securitised issues where the Investment Manager is looking to capture the repricing of long term structural themes (for example the European financial crisis).
- 2) The above are blended with allocations based on country, currency, duration, security selection or sector rotation ideas which are intended to capture short and medium term mispricing. The Investment Manager believes such allocations implemented through investments in areas such as developed market interest rates, currencies corporate, high yield and emerging market securities, will provide returns with low correlation to the movement of global fixed income markets.

The allocations in 1) and 2) above are combined and evaluated using the Investment Manager's risk management process which is used to assess the Fund's risk profile.

The Fund may invest, either directly or indirectly through the use of FDI, in debt securities comprising bonds issued by government, agency, quasi-sovereign, supranational, commercial and sub national government issuers as well as residential and commercial mortgage-backed securities, asset-backed securities, corporate bonds, covered bonds, corporate and real estate investment trust (REIT) debt (which are bonds and convertible bonds issued by a REIT), both fixed and floating-rate, preferred securities, sukuk (financial instruments with cash flows similar to conventional bonds that are structured to comply with Islamic law), GDNs (global depositary notes), hybrid securities comprising convertible securities as more fully described in the section entitled **Types and Description of FDIs**, contingent capital securities that may be automatically written down upon the occurrence of a specific event and contingent convertible securities that may be automatically converted into an equity security upon the occurrence of a specific event. The Fund may hold equity securities where they are a result of a corporate action, conversion or exercising a warrant. The Fund may also hold interests in limited partnerships and master limited partnerships as described in the section below entitled **Master Limited Partnerships**, securities

issued pursuant to Rule 144A and/or Regulation S securities (Regulation S securities are those offered outside the United States without registration under the United States Securities Act of 1933 (as amended)), debentures, loan participation securities (debt instruments) that qualify as an eligible investment by the Fund that reference bank loans or trade finance loans. The Fund may also invest in bank loan assignments that qualify as Money Market Instruments.

The Fund may also buy and sell index linked bonds and credit linked notes whose interest payments and/or payment at maturity depend on the performance of an underlying index or security. The underlying exposure of an index linked bond may be tied to a market index (such as a bond index or a credit default swap index) or an economic index (such as growth or inflation indices). The underlying exposure of a credit linked note is typically tied to a sovereign, quasi-sovereign or corporate bond issuer. In each case, the underlying exposure will be consistent with the Fund's investment objective and policies. The Fund also may invest in structured notes (which are synthetic securities with embedded components (such as an option, swap, forward or future)). Such structured notes may give exposure to underlying fixed income securities on a leveraged or unleveraged basis. In the event that the structured notes provide such exposure on a leveraged basis, such leverage shall be included in any global exposure calculations in accordance with the requirements of the Central Bank.

The Fund may invest in collective investment schemes as described in the section entitled **Investment in Other Investment Funds** and in exchange traded funds that invest in the types of securities listed above and which constitute an eligible investment for the Fund. These will be listed and/or traded on the markets and/or exchanges as set out in Appendix I and may be transferable securities or collective investment schemes.

The Fund may buy and sell exchange-traded and over-the-counter FDIs, comprising currency, interest rate, bond, credit, index and inflation options, interest rate, bond, equity, credit, index and currency futures or options on futures, credit default swaps, index credit default swaps, interest rate, total return, inflation, variance, volatility and currency swaps, swaptions and swaps on an index, warrants, bond and currency forwards, forward rate agreements and "to-be-announced" (TBA) securities) to gain exposure to the instruments listed above in pursuit of the investment objective and for efficient portfolio management purposes including hedging against risk. Derivatives may be used as a replacement for direct bond exposures, to hedge specific interest rate, currency or credit risk. Equity derivatives may be used in markets where convertible bonds are not available, to provide a similar investment profile to convertible bonds, or to hedge fixed income securities that are highly correlated to equity markets such as corporate credit and emerging markets issues. Full details of the types of FDIs and the ways in which the Fund may utilize them are further detailed in the section entitled **Types and Description of FDIs**.

The net market exposure (sum of long and synthetic short positions including cash) of the Fund will typically be positive, meaning that long positions will generally be in greater proportion than synthetic short positions. Whilst the Fund's typical net market exposure may vary in time, it is expected to range between 80% and 150% of the Net Asset Value of the Fund, depending on the Investment Manager's analysis of the prevailing market conditions and considered in light of the investment objective of the Fund. Short positions may only be taken through financial derivative instruments ("FDI") to implement active strategies within the Fund, for hedging risk and for managing overall market exposures. The gross exposure of the Fund's short positions is not expected to exceed 150% of the Net Asset Value of the Fund. These figures do not include derivatives relating to foreign exchange which may be used for hedging or investment purposes.

The indices to which the Fund will gain exposure will be eligible indices according to the Central Bank requirements and will comprise indices the constituents of which include the types of securities described above in which the Fund may directly invest.

Debt securities may be denominated in US Dollars or other currencies. The Fund may hold cash and cash equivalents as described in the section below entitled **Cash and Cash Equivalents** in multiple currencies without restriction.

The Fund will be denominated in US Dollars. Currency exposure, from the use of forward currency exchange contracts in multiple currencies, as more fully described in the section entitled **Forward Contracts**, is actively managed within the Fund and may include cross-currency positions which may or may not be influenced by the Fund's bond and cash equivalent positions.

The Fund will generally be diversified by country, currency, sector and issuer, but may hold positions that are concentrated from time to time. The Fund may invest in emerging markets and up to 10% of its Net Asset Value in securities traded in the Russian markets. For the purposes of this Fund, an emerging market is one that the Investment Manager considers to be an emerging market.

The Fund's investments will represent a broad credit spectrum, including issues rated below investment grade. There is no minimum credit rating for individual securities or currencies. The Fund's Net Credit Exposure to securities rated below investment grade will not represent more than 50% of its Net Asset Value at the time of purchase. Net Credit Exposure to securitised and collateralised debt will not represent more than 50% of the Fund's Net Asset Value. Credit ratings for issues will be the highest of Moody's, S&P's, or Fitch's long term ratings. If an issue is unrated, then an equivalent credit rating, as deemed by the Investment Manager, may be used.

The Fund level effective duration will be limited to 0-10 years. There are no limits on the duration of individual holdings, and in anticipation of rising interest rates the Investment Manager may implement certain defensive interest rate hedging strategies that may result in negative duration positions at the individual security or country levels.

It is expected that the Fund will generally incur leverage at a rate of between 0% and 650% of its Net Asset Value through the use of FDIs. Leverage is calculated as the sum of the notional values of FDIs. The above maximum figure includes 300% for Share Class related hedging, which is comprised of 100% for the hedging itself and 200% to allow for FDI roll overs involving positions being closed out against equal and opposite trades. This is included at a Fund level but will only concern holders of currency Hedged Share Classes. Further information on leverage can be found in the section entitled **Leverage**.

The market risk of the Fund will be assessed within the regulatory limits specified below in the section entitled **Types and Description of FDIs** using a risk management technique known as absolute VaR. The daily VaR of the Fund is calculated to ensure that it does not exceed 4.47% of the Fund's Net Asset Value calculated using a parametric approach. As specified in the section entitled **Financial Derivative Instruments (FDIs)** the Fund adopts a one-tailed 99% confidence level under normal market conditions for a one month holding horizon and considering at least three years of historical data.

Where the Fund engages in securities financing transactions, a maximum of 50% of the Fund's assets may be subject to such arrangements, with an expectation that at any time between 0% and 25% of the Fund's assets may be subject to such arrangements.

**An investment in the Fund should not constitute a substantial proportion of an investment portfolio and may not be appropriate for all investors.**

The Net Asset Value of the Fund is expected to have a high level of volatility from time to time.

### ***Wellington Sterling Core Bond Plus Fund***

The investment objective of the Fund is to seek long-term total returns.

The Investment Manager will actively manage the Fund against the Bank of America Merrill Lynch Sterling Broad Market Index (the "Index"), seeking to achieve the objective by investing primarily in Sterling denominated fixed income debt securities. The Index is a measure of the total return of fixed income securities issued in Sterling. The Index includes sovereign and corporate issuance.

The Fund will invest, either directly or indirectly (both long and short) through the use of FDIs, in debt securities denominated in Sterling, for investment purposes and for efficient portfolio management, including hedging against risk. The investment approach combines a base of Sterling fixed income strategies with an overlay of global best ideas from the global fixed income and currency markets. The Fund may buy and sell bonds issued by sovereign, agency, and supranational issuers; mortgage, commercial mortgage, and asset-backed securities; hybrid securities comprising convertible securities as more fully described in the section entitled **Types and Description of FDIs**, contingent capital securities that may be automatically written down upon the occurrence of a specific event and contingent convertible securities that may be automatically converted into an equity security upon the occurrence of a specific event; warrants, corporate and REIT debt loan participations, loan participation securities that qualify as an eligible investment by the Fund (including, but not limited to, trade finance loan participations) and, in addition, bank loan assignments that qualify as Money Market Instruments, trade finance loans, credit-linked, index-linked, and capital securities (securities that combine the features of corporate bonds and preferred stock); as well as other debt securities issued by public or private issuers, both fixed and floating-rate, including forward contracts on such securities. These debt securities may be denominated in Sterling or other currencies. The Fund may also hold equity securities where they are a result of a corporate action, conversion or exercising a warrant.

The net market exposure (sum of long and synthetic short positions including cash) of the Fund will typically be positive, meaning that long positions will generally be in greater proportion than synthetic short positions. Whilst the Fund's typical net market exposure may vary in time, it is expected to range between 0% and 150% of the Net Asset Value of the Fund, depending on the Investment Manager's analysis of the prevailing market conditions and considered in light of the investment objective of the Fund. These figures do not include derivatives relating to foreign exchange which may be used for hedging or investment purposes.

The Fund's weighted average credit quality, including cash and cash equivalents, is expected to be A3 by Moody's or A by Standard & Poor's or higher. There is no minimum credit rating for individual securities or currencies.



The Fund generally will be diversified by country, currency, issuer, and investment strategy, but may hold concentrated positions from time to time.

It is expected that the Fund will generally incur leverage at a rate of between 50% and 800% of its Net Asset Value through the use of FDIs. Leverage is calculated as the sum of the notional values of the FDIs. Where FDIs are used for hedging purposes or are themselves hedged against equal and opposite trades, the sum of gross notional values of FDIs may not reflect the true economic risk of the Fund. The above maximum figure includes 300% for Share Class related hedging, which is comprised of 100% for the hedging itself and 200% to allow for FDI roll overs involving positions being closed out against equal and opposite trades. This is included at a Fund level but will only concern holders of currency Hedged Share Classes. Further information on leverage can be found in the section entitled **Leverage**.

The Investment Manager uses a risk management technique known as relative VaR to assess the Fund's market risk to seek to ensure that its use of FDIs is within regulatory limits. In accordance with the requirements of the Central Bank, the daily VaR of the Fund may not exceed twice the daily VaR of the Index, calculated using a parametric approach with a one-tailed 99% confidence level for a one month holding horizon and considering at least three years of historical data.

The Net Asset Value of the Fund is expected to have a high volatility from time to time.

#### ***Wellington US\$ Core High Yield Bond Fund***

The investment objective of the Fund is to seek long-term total returns.

The Investment Manager will actively manage the Fund against the Bank of America Merrill Lynch US High Yield Master II Constrained Index (the "Index"), seeking to achieve the objective by investing primarily in debt securities of US corporations which are considered by the Investment Manager to be below investment grade. The Index tracks the performance of US Dollar denominated below investment grade corporate debt publicly issued in the US domestic market. The Index is modified capitalization weighted, with the largest issuers capped at 2% percent of the weight of the total index with the excess weight redistributed equally amongst the issuers under that cap.

Total returns will be sought from two sources: a high level of current income and capital appreciation. Fund construction is primarily based upon bottom-up fundamental research conducted by the Investment Manager.

The Fund will primarily invest, either directly or indirectly (both long and short), in high yield (i.e., below investment grade) debt securities denominated in US Dollars for investment purposes and for efficient portfolio management, including hedging against risk. The Fund may invest in a broad range of debt securities of various types and maturities issued by commercial, governmental or supranational entities, including, for example, loan participation securities that qualify as an eligible investment by the Fund (including, but not limited to, trade finance loan participations), REIT debt securities, sukuk (financial instruments with cash flows similar to conventional bonds that are structured to comply with Islamic law), hybrid securities comprising convertible securities as more fully described in the section entitled **Types and Description of FDIs**, contingent capital securities that may be automatically written down upon the occurrence of a specific event and contingent convertible securities that may be automatically converted into an equity security upon the occurrence of a specific event, and, in addition, bank loan assignments that qualify as Money Market Instruments, debentures, leveraged loans, convertible bonds,

preferred stock, warrants, rights, floating rate and variable rate notes, collateralized securities (such as securities collateralized or backed by mortgages or credit card receivables) coupon-bearing and deferred interest instruments (such as zero coupon bonds). The Fund may also invest in debt securities of corporations issued under Rule 144A or Regulation S under the US Securities Act of 1933. The Fund will not invest in below investment grade emerging market debt securities.

The Fund will invest primarily in securities listed or traded in United States over-the-counter markets. The Fund will not invest in securities listed or traded in emerging markets. For the purposes of this Fund, an emerging market is one that the Investment Manager considers to be an emerging market. The Fund may hold equity securities where they are a result of a corporate action, conversion or exercising a warrant.

The indices to which the Fund will gain exposure will be eligible indices according to the Central Bank requirements and will comprise indices the constituents of which include the types of securities described above in which the Fund may directly invest.

The Fund may invest in collective investment schemes as described in the section entitled **Investment in Other Investment Funds** and in exchange traded funds ("ETFs") that provide exposure to the types of securities listed above and which constitute an eligible investment for the Fund. Such ETFs will be listed and/or traded on the markets and/or exchanges as set out in Appendix I and regulated as UCITS or as AIF ETFs.

The net market exposure (sum of long and synthetic short positions including cash) of the Fund will always be positive, meaning that long positions will be in greater proportion than any synthetic short positions. Whilst the Fund's typical net market exposure may vary in time, it is expected to range between 80% and 120% of the Net Asset Value of the Fund, depending on the Investment Manager's analysis of the prevailing market conditions and considered in light of the investment objective of the Fund. These figures do not include the use of derivatives for foreign exchange which are generally limited to hedging.

The Fund generally will invest in debt securities that carry a credit rating of Ba1 or lower from Moody's or BB+ or lower from Standard & Poor's. The Fund may also invest in unrated debt instruments deemed to be of similar credit quality by the Investment Manager. Higher rated debt instruments may also be included. The Fund may invest in the debt instruments of issuers in default or bankruptcy. The Fund may invest in US Treasury or agency securities and cash equivalent securities as described in the section below entitled **Cash and Cash Equivalents**. In the event of split ratings on a security, the Investment Manager will use the highest rating of Moody's, Standard & Poor's or Fitch. If a security is unrated, then an equivalent credit rating, as deemed by the Investment Manager, may be used. In the event that a security is downgraded after its purchase, the Investment Manager may continue to hold such security on behalf of the Fund if it determines that it is in the best interest of the Fund.

The Fund generally will be well-diversified by industry and issuer. Sector and quality weightings, as well as individual holdings, will vary.

It is expected that the Fund will generally incur leverage at a rate of between 0% and 350% of its Net Asset Value through the use of FDIs. Leverage is calculated as the sum of the notional values of the FDIs. The above maximum figure includes 300% for Share Class related hedging, which is comprised of 100% for the hedging itself and 200% to allow for FDI roll overs involving positions being closed out against

equal and opposite trades. This is included at a Fund level but will only concern holders of currency Hedged Share Classes. Further information on leverage can be found in the section entitled **Leverage**.

The Investment Manager uses a risk management technique known as relative VaR to assess the Fund's market risk to seek to ensure that its use of FDIs is within regulatory limits. In accordance with the requirements of the Central Bank, the daily VaR of the Fund may not exceed twice the daily VaR of the Index calculated using a parametric approach with a one-tailed 99% confidence level for a one month holding horizon and considering at least three years of historical data.

**An investment in the Fund should not constitute a substantial proportion of an investment portfolio and may not be appropriate for all investors.**

The Net Asset Value of the Fund is expected to have a high volatility from time to time.

### *Wellington World Bond Fund*

The investment objective of the Fund is to seek long-term total returns.

The Investment Manager will actively manage the Fund, seeking to achieve the objective by investing in a range of fixed income assets.

The Fund allocates its assets across multiple fixed income assets, with an allocation to high quality global sovereign debt combined with opportunistic exposure to various other fixed income assets like corporate debt, securitised debt, developed and emerging market debt and currencies.

The Fund may invest, either directly or indirectly through the use of FDI, in a diversified Fund of developed and what the Investment Manager considers to be emerging market debt securities comprising bonds issued by government, agency, quasi-sovereign, supranational, commercial and sub national government issuers as well as residential and commercial mortgage-backed securities, asset-backed securities, covered bonds, corporate and real estate investment trust (REIT) debt (which are bonds and convertible bonds issued by a REIT), both fixed and floating-rate, preferred securities, sukuk (financial instruments with cash flows similar to conventional bonds that are structured to comply with Islamic law), hybrid securities comprising convertible securities as more fully described in the section entitled **Types and Description of FDIs**, contingent capital securities that may be automatically written down upon the occurrence of a specific event and contingent convertible securities that may be automatically converted into an equity security upon the occurrence of a specific event, as well as corporate bonds, and forward contracts on such securities. The Fund may hold equity securities where they are a result of a corporate action, conversion or exercising a warrant. The Fund may also hold securities issued pursuant to Rule 144A and/or Regulation S securities (Regulation S securities are those offered outside the United States without registration under the United States Securities Act of 1933 (as amended)) and bank loan assignments that qualify as Money Market Instruments.

The Fund may also buy and sell index linked bonds and credit linked notes whose interest payments and/or payment at maturity depend on the performance of an underlying index or security. The underlying exposure of an index linked bond may be tied to a market index (such as a bond index or a credit default swap index) or an economic index (such as growth or inflation indices). The underlying exposure of a credit linked note is typically tied to a sovereign, quasi-sovereign or corporate bond issuer. In each case, the underlying exposure will be consistent with the Fund's investment objective and

policies. The Fund also may invest in structured notes (which are synthetic securities with embedded components (such as an option)). Such structured notes shall give exposure to underlying fixed income securities on an unleveraged basis.

The Fund may also invest in collective investment schemes as described in the section entitled **Investment in Other Investment Funds** and in exchange traded funds that invest in the types of securities listed above and which constitute an eligible investment for the Fund. These will be listed and/or traded on the markets and/or exchanges as set out in Appendix I and may be transferable securities or collective investment schemes. No more than 5% of Net Asset Value of the Fund will be invested in non-listed and non-traded collective investment schemes.

The Fund may buy and sell exchange-traded and over-the-counter FDIs, both long and short, comprising currency, interest rate, bond, index and inflation options, interest rate, bond, index and currency futures or options on futures, credit default swaps, index credit default swaps, interest rate, total return, inflation and currency swaps, swaptions and swaps on an index, warrants, bond and currency forwards and forward rate agreements to gain exposure to the instruments listed above in pursuit of the investment objective and for efficient portfolio management purposes including hedging against risk. Full details of the types of FDIs and the ways in which the Fund may utilize them are further detailed in the section entitled **Types and Description of FDIs**.

The net market exposure (sum of long and synthetic short positions including cash) of the Fund will typically be positive, meaning that long positions will generally be in greater proportion than synthetic short positions. Whilst the Fund's typical net market exposure may vary in time, it is expected to range between 0% and 200% of the Net Asset Value of the Fund, depending on the Investment Manager's analysis of the prevailing market conditions and considered in light of the investment objective of the Fund. These figures do not include derivatives relating to foreign exchange which may be used for hedging or investment purposes.

The indices to which the Fund will gain exposure will be eligible indices according to the Central Bank requirements and will comprise indices the constituents of which include the types of securities described above in which the Fund may directly invest.

These debt securities may be denominated in US Dollars or other currencies. The Fund may hold cash and cash equivalents as described in the section below entitled **Cash and Cash Equivalents** in multiple currencies without restriction.

The Fund will be denominated in US Dollars. Currency exposure, from the use of forward currency exchange contracts in multiple currencies, as more fully described in the section entitled **Forward Contracts**, is actively managed within the Fund and may include cross-currency positions which may or may not be influenced by the Fund's bond and cash equivalent positions.

The Fund will generally be diversified by country, currency, sector and issuer, but may hold positions that are concentrated from time to time. The Fund's investments will represent a broad credit spectrum, including issues rated below investment-grade. There is no minimum credit rating for individual securities or currencies. The Fund's Net Credit Exposure to securities rated below investment grade will not represent more than 50% of its Net Asset Value at the time of purchase. Net Credit Exposure to securitised securities will not represent more than 40% of Net Asset Value at the time of purchase. Credit

ratings for issues will be the lowest of Moody's, S&P's, or Fitch's long term ratings. If an issue is unrated, then an equivalent credit rating, as deemed by the Investment Manager, may be used.

It is expected that the Fund will generally incur leverage at a rate of between 0% and 900% of its Net Asset Value through the use of FDIs. Leverage is calculated as the sum of the notional values of FDIs. The above maximum figure includes 300% for Share Class related hedging, which is comprised of 100% for the hedging itself and 200% to allow for FDI roll overs involving positions being closed out against equal and opposite trades. This is included at a Fund level but will only concern holders of currency Hedged Share Classes. Further information on leverage can be found in the section entitled **Leverage**.

The market risk of the Fund will be assessed within the regulatory limits specified below in the section entitled **Types and Description of FDIs** using a risk management technique known as absolute VaR. The daily VaR of the Fund is calculated to ensure that it does not exceed 4.47% of the Fund's Net Asset Value calculated using a parametric approach. As specified in the section entitled **Financial Derivative Instruments (FDIs)** the Fund adopts a one-tailed 99% confidence level under normal market conditions for a one month holding horizon and considering at least three years of historical data.

**An investment in the Fund should not constitute a substantial proportion of an investment portfolio and may not be appropriate for all investors.**

The Net Asset Value of the Fund is expected to have a high level of volatility from time to time.

## **Equity Funds**

The Wellington Emerging Markets Local Equity Fund is currently closed to further investment. Shares of this Fund are no longer offered to, and are not available for subscription by, new subscribers or existing Shareholders, except as described below.

The Directors may allow further investment in the Fund on a limited basis, as capacity arises. Any decision to allow further investment is made at the sole discretion of the Directors, on the basis of the particular circumstances of the proposed investment and available capacity at that time. The Directors may reopen the Fund at any time without advance notice.

### ***Wellington Asia ex Japan Equity Fund***

The investment objective of the Fund is to seek long-term total returns.

The Investment Manager will actively manage the Fund, seeking to achieve the objective by investing primarily in companies in developed and emerging markets in the Asia ex Japan region. The management of the Fund will be driven by fundamental company research, and country and sector allocations are primarily a by-product of the bottom-up stock selection process. The Fund is expected to be reasonably diversified, generally holding 40-70 securities and may invest in companies across a broad spectrum of market capitalizations. Up to 15% of the Net Asset Value of the Fund may be invested in companies domiciled outside of Asia if the Investment Manager determines that, on the basis of the company's assets, revenues and earnings, the company conducts substantial business activities in Asia (excluding Japan). The location of a company's stock exchange listing will have no bearing on this

evaluation. For the purposes of this Fund, an emerging market is one that the Investment Manager considers to be an emerging market.

Although the Fund is not constructed relative to a benchmark, the MSCI All Countries Asia ex Japan Index (the 'Index') will serve as a reference benchmark. The Index is designed to measure large and mid - cap equity market performance across Asian markets (excluding Japan).

The Fund will invest, directly or through FDIs, in equity and other securities with equity characteristics, comprising investments in Real Estate Investment Trusts ("REITs") depository receipts and market access products (comprising warrants on equities, options on equities and equity swaps). The Fund may invest up to 10% of its Net Asset Value in China A Shares traded via Stock Connect (see also "Risks linked with dealing in securities in China via Stock Connect").

The Fund may invest in exchange traded funds that invest in the types of securities listed above and which constitute an eligible investment for the Fund. These will be listed and/or traded on the markets and/or exchanges as set out in Appendix I and may be transferable securities or collective investment schemes. Typically no more than 5% of Net Asset Value of the Fund will be invested in non-listed and non-traded collective investment schemes.

The Fund may buy and sell exchange-traded and over-the-counter FDIs, both long or short, comprising the market access products mentioned above as well as currency forwards, index futures, or options on index futures, to gain exposure to the instruments listed above in pursuit of the investment objective and for efficient portfolio management purposes, including hedging against risk. Full details of the types of FDIs and the ways in which the Fund may utilize them are further detailed in the section entitled **Types and Description of FDIs**.

The indices to which the Fund will gain exposure will be eligible indices according to the Central Bank requirements and will comprise indices the constituents of which include the types of securities described above in which the Fund may directly invest.

Generally less than 5% of the Fund's Net Asset Value will be invested in cash and cash equivalents as described in the section below entitled **Cash and Cash Equivalents**.

The Investment Manager uses a risk management technique known as relative VaR to assess the Fund's market risk to seek to ensure that its use of FDIs is within regulatory limits. In accordance with the requirements of the Central Bank, the daily VaR of the Fund may not exceed twice the daily VaR of the Index, calculated using a parametric approach with a one-tailed 99% confidence level for a one month holding horizon and considering at least three years of historical data exponentially weighted with a decay factor of 0.94.

It is expected that the Fund will generally incur leverage at a rate of between 0% - 330% of its Net Asset Value through the use of FDI. Leverage is calculated as the sum of the notional values of the FDIs. The above maximum figure includes 300% for Share Class related hedging, which is comprised of 100% for the hedging itself and 200% to allow for FDI roll overs involving positions being closed out against equal and opposite trades. This is included at a Fund level but will only concern holders of currency Hedged Share Classes. Further information on leverage can be found in the section entitled **Leverage**.

**An investment in the Fund should not constitute a substantial proportion of an investment portfolio and may not be appropriate for all investors.**

The Net Asset Value of the Fund is expected to experience a high level of volatility from time to time.

### ***Wellington Durable Companies Fund***

The investment objective of the Fund is to seek long-term total returns.

The Investment Manager will actively manage the Fund, seeking to achieve the objective primarily by investing globally in companies that the Investment Manager considers to be durable companies. Durable companies are those that the Investment Manager considers to exhibit stability and anticipates will generate positive returns over time. Stability is defined by the Investment Manager as a profit base that is not likely to decline significantly from current levels and future value creation largely through management's ability to allocate capital effectively. The merits of stability are widely appreciated by the market and so are often reflected in the valuation of well-known stable businesses. In order to identify these businesses at more attractive valuations, the Investment Manager looks for stability in less conventional places such as a) mid and small capitalisation companies, industry sectors considered from time to time by the Investment Manager to be more volatile and geographies that are typically less favoured by the investment industry and b) in companies that do not grow fast enough for growth investors, lack the blue chip financial characteristics sought by quality investors and are not cheap enough for value investors.

The Fund will invest either directly or indirectly through Financial Derivative Instruments ('FDIs'), in equity and other securities with equity characteristics, comprising shares, preferred stock, depository receipts (such as ADRs, GDRs and European Depository Receipts), convertible securities, warrants, investments in Real Estate Investment Trusts ("REITs") and market access products (comprising warrants on equities, options on equities and equity swaps) for securities issued by developed and emerging market companies. The Fund may also hold securities issued pursuant to Rule 144A and/or Regulation S securities (Regulation S securities are those offered outside the United States without registration under the United States Securities Act of 1933 (as amended)).

The Fund may invest in collective investment schemes as described in the section entitled **Investment in Other Investment Funds** and in exchange traded funds ("ETFs") that provide exposure to the types of securities listed above and which constitute an eligible investment for the Fund. Such ETFs will be listed and/or traded on the markets and/or exchanges as set out in Appendix I and regulated as UCITS or as AIF ETFs. No more than 5% of Net Asset Value of the Fund will be invested in non-listed and non-traded collective investment schemes.

The Fund may buy and sell exchange-traded and over-the-counter FDIs comprising the market access products mentioned above as well as index futures and currency forwards, both long and short, to gain exposure to the instruments listed above in pursuit of the investment objective and for efficient portfolio management purposes, including hedging against risk. Full details of the types of FDIs and the ways in which the Fund may utilize them are further detailed in the section entitled **Types and Description of FDIs**.

Generally less than 10% of the Fund's Net Asset Value will be invested in cash and cash equivalents as described in the section below entitled **Cash and Cash Equivalents**.

The indices to which the Fund will gain exposure will be eligible indices according to the Central Bank requirements and will comprise indices the constituents of which include the types of securities described above in which the Fund may directly invest.

The Fund may invest in developed countries and any country which is considered by the Investment Manager to be an emerging market. These are primarily located in Latin/Central America and the Caribbean, Central and Eastern Europe, Middle East, Africa and Asia. The Fund may make limited investment in securities traded on Russian markets and may invest up to 10% of its Net Asset Value in China A Shares traded via Stock Connect (see also “Risks linked with dealing in securities in China via Stock Connect”).

The Investment Manager uses a risk management technique known as relative VaR to assess the Fund’s market risk to seek to ensure that its use of FDIs is within regulatory limits. In accordance with the requirements of the Central Bank, the daily VaR of the Fund may not exceed twice the daily VaR of the MSCI All Country World Index calculated using a parametric approach with a one-tailed 99% confidence level for a one month holding horizon and considering at least three years of historical data. The Index is market capitalisation weighted and designed to measure the equity market performance of developed and emerging markets.

It is expected that the Fund will generally incur leverage at a rate of between 0% - 330% of its Net Asset Value through the use of FDI. Leverage is calculated as the sum of the notional values of the FDIs. The above maximum figure includes 300% for Share Class related hedging, which is comprised of 100% for the hedging itself and 200% to allow for FDI roll overs involving positions being closed out against equal and opposite trades. This is included at a Fund level but will only concern holders of currency Hedged Share Classes. Further information on leverage can be found in the section entitled **Leverage**.

**An investment in the Fund should not constitute a substantial proportion of an investment portfolio and may not be appropriate for all investors.**

The Net Asset Value of the Fund is expected to experience a high level of volatility from time to time.

#### *Wellington Durable Enterprises Fund*

The investment objective of the Fund is to seek long-term total returns.

The Investment Manager will actively manage the Fund, seeking to achieve the objective primarily by investing globally in companies that the Investment Manager considers to be durable companies. Durable companies are those that the Investment Manager considers to exhibit stability and anticipates will generate positive returns over time. Stability is defined by the Investment Manager as a profit base that is not likely to decline significantly from current levels combined with future value creation largely through management’s ability to allocate capital effectively. The merits of stability are widely appreciated by the market and so are often reflected in the valuation of well-known stable businesses. In order to identify these businesses at more attractive valuations, the Investment Manager looks for stability in less conventional places such as a) mid and small capitalisation companies, industry sectors considered from time to time by the Investment Manager to be more volatile and geographies that are typically less favoured by the investment industry and b) in companies that do not grow fast enough for growth investors, lack the blue chip financial characteristics sought by quality investors and are not



cheap enough for value investors. The Fund is expected to have a bias towards small to mid-capitalisation companies, however the market capitalisation floor for the Fund will be USD 2 billion at initial purchase. The Investment Manager may choose to retain or add to a security that has fallen below this floor.

The Fund will invest either directly or indirectly through Financial Derivative Instruments ('FDIs'), in equity and other securities with equity characteristics, comprising shares, preferred stock, depository receipts (such as ADRs, GDRs and European Depository Receipts), convertible securities, warrants, investments in Real Estate Investment Trusts ("REITs") and market access products (comprising warrants on equities, options on equities and equity swaps) for securities issued by developed and emerging market companies. The Fund may also hold securities issued pursuant to Rule 144A and/or Regulation S securities (Regulation S securities are those offered outside the United States without registration under the United States Securities Act of 1933 (as amended)).

The Fund may invest in developed countries and any country which is considered by the Investment Manager to be an emerging market. These are primarily located in Latin/Central America and the Caribbean, Central and Eastern Europe, Middle East, Africa and Asia. The Fund may make limited investment in securities traded on Russian markets and may invest up to 10% of its Net Asset Value in China A Shares traded via Stock Connect (see also "Risks linked with dealing in securities in China via Stock Connect").

The Fund may invest in collective investment schemes as described in the section entitled Investment in Other Investment Funds and in exchange traded funds ("ETFs") that provide exposure to the types of securities listed above and which constitute an eligible investment for the Fund. Such ETFs will be listed and/or traded on the markets and/or exchanges as set out in Appendix I and regulated as UCITS or as AIF ETFs. No more than 5% of Net Asset Value of the Fund will be invested in non-listed and non-traded collective investment schemes.

The Fund may buy and sell exchange-traded and over-the-counter FDIs comprising the market access products mentioned above as well as index futures and currency forwards, both long and short, to gain exposure to the instruments listed above in pursuit of the investment objective and for efficient portfolio management purposes, including hedging against risk. Full details of the types of FDIs and the ways in which the Fund may utilize them are further detailed in the section entitled **Types and Description of FDIs**.

Generally less than 10% of the Fund's Net Asset Value will be invested in cash and cash equivalents as described in the section below entitled **Cash and Cash Equivalents**.

The indices to which the Fund will gain exposure will be eligible indices according to the Central Bank requirements and will comprise indices the constituents of which include the types of securities described above in which the Fund may directly invest.

The Investment Manager uses a risk management technique known as relative VaR to assess the Fund's market risk to seek to ensure that its use of FDIs is within regulatory limits. In accordance with the requirements of the Central Bank, the daily VaR of the Fund may not exceed twice the daily VaR of the MSCI All Country World Index calculated using a parametric approach with a one-tailed 99% confidence level for a one month holding horizon and considering at least three years of historical data. The Index is

market capitalisation weighted and designed to measure the equity market performance of developed and emerging markets.

It is expected that the Fund will generally incur leverage at a rate of between 0% - 330% of its Net Asset Value through the use of FDI. Leverage is calculated as the sum of the notional values of the FDIs. The above maximum figure includes 300% for Share Class related hedging, which is comprised of 100% for the hedging itself and 200% to allow for FDI roll overs involving positions being closed out against equal and opposite trades. This is included at a Fund level but will only concern holders of currency Hedged Share Classes. Further information on leverage can be found in the section entitled **Leverage**.

An investment in the Fund should not constitute a substantial proportion of an investment portfolio and may not be appropriate for all investors.

The Net Asset Value of the Fund is expected to experience a high level of volatility from time to time.

### *Wellington Emerging Markets Equity Fund*

The investment objective of the Fund is to seek long-term total returns.

The Investment Manager will actively manage the Fund against the MSCI Emerging Markets Index (the “Index”), seeking to achieve the objective by investing primarily in equity securities of companies that are either located in emerging markets, or conduct substantial business in emerging markets as described below. The Index is designed to measure large- and mid-cap equity market performance across global emerging markets.

In managing the Fund, the Investment Manager combines country and sector analysis with stock selection in a relatively concentrated, actively managed investment mandate. The Fund generally will be well diversified across markets, sectors and companies, investing in a minimum of five countries. Typically, no one country will represent more than 35% of Fund holdings. The Fund typically will hold in excess of 80 companies. Total return, rather than income generation, will be emphasized.

The Fund may invest in any country which is considered to be a developing or emerging market, being a country classified by the World Bank as having low or middle per capita income for the last two consecutive years or a country represented in the Index. For temporary defensive purposes in case of unusual or extraordinary market conditions, the Fund may hold up to 100% of its assets in ancillary liquid assets. The Fund may make substantial investment in securities traded on Russian markets and may invest up to 10% of its Net Asset Value in China A Shares traded via Stock Connect (see also “Risks linked with dealing in securities in China via Stock Connect”).

The Fund will invest, either directly or indirectly through the use of FDIs, in equity securities and other securities with equity characteristics, such as preferred stocks, warrants on equities, convertible securities, as well as depository receipts for such securities (such as ADRs, GDRs and European Depository Receipts) issued by entities having their seat or exercising a predominant part of their economic activities in an emerging market as determined above. The Fund may buy and sell exchange-traded and over-the-counter FDIs both long and short to gain exposure to the instruments listed above in pursuit of the investment objective and for efficient portfolio management purposes, including hedging against currency risk. Full details of the types of FDIs and the ways in which the Fund may utilize them are further detailed in the section entitled **Types and Description of FDIs**.

It is expected that the Fund will generally incur leverage at a rate of between 0% and 330% of its Net Asset Value through the use of FDIs. Leverage is calculated as the sum of the notional values of the FDIs. The above maximum figure includes 300% for Share Class related hedging, which is comprised of 100% for the hedging itself and 200% to allow for FDI roll overs involving positions being closed out against equal and opposite trades. This is included at a Fund level but will only concern holders of currency Hedged Share Classes. Further information on leverage can be found in the section entitled **Leverage**.

The Investment Manager uses a risk management technique known as relative VaR to assess the Fund's market risk to seek to ensure that its use of FDIs is within regulatory limits. In accordance with the requirements of the Central Bank, the daily VaR of the Fund may not exceed twice the daily VaR of the Index calculated using a parametric approach with a one-tailed 99% confidence level for a one month holding horizon and considering at least three years of historical data.

**An investment in the Fund should not constitute a substantial proportion of an investment portfolio and may not be appropriate for all investors.**

The Net Asset Value of the Fund is expected to have a high volatility from time to time.

#### *Wellington Emerging Markets Local Equity Fund*

The investment objective of the Fund is to seek long-term total returns.

The Investment Manager will actively manage the Fund, seeking to achieve the objective by investing primarily in equity securities of companies that are either located in emerging markets, or conduct substantial business in emerging markets as described below, and by focusing on companies that derive or expect to derive the majority of their total revenues or profits from such emerging market countries. In managing the Fund, the Investment Manager combines country and sector analysis with stock selection in an actively managed investment mandate. The Fund is not constrained by market capitalisation, country or sector. Typically, no one country will represent more than 35% of Fund holdings. The Fund typically will hold in excess of 60 companies. Total return, rather than income generation, will be emphasized.

Although the Fund is not constructed relative to a benchmark, the MSCI Emerging Markets Index (the "Index") will serve as a reference benchmark. The Index is designed to measure large- and mid-cap equity market performance across global emerging markets.

The Fund may invest in any country which is considered to be a developing or emerging market, being a country classified by the World Bank as having low or middle per capita income for the last two consecutive years or a country represented in the Index. The Fund may make substantial investment in securities traded on Russian markets and may invest up to 10% of its Net Asset Value in China A Shares traded via Stock Connect (see also "Risks linked with dealing in securities in China via Stock Connect").

The Fund may also invest, either directly or indirectly through the use of FDIs, in equity securities and other securities with equity characteristics, such as preferred stocks, warrants on equities, convertible securities, as well as depository receipts for such securities (such as ADRs, GDRs and European Depositary Receipts) issued by entities having their seat or exercising a predominant part of their

economic activities in an emerging market as determined above. Warrants and convertible securities are more fully described in the section entitled **Types and Description of FDIs**.

Indirect investment in these types of securities means that the Company, on behalf of a Fund, may buy and sell long or short exchange-traded and over-the-counter FDIs, comprising market access products (warrants on equities, options on equities and equity swaps), index futures, currency forward contracts and currency options to gain exposure to the instruments listed above in pursuit of the investment objective and for efficient portfolio management purposes, including hedging against risk. Full details of the types of FDIs and the ways in which the Fund may utilize them are further detailed in the section entitled **Types and Description of FDIs**.

Generally, less than 5% of the Fund's assets will be invested in cash and cash equivalents as described in the section below entitled **Cash and Cash Equivalents**.

It is expected that the Fund will generally incur leverage at a rate of between 0% and 330% of its Net Asset Value through the use of FDIs. Leverage is calculated as the sum of the notional values of the FDIs. The above maximum figure includes 300% for Share Class related hedging, which is comprised of 100% for the hedging itself and 200% to allow for FDI roll overs involving positions being closed out against equal and opposite trades. This is included at a Fund level but will only concern holders of currency Hedged Share Classes. Further information on leverage can be found in the section entitled **Leverage**.

The Investment Manager uses a risk management technique known as relative VaR to assess the Fund's market risk to seek to ensure that its use of FDIs is within regulatory limits. In accordance with the requirements of the Central Bank, the daily VaR of the Fund may not exceed twice the daily VaR of the Index calculated using a parametric approach with a one-tailed 99% confidence level for a one month holding horizon and considering at least three years of historical data. The Index is designed to measure equity markets performance of global emerging markets.

**An investment in that Fund should not constitute a substantial proportion of an investment portfolio and may not be appropriate for all investors.**

The Net Asset Value of the Fund is expected to have a high volatility from time to time.

#### ***Wellington Emerging Markets Opportunities Fund***

The investment objective of the Fund is to seek long-term total returns.

The Investment Manager will actively manage the Fund, seeking to achieve the objective by investing primarily in companies that are located, and/or conduct substantial business activities, in non-developed markets, including frontier markets (as defined by MSCI). The Investment Manager will look to the location of a company's assets, revenues and earnings in determining whether a company conducts substantial business activities in non-developed markets and the location of a company's stock exchange listing will have no bearing in this evaluation.

Although the Fund is not constructed relative to a benchmark, the MSCI Emerging Markets Investable Market Index (the "Index") will serve as a reference benchmark. The Index is designed to measure large-, mid- and small-cap equity market performance across global emerging markets

In managing the Fund, the Investment Manager focuses primarily on bottom-up stock selection. The Fund's country and sector weights are not constrained and are a by-product of the bottom-up stock selection process. Therefore, country and sector exposures may be significantly overweight or underweight relative to the Index. The Fund may invest in companies across a broad spectrum of market capitalizations. Decisions on positions and their sizes within the Fund are taken independently of the composition, weighting and domicile of the components of the Index. The maximum position in an individual security is typically less than 5% of the Net Asset Value of the Fund, and the Investment Manager will seek to reduce any individual position that exceeds 7% of the Net Asset Value of the Fund.

The Fund will invest either directly or indirectly through Financial Derivative Instruments ('FDI') in equity and other securities with equity characteristics, comprising shares, preferred stocks, depository receipts (such as ADRs, GDRs and European Depository Receipts), convertible securities, investments in Real Estate Investment Trusts ("REITs") and market access products (including warrants on equities, options on equities and equity swaps). The Fund may also hold securities issued pursuant to Rule 144A and/or Regulation S securities (Regulation S securities are those offered outside the United States without registration under the United States Securities Act of 1933 (as amended)). The Fund may invest up to 15% of its Net Asset Value in China A Shares traded via Stock Connect (see also "Risks linked with dealing in securities in China via Stock Connect") and may invest in an unconstrained manner in securities traded on Russian markets and therefore such investments may be substantial at any given time.

The Fund may invest in exchange traded funds which constitute an eligible investment for the Fund. These will be listed and/or traded on the markets and exchanges as set out in Appendix I and may be transferable securities or collective investment schemes.

The Fund may buy and sell exchange-traded and over-the-counter FDIs, both long and short, to gain exposure to the instruments listed above in pursuit of the investment objective and for efficient portfolio management purposes (including to create or reduce exposures in certain countries or geographic regions) to manage cash inflows and outflows including hedging against currency or other risks. Full details of the types of FDIs and the ways in which the Fund may utilize them are further detailed in the section entitled **Types and Description of FDIs**.

The net market exposure (sum of long and synthetic short positions including cash) of the Fund will always be positive, meaning that long positions will be in greater proportion than any synthetic short positions. Whilst the Fund's typical net market exposure may vary in time, it is expected to range between 50% and 150% of the Net Asset Value of the Fund, depending on the Investment Manager's analysis of the prevailing market conditions and considered in light of the investment objective of the Fund. These figures do not include derivatives relating to foreign exchange which may be used for hedging or investment purposes.

Generally, less than 5% of the Fund's Net Asset Value will be invested in cash and cash equivalents as described in the section below entitled **Cash and Cash Equivalents**.

It is expected that the Fund will generally incur leverage at a rate of 0% to 350% of its Net Asset Value through the use of FDIs. Leverage is calculated as the sum of the notional values of the FDIs. The above maximum figure includes 300% for Share Class related hedging, which is comprised of 100% for the hedging itself and 200% to allow for FDI roll overs involving positions being closed out against equal and opposite trades. This is included at a Fund level but will only concern holders of currency Hedged Share Classes. Further information on leverage can be found in the section entitled **Leverage**.

The Investment Manager uses a risk management technique known as relative VaR to assess the Fund's market risk to seek to ensure that its use of FDIs is within regulatory limits. In accordance with the requirements of the Central Bank, the daily VaR of the Fund may not exceed twice the daily VaR of the Index, calculated using a parametric approach with a one-tailed 99% confidence level for a one month holding horizon and considering at least three years of historical data exponentially weighted with a decay factor of 0.94.

**An investment in the Fund should not constitute a substantial proportion of an investment portfolio and may not be appropriate for all investors.**

The Net Asset Value of the Fund is expected to experience a high level of volatility from time to time.

### *Wellington Emerging Markets Systematic Equity Fund*

The investment objective of the Fund is to seek long-term total returns.

The Investment Manager will actively manage the Fund against the MSCI Emerging Markets Index (the "Index"), seeking to achieve the objective by investing primarily in securities issued by companies domiciled in emerging market countries. Emerging markets countries are those countries included in the Index and any countries which are pending inclusion due to a reclassification by the Index provider. The Index is designed to measure large- and mid-cap equity market performance across global emerging markets.

In selecting the securities for investment, the Investment Manager will seek to capitalise on stock mispricing using a systematic risk-controlled approach. The investment model considers multiple factors for selecting stocks: a quantitative equity model to assess amongst other factors, fair value, earnings quality and short or long term momentum; a proprietary risk model; and a transaction cost model. These are used to systematically evaluate the forecasted attractiveness of individual investments. The Investment Manager combines the above outputs using a proprietary Fund construction model which automatically generates suggested trades for the Fund. All proposed trades are subject to a fiduciary review by the Investment Manager before implementation.

The Fund will invest, directly or through FDIs, in equity and other securities with equity characteristics, comprising investments in Real Estate Investment Trusts ("REITs") convertible securities, warrants, depository receipts (such as ADRs, GDRs and European Depository Receipts) and market access products (comprising warrants on equities, options on equities and equity swaps). The Fund may invest up to 10% of its Net Asset Value in China A Shares traded via Stock Connect (see also "Risks linked with dealing in securities in China via Stock Connect"). The Fund will generally be well diversified by country, currency, industry, issuer and market capitalisation but may hold positions that are concentrated in this manner from time to time.

The Fund may invest in exchange traded funds ("ETFs") that provide exposure to the types of securities listed above and which constitute an eligible investment for the Fund. Such ETFs will be listed and/or traded on the markets and/or exchanges as set out in Appendix I and regulated as UCITS or as AIF ETFs. No more than 5% of Net Asset Value of the Fund will be invested in non-listed and non-traded collective investment schemes.

The Fund may buy and sell exchange-traded and over-the-counter FDIs comprising the market access products mentioned above as well as currency forwards, index futures, or options on index futures, both long and short, to gain exposure to the instruments listed above in pursuit of the investment objective and for efficient portfolio management purposes, including hedging against risk. Full details of the types of FDIs and the ways in which the Fund may utilize them are further detailed in the section entitled **Types and Description of FDIs**.

The indices to which the Fund will gain exposure via such market access products will be eligible indices according to the Central Bank requirements and will comprise indices the constituents of which include the types of securities described above in which the Fund may directly invest.

Generally less than 5% of the Fund's Net Asset Value will be invested in cash and cash equivalents as described in the section below entitled **Cash and Cash Equivalents**.

The Investment Manager uses a risk management technique known as relative VaR to assess the Fund's market risk to seek to ensure that its use of FDIs is within regulatory limits. In accordance with the requirements of the Central Bank, the daily VaR of the Fund may not exceed twice the daily VaR of the Index, which is designed to measure equity market performance in the global emerging markets, calculated using a parametric approach with a one-tailed 99% confidence level for a one month holding horizon and considering at least three years of historical data exponentially weighted with a decay factor of 0.94.

It is expected that the Fund will generally incur leverage at a rate of between 0% - 330% of its Net Asset Value through the use of FDI. Leverage is calculated as the sum of the notional values of the FDIs. The above maximum figure includes 300% for Share Class related hedging, which is comprised of 100% for the hedging itself and 200% to allow for FDI roll overs involving positions being closed out against equal and opposite trades. This is included at a Fund level but will only concern holders of currency Hedged Share Classes. Further information on leverage can be found in the section entitled **Leverage**.

**An investment in the Fund should not constitute a substantial proportion of an investment portfolio and may not be appropriate for all investors.**

The Net Asset Value of the Fund is expected to experience a high level of volatility from time to time.

### ***Wellington Emerging Market Themes Fund***

The investment objective of the Fund is to seek long-term total returns.

The Investment Manager will actively manage the Fund, seeking to achieve the objective by investing in companies domiciled in emerging markets, and to a lesser extent, in developed and frontier (as defined by MSCI) market countries. Investments in developed markets will be focussed on companies which conduct substantial business in emerging markets as determined by the Investment Manager, including (i) companies that have substantial assets in emerging markets; (ii) companies the Investment Manager believes will experience significant growth from business activities conducted in emerging markets; and (iii) companies that derive a substantial portion of their total revenues from either goods and services produced in, or sales made in, emerging markets.

Although the Fund is not constructed relative to a benchmark, the MSCI Emerging Markets Index (the “Index”) will serve as a reference benchmark. The Index is designed to measure large- and mid-cap equity market performance across global emerging markets.

The Investment Manager seeks to identify investment themes relating to structural and economic development in emerging market and frontier market economies. Thematic experts within the Investment Manager will search across a broad set of such themes and theme selection will be based on many quantitative and qualitative considerations of the Investment Manager as well as the accessibility of the investments. They will focus on identifying themes that are durable and enduring or those whose length and duration have been underappreciated by the broader market. The Investment Manager will invest on an unconstrained basis in companies best positioned to take advantage of structural and economic shifts or changes within those economies. The Fund may hold concentrated positions within a theme but will generally be well diversified. The approach will differ from, but complement, traditional market capitalization-based investment approaches characterized by a balanced approach to Fund construction but with a bias towards small to mid-capitalization stocks.

The Fund will invest, directly or through FDIs (set out below), in equity and other securities with equity characteristics, comprising shares, preferred stock, investments in Real Estate Investment Trusts (“REITs”), convertible securities, warrants, depository receipts (such as ADRs, GDRs and European Depository Receipts) and market access products (comprising warrants on equities, options on equities and equity swaps). The Fund may also hold securities issued pursuant to Rule 144A and/or Regulation S securities (Regulation S securities are those offered outside the United States without registration under the United States Securities Act of 1933 (as amended)).

The Fund may invest in collective investment schemes as described in the section entitled **Investment in Other Investment Funds** and in exchange traded funds (“ETFs”) that provide exposure to the types of securities listed above and which constitute an eligible investment for the Fund. Such ETFs will be listed and/or traded on the markets and/or exchanges as set out in Appendix I and regulated as UCITS or as AIF ETFs. No more than 5% of Net Asset Value of the Fund will be invested in non-listed and non-traded collective investment schemes.

The Fund may buy and sell exchange-traded and over-the-counter FDIs, both long and short, comprising the market access products mentioned above, as well as swaps on indices, currency forwards and index futures to gain exposure to the instruments listed above in pursuit of the investment objective and for efficient portfolio management purposes, including hedging against risk. Full details of the types of FDIs and the ways in which the Fund may utilize them are further detailed in the section entitled **Types and Description of FDIs**.

The net market exposure (sum of long and synthetic short positions including cash) of the Fund will always be positive, meaning that long positions will be in greater proportion than any synthetic short positions. Whilst the Fund’s typical net market exposure may vary in time, it is expected to range between 90% and 120% of the Net Asset Value of the Fund, depending on the Investment Manager’s analysis of the prevailing market conditions and considered in light of the investment objective of the Fund. These figures do not include the use of derivatives for foreign exchange which are generally limited to hedging.



The indices to which the Fund will gain exposure via such market access products will be eligible indices according to the Central Bank requirements and will comprise indices the constituents of which include the types of securities described above in which the Fund may directly invest.

The Fund may invest in developed countries and any country which is considered by the Investment Manager to be an emerging market or a frontier market. These are primarily located in Latin/Central America and the Caribbean, Central and Eastern Europe, Middle East, Africa and Asia. The Fund may invest up to a maximum of 20% of its Net Asset Value in securities traded on Russian markets from time to time and may invest up to 10% of its Net Asset Value in China A Shares traded via Stock Connect (see also “Risks linked with dealing in securities in China via Stock Connect”).

The Investment Manager uses a risk management technique known as relative VaR to assess the Fund’s market risk to seek to ensure that its use of FDIs is within regulatory limits. In accordance with the requirements of the Central Bank, the daily VaR of the Fund may not exceed twice the daily VaR of the Index, calculated using a parametric approach with a one-tailed 99% confidence level for a one month holding horizon and considering at least three years of historical data exponentially weighted with a decay factor of 0.94.

It is expected that the Fund will generally incur leverage at a rate of between 0% - 400% of its Net Asset Value through the use of FDI. Leverage is calculated as the sum of the notional values of the FDIs. The above maximum figure includes 300% for Share Class related hedging, which is comprised of 100% for the hedging itself and 200% to allow for FDI roll overs involving positions being closed out against equal and opposite trades. This is included at a Fund level but will only concern holders of currency Hedged Share Classes. Further information on leverage can be found in the section entitled **Leverage**.

**An investment in the Fund should not constitute a substantial proportion of an investment portfolio and may not be appropriate for all investors.**

The Net Asset Value of the Fund is expected to experience a high level of volatility from time to time.

#### *Wellington Enduring Assets Fund*

The investment objective of the Fund is to seek long-term total returns.

The Investment Manager will actively manage the Fund, seeking to achieve the objective by investing globally, primarily in companies that own long-lived physical assets (such as companies in the utility, transportation, energy, real estate, and industrial sectors) that the Investment Manager believes possess an advantaged competitive position and that exhibit low levels of earnings volatility. No industry is formally excluded from the investment universe.

The Fund will invest, directly or through FDIs (set out below), in the following instruments in pursuit of the Fund’s investment objective: equity securities or other FDIs or securities with equity characteristics (including securities issued through private placements as described in the section below entitled **Private Placements**) comprising preferred stocks, depository receipts (such as ADRs, GDRs and European Depository Receipts), market access products (including warrants on equities, options on equities and equity swaps) for securities issued by companies worldwide. These will be issued by developed and emerging market issuers that, while not located in an emerging market, conduct substantial business in emerging markets as determined by the Investment Manager, including (i) companies that have

substantial assets in emerging markets; and (ii) companies that derive a substantial portion of their total revenues from either goods and services produced in, or sales made in, emerging markets.

The Fund may also hold bonds issued by government, agency, and supranational issuers; corporate and REIT debt; convertible bonds; capital securities (securities that combine the features of corporate bonds and preferred stock) issued by public or private issuers, both fixed and floating rate. Generally, less than 20% of the Net Asset Value of the Fund will be invested in bonds. There will be no limitations on the credit quality of individual securities in the Fund and the Fund will invest in securities denominated in multiple currencies.

The Fund may invest in companies across the market-capitalization spectrum, and may have exposure to various currencies. Generally, less than 25% of the Net Asset Value of the Fund will be invested in cash and cash equivalents as described below in the section entitled **Cash and Cash Equivalents**.

The Fund may make substantial investments in securities traded on Russian markets and may invest up to 10% of its Net Asset Value in China A Shares traded via Stock Connect (see also “Risks linked with dealing in securities in China via Stock Connect”).

The Fund may invest in exchange traded funds that invest in the types of securities listed above and which constitute an eligible investment for the Fund. These will be listed and/or traded on the markets and exchanges as set out in Appendix I and may be transferrable securities or collective investment schemes.

The Fund may buy and sell exchange-traded and over-the-counter FDIs, both long and short, (such as warrants, futures contracts, options, swaps and deliverable and non-deliverable forward contracts) from time to time as a means of indirectly gaining exposure to the instruments listed above in pursuit of the investment objective and for efficient portfolio management purposes (including to create or reduce exposures in certain countries or geographic regions and hedging against risk), as more fully described in the section entitled **Types and Description of FDIs**.

It is expected that the Fund will generally incur leverage at a rate of between 0% and 330% of its Net Asset Value through the use of FDIs. Leverage is calculated as the sum of the notional values of FDIs. The above maximum figure includes 300% for Share Class related hedging, which is comprised of 100% for the hedging itself and 200% to allow for FDI roll overs involving positions being closed out against equal and opposite trades. This is included at a Fund level but will only concern holders of currency Hedged Share Classes. Further information on leverage can be found in the section entitled **Leverage**.

The market risk of the Fund will be assessed within the regulatory limits specified below in the section entitled **Types and Description of FDIs** using a risk management technique known as absolute VaR. The daily VaR of the Fund is calculated to ensure that it does not exceed 4.47% of the Fund’s Net Asset Value calculated using a parametric approach. As specified in the section entitled **Financial Derivative Instruments (FDIs)** the Fund adopts a one-tailed 99% confidence level under normal market conditions for a one month holding horizon and considering at least three years of historical data.

**An investment in the Fund should not constitute a substantial proportion of an investment portfolio and may not be appropriate for all investors.**

The Net Asset Value of the Fund is expected to have a high volatility from time to time.

### *Wellington European Contrarian Value Fund*

The investment objective of the Fund is to seek long-term total returns.

The Investment Manager will actively manage the Fund seeking to achieve the objective by investing primarily in the equity and equity related securities of companies incorporated or operating in developed European markets.

The Fund strategy is driven by the belief that the market often pays too low of a price for negative near term business conditions. The Investment Manager uses fundamental analysis to build a portfolio of companies it believes represent attractive investments due to low price, low valuation and/or low market expectations, balanced by significant upside potential. Areas of opportunities tend to fall into one or more of the following four categories: misunderstood negative events, consolidating industry structure, undervalued assets that could be better managed, and low returns on capital with the opportunity to improve. Whilst contrarian, the Fund also has a value bias, looking at stocks that trade at a discount to their sectors and the market. The Investment Manager tends not to look for catalysts for change at the point of purchase, believing that by investing at extreme valuations, the catalysts will generally follow.

Although the Fund is not constructed relative to a benchmark, the MSCI Europe Index (the 'Index') will serve as a reference benchmark. The Index is a market capitalisation weighted index that is designed to measure the equity market performance of the developed markets in Europe. Position sizes within the Fund are driven by their risk/reward profile and liquidity. The Fund's investment process emphasises bottom up security selection based on proprietary fundamental research at the stock and industry levels, with a long time horizon to provide the best opportunity to find and exploit inefficiencies.

The Fund may invest, either directly or indirectly through Financial Derivative Instruments ('FDIs'), in equity and other securities with equity characteristics, comprising shares, preferred stock, depository receipts (such as ADRs, GDRs and European Depository Receipts), convertible securities, investments in Real Estate Investment Trusts ("REITs") and market access products (comprising warrants, options on equities and equity swaps). The Fund may also hold securities issued pursuant to Rule 144A and/or Regulation S securities (Regulation S securities are those offered outside the United States without registration under the United States Securities Act of 1933 (as amended)).

The Fund may invest in collective investment schemes as described in the section entitled **Investment in Other Investment Funds** and in exchange traded funds ("ETFs") that provide exposure to the types of securities listed above and which constitute an eligible investment for the Fund. Such ETFs will be listed and/or traded on the markets and/or exchanges as set out in Appendix I and regulated as UCITS or as AIF ETFs. No more than 5% of Net Asset Value of the Fund will be invested in non-listed and non-traded collective investment schemes.

The Fund may buy and sell exchange-traded and over-the-counter FDIs, both long and short, comprising the market access products mentioned above as well as index futures and currency forwards to gain exposure to the instruments listed above in pursuit of the investment objective and for efficient portfolio management purposes, including hedging against risk. Full details of the types of FDIs and the ways in which the Fund may utilize them are further detailed in the section entitled **Types and Description of FDIs**.

Whilst the Fund may invest in companies across a broad spectrum of market capitalisations and will generally be diversified by country and sector, it may be concentrated from time to time. The Fund may invest in developed countries and any country which is considered by the Investment Manager to be an emerging market.

It is expected that the Fund will generally incur leverage at a rate of between 0% and 330% of its Net Asset Value through the use of FDIs. Leverage is calculated as the sum of the notional values of the FDIs. The above maximum figure includes 300% for Share Class related hedging, which is comprised of 100% for the hedging itself and 200% to allow for FDI roll overs involving positions being closed out against equal and opposite trades. This is included at a Fund level but will only concern holders of currency Hedged Share Classes. Further information on leverage can be found in the section entitled **Leverage**.

The market risk of the Fund, including the risk associated with the use of short opportunities, will be assessed within the regulatory limits specified below in the section entitled **Financial Derivative Instruments (FDIs)** using a risk management technique known as relative VaR. In accordance with the requirements of the Central Bank, the daily VaR of the Fund may not exceed twice the daily VaR of the Index calculated using a parametric approach with a one-tailed 99% confidence level for a one month holding horizon and considering at least three years of historical data exponentially weighted with a decay factor of 0.94.

The Net Asset Value of the Fund is expected to have a high volatility from time to time.

### ***Wellington Global Health Care Equity Fund***

The investment objective of the Fund is to seek long-term total returns.

The Investment Manager will actively manage the Fund, seeking to achieve the objective by investing primarily in the equity securities of health care companies worldwide. The Fund's investment approach is based primarily on proprietary, bottom-up fundamental research conducted by the global health care analysts in the Investment Manager's Global Industry Analyst group. The Fund takes a long-term value approach to investing in fundamentally sound companies.

Although the Fund is not constructed relative to a benchmark, the MSCI World Health Care Index (the "Index") will serve as a reference benchmark. The Index is designed to capture the performance of Health Care sector securities in the large and mid-cap segments across developed markets.

Sub-sector weightings are primarily a residual of the stock selection process. The Fund will shift opportunistically among health care sub-sectors such as medical products, health services, major pharmaceuticals, specialty major pharmaceuticals, and specialty pharmaceuticals (e.g., genetic, biotech, animal).

The Fund will invest, either directly or indirectly through the use of FDIs, in equity securities or other securities with equity characteristics such as preferred stocks, warrants on equities, as well as depository receipts for such securities (ADRs traded in the United States markets and GDRs traded in markets in other countries), issued by companies active in the health care area worldwide. These investments may be made in pursuit of the investment objective and for efficient portfolio management purposes, including hedging against risk. Full details of the types of FDIs and the ways in which the Fund may utilize them are further detailed in the section entitled **Types and Description of FDIs**.

The Fund generally will not initiate new positions in the smallest market capitalisation companies in the health care sector. The market capitalisation floor for the Fund will typically be in the range of USD 1 billion to USD 1.5 billion but may fluctuate outside this range as market conditions shift over time. The securities of some medium and small companies, and securities of companies in countries with less well-developed economies and securities markets, are likely to be less liquid than those of large companies in developed markets.

The Fund will be well diversified by issuer. The Fund will be fully invested, with cash holdings kept to a minimum and held for ancillary liquid asset purposes only. The maximum holding in any one company will be 10% of the Fund's Net Asset Value at any time. Investments in securities of companies located outside the United States will typically comprise 10% to 50% of the Fund's assets. These non-US holdings may be representative of a broad range of non-US markets. No more than 20% of the Fund's Net Asset Value will be invested in markets which the Investment Manager considers to be emerging markets. Fund turnover is expected to be low to moderate. The Fund may invest up to 10% of its Net Asset Value in China A Shares traded via Stock Connect (see also "Risks linked with dealing in securities in China via Stock Connect").

It is expected that the Fund will generally incur leverage at a rate of between 0% and 330% of its Net Asset Value through the use of FDIs. Leverage is calculated as the sum of the notional values of the FDIs. The above maximum figure includes 300% for Share Class related hedging, which is comprised of 100% for the hedging itself and 200% to allow for FDI roll overs involving positions being closed out against equal and opposite trades. This is included at a Fund level but will only concern holders of currency Hedged Share Classes. Further information on leverage can be found in the section entitled **Leverage**.

The Investment Manager uses a risk management technique known as relative VaR to assess the Fund's market risk to seek to ensure that its use of FDIs is within regulatory limits. In accordance with the requirements of the Central Bank, the daily VaR of the Fund may not exceed twice the daily VaR of the Index calculated using a parametric approach with a one-tailed 99% confidence level for a one month holding horizon and considering at least three years of historical data.

The Fund's variability of return is expected to be very high, well above that of a more broadly diversified, global equity Fund.

The Net Asset Value of the Fund is expected to have a high volatility from time to time.

### ***Wellington Global Impact Fund***

The investment objective of the Fund is to seek long-term total returns.

The Investment Manager will actively manage the Fund, seeking to achieve the objective by investing primarily in global equities, focusing on companies whose core business, in the opinion of the Investment Manager, aims to generate social and/or environmental change alongside a financial return.

The Fund will seek to identify the universe of these companies based on three primary impact categories: life essentials, human empowerment, and the environment. Within these categories, the Fund will aim to diversify across "Impact Themes" including, but not limited to, sustainable agriculture and nutrition, clean water and sanitation, health, affordable housing, education and jobs training, financial inclusion,

digital divide and cybersecurity, alternative energy, resource stewardship, and resource efficiency. The Investment Manager will aim to select companies whose core products and services align with one or a combination of Impact Themes, whose social and/or environmental impact is quantifiable and where fundamental analysis supports a long-term return. The Fund may hold concentrated positions within an Impact Theme and is expected to have a natural bias towards small to mid-capitalisation companies that are experiencing strong growth. Whilst the Fund will generally be well diversified by country, currency, industry and issuer, it may hold positions that are concentrated in this manner from time to time.

Although the Fund is not constructed relative to a benchmark, the MSCI All Country World Index (the “Index”) will serve as a reference benchmark. The Index is market capitalisation weighted and designed to measure the equity market performance of developed and emerging markets.

The Fund will invest either directly or indirectly through Financial Derivative Instruments (‘FDIs’), in equity and other securities with equity characteristics, comprising shares, preferred stock, depository receipts (such as ADRs, GDRs and European Depository Receipts), convertible securities, warrants, investments in Real Estate Investment Trusts (“REITs”) and market access products (comprising warrants on equities, options on equities and equity swaps) for securities issued by developed and emerging market companies. The Fund may also hold securities issued pursuant to Rule 144A and/or Regulation S securities (Regulation S securities are those offered outside the United States without registration under the United States Securities Act of 1933 (as amended)).

The Fund will generally invest in developed countries, and may invest up to 40% of its Net Asset Value in any country which is considered by the Investment Manager to be an emerging market or a frontier market. These are primarily located in Latin/Central America and the Caribbean, Central and Eastern Europe, Middle East, Africa and Asia. The Fund may make a limited investment in securities traded on Russian markets and may invest up to 10% of its Net Asset Value in China A Shares traded via Stock Connect (see also “Risks linked with dealing in securities in China via Stock Connect”).

The Fund may also invest in collective investment schemes as described in the section entitled **Investment in Other Investment Funds** and in exchange traded funds (“ETFs”) that provide exposure to the types of securities listed above and which constitute an eligible investment for the Fund. Such ETFs will be listed and/or traded on the markets and/or exchanges as set out in Appendix I and regulated as UCITS or as AIF ETFs. No more than 5% of Net Asset Value of the Fund will be invested in non-listed and non-traded collective investment schemes.

The Fund may buy and sell exchange-traded and over-the-counter FDIs, both long and short, comprising the market access products mentioned above as well as index futures and currency forward contracts to gain exposure to the instruments listed above in pursuit of the investment objective and for efficient portfolio management purposes, including hedging against risk. Full details of the types of FDIs and the ways in which the Fund may utilize them are further detailed in the section entitled **Types and Description of FDIs**.

The indices to which the Fund will gain exposure will be eligible indices according to the Central Bank requirements and will comprise indices the constituents of which include the types of securities described above in which the Fund may directly invest.

Generally less than 10% of the Fund’s Net Asset Value will be invested in cash and cash equivalents as described in the section below entitled Cash and Cash Equivalents.

The Investment Manager uses a risk management technique known as relative VaR to assess the Fund's market risk to seek to ensure that its use of FDIs is within regulatory limits. In accordance with the requirements of the Central Bank, the daily VaR of the Fund may not exceed twice the daily VaR of the Index, calculated using a parametric approach with a one-tailed 99% confidence level for a one month holding horizon and considering at least three years of historical data exponentially weighted with a decay factor of 0.94.

It is expected that the Fund will generally incur leverage at a rate of between 0% - 330% of its Net Asset Value through the use of FDI. Leverage is calculated as the sum of the notional values of the FDIs. The above maximum figure includes 300% for Share Class related hedging, which is comprised of 100% for the hedging itself and 200% to allow for FDI roll overs involving positions being closed out against equal and opposite trades. This is included at a Fund level but will only concern holders of currency Hedged Share Classes. Further information on leverage can be found in the section entitled **Leverage**.

**An investment in the Fund should not constitute a substantial proportion of an investment portfolio and may not be appropriate for all investors.**

The Net Asset Value of the Fund is expected to experience a high level of volatility from time to time.

#### *Wellington Global Perspectives Fund*

The investment objective of the Fund is to seek long-term total returns.

The Investment Manager will actively manage the Fund against the MSCI All Countries World Small Cap Index (the 'Index'), seeking to achieve the objective by investing globally, primarily in small to mid-capitalisation companies with a market capitalization of typically below \$10bn at the time of initial purchase. The Index is a market capitalisation weighted index designed to measure equity market performance of smaller companies in both developed and emerging markets.

The Investment Manager follows a multi-disciplinary investment process for selecting stocks. A macroeconomic assessment is used in conjunction with a quantitative model which looks at factors such as fair value, earnings quality, risks and transaction costs to narrow the investment universe. Fundamental bottom up stock picking is then used by the Investment Manager to construct the final Fund.

The Fund will invest either directly or indirectly through Financial Derivative Instruments ('FDIs'), in equity and other securities with equity characteristics, comprising shares, preferred stock, depository receipts (such as ADRs, GDRs and European Depository Receipts), convertible securities, warrants, investments in Real Estate Investment Trusts ("REITs") and market access products (comprising warrants on equities, options on equities and equity swaps) for securities issued by developed and emerging market companies. The Fund may also hold interests in master limited partnerships as described in the section below entitled Master Limited Partnerships and securities issued pursuant to Rule 144A and/or Regulation S securities (Regulation S securities are those offered outside the United States without registration under the United States Securities Act of 1933 (as amended)).

The Fund may invest in developed countries and any country which is considered by the Investment Manager to be an emerging market. These are primarily located in Latin/Central America and the

Caribbean, Central and Eastern Europe, Middle East, Africa and Asia. The Fund may make a limited investment in securities traded on Russian markets and may invest up to 10% of its Net Asset Value in China A Shares traded via Stock Connect (see also “Risks linked with dealing in securities in China via Stock Connect”). The Fund will be well diversified by country, currency, industry and issuer but may hold positions that are concentrated in this manner from time to time.

The Fund may also invest in collective investment schemes as described in the section entitled **Investment in Other Investment Funds** and in exchange traded funds (“ETFs”) that provide exposure to the types of securities listed above and which constitute an eligible investment for the Fund. Such ETFs will be listed and/or traded on the markets and/or exchanges as set out in Appendix I and regulated as UCITS or as AIF ETFs. No more than 5% of Net Asset Value of the Fund will be invested in non-listed and non-traded collective investment schemes.

The Fund may buy and sell exchange-traded and over-the-counter FDIs, both long and short, comprising the market access products mentioned above as well as index futures and currency forward contracts to gain exposure to the instruments listed above in pursuit of the investment objective and for efficient portfolio management purposes, including hedging against risk. Full details of the types of FDIs and the ways in which the Fund may utilize them are further detailed in the section entitled **Types and Description of FDIs**.

The indices to which the Fund will gain exposure will be eligible indices according to the Central Bank requirements and will comprise indices the constituents of which include the types of securities described above in which the Fund may directly invest.

Generally less than 5% of the Fund’s Net Asset Value will be invested in cash and cash equivalents as described in the section below entitled Cash and Cash Equivalents.

The Investment Manager uses a risk management technique known as relative VaR to assess the Fund’s market risk to seek to ensure that its use of FDIs is within regulatory limits. In accordance with the requirements of the Central Bank, the daily VaR of the Fund may not exceed twice the daily VaR of the Index, calculated using a parametric approach with a one-tailed 99% confidence level for a one month holding horizon and considering at least three years of historical data exponentially weighted with a decay factor of 0.94.

It is expected that the Fund will generally incur leverage at a rate of between 0% - 330% of its Net Asset Value through the use of FDI. Leverage is calculated as the sum of the notional values of the FDIs. The above maximum figure includes 300% for Share Class related hedging, which is comprised of 100% for the hedging itself and 200% to allow for FDI roll overs involving positions being closed out against equal and opposite trades. This is included at a Fund level but will only concern holders of currency Hedged Share Classes. Further information on leverage can be found in the section entitled **Leverage**.

**An investment in the Fund should not constitute a substantial proportion of an investment portfolio and may not be appropriate for all investors.**

The Net Asset Value of the Fund is expected to experience a high level of volatility from time to time.



## *Wellington Global Property Fund*

The investment objective of the Fund is to seek long-term total returns.

The Investment Manager will actively manage the Fund, seeking to achieve the objective through investment primarily in equities of issuers with activities in or related to the development, operation, service and/or ownership of real estate, such as homebuilders, lodging, multi-family housing, retail real estate, office properties and property service companies. The Fund may also invest in other issuers that have a significant exposure to real estate through ownership of real estate assets.

Although the Fund is not constructed relative to a benchmark, the FTSE EPRA/NAREIT Developed Index (“the Index”) will serve as a reference benchmark. The Index is designed to track the performance of listed real estate companies and REITs worldwide.

The Fund will invest, directly or through FDIs, in the following instruments in pursuit of the Fund’s investment objective: equity securities or securities with equity characteristics which comprise preferred stock, rights and warrants on equities issued by either Real Estate Investment Trusts (“REITs”) or the issuers described above as well as depository receipts (such as ADRs, GDRs and European Depository Receipts) and market access products (including warrants on equities, options on equities and equity swaps). It is expected that the Fund will invest predominantly in securities issued by developed market issuers but may also invest in securities issued by issuers located in what the Investment Manager considers to be emerging markets. The Fund may invest in securities across the market- capitalisation spectrum, and may have exposure to various currencies. The Fund may also hold securities issued pursuant to Rule 144A and/or Regulation S securities (Regulation S securities are those offered outside the United States without registration under the United States Securities Act of 1933 (as amended)). The Fund may invest up to 10% of its Net Asset Value in China A Shares traded via Stock Connect (see also “Risks linked with dealing in securities in China via Stock Connect”).

The Fund may also hold debt securities including corporate bonds, mortgage backed securities (including “to-be-announced” (TBA) securities, as more fully described under the section entitled **Types and Description of FDIs**), commercial mortgage backed securities, REIT debt (comprising bonds and convertible bonds issued by REITs), both fixed and floating rate, preferred securities and hybrid securities comprising convertible securities as more fully described in the section entitled **Types and Description of FDIs** issued by public or private issuers. There will be no limitations on the credit quality of individual debt securities in the Fund and the Fund will invest in securities denominated in multiple currencies.

The Fund is expected to be reasonably diversified across geographic regions and real estate sub-sectors (for example retail, office, warehouse).

As an alternative means of gaining exposure to the markets and instruments listed above, the Fund may invest in exchange traded funds which constitute an eligible investment for the Fund. These will be listed and/or traded on the markets and exchanges as set out in Appendix I and may be transferable securities or collective investment schemes.

The Fund may buy and sell exchange-traded and over-the-counter FDIs, both long and short, comprising equity options, index futures and options on futures and currency forwards to gain exposure to the instruments listed above in pursuit of the investment objective and for efficient portfolio management

purposes, including hedging against risk. Full details of the types of FDIs and the ways in which the Fund may utilize them are further detailed in the section entitled **Types and Description of FDIs**.

The indices to which the Fund will gain exposure will be eligible indices according to the Central Bank requirements and will comprise indices the constituents of which include the types of securities described above in which the Fund may directly invest.

Generally less than 10% of the Fund's Net Asset Value will be invested in cash and cash equivalents as described in the section below entitled **Cash and Cash Equivalents**.

The Investment Manager uses a risk management technique known as relative VaR to assess the Fund's market risk to seek to ensure that its use of FDIs is within regulatory limits. In accordance with the requirements of the Central Bank, the daily VaR of the Fund may not exceed twice the daily VaR of the of the Index, calculated using a parametric approach with a one-tailed 99% confidence level for a one month holding horizon and considering at least three years of historical data exponentially weighted with a decay factor of 0.94.

It is expected that the Fund will generally incur leverage at a rate of between 0% - 330% of net asset value through the use of FDI. Leverage is calculated as the sum of the notional values of the FDIs. The Fund could incur the higher level of leverage because of its use of FDI for investment purposes and because of the potential for adverse movements of both the long and short strategies being adopted by the Fund. The above maximum figure includes 300% for Share Class related hedging, which is comprised of 100% for the hedging itself and 200% to allow for FDI roll overs involving positions being closed out against equal and opposite trades. This is included at a Fund level but will only concern holders of currency Hedged Share Classes. Further information on leverage can be found in the section entitled **Leverage**.

The Net Asset Value of the Fund is expected to have a high volatility from time to time.

### ***Wellington Global Quality Equity Fund***

The investment objective of the Fund is to seek long-term total returns.

The Investment Manager will actively manage the Fund against the MSCI World Index (the "Index"), seeking to achieve the objective by investing primarily in large-cap high quality companies around the world. The Index is market capitalisation weighted and is designed to measure equity market performance of developed markets.

These companies will typically exhibit a commitment to dividends and shareholder returns as well as improving or sustainable operating characteristics. The core of our philosophy is that quality companies in out-of-favour industries can generate superior returns on invested capital. In defining quality, our process seeks stocks of companies with strong balance sheets, talented management teams, and a culture of innovation. This is a fundamental bottom-up approach.

The Fund will invest, either directly or indirectly through the use of FDIs, in equity and other securities with equity characteristics, comprising shares, preferred stocks, depository receipts (such as ADRs, GDRs and European Depository Receipts), convertible securities, warrants, investments in Real Estate Investment Trusts ("REITs") and market access products (comprising warrants on equities, options on equities and equity swaps) for securities issued by developed and emerging market companies. The Fund

may also hold securities issued pursuant to Rule 144A and/or Regulation S securities (Regulation S securities are those offered outside the United States without registration under the United States Securities Act of 1933 (as amended)).

The Fund may invest in developed countries and any country which is considered by the Investment Manager to be an emerging market. These are primarily located in Latin/Central America and the Caribbean, Central and Eastern Europe, Middle East, Africa and Asia. The Fund may invest up to 10% of its Net Asset Value in China A Shares traded via Stock Connect (see also “Risks linked with dealing in securities in China via Stock Connect”). The Fund will be well diversified by country, currency, industry and issuer but may hold positions that are concentrated in this manner from time to time.

The Fund may also invest in collective investment schemes as described in the section entitled **Investment in Other Investment Funds** and in exchange traded funds (“ETFs”) that provide exposure to the types of securities listed above and which constitute an eligible investment for the Fund. Such ETFs will be listed and/or traded on the markets and/or exchanges as set out in Appendix I and regulated as UCITS or as AIF ETFs. No more than 5% of Net Asset Value of the Fund will be invested in non-listed and non-traded collective investment schemes.

The Fund may buy and sell exchange-traded and over-the-counter FDIs, both long and short, comprising the market access products listed above as well as index futures and currency forwards in pursuit of the investment objective and for efficient portfolio management purposes, including hedging against risk. Full details of the types of FDIs and the ways in which the Fund may utilize them are further detailed in the section entitled **Types and Description of FDIs**.

The indices to which the Fund will gain exposure will be eligible indices according to the Central Bank requirements and will comprise indices the constituents of which include the types of securities described above in which the Fund may directly invest.

The Investment Manager uses a risk management technique known as relative VaR to assess the Fund’s market risk to seek to ensure that its use of FDIs is within regulatory limits. In accordance with the requirements of the Central Bank, the daily VaR of the Fund may not exceed twice the daily VaR of the Index calculated using a parametric approach with a one-tailed 99% confidence level for a one month holding horizon and considering at least three years of historical data.

It is expected that the Fund will generally incur leverage at a rate of between 0% and 330% of its Net Asset Value through the use of FDIs. Leverage is calculated as the sum of the notional values of the FDIs. The above maximum figure includes 300% for Share Class related hedging, which is comprised of 100% for the hedging itself and 200% to allow for FDI roll overs involving positions being closed out against equal and opposite trades. This is included at a Fund level but will only concern holders of currency Hedged Share Classes. Further information on leverage can be found in the section entitled **Leverage**.

The Net Asset Value of the Fund is expected to have a high volatility from time to time.

### ***Wellington Hedged Alpha Opportunities Fund***

The investment objective of the Fund is to seek long-term total returns, manage volatility and mitigate downside risk.

The Investment Manager will actively manage the Fund, combining a long only, multi manager equity portfolio, with an index based hedging strategy. The overall strategy aims to capture the outperformance generated by equity investment managers, while seeking to reduce exposure to equity market volatility, particularly in times of extreme stock market weakness. Equity strategies with different characteristics in terms of regional exposures and/or investment style are selected with the aim of improving diversification and offsetting risks. The strategy selection process incorporates an analysis of the investment universe of each equity strategy including market-capitalisation biases, outperformance potential, investment style and the potential overlap of each strategy. In combining strategies, the Investment Manager uses a number of proprietary analytical tools including market environments analysis, extreme events analysis, stress testing, and simulation analysis. Through this strategy selection process the Investment Manager will seek to construct a Fund, comprising a diversified group of long-only equity strategies with differing investment approaches, including growth, momentum and value, that gives an overall exposure comparable to the broader equity market overtime but which reduces the exposure to the risks typically associated with any single investment approach. The underlying equity investment managers have complete discretion and responsibility for security selection and Fund construction decisions within their respective strategies.

The hedging strategies which will be adopted by the Investment Manager are designed to reduce the volatility associated with general equity market movements. In addition, the Investment Manager will seek to employ a further hedging strategy to mitigate against the risk, typically associated with highly active equity strategies, that equity values decline during periods when investors are looking to significantly reduce their risk exposures, known as extreme risk off events. The Investment Manager uses exchange traded, liquid instruments, like index futures, total return swaps and exchange traded options on indices for hedging.

Over the longer term the Investment Manager expects the Fund's exposure to be primarily in developed markets, however there may be periods when the emerging markets become more significant and allocations between these types of markets may fluctuate.

Although the Fund is not constructed relative to a benchmark, a custom index comprised of 40% Russell 3000 index / 60% BofA Merrill Lynch 3-month US Treasury Bill Index (the 'Index') will serve as a reference benchmark. This blend of equities and Cash Equivalents is intended to reflect the average risk exposure to general market movements targeted by the Fund. The Russell 3000 Index is a market capitalization weighted index that is designed to measure the performance of the broad US market, the BofA Merrill Lynch 3-month US Treasury Bill Index is intended to measure the performance of 3 month US T-Bills, short term US Government securities with a remaining term to final maturity of less than 3 months.

The Fund will invest either directly or indirectly through Financial Derivative Instruments ('FDIs'), in equity and other securities with equity characteristics, comprising shares, preferred stock, depository receipts (such as ADRs, GDRs and European Depository Receipts), convertible securities, warrants, investments in Real Estate Investment Trusts ("REITs") and market access products (comprising warrants, options on equities and equity swaps) for securities issued by developed and emerging market companies. The Fund may also hold securities issued pursuant to Rule 144A and/or Regulation S securities (Regulation S securities are those offered outside the United States without registration under the United States Securities Act of 1933 (as amended)).

The Fund may invest in developed countries and any country which is considered by the Investment

Manager to be an emerging market. Emerging Markets are primarily located in Latin/Central America and the Caribbean, Central and Eastern Europe, Middle East, Africa and Asia. The Fund may invest up to 10% of its Net Asset Value in China A Shares traded via Stock Connect (see also “Risks linked with dealing in securities in China via Stock Connect”).

The Fund may invest in collective investment schemes as described in the section entitled **Investment in Other Investment Funds** and in exchange traded funds (“ETFs”) that provide exposure to the types of securities listed above and which constitute an eligible investment for the Fund. Such ETFs will be listed and/or traded on the markets and/or exchanges as set out in Appendix I and regulated as UCITS or as AIF ETFs. No more than 5% of Net Asset Value of the Fund will be invested in non-listed and non-traded collective investment schemes.

The Fund may buy and sell exchange-traded and over-the-counter FDIs, both long and short, comprising the market access products mentioned above as well as index futures, currency forwards, total return swaps, warrants and index options to gain exposure to the instruments listed above in pursuit of the investment objective and for efficient portfolio management purposes, including hedging against risk. Full details of the types of FDIs and the ways in which the Fund may utilize them are further detailed in the section entitled **Types and Description of FDIs**.

The net market exposure (sum of long and synthetic short positions including cash) of the Fund will always be positive, meaning that long positions will be in greater proportion than any synthetic short positions. Whilst the Fund’s typical net market exposure may vary in time, it is expected to range between 20% and 60% of the Net Asset Value of the Fund, depending on the Investment Manager’s analysis of the prevailing market conditions and considered in light of the investment objective of the Fund. These figures do not include the use of derivatives for foreign exchange which are generally limited to hedging.

The indices to which the Fund will gain exposure will be eligible indices according to the Central Bank requirements and will comprise indices the constituents of which include the types of securities described above in which the Fund may directly invest.

The Investment Manager uses a risk management technique known as relative VaR to assess the Fund’s market risk to seek to ensure that its use of FDIs is within regulatory limits. In accordance with the requirements of the Central Bank, the daily VaR of the Fund may not exceed twice the daily VaR of the Index calculated using a parametric approach with a one-tailed 99% confidence level for a one month holding horizon and considering at least three years of historical data.

It is expected that the Fund will generally incur leverage at a rate of between 0% - 700% of its Net Asset Value through the use of FDI. Leverage is calculated as the sum of the notional values of the FDIs. The above maximum figure includes 300% for Share Class related hedging, which is comprised of 100% for the hedging itself and 200% to allow for FDI roll overs involving positions being closed out against equal and opposite trades. This is included at a Fund level but will only concern holders of currency Hedged Share Classes. Further information on leverage can be found in the section entitled **Leverage**.

The Net Asset Value of the Fund is expected to experience a high level of volatility from time to time.

### *Wellington Opportunistic Themes Fund*

The investment objective of the Fund is to seek long-term total returns.

The Investment Manager will actively manage the Fund, seeking to achieve the objective by employing an unconstrained, non-benchmark oriented investment approach focusing on non-core asset classes and investing in both US Dollar denominated and non-US Dollar denominated equity securities within any region, sector or market capitalisation.

Although the Fund is not constructed relative to a benchmark, the MSCI All Country World Index (the “Index”) will serve as a reference benchmark. The Index is market capitalization weighted and designed to measure the equity market performance of developed and emerging markets.

The Fund is an asset allocation Fund that utilises investment ideas across multiple underlying investment approaches managed by the Investment Manager’s various investment teams.

The Fund provides opportunistic exposure to a variety of non-core investments such as non-US small capitalisation, emerging markets equity and any industry or market sector approaches that may be chosen on an opportunistic basis.

The Fund will primarily invest, directly or indirectly through the use of FDIs, in equity securities or other securities with equity characteristics, including, but not limited to, shares, preferred stocks, warrants on equities and depository receipts (such as ADRs, GDRs and European Depository Receipts)), issued by companies worldwide. The Fund will invest in securities issued by developed market issuers and may also invest in securities issued by issuers located in emerging markets, or in securities of issuers that, while not located in an emerging market, conduct substantial business in emerging markets as determined by the Investment Manager, including (i) companies which have substantial assets in emerging markets or (ii) companies which derive a substantial portion of their total revenues from either goods and services produced in, or sales made in, emerging markets.

The Fund also may buy and sell bonds issued by government, agency, and supranational issuers; mortgage, commercial mortgage, and asset-backed securities; corporate and REIT debt; credit-linked, index-linked, and capital securities (securities that combine the features of corporate bonds and preferred stock); loan participation securities that qualify as an eligible investment by the Fund (including, but not limited to, trade finance loan participations) and, in addition, bank loan assignments that qualify as Money Market Instruments; as well as other debt securities issued by public or private issuers, both fixed and floating-rate, including forward contracts on such securities.

Generally, less than 15% of the Fund’s assets will be invested in asset classes other than equities, cash and cash equivalents as described in the section below entitled **Cash and Cash Equivalents**. The Fund may make substantial investment in securities traded on Russian markets, may invest more than 20% of its Net Asset Value in emerging markets and may invest up to 10% of its Net Asset Value in China A Shares traded via Stock Connect (see also “Risks linked with dealing in securities in China via Stock Connect”).

In addition, through the use of FDIs (both long and short) as described under the section headed **Types and Description of FDIs**, the Investment Manager intends to implement an investment overlay to alter the Fund’s market exposure and/or risk characteristics. The overlay may be used to hedge or alter certain

market or currency exposures that arise across the underlying investment approaches or in pursuit of the Fund's investment objective.

The net market exposure (sum of long and synthetic short positions including cash) of the Fund will always be positive, meaning that long positions will be in greater proportion than any synthetic short positions. Whilst the Fund's typical net market exposure may vary in time, it is expected to range between 80% and 120% of the Net Asset Value of the Fund, depending on the Investment Manager's analysis of the prevailing market conditions and considered in light of the investment objective of the Fund. These figures do not include derivatives relating to foreign exchange which may be used for hedging or investment purposes.

The level of leverage of the Fund is generally not expected to be in excess of 800% of its Net Asset Value through the use of FDIs. Leverage is calculated as the sum of the notional values of the FDIs. Where FDIs are used for hedging purposes or are themselves hedged against equal and opposite trades, the sum of gross notional values of FDIs may not reflect the true economic risk of the Fund. The above maximum figure includes 300% for Share Class related hedging, which is comprised of 100% for the hedging itself and 200% to allow for FDI roll overs involving positions being closed out against equal and opposite trades. This is included at a Fund level but will only concern holders of currency Hedged Share Classes. Further information on leverage can be found in the section entitled **Leverage**.

The Investment Manager uses a risk management technique known as relative VaR to assess the Fund's market risk to seek to ensure that its use of FDIs is within regulatory limits. In accordance with the requirements of the Central Bank, the daily VaR of the Fund may not exceed twice the daily VaR of the Index calculated using a parametric approach with a one-tailed 99% confidence level for a one month holding horizon and considering at least three years of historical data. The Fund may engage in short-term trading. The Fund's variability of return is expected to be very high, well above that of a more broadly diversified, global equity Fund.

**An investment in the Fund should not constitute a substantial proportion of an investment portfolio and may not be appropriate for all investors.**

The Net Asset Value of the Fund is expected to have a high volatility from time to time.

### *Wellington Pan European Small Cap Equity Fund*

The investment objective of the Fund is to seek long-term total returns.

The Investment Manager will actively manage the Fund against the MSCI Europe Small Cap Index (the 'Index'), seeking to achieve the objective by investing primarily in the equity and equity related securities of small capitalisation companies domiciled or operating in developed European markets. The Index is a market capitalisation weighted index that is designed to measure the equity market performance of small capitalisation developed market equities in Europe. For the purposes of this Fund, the Investment Manager defines small capitalisation companies as those whose market capitalisation is within the range of companies in the Index at the time of purchase, and developed markets as those included within the Index.

The Investment Manager considers that whilst in the long term, share prices reflect the fundamentals of underlying businesses, in the short term markets may misprice securities, particularly in small cap

companies where company research is less comprehensive. The Investment Manager specifically looks for companies they consider to be high quality due to their higher profitability and attractive growth prospects with the view that markets may have underestimated the durability of these qualities. In the Investment Managers' view, quality transcends both defensive and cyclical businesses and the Fund may invest in companies exhibiting stable growth as well as companies with a proven ability to grow earnings through the economic cycle. Using a disciplined approach to fundamental research and valuation the Investment Manager aims to exploit anomalies such as these, focusing on companies with attributes such as the ability to grow faster than the market through a combination of attractive industry structure, company specific growth drivers and sustainable competitor advantage, companies with strong balance sheets and low volatility of earnings and good management who allocate company capital effectively.

The Fund may invest, either directly or indirectly through Financial Derivative Instruments ('FDIs'), in equity and other securities with equity characteristics, comprising shares, preferred stock, warrants and rights, depository receipts (such as ADRs, GDRs and European Depository Receipts), convertible securities and investments in Real Estate Investment Trusts ("REITs"). The Fund may also hold securities issued pursuant to Rule 144A and/or Regulation S securities (Regulation S securities are those offered outside the United States without registration under the United States Securities Act of 1933 (as amended)).

The Fund may invest in collective investment schemes as described in the section entitled **Investment in Other Investment Funds** and in exchange traded funds ("ETFs") that provide exposure to the types of securities listed above and which constitute an eligible investment for the Fund. Such ETFs will be listed and/or traded on the markets and/or exchanges as set out in Appendix I and regulated as UCITS or as AIF ETFs. No more than 5% of Net Asset Value of the Fund will be invested in non-listed and non-traded collective investment schemes.

The Fund may buy and sell exchange-traded and over-the-counter FDIs, comprising index futures and currency forwards to gain exposure to the instruments listed above in pursuit of the investment objective and for efficient portfolio management purposes, including hedging against risk. Full details of the types of FDIs and the ways in which the Fund may utilize them are further detailed in the section entitled **Types and Description of FDIs**.

The Fund will generally be well diversified by country, industry and issuer; however it may hold positions that are concentrated in this manner from time to time. The Fund will not normally be hedged against currency fluctuations, although the Investment Manager may employ currency hedging on an opportunistic basis when it believes it is advisable to do so.

It is expected that the Fund will generally incur leverage at a rate of between 0% and 330% of its Net Asset Value through the use of FDIs. Leverage is calculated as the sum of the notional values of the FDIs. The above maximum figure includes 300% for Share Class related hedging, which is comprised of 100% for the hedging itself and 200% to allow for FDI roll overs involving positions being closed out against equal and opposite trades. This is included at a Fund level but will only concern holders of currency Hedged Share Classes. Further information on leverage can be found in the section entitled **Leverage**.

The market risk of the Fund, including the risk associated with the use of short opportunities, will be assessed within the regulatory limits specified below in the section entitled **Financial Derivative Instruments (FDIs)** using a risk management technique known as relative VaR. In accordance with the requirements of the Central Bank, the daily VaR of the Fund may not exceed twice the daily VaR of the



Index calculated using a parametric approach with a one-tailed 99% confidence level for a one month holding horizon and considering at least three years of historical data exponentially weighted with a decay factor of 0.94.

The Fund invests in securities of smaller companies which may be less liquid, more volatile and tend to carry greater financial risk than securities of larger companies. The Net Asset Value of the Fund is expected to have a high volatility from time to time.

### *Wellington Strategic European Equity Fund*

The investment objective of the Fund is to seek long-term total returns.

The Investment Manager will actively manage the Fund, seeking to achieve the objective by investing predominantly in a diversified portfolio of European-domiciled companies that the investment manager believes will enjoy earnings and cash flow growth that are greater than the average earnings and cash flow growth of constituents of the MSCI Europe Index (the “Index”). The Index is a market capitalization weighted index that is designed to measure the equity market performance of the developed markets in Europe.

The Fund will generally invest in companies where (1) the Investment Manager is able to identify a structural growth driver (2) the company is able to perpetuate through a strong competitive advantage and (3) the relative valuation is attractive. The Investment Manager employs a bottom-up stock selection process that utilizes its proprietary, fundamental research to identify stocks that have the potential for significant longer-term rewards.

Although the Fund is not constructed relative to a benchmark, the Index will serve as a reference benchmark.

The Fund may invest, directly or indirectly through the use of FDIs (both long and short), in equity and other securities with equity characteristics issued by the companies described above, such as shares, preferred stock, warrants, depository receipts (such as ADRs, GDRs and European Depository Receipts), dividend right certificates (i.e. equity securities that confer the right to participate in profit and liquidation proceeds and certain other rights in the issuer, but do not confer voting rights) and shares of listed REITs constituted as Closed End Funds that are considered to be Transferable Securities. These investments may be made in pursuit of the investment objective and for efficient portfolio management purposes, including hedging against risk. Full details of the types of FDIs and the ways in which the Fund may utilize them are further detailed in the section entitled **Types and Description of FDIs**.

Provided such investments are deemed by the Investment Manager to be consistent with the investment objective and investment strategy described above, the Fund may also invest in other securities such as: exchange-traded funds qualifying as collective investment schemes (such exchange-traded funds being subject to a maximum of 10% of the Net Asset Value of the Fund); and cash and cash equivalents as described in the section below entitled **Cash and Cash Equivalents**.

The Fund is expected to be reasonably diversified, generally holding 50 to 80 securities. Sector, country and region weights are a result of bottom-up security selection and are typically unconstrained. For the purposes of this Fund, an emerging market is one that the Investment Manager considers to be an

emerging market. Generally the Fund will be fully invested with a normal cash level of 5% or less. The Fund may invest up to 10% of its Net Asset Value in emerging markets.

The Fund will be denominated in Euros and normally will not be hedged against currency fluctuations, although the Investment Manager may employ currency hedging to protect or enhance the Euro value of its holdings when it believes it is advisable to do so.

Not more than 10% of the Fund's Net Asset Value will be invested in any such securities which are not listed or dealt on a market which is regulated, operating regularly, recognized and open to the public and included in the list of exchanges and markets set out in Appendix I from time to time.

It is expected that the Fund will generally incur leverage at a rate of between 0% and 330% of its Net Asset Value through the use of FDIs. Leverage is calculated as the sum of the notional values of the FDIs. The above maximum figure includes 300% for Share Class related hedging, which is comprised of 100% for the hedging itself and 200% to allow for FDI roll overs involving positions being closed out against equal and opposite trades. This is included at a Fund level but will only concern holders of currency Hedged Share Classes. Further information on leverage can be found in the section entitled **Leverage**.

The market risk of the Fund, including the risk associated with the use of short opportunities, will be assessed within the regulatory limits specified below in the section entitled **Financial Derivative Instruments (FDIs)** using a risk management technique known as relative VaR. In accordance with the requirements of the Central Bank, the Fund the daily VaR of the Fund may not exceed twice the daily VaR of the Index calculated using a parametric approach with a one-tailed 99% confidence level for a one month holding horizon and considering at least three years of historical data exponentially weighted with a decay factor of 0.94.

The Net Asset Value of the Fund is expected to have a high volatility from time to time.

### ***Wellington US Capital Appreciation Equity Fund***

The investment objective of the Fund is to seek long-term total returns.

The Investment Manager will actively manage the Fund, seeking to achieve the objective by investing primarily in equity securities of US companies.

The Fund's investment approach is based primarily on proprietary, bottom-up fundamental research conducted by the Investment Manager's capital appreciation team and global industry analysts. The security selection universe shall not be constrained by market capitalisation, security valuation or seasoning, or similar characteristics. The Fund will include securities of small and mid-cap companies, as well as large cap companies. Fund characteristics and turnover may vary widely as investment strategies and stock selections change.

At least 90% of such securities are expected to be traded in a country that is a member of the OECD. It is likely that the typical holding will be less marketable than the stocks of larger companies. The Fund may invest up to 10% of its Net Asset Value in China A Shares traded via Stock Connect (see also "Risks linked with dealing in securities in China via Stock Connect").

The Fund will be broadly diversified by issuer, and typically include 70 to 110 securities. Fund turnover may be high.

The Fund will invest, either directly or indirectly through the use of FDIs, in equity securities including depository receipts (such as ADRs) and other securities with equity characteristics, such as preferred stocks, warrants, convertible securities, as well as depository receipts for such securities (i) issued by companies headquartered in the United States or (ii) issued by companies exercising their primary economic activities in the United States. Up to 20% of the Fund's Net Asset Value may be invested in equities of other companies or depository receipts (such as GDRs) for such companies. These investments may be made in pursuit of the investment objective and for efficient portfolio management purposes, including hedging against risk. Full details of the types of FDIs and the ways in which the Fund may utilize them are further detailed in the section entitled **Types and Description of FDIs**.

It is expected that the Fund will generally incur leverage at a rate of between 0% and 330% of its Net Asset Value through the use of FDIs. Leverage is calculated as the sum of the notional values of the FDIs. Where FDIs are used for hedging purposes or are themselves hedged against equal and opposite trades, the sum of gross notional values of FDIs may not reflect the true economic risk of the Fund. The above maximum figure includes 300% for Share Class related hedging, which is comprised of 100% for the hedging itself and 200% to allow for FDI roll overs involving positions being closed out against equal and opposite trades. This is included at a Fund level but will only concern holders of currency Hedged Share Classes. If the expected level of leverage were calculated taking into account netting of equal and opposite foreign exchange forward contracts, and excluding the share class hedging, the level of leverage would be expected to be lower and generally between 0% and 30% of the Fund's Net Asset Value. Further information on leverage can be found in the section entitled **Leverage**.

The Investment Manager uses a risk management technique known as relative VaR to assess the Fund's market risk to seek to ensure that its use of FDIs is within regulatory limits. In accordance with the requirements of the Central Bank, the daily VaR of the Fund may not exceed twice the daily VaR of the Fund (excluding any derivative positions) calculated using a parametric approach with a one-tailed 99% confidence level for a one month holding horizon and considering at least three years of historical data.

The Net Asset Value of the Fund is expected to have a high volatility from time to time.

#### ***Global Infrastructure Equity Fund and Global Smaller Companies Equity Fund***

These Funds are currently closed to further investment. Shares of these Funds are no longer offered to, and are not available for subscription by, new subscribers or existing Shareholders. An application has been made to the Central Bank for withdrawal of approval of these Funds.

#### **Multi-Asset Funds**

##### ***Wellington Dynamic Diversified Income Fund***

The investment objective of the Fund is to seek to deliver a regular income, with a secondary focus on capital growth.

The Investment Manager will actively manage the Fund, seeking to achieve the objective through investment across a broad array of global assets as described below including equities, sovereign,

corporate and inflation linked bonds to provide a diversified exposure to both income producing securities and assets with the potential to produce capital growth. The approach utilizes a dynamic asset allocation across these underlying assets that supports the income objective.

The Investment Manager will use its ability to dynamically allocate assets and actively reposition the Fund, either through direct investment or the use of FDI (listed below), to seek to control volatility and manage downside risk through active hedging strategies during adverse market environments.

The Fund may invest either directly or indirectly through FDI (set out below), in the following instruments in pursuit of the Fund's investment objective: equity and other securities with equity characteristics, comprising shares, preferred stock, investments in Real Estate Investment Trusts ("REITs"), convertible securities, warrants, depository receipts (such as ADRs, GDRs and European Depository Receipts) and market access products (comprising warrants on equities options on equities and equity swaps); fixed and floating rate debt securities of issuers around the world comprising securities issued by government, agency, quasi-sovereign, supranational, commercial, and sub-national government issuers as well residential and commercial mortgage-backed securities (including "to-be-announced" (TBA) securities), asset-backed securities, corporate bonds, real estate investment trust (REIT) debt (which are bonds and convertible bonds issued by a REIT), preferred securities, hybrid securities comprising convertible securities as more fully described in the section entitled **Types and Description of FDIs**, contingent capital securities that may be automatically written down upon the occurrence of a specific event and contingent convertible securities that may be automatically converted into an equity security upon the occurrence of a specific event; loan participation securities that qualify as an eligible investment by the Fund and may be securitised or unsecuritised; interests in master limited partnerships as described in the section below entitled **Master Limited Partnerships**; securities issued pursuant to Rule 144A and/or Regulation S securities (Regulation S securities are those offered outside the United States without registration under the United States Securities Act of 1933 (as amended)) and bank loan assignments that qualify as Money Market Instruments; cash and cash equivalents as described in the section below entitled **Cash and Cash Equivalents**. There will be no limitations on the credit quality of individual securities in the Fund and the Fund will invest in securities denominated in multiple currencies. As a result of investments in high yield or sub-investment grade bonds, the Fund's weighted average credit quality may be below investment grade.

The Fund may also buy and sell index linked bonds and credit linked notes whose interest payments and/or payment at maturity depend on the performance of an underlying index or security. The underlying exposure of an index linked bond may be tied to a market index (such as a bond index or a credit default swap index) or an economic index (such as growth or inflation indices). The underlying exposure of a credit linked note is typically tied to a sovereign, quasi-sovereign or corporate bond issuer. In each case, the underlying exposure will be consistent with the Fund's investment objective and policies. The Fund also may invest in structured notes (which are synthetic securities with embedded components (such as an option)). Such structured notes shall comprise equity linked notes, fixed income linked notes or index linked notes and will be listed or otherwise comprise securities issued pursuant to Rule 144A and/or Regulation S (as described above) and will give exposure to underlying fixed income securities, equity securities or indices on a leveraged or unleveraged basis, subject to the composition of the portfolio at any given time. In the event that the structured notes provide such exposure on a leveraged basis, such leverage shall be included in any global exposure calculations in accordance with the requirements of the Central Bank.

The Fund may also invest in collective investment schemes as described in the section entitled **Investment in Other Investment Funds** and in exchange traded funds that provide exposure to the types of securities listed above and which constitute an eligible investment for the Fund. Such exchange traded funds will be listed and/or traded on the markets and exchanges as set out in Appendix I and regulated as UCITS or as AIF exchange traded funds.

Insofar as the Fund seeks to gain exposure to commodities, such exposure shall be achieved through investing in swaps, options and futures as more fully described in the section entitled **Types and Description of FDIs**. These may reference UCITS eligible commodity assets comprising UCITS eligible exchange traded commodities or notes and UCITS eligible commodities indices. In addition, the Fund may invest in exchange-traded securities and both UCITS and AIF exchange traded funds which are listed and/or traded on the markets and exchanges as set out in Appendix I. Such exchange-traded securities may include debt instruments issued by financial institutions such as notes, certificates, and UCITS eligible exchange traded commodities that may reference and therefore be used to gain indirect exposure to the performance of commodities or commodity indices. Furthermore, any commodity indices utilized by the Fund shall be in compliance with the requirements of the Central Bank.

The Fund may buy and sell exchange-traded and over-the-counter derivative instruments, both long and short, across all asset classes, comprising currency, interest rate, bond, equity, index and contingent options, interest rate, bond, index, credit, equity and currency futures, or options on futures, credit default swaps, index credit default swaps, interest rate, inflation, total return and currency swaps, equity swaps, swaptions and swaps on an index, deliverable and non-deliverable currency forwards, forwards on bonds or other debt securities and forward rate agreements to gain exposure to the instruments listed above in pursuit of its investment objective and for efficient portfolio management purposes, including hedging against risk. The Fund may engage in repurchase transactions for efficient portfolio management purposes only. Full details of the types of FDIs and the ways in which the Fund may utilize them are further detailed in the section entitled **Types and Description of FDIs**.

The net market exposure (sum of long and synthetic short positions including cash) of the Fund will always be positive, meaning that long positions will be in greater proportion than any synthetic short positions. Whilst the Fund's typical net market exposure may vary in time, it is expected to range between 0% and 150% of the Net Asset Value of the Fund, depending on the Investment Manager's analysis of the prevailing market conditions and considered in light of the investment objective of the Fund. These figures do not include derivatives relating to foreign exchange which may be used for hedging or investment purposes

The indices to which the Fund will gain exposure will be eligible indices according to the Central Bank requirements and will comprise indices the constituents of which include the types of securities described above in which the Fund may directly invest.

The Fund will be denominated in US Dollars. Currency exposure, from the use of forward currency exchange contracts in multiple currencies, as more fully described in the section entitled **Forward Contracts**, is actively managed within the Fund and may include cross-currency positions which may or may not be influenced by the Fund's positions.

The Fund will generally be well diversified by country, currency, industry, sector, issuer and market capitalisation but may hold positions that are concentrated in this manner from time to time. The Fund may invest in both developed and emerging markets. Emerging markets are any country which is

considered by the Investment Manager to be an emerging market, these are primarily located in Latin/Central America and the Caribbean, Central and Eastern Europe, Middle East, Africa and Asia. The Fund may invest up to a maximum of 5% of its Net Asset Value in securities traded on Russian markets from time to time and may invest up to 10% of its Net Asset Value in China A Shares traded via Stock Connect (see also “Risks linked with dealing in securities in China via Stock Connect”).

It is expected that the Fund will generally incur leverage up to a maximum rate of 1800% of its Net Asset Value through the use of FDIs. Leverage is calculated as the sum of the notional values of the FDIs. The above maximum figure includes 300% for Share Class related hedging, which is comprised of 100% for the hedging itself and 200% to allow for FDI roll overs involving positions being closed out against equal and opposite trades. This is included at a Fund level but will only concern holders of currency Hedged Share Classes. Further information on leverage can be found in the section entitled **Leverage**.

The market risk of the Fund will be assessed within the regulatory limits specified below in the section entitled **Types and Description of FDIs** using a risk management technique known as absolute VaR. The daily VaR of the Fund is calculated to ensure that it does not exceed 4.47% of the Fund’s Net Asset Value calculated using a parametric approach. As specified in the section entitled **Financial Derivative Instruments (FDIs)** the Fund adopts a one-tailed 99% confidence level under normal market conditions for a one month holding horizon and considering at least three years of historical data.

**An investment in the Fund should not constitute a substantial proportion of an investment portfolio and may not be appropriate for all investors.**

As set out in the section entitled **Dividend Policy** dividends may be declared out of the capital of the Fund.

The Net Asset Value of the Fund is expected to have a high level of volatility from time to time.

### ***Wellington Multi-Asset Absolute Return Fund***

The investment objective of the Fund is to seek absolute returns above a cash benchmark over the medium to long term and systematically manage downside risk.

The Investment Manager will actively manage the Fund, seeking to achieve the objective through investing on a long and/or short basis, as further detailed below, in a broad range of asset classes and geographies.

The Bank of America Merrill Lynch USD LIBOR 3-Month Constant Maturity Total Return Index (the “Index”) will serve as the cash benchmark. The Index is based on the assumed purchase of a synthetic instrument having 3 months to maturity and with a coupon equal to the closing quote for 3-Month LIBOR. That issue is sold the following day (priced at a yield equal to the current day closing 3-Month LIBOR rate) and is rolled into a new 3-Month instrument. The index, therefore, will always have a constant maturity equal to exactly 3 months. A similar cash benchmark may be used for non-USD currency share classes. For example, for EUR share classes this would be EURIBOR instead of USD LIBOR.

The Investment Manager may cause the Fund to invest, directly or through FDIs (set out below and more fully described in the section entitled **Types and Description of FDIs**), in the following instruments in

pursuit of the Fund's investment objective: equity securities or other securities with equity characteristics, including preferred stocks, warrants on equities, investments in Real Estate investment Trusts ("REITS") and depository receipts for such securities (such as ADRs, GDRs and European Depository Receipts), issued by companies worldwide; securities issued by developed and emerging market issuers and securities of issuers that, while not located in an emerging market, conduct substantial business in emerging markets as determined by the Investment Manager, including (i) companies which have substantial assets in emerging markets; or (ii) companies which derive a substantial portion of their total revenues from either goods and services produced in, or sales made in, emerging markets; investment grade and high yield (i.e., below investment grade) fixed or floating rate debt securities (for example, bonds) issued by government, agency, supranational or corporate issuers with no sectoral, geographic or industry focus; mortgage-backed securities (including "to-be-announced" (TBA) securities, as more fully described under the section entitled **Types and Description of FDIs**; hybrid securities such as convertible bonds, contingent capital securities (which may be automatically written down upon the occurrence of a specific event) and contingent convertible securities (which may be automatically converted into an equity security upon the occurrence of a particular event), sukuk (financial instruments with cash flows similar to conventional bonds that are structured to comply with Islamic law; commercial mortgage-backed securities and asset-backed securities which qualify as Transferable Securities; REIT debt securities; credit-linked securities (such as credit linked notes); Structured Notes, and as more fully described under the section entitled **Structured Notes**, which give exposure to underlying assets such as fixed income securities, equity prices, and UCITS eligible exchange traded commodities and exchange traded notes which give exposure to and commodity, equity and fixed income indices on a leveraged or unleveraged basis, subject to the composition of the portfolio at any given time (in the event that the structured notes provide such exposure on a leveraged basis, such leverage shall be included in any global exposure calculations in accordance with the requirements of the Central Bank); capital securities (securities that combine the features of corporate bonds and preferred stock) that pay a coupon and include a final maturity; loan participation securities that qualify as an eligible investment by the Fund (including, but not limited to, trade finance loan participations); interests in master limited partnerships as described in the section below entitled **Master Limited Partnerships**, securities issued pursuant to Rule 144A and/or Regulation S securities (Regulation S securities are those offered outside the United States without registration under the United States Securities Act of 1933 (as amended); bank loan assignments that qualify as Money Market Instruments; cash and cash equivalents as described in the section below entitled **Cash and Cash Equivalents**. There will be no limitations on the credit quality of individual securities in the Fund and the Fund will invest in securities denominated in multiple currencies. As a result of investments in high yield or sub-investment grade bonds, the Fund's weighted average credit quality may be below investment grade. The Investment Manager may engage in currency hedging strategies to protect or enhance the value of the Fund holdings, further information on which is set out under the sections entitled **Currency Transactions**.

The Fund may gain exposure to the performance of commodities indirectly using swaps and options as more fully described in the section entitled **Types and Description of FDIs**. These swaps and options may reference UCITS eligible commodity assets comprising UCITS eligible exchange traded commodities or notes and UCITS eligible commodities indices. In addition, the Fund may invest in exchange-traded securities and both UCITS and AIF exchange traded funds. Such exchange-traded securities may include debt instruments issued by financial institutions such as notes, certificates, and UCITS eligible exchange traded commodities that may reference and therefore be used to gain indirect exposure to the performance of commodities or commodity indices. Furthermore, such AIF exchange traded funds may reference and therefore be used to gain indirect exposure to the performance of commodities or commodity indices. Such exchange-traded securities and AIF exchange traded funds will be listed and/or

traded on the markets and exchanges as set out in Appendix I. Furthermore, any commodity indices utilized by the Fund shall be in compliance with the requirements and cleared by the Central Bank.

The Fund may make investments in securities traded on Russian markets and may invest more than 20% of its Net Asset Value in emerging markets and may invest up to 10% of its Net Asset Value in China A Shares traded via Stock Connect (see also “Risks linked with dealing in securities in China via Stock Connect”). In addition, the Fund may invest in excess of 30% of its Net Asset Value in below investment grade securities. As a result of the foregoing, an investment in the Fund should not constitute a substantial proportion of an investment portfolio and may not be appropriate for all investors.

The Fund may invest in collective investment schemes as described in the section entitled **Investment in Other Investment Funds** and in exchange traded funds that provide exposure to the types of securities listed above and which constitute an eligible investment for the Fund. Such exchange traded funds will be listed and/or traded on the markets and exchanges as set out in Appendix I and regulated as UCITS or as AIF exchange traded funds.

As set out above, the Fund may invest in FDIs, both long and short, across all asset classes, in order to achieve the investment objective. Such FDIs may include options, futures, swaps, forwards, warrants and convertible securities. FDIs may also be used for efficient portfolio management, including for hedging against, among other risks, exchange rate risk, interest rate risk, market risk and credit risk associated with investments in the Fund. Full details of the types of FDIs the ways in which the Fund may utilize them are set out below and are further detailed in the section entitled **Types and Description of FDIs**.

The net market exposure (sum of long and synthetic short positions including cash) of the Fund will typically be positive, meaning that long positions will generally be in greater proportion than synthetic short positions. Whilst the Fund’s typical net market exposure may vary in time, it is expected to range between 0% and 300% of the Net Asset Value of the Fund, depending on the Investment Manager’s analysis of the prevailing market conditions and considered in light of the investment objective of the Fund. These figures do not include derivatives relating to foreign exchange which may be used for hedging or investment purposes.

The Fund may buy and sell exchange-traded and over-the-counter FDIs, including (but not limited to) futures (including interest rate, index (including credit index) and currency futures); swaps (including currency, interest rate, total return and credit default swaps under which the Fund may exchange one stream of cash flows or other asset attributes for another, such as paying the total return of one equity index and receiving the total return of another equity index); warrants; options (including currency, bond and contingent options); deliverable and non-deliverable forward contracts and “to-be-announced” (TBA) securities, as more fully described in the section entitled **Types and Description of FDIs**.

In allocating and managing risk within the Fund, the Investment Manager will review relevant historical data that demonstrates how markets and sources of positive risk-adjusted returns (“**alpha**”) have behaved in the past. The Investment Manager will also consider market analysis and predictions regarding future economic environments and how markets and alpha sources are likely to behave based on these predictions. Based on the results of the foregoing, the Investment Manager will allocate the Net Asset Value of the Fund among the various asset classes and instruments listed above, investing either directly in those instruments or using FDIs to gain the desired exposures.



Furthermore, the Investment Manager will decide whether to take long exposure or short exposure to the relevant instrument or security, and any short exposure will be achieved indirectly through FDIs. The percentage of the net asset of the Fund that will be invested in each of the above-listed asset classes, as well as the decision to invest on a long, short, direct and/or indirect basis in such asset classes, will depend on the global economic and prevailing market conditions in the relevant markets. In addition, the following key principles will be taken into account by the Investment Manager when deciding to take long exposure or short exposure to the relevant instrument or security within the Fund:

- **Capital Preservation.** In order to manage downside risks, the Investment Manager will seek to diversify the Fund's sources of alpha, maintain Fund liquidity, and limit the Fund's volatility and systematic market risks. The Investment Manager will seek to manage the Fund's market exposure to an overall volatility range of 4-7% and in so doing, exposure to each asset class will be systematically reduced as the volatility of the asset class rises. Since losses tend to occur when volatility levels rise, this process should reduce the likelihood of losses in many instances. In addition, the Investment Manager may opportunistically use FDIs (e.g., options) to protect the Fund's exposures from adverse movements in markets or interest rates.
- **Diversification.** In managing the Fund, the Investment Manager will seek consistent diversification (including investment horizon and asset class), and will seek to do so within an overall targeted volatility range of 4-7%, although the Fund's actual volatility may fall outside this range.
- **Capital Growth.** The Investment Manager will use a combination of diversified market exposures across the various asset classes in pursuit of the Fund's objective. Each market exposure tends to produce an attractive return and volatility profile in a distinct economic environment, so holding diversified market exposures should allow the Fund to consistently seek capital growth as economic environments change.

As set out above, the Fund seeks to provide investors with absolute returns and in so doing may use FDIs to gain "short" exposure to particular asset classes. The result of this investment approach is that the Fund may be leveraged through the use of FDIs.

The level of leverage of the Fund is generally not expected to be in excess of 3300% of its Net Asset Value through the use of FDIs. Leverage is calculated as the sum of the notional values of the FDIs. Where FDIs are used for hedging purposes or are themselves hedged against equal and opposite trades, the sum of gross notional values of FDIs may not reflect the true economic risk of the Fund. The above maximum figure includes 300% for Share Class related hedging, which is comprised of 100% for the hedging itself and 200% to allow for FDI roll overs involving positions being closed out against equal and opposite trades. This is included at a Fund level but will only concern holders of currency Hedged Share Classes. If the expected level of leverage were calculated taking into account netting of equal and opposite foreign exchange forward contracts, and excluding share classes hedging, the level of leverage would be expected to be lower and generally between 0% and 800% of the Fund's Net Asset Value. Further information on leverage can be found in the section entitled **Leverage**.

As set out above, the leverage of the Fund (being the sum of the notional values of the long and the short positions) is generally not expected to exceed 3000% of its Net Asset Value and of that percentage amount, the short positions within the Fund (when calculated on the basis of the sum of the notional values thereof) will not generally exceed 1500% of its Net Asset Value and the long positions within the

Fund (when calculated on the basis of the sum of the notional values thereof) will not generally exceed 3000% of its Net Asset Value.

The market risk of the Fund, including the risk associated with the use of short opportunities, will be assessed within the regulatory limits specified below in the section entitled **Financial Derivative Instruments (FDIs)** using a risk management technique known as absolute VaR. The VaR approach measures the maximum potential loss at a given confidence level (probability) over a specific time period under normal market conditions. The daily VaR of the Fund is calculated to ensure that it does not exceed 4.47% of the Fund's Net Asset Value calculated using a parametric approach.

As specified in the section entitled **Financial Derivative Instruments (FDIs)** the Fund adopts a one-tailed 99% confidence level under normal market conditions for a one month holding horizon and considering at least three years of historical data. This is equivalent to saying that there is a 1% probability that the potential loss could be greater than the VaR amount. This is most likely to arise in abnormal market conditions or at times of extraordinary high impact events. In that instance the VaR approach does not measure the maximum potential loss and the Fund and Shareholders could likely suffer serious financial consequences as a result. Stress testing is performed on the Funds to monitor the impact of potential losses as a result of low probability events. These use a range of historical or hypothetical events which may be unrepresentative of actual abnormal market conditions or high impact events. The Company has in place procedures to limit the risks and protect Shareholder interests especially under abnormal market conditions. These may include reducing the use of the FDIs by the Fund, adopting stop-losses and undergoing more representative and more frequent stress testing.

The Net Asset Value of the Fund is expected to have a high volatility from time to time.

## **ALL FUNDS**

### **Borrowing and Lending Powers**

The Company may borrow up to 10% of a Fund's Net Asset Value at any time for the account of such Fund and may charge the assets of such Fund as security for any such borrowing, provided that such borrowing is only for temporary purposes such as securities settlement or meeting a redemption, and not for leverage. Without prejudice to the powers of the Company to invest in Transferable Securities, the Company may not lend to, or act as guarantor on behalf of, third parties. A Fund may acquire debt securities and securities which are not fully paid.

### **Cash and Cash Equivalents**

Each Fund may also hold cash and cash equivalents for investment purposes or as ancillary liquid assets. Cash equivalents include bank deposits and fixed or floating rate instruments, including but not limited to commercial paper, floating rate notes, certificates of deposit, freely transferable promissory notes, debentures, asset backed securities and government or corporate bonds. All such investments shall be of investment grade or, if unrated, be deemed to be of investment grade by the Investment Manager and may be denominated in any currency.

## **Credit Rating**

The Investment Manager will under no circumstances rely exclusively or automatically on external ratings in determining the credit risk of a financial instrument, and in addition the Investment Manager will perform its own credit assessment with respect to each investment.

## **Hedged Share Class Transactions**

A Fund may invest in securities denominated both in its Base Currency and other currencies and may establish Classes in currencies other than the Base Currency of a Fund. Currency may be hedged on an opportunistic basis. Hedged Share Classes may be created for the purpose of (i) effecting currency hedging at the share class level or; (ii) hedging the denomination of the assets of a Fund; for other arrangements considered on a case-by-case basis by the Central Bank.

Hedged Share Classes may be created subject to the Central Bank's Rulebook and interpretations promulgated by the Central Bank from time to time, which, in accordance with the investment style of the Fund, may include hedging (i) the Dealing Currency against the Base Currency of the Fund; (ii) the Dealing Currency against the other currencies in which the assets of the relevant Fund may be denominated (based on either actual exposure or benchmark weights). There can be no assurance that the hedging strategy chosen by the Investment Manager will be successful.

Where the Company creates Hedged Share Classes for the purpose of effecting currency hedging at the share class level, over-hedged or under-hedged positions may occur due to factors outside the control of the Fund. Over-hedged positions will not exceed 105% of the Net Asset Value of each Hedged Share Class, under-hedged positions will not fall short of 95% of the portion of the Net Asset Value of each Hedged Share Class which is to be hedged and hedged positions will be kept under review to ensure that positions materially in excess of 100% of the Net Asset Value of the relevant Hedged Share Class will not be carried forward from month to month.

To the extent that currency hedging is successful for a particular Hedged Share Class, the performance of the Hedged Share Class is likely to move in line with the performance of the underlying assets.

The Shareholders in the Hedged Share Classes may not benefit from circumstances (such as changes in relative currency values or changes in interest rates) from which other Shareholders benefit if (i) the Class currency falls against the Base Currency or (ii) the Class currency falls against the currency in which the Fund's assets are denominated.

All Hedged Share Classes outlined above will comply with the requirements of the Central Bank. As such, the class level transactions will be clearly attributable to the relevant Hedged Share Class and gains, losses and costs of the relevant transactions will accrue solely to the relevant Share Class. Hedged Share Classes will only be created where the Investment Manager believes that they will not prejudice the interests of the holders of other share classes. Furthermore, the derivative transactions to which the Share Class relates will not result in a leveraged return per Share Class.

## **Other Share Class Transactions**

Currency hedging transactions will also be executed at a share class level for the SC and TC Share Classes in the Wellington Emerging Local Debt Advanced Beta Fund. These transactions will hedge the Dealing

Currency against the Base Currency as described above. However the objective of these transactions, in combination with the currency derivatives put in place by the Investment Manager within the portfolio itself, is to ensure that the Shareholders in the SC or TC Share Classes, being the non-USD Share classes, have substantially the same currency exposures as the Shareholders in the SB or TB Share Classes respectively, being the USD Share classes, and therefore receive similar investment returns. The investment returns will differ to the extent of the costs of these currency hedging transactions at share class level and also the difference in interest rates between the Dealing Currency and the Base Currency which may have a positive or negative impact on returns.

These share class currency hedging transactions will comply with the requirements of the Central Bank (including the limits regarding over-hedging described in the **Hedged Share Class Transactions** section above). The class level transactions will be clearly attributable to the relevant SC or TC Share Class and gains, losses and costs of the relevant transactions will accrue solely to the relevant Share Class. SC or TC Share Classes will only be created where the Investment Manager believes that they will not prejudice the interests of the holders of other share classes. Furthermore, the derivative transactions to which the Share Class relates will not result in a leveraged return per Share Class.

Shareholders in the SC or TC Share Classes should be aware that the above share class hedging transactions in combination with the currency hedging transactions referred to in the section titled **Emerging Local Debt Advanced Beta** may result in those Share Classes not benefiting fully from changes in relative currency values.

There can be no assurance that the above strategy will be successful.

### **Securities Financing Transactions Regulation**

The Company is subject to the provisions of the European Regulation on Reporting and Transparency of Securities Financing Transactions (the “SFTR”). The SFTR sets out certain disclosure requirements regarding the use of securities financing transactions (“SFTs”) and total return swaps, as set out below.

The types of SFTs the Funds may use consist of repurchase or reverse-repurchase transactions, and securities lending transactions. The Funds may use these SFTs for efficient portfolio management purpose and may use total return swaps for efficient portfolio management purposes and/or investment purposes in accordance with the Funds’ investment objective and policy and within the limits set out in the section titled “Borrowing and Lending Powers.”

Subject to the limitations referred to in the section titled “Borrowing and Lending Powers”, any assets of a Fund may be the subject of such SFTs and total return swaps. Typically the maximum of 300% of a Fund’s assets may be subject to SFT(s) and total return swaps, with an expectation that at any time up to 170% of a Fund’s assets may be subject to such arrangements. SFTs will only be entered into with counterparties meeting the requirements as set out in the Regulations and other than the requirements of the Regulations, there are no pre-specified restrictions on the legal status, country of origin or minimum credit rating of any counterparty in such transactions.

The types of acceptable collateral received by the Funds in respect of SFTs, total return swaps and other FDIs, as well as the diversification requirements, valuation requirements and limitations on reuse of collateral, are explained below under the heading “Collateral”.

The section of this Prospectus entitled **Risk Factors** provides a description of the risks associated with the use of SFTs, total return swaps and other FDIS.

The treatment of costs related to the SFTs the Funds may use is as set out in the section below titled “Securities Lending and Other Transactions.” In respect of total return swaps, all of the revenues arising from total return swaps, net of direct and indirect financing costs, will be retained by the relevant Fund.

The Company will disclose in its annual report certain information regarding its use of SFTs.

### **Financial Derivative Instruments (FDIs)**

The investment policy of a Fund may state that it can invest “indirectly” in various asset classes. This means that, subject to the specific investment policies and restrictions for a Fund, the Company, on behalf of a Fund, may enter into FDI transactions to gain exposure to those asset classes and may also hold outright short positions synthetically through the use of FDIs for investment and efficient portfolio management purposes. A Fund may be leveraged through the use of FDIs.

The Investment Manager uses a risk management technique known as absolute VaR in respect of the Wellington Global Credit Buy and Maintain Fund, the Wellington Emerging and Sovereign Opportunities Fund, the Wellington Global Strategic Sovereign Fund, the Wellington World Bond Fund, the Wellington Opportunistic Fixed Income Fund, the Wellington Enduring Assets Fund, the Wellington Dynamic Diversified Income Fund and the Wellington Multi-Asset Absolute Return Fund to assess market risk and to seek to ensure that their use of FDIs is within regulatory limits. For all other Funds, the Investment Manager uses a risk management technique known as relative VaR for the same purpose.

### **Types and Description of FDIs**

Below are examples of some of the types of FDIs that the Funds may enter into from time to time:

**Options.** Subject to the requirements laid down by the Central Bank, each Fund may purchase or sell options contracts (including currency, interest rate, bond, equity, index, inflation, futures, swap options, options on UCITS eligible exchange traded commodities and notes and commodity indices and contingent options, whose payoff depends on the performance of two different assets). A call option on a security is a contract under which the purchaser, in return for a premium paid, has the right to buy the securities underlying the option at the specified exercise price at any time during the term of the option. The writer (seller) of the call option, who receives the premium, has the obligation, upon exercise of the option, to deliver the underlying securities against payment of the exercise price. A put option is a contract that gives the purchaser, in return for a premium paid, the right to sell the underlying securities at the specified exercise price during the term of the option. The writer of the put, who receives the premium, has the obligation to buy the underlying securities, upon exercise, at the exercise price. A swap option is an option to enter into an interest rate swap.

Each Fund may also enter into options traded over-the-counter (or OTC options). Unlike exchange traded options, which are standardized with respect to the underlying instrument, expiration date, contract size, and strike price, the terms of OTC options are generally established through negotiation with the other party to the option contract. While this type of arrangement allows a Fund great flexibility to tailor the option to its needs, OTC options generally involve greater risk than exchange-traded options, which are guaranteed by clearing organisations of the exchanges where they are traded.

**Futures.** Subject to the requirements laid down by the Central Bank, each Fund may also enter into certain types of futures contracts (including interest rate, index (including credit index), bond and currency futures). The sale of a futures contract creates an obligation by the seller to deliver the type of financial instrument called for in the contract in a specified delivery month for a stated price. The purchase of a futures contract creates an obligation by the purchaser to pay for and take delivery of the type of financial instrument called for in the contract in a specified delivery month, at a stated price. A contract for difference is an arrangement made in a futures contract whereby differences in settlement are made through cash payments, rather than the delivery of physical securities. The purchase or sale of a futures contract differs from the purchase or sale of a security or option in that no price or premium is paid or received. Instead, an amount of cash, U.S. Government Securities or other liquid assets must be deposited with the broker. This amount is known as initial margin. Subsequent payments to and from the broker, known as variation margin, are made on a daily basis as the price of the underlying futures contract fluctuates making the long and short positions in the futures contract more or less valuable, a process known as “marking to market.” In most cases futures contracts are closed out before the settlement date without the making or taking of delivery. Closing out a futures contract sale is effected by purchasing a futures contract for the same aggregate amount of the specific type of financial instrument or commodity and the same delivery date. If the price of the initial sale of the futures contract exceeds the price of the offsetting purchase, the seller is paid the difference and realises a gain. Conversely, if the price of the offsetting purchase exceeds the price of the initial sale, the seller realises a loss. Similarly, the closing out of a futures contract purchase is effected by the purchaser entering into a futures contract sale. If the offsetting sale price exceeds the purchase price, the purchaser realises a gain, and if the purchase price exceeds the offsetting sale price, a loss will be realized.

**Swaps.** Subject to the requirements laid down by the Central Bank, each Fund may enter into transactions in swaps or options on swaps (including credit default swaps, interest rate swaps, total return swaps, inflation swaps, currency swaps, equity swaps, swaps on an index, contracts for difference and swaps on UCITS eligible exchange traded commodities and notes and commodities indices). The purchase of a cap entitles the purchaser, to the extent that a specified index exceeds a predetermined value, to receive payments on a notional principal amount from the party selling the cap. The purchase of a floor entitles the purchaser, to the extent that a specified index falls below a predetermined value, to receive payments on a notional principal amount from the party selling the floor. A collar combines elements of buying a cap and selling a floor. A total return swap is a bilateral financial contract, which allows a Fund to enjoy all of the cash flow benefits of an asset without actually owning this asset (the Reference Asset). A Fund will have to pay a periodic fee (fixed or floating payment) in exchange for its right to receive the total return of the Reference Asset (coupons or capital gains or losses). The Reference Asset can be almost any asset, index or basket of assets, which constitute an eligible investment for a Fund.

A Fund may enter into credit default swap agreements. A Fund may be either the buyer or seller in a credit default swap transaction. The “buyer” in a credit default contract is obligated to pay the “seller” a periodic stream of payments over the term of the contract provided that no event of default on an underlying reference obligation has occurred. If a Fund is a buyer and no event of default occurs, the Fund will lose its investment and recover nothing. On the other hand, if the Fund is a buyer and an event of default does occur, the Fund (the buyer) will receive the full notional value of the reference obligation that may have little or no value. Conversely, if the Fund is a seller and an event of default occurs, the Fund (the seller) must pay the buyer the full notional value, or “par value”, of the reference obligation in exchange for the reference obligation. As a seller, a Fund receives a fixed rate of income throughout the term of the contract, which typically is between six months and three years, provided that there is no

default event. If an event of default occurs, the seller must pay the buyer the full notional value of the reference obligation. A credit-linked note is a security that is structured by embedding a credit default swap agreement in a funded asset to form an investment that has credit risk and cash flow characteristics resembling a bond or a loan. An inflation swap transfers inflation risk from one party to another through an exchange of cash flows. An interest rate swap involves the exchange by a Fund with another party of their respective commitments to pay or receive cash flows (e.g., an exchange of floating rate payments for fixed-rate payments). A contract for difference (CFD) is an arrangement made between two parties to exchange the difference between the opening and closing prices of specified financial instruments. The differences in settlement are made through cash payments, rather than the delivery of physical securities. Purchases of CFDs may be used to gain exposure to a wide range of assets and indices. Leverage is created as the payment of a low margin or premium can provide a Fund with a large exposure relative to its outlay and a small change in the price of the underlying security can produce a disproportionately larger profit or loss. CFDs are usually traded OTC and carry counterparty risk.

Swap agreements, including caps, floors and collars, can be individually negotiated and structured to include exposure to a variety of different types of investments or market factors. Depending on their structure, swap agreements may increase or decrease the overall volatility of a Fund's investments and its share price and yield because, and to the extent, these agreements affect the Fund's exposure to long- or short-term interest rates, foreign currency values, mortgage-backed securities values, corporate borrowing rates or other factors such as security prices or inflation rates. Swap agreements will tend to shift a Fund's investment exposure from one type of investment to another. For example, if a Fund agrees to exchange payments in US Dollars for payments in the currency of another country, the swap agreement would tend to decrease the Fund's exposure to U.S. interest rates and increase its exposure to the other country's currency and interest rates. Caps and floors have an effect similar to buying or writing options.

**Forward Contracts.** A forward currency exchange contract or a bond forward, which involves an obligation to purchase or sell a specific currency or bond at a future date at a price set at the time of the contract, reduces a Fund's exposure to changes in the value of the currency or bond it will deliver and increases its exposure to changes in the value of the currency or bond it will receive for the duration of the contract. Such forwards may also be non-deliverable and structured so as to be cash settled, usually on a thinly traded currency or bond or non-convertible currency.

A Fund may enter into these contracts to hedge against exchange risk, to increase exposure to a currency or bond or to shift exposure to currency fluctuations from one currency to another.

Each Fund may buy and sell currencies on a spot and forward basis, subject to the limits and restrictions adopted by the Central Bank from time to time to reduce the risks of adverse changes in exchange rates, as well as to enhance the return of a Fund by gaining an exposure to a particular foreign currency. The effect on the value of a Fund is similar to selling securities denominated in one currency and purchasing securities denominated in another currency. Suitable hedging transactions may not be available in all circumstances and there can be no assurance that a Fund will engage in such transactions at any given time or from time to time. Also, such transactions may not be successful and may eliminate any chance for a Fund to benefit from favourable fluctuations in relevant foreign currencies. A Fund may use one currency (or a basket of currencies) to hedge against adverse changes in the value of another currency (or a basket of currencies) when exchange rates between the two currencies are positively correlated.

Bond forwards are used in the same manner as interest rate futures in markets or where futures contracts are not available or lack suitable liquidity. Bond forwards have the same duration risk as the bond as it is simply a forward settlement of a purchase or sale.

A contract to sell currency or a bond would limit any potential gain, which might be realized if the value of the hedged currency or bond increases.

Forward rate agreements are over the counter contracts used to limit or manage exposure to an interest rate at a future start date for a determined amount and maturity. These contracts carry a single payment based on the difference between the agreed interest rate and the market rate prevailing at that future date.

**To-be-Announced Securities.** A “to-be-announced” (TBA) security is structured so that the actual security that will be delivered to fulfil a TBA trade is not designated at the time the trade is made. The securities are “to be announced” prior to the actual trade settlement date. To that extent they are deemed to have a forward element.

**Warrants.** A warrant is a contract which gives the contract holder the right, but not the obligation, to exercise a feature of the warrant, such as buying a specified quantity of a particular product, asset or financial instrument, on, or up to and including, a future date (the exercise date). Another feature of a warrant may be to enhance the return of a sovereign debt security according to a specific trigger such as country GDP. The ‘writer’ (seller) has the obligation to honour the specified feature of the contract. Warrants have similar characteristics to call options, but are typically issued together with preferred stocks or bonds or in connection with corporate actions and are usually of little value. Warrants are longer-dated options and are generally traded over the counter. The commercial purpose of warrants can be to hedge against the movements of a particular market or financial instrument, including futures, or to gain exposure to a particular market or financial instrument instead of using a physical security.

**Convertible Securities.** These include bonds or other convertible securities that can be converted into a predetermined amount of shares of common stock in the issuing company at certain times during its life, usually at the discretion of the bond holder or on the occurrence of a specific event. A convertible security may be viewed as a security with an embedded option to exchange the security for equity. A Fund may receive convertible securities from time to time through corporate actions.

**Structured Notes.** In order to gain access to certain markets where direct investment may not be possible, a Fund may invest in securities issued by a financial institution or special purpose entity, the performance of which depends on the performance of a corresponding asset. Typically the redemptions or repayment proceeds from the Structured Notes replicate the underlying asset. However, such Structured Notes may embed a derivative which has the effect of adjusting the proceeds received. As a result, the note’s coupon, average life, and/or redemption values can become exposed to the forward movement in various indices, equity prices, foreign exchange rates or mortgage backed security prepayment speeds.

The Company employs a risk-management process which enables it to accurately measure, monitor and manage at any time the risk of each Fund’s financial derivatives positions and their contribution to the overall risk profile of the Fund. Market risk and leverage is measured using an advanced risk management method in accordance with the Central Bank’s requirements. Counterparty risk exposure to any OTC derivative transactions never exceeds the limits permitted under the Central Bank’s Rulebook.



Before investing in any financial derivative instruments on behalf of a Fund, the Company must file a risk management process statement with the Central Bank and in accordance with particular requirements of the Central Bank and shall specify, for that purpose, the types of derivative instruments, the underlying risks, the quantitative limits and the methods which are chosen in order to estimate the risks associated with transactions in any derivative instruments applicable to a Fund. This statement is available to Shareholders upon request to the Company.

Use of techniques and instruments which relate to Transferable Securities and Money Market Instruments and which are used for the purposes of efficient portfolio management shall be understood as a reference to techniques and instruments which fulfil the following criteria:

- (i) they are economically appropriate in that they are realized in a cost effective way;
- (ii) they are entered into for one or more of the following specific aims:
  - (a) the reduction of risk;
  - (b) the reduction of cost; or
  - (c) the generation of additional capital or income for the Fund with a level of risk which is consistent with the risk profile of the Fund and the risk diversification rules set out in the Central Bank's Rulebook.
- (iii) their risks are adequately captured in the risk management process; or
- (iv) they cannot result in a change to the Fund's declared investment objective or add substantial supplementary risks in comparison to the general risk policy as described in its sales documents.

The Company will, on request, provide supplementary information to Shareholders relating to the risk management methods employed, including the quantitative limits that are applied and any recent developments in the risk and yield characteristics of the main categories of investments.

FDIs used for efficient portfolio management must also comply with the Central Bank's Rulebook. Any FDIs not included in the risk management process will not be utilized by a Fund until such time as a revision of the risk management process is provided to the Central Bank for review.

**Global Depositary Notes.** A Global Depositary Note is a debt instrument issued by a depositary bank, which gives the holder beneficial ownership of a specific underlying security but which trades, settles, and pays interest and principal in US dollars. Global Depositary Notes expand the universe of emerging market debt securities available to investors wishing to invest in emerging market debt instruments where such local currency debt instruments may be unavailable to offshore investors. Global Depositary Notes may be settled via Euroclear, Clearstream or DTC.

## **Leverage**

Funds using a VaR approach to calculate their global exposure also disclose the expected range of their levels of leverage. This range is an indicative range and not a regulatory limit. A Fund's level of leverage may exceed the top end of the range from time to time as long as the Fund remains within its risk profile

and complies with the applicable VaR limit. The actual level of leverage over the previous financial year for any Fund is disclosed in the annual report of the Funds.

Leverage is a measure of FDI usage and the reinvestment of collateral in relation to efficient portfolio management transactions. It is calculated at the sum of notionals of all FDI contracts entered into by the Fund expressed as a percentage of the Fund's net asset value and any additional leverage generated by the reinvestment of collateral in relation to efficient portfolio management transactions.

The leverage calculation methodology neither distinguishes between FDIs used for investment or hedging purposes such that strategies aiming to reduce risk will contribute to an increased level of leverage for the Fund; nor does the methodology allow netting of FDI positions such that FDI roll-overs and combinations of long-short positions contribute to a significant increase in the level of leverage even though they do not increase or only cause a moderate increase in risk to the Fund; and nor does the methodology take into account the underlying assets' volatility or draw a distinction between long-dated and short-dated assets such that a Fund that has a high level of leverage may not necessarily be riskier than a Fund that has a lower level of leverage. Each of the Fund descriptions above provide for a maximum figure in respect of such leverage. That maximum figure includes 300% percentage for Share Class related hedging. Whilst these percentage amounts are included at a Fund level such higher rates of leverage will only concern holders of currency Hedged Share Classes, SC and TC Share Classes in the Wellington Emerging Local Debt Advanced Beta Fund.

### **Master Limited Partnerships**

A Fund may invest in Master Limited Partnerships that are eligible for investment by the Fund. Master Limited Partnerships are limited partnerships that will be listed/traded on the exchanges and markets listed in Appendix I to the Prospectus. As a result they offer the day to day tradability of common stock. They engage in certain businesses, mostly pertaining to the use of natural resources, such as petroleum and natural gas extraction and transportation. They combine the tax advantages of a partnership and higher dividend yields with the day to day tradability of common stock. The limited partners are responsible for paying taxes on their individual portfolios of the Partnership's income (even if the Partnership does not pay a cash distribution), gains, losses and deductions. They issue distributions that will form part of the Net Asset Value of the Fund. These may be classified as a return of the capital of the Partnership which may have the effect of reducing the value of Fund's investment in the Partnership. They consist of a general partner who manages the operations and limited partners who own the units of the Partnership and contribute capital to the Partnership.

### **Investment in Other Investment Funds**

Each Fund may invest in investment funds managed or sponsored by the Investment Managers or their affiliates, which meet the conditions laid down by the Central Bank, and which have investment objectives consistent with the relevant Fund's investment objective, provided, where a Fund invests in other investment funds managed or sponsored by the Investment Managers or its affiliates, that there is no duplication of investment management fees due to such investments.

## **Private Placements**

Each Fund may hold private placements of freely Transferable Securities and restricted or unregistered freely Transferable Securities, the liquidity of which is deemed by the relevant Investment Manager to be appropriate.

## **Transferable Securities and Money Market Instruments**

Transferable securities and money market instruments in which a Fund will invest will (save for permitted unlisted investments) be either admitted to official listing on a stock exchange or dealt on a market listed in Appendix 1.

## **Cluster Munitions**

Ireland ratified the Oslo Treaty on Cluster Bombs through the Cluster Munitions and Anti-Personnel Mines Act (the “Act”) of 3 December 2008. The Act does not cover private investments but expressly prohibits direct and indirect investment of public moneys in companies in the manufacture of prohibited munitions or the components thereof. Accordingly the Company prohibits the investment by the Company in such companies.

## **Securities Lending and Other Transactions**

The Directors reserve the right to enter into collateralized securities lending transactions on behalf of the Funds from time to time which will be carried out in accordance with and subject to the condition and with the limit laid down by the Central Bank from time to time. Repurchase, reverse repurchase, and dollar roll transactions are permitted subject to the conditions and within the limits set out in the Central Bank’s Rulebook. These may only be used for efficient portfolio management purposes.

The Company may deduct direct and indirect operational costs and fees incurred in the use of these techniques from the revenue delivered to the relevant Fund from the use of such techniques. These costs and fees shall be charged at normal commercial rates and shall not include hidden revenue. The Investment Managers do not receive reimbursements for costs or fees for techniques of this type. The entities to which such costs and fees are paid (including whether such entities are related to the Company or the Depositary) will be disclosed in the annual report.

## **Collateral**

### *Permitted Types of Collateral*

#### *Non-Cash Collateral*

Non-cash collateral must at all times meet with the following requirements:

- (i) Liquidity: Non-cash collateral should be highly liquid and traded on a regulated market or multilateral trading facility with transparent pricing in order that it can be sold quickly at a price that is close to pre-sale valuation. Collateral received should also comply with the provisions of the Central Bank’s Rulebook;

- (ii) Valuation: Collateral must be capable of being valued on at least a daily basis and assets that exhibit high price volatility should not be accepted as collateral unless suitably conservative haircuts are in place;
- (iii) Issuer credit quality: Collateral received should be of high quality. Where the issuer was subject to a credit rating by an agency registered and supervised by ESMA, that rating shall be taken into account in the credit assessment process. Where an issuer is downgraded below the two highest short-term credit ratings by this credit rating agency this shall result in a new credit assessment being conducted of the issuer without delay;
- (iv) Correlation: Collateral received should be issued by an entity that is independent from the counterparty and is not expected to display a high correlation with the performance of the counterparty;
- (v) Diversification (asset concentration): Collateral should be sufficiently diversified in terms of country, markets and issuers with a maximum exposure to a given issuer of 20% of the Net Asset Value. When Funds are exposed to different counterparties, the different baskets of collateral should be aggregated to calculate the 20% limit of exposure to a single issuer;
- (vi) Immediately available: Collateral received should be capable of being fully enforced by the Company at any time without reference to or approval from the relevant counterparty; and
- (vii) Non-cash collateral received cannot be sold, pledged or reinvested by the Company.

The Company will derogate from the diversification requirement at paragraph (v) and may receive collateral up to 100% of the relevant Fund's Net Asset Value where the collateral received is either transferable securities or money market instruments issued or guaranteed by an EU Member State, one or more local authorities, a third country or a public international body to which one or more EU Member States belong. The permitted issuers for these purposes are listed at paragraph 2.11 of Appendix II. Where the Company relies on this derogation it should receive securities from at least six different issues, but securities from any single issue should not account for more than 30% of the relevant Fund's Net Asset Value.

#### *Cash collateral*

Reinvestment of cash collateral must at all times, meet with the following requirements:

- (i) Cash received as collateral may only be invested in the following:
  - (a) deposits with an EU credit institution, a bank authorized in the remaining Member States of the European Economic Area (EEA) (Norway, Iceland, Liechtenstein), a bank authorized by a signatory state, other than an EU Member State or a Member State of EEA, to the Basle Capital Convergence Agreement of July 1988 (Switzerland, Canada, Japan, United States) or a credit institution authorized in Jersey, Guernsey, the Isle of Man, Australia or New Zealand (the **Relevant Institutions**);
  - (b) high quality government bonds;

- (c) reverse repurchase agreements provided the transactions are with credit institutions subject to prudential supervision and the Company is able to recall at any time the full amount of cash on an accrued basis;
- (d) short-term money market funds as defined in the ESMA Guidelines on a Common Definition of European Money Market Funds (ref CESR/10-049);
- (ii) meet the requirements in section (v) under **Non-Cash Collateral** above, where applicable;
- (iii) Invested cash collateral may not be placed on deposit with the counterparty or a related entity.

#### *Level of collateral required*

In respect of OTC derivative contracts such collateral to ensure that counterparty exposure is managed within the limits set out in Appendix II.

Otherwise the Funds will require collateral where the exposure to a counterparty has reached a minimum threshold level. That minimum threshold level will be determined by the relevant Investment Manager on a counterparty by counterparty basis and will depend on many factors including legal requirements and the credit quality of the counterparty.

#### *Haircuts*

The Company typically only accepts non-cash collateral that does not exhibit high price volatility and therefore a haircut policy is not required. If any of the Funds did hold non-cash collateral that exhibited high price volatility, then the relevant Investment Manager would negotiate appropriate haircuts taking into account such factors as the issuer credit quality and price volatility of the collateral and, where relevant, the outcome of any stress tests.

#### *Stress Testing*

If a Fund receives collateral for 30% or more of its assets then the collateral received will be incorporated into the liquidity stress testing to ensure that the liquidity risk attached to the collateral is assessed, any reporting required is put in place and mitigation action taken.

#### **Other**

Any investment by a Fund in REITs will not affect that Fund's ability to meet its redemption obligations. Any common stock received in exchange for debt will be sold within six months, unless the Investment Manager believes it to be in the client's best interests to retain the holding.

#### **RISK FACTORS**

**AN INVESTMENT IN A FUND INVOLVES A NUMBER OF RISKS INCLUDING A POSSIBLE LOSS OF THE AMOUNT INVESTED. MOREOVER, THERE CAN BE NO GUARANTEE OR ASSURANCE THAT A FUND WILL ACHIEVE ITS INVESTMENT OBJECTIVE.**

THE DISCUSSION BELOW IS OF GENERAL NATURE AND IS INTENDED TO DESCRIBE VARIOUS RISK FACTORS WHICH MAY BE ASSOCIATED WITH AN INVESTMENT IN THE SHARES OF A FUND. THE FOLLOWING ARE A NUMBER OF RISK FACTORS WHICH MAY BE ASSOCIATED WITH AN INVESTMENT IN THE SHARES OF A FUND TO WHICH THE ATTENTION OF INVESTORS IS DRAWN. HOWEVER, THESE ARE NOT INTENDED TO BE EXHAUSTIVE AND THERE MAY BE OTHER CONSIDERATIONS THAT SHOULD BE TAKEN INTO ACCOUNT IN RELATION TO AN INVESTMENT. INVESTORS SHOULD CONSULT THEIR OWN ADVISERS BEFORE CONSIDERING AN INVESTMENT IN THE SHARES OF A PARTICULAR FUND. WHAT FACTORS WILL BE OF RELEVANCE TO THE SHARES OF A PARTICULAR FUND WILL DEPEND UPON A NUMBER OF INTERRELATED MATTERS INCLUDING, BUT NOT LIMITED TO, THE NATURE OF THE SHARES AND THE UNDERLYING INVESTMENTS AND ASSETS OF EACH FUND.

NO INVESTMENT SHOULD BE MADE IN THE SHARES OF A PARTICULAR FUND UNTIL CAREFUL CONSIDERATION OF ALL THOSE FACTORS HAS BEEN MADE.

### **Central Clearing**

A central clearing counterparty (CCP) stands between over-the-counter (OTC) derivatives counterparties, insulating them from each other's default. Effective clearing seeks to mitigate systemic risk by lowering the risk that defaults spread from counterparty to counterparty. However, the extent to which CCPs mitigate the likelihood and severity of knock-on defaults that arise from the failure of a large counterparty is unclear.

### **Central Securities Depositaries**

In accordance with the UCITS V Directive, entrusting the custody of the Company's assets to the operator of a securities settlement system ("SSS") is not considered as a delegation by the Depositary and the depositary is exempted from the strict liability of restitution of assets. A central securities depositary ("CSD") being a legal person that operates a SSS and provides in addition other core services should not be considered as a delegate of the Depositary irrespective of the fact that the custody of the Company's assets have been entrusted to it. There is however some uncertainty around the meaning to be given to such exemption, the scope of which may be interpreted narrowly by some supervisory authorities, notably the European supervisory authorities.

### **Common Reporting Standard**

The Company may be subject to the Standard for Automatic Exchange of Financial Account Information in Tax Matters and its Common Reporting Standard ("CRS") as set out in the Irish law on the Common Reporting Standard (the "CRS Law").

Under the terms of the CRS Law, the Company is likely to be treated as an Irish Reporting Financial Institution. As such, as of 30 June 2017 and without prejudice to other applicable data protection provisions as set out in the Company documentation, the Company will be required to annually report to the Irish tax authorities personal and financial information related, inter alia, to the identification of, holdings by and payments made to (i) investors that are reportable persons under the CRS Law, and (ii) Controlling Persons (as defined below) of certain non-financial entities which are themselves reportable

persons. This information, as exhaustively set out in the CRS Law, will include personal data related to the reportable persons (the “CRS Information”).

The Company’s ability to satisfy its reporting obligations under the CRS Law will depend on each investor providing the Company with the required CRS Information, as explained above, along with the required supporting documentary evidence. In this context, the investors are hereby informed that, as data controller, the Company will process such CRS Information for the purposes as set out in the CRS Law. The investors undertake to inform their controlling persons, if applicable, of the processing of their CRS Information by the Company.

For the purposes of this section, “Controlling Person” means the natural persons who exercise control over an entity. In the case of a trust, the settlor(s), the trustee(s), the protector(s) (if any), the beneficiary(ies) or class(es) of beneficiaries, and any other natural person(s) exercising ultimate effective control over the trust, and in the case of a legal arrangement other than a trust, such term means persons in equivalent or similar positions. The term “Controlling Persons” must be interpreted in a manner consistent with the Financial Action Task Force Recommendations.

Investors are further informed that the CRS Information related to reportable persons within the meaning of the CRS Law will be disclosed to the Irish tax authorities annually for the purposes set out in the CRS Law. In particular, reportable persons are informed that certain operations performed by them will be reported to them through the issuance of statements, and that part of this information will serve as a basis for the annual disclosure to the Irish tax authorities. Similarly, investors undertake to inform the Company within thirty (30) days of receipt of these statements should any personal data not be accurate. The investors further undertake to immediately inform the Company of and provide the Company with all supporting documentary evidence of any changes related to the CRS Information after occurrence of such changes. Any investor that fails to comply with the Company’s CRS Information or documentation requests may be held liable for penalties imposed on the Company and attributable to such investor’s failure to provide the Information or subject to disclosure of the CRS Information by the Company to the Irish tax authorities.

## **Concentration**

Concentration of investments in a relatively small number of securities, certain sectors or specific regions or countries will make a Fund susceptible to higher volatility since the value of the Fund will vary more in response to changes in the market value of these securities, sectors, regions or countries.

The portfolio of the Wellington Global Health Care Equity Fund will be concentrated in the health care sector, and therefore may be subject to more rapid changes in value than would be the case if the relevant portfolio was more widely diversified among industry sectors. The securities of companies in the health care sector, especially those of smaller, research-oriented companies, tend to be more volatile than the overall market. The success of investments in the health care sector is often based upon expectations about future products, research progress, and/or new product filings with regulatory authorities. In addition, a number of these companies may have limited operating histories. As a result, these companies may face undeveloped or limited markets, have limited products, have no proven profit-making history, operate at a loss, have limited access to capital and/or be in the developmental stages of their businesses.

The health care sector is subject to extensive government regulation. These industries will be affected by government regulatory requirements, regulatory approval for new drugs and medical products, patent

protection considerations, product liability concerns, and similar significant matters. As these factors impact the industries, the value of the Wellington Global Health Care Equity Fund whose investments is concentrated in such industries may fluctuate significantly over relatively short periods of time.

Further, many companies within the health care sector may rely on a combination of patent and trade secret protection and non-disclosure agreements to establish and protect their proprietary rights, which are frequently essential to the growth and profitability. There can be no assurance that a particular company will be able to protect these rights or will have the financial resources to do so, or that competitors will not develop or patent technologies that are substantially equivalent or superior to the products of a company in which the Wellington Global Health Care Equity Fund invests.

### **Contractual Settlement**

The Investment Manager will on behalf of all investors and Shareholders place orders for the purchase of securities for the account of the relevant Fund before receipt of payment of the relevant purchase proceeds, as a means to reduce the impact of subscriptions on the performance of the Fund. While this protocol is made available equally to benefit all Shareholders, there is a possibility that a particular subscriber may settle his purchase order late, or fail to settle it entirely. In that case, the relevant Fund will be exposed to interest costs and/or possible market losses. Although the Company on behalf of the relevant Fund should in that case have a valid claim to recoup any damages from the defaulting subscriber, there is no guarantee that such a claim will either be successful or enforceable in judgment, which could result in a Fund (and its Shareholders) suffering a loss on their investment.

### **Convertibles, including Contingent Convertible and Contingent Capital Securities (CoCos)**

The market value of convertible bonds tends to decline as interest rates rise. Because of the conversion feature the market value of convertible bonds also tends to vary with fluctuations in the market value of the underlying common or preferred security.

Due to contingent write-down, write-off and conversion features of contingent convertible securities, such high-yielding instruments may have substantially greater risk than other forms of securities in times of credit stress. This means that, if a trigger level is breached, depending on the terms, the security may be automatically written-down, written-off or converted. This action could have an adverse effect on a Fund's ability to achieve its investment objective because a conversion may occur before the Fund might otherwise prefer. The Fund may even suffer a complete loss with no chance of recovery even if the issuer remains in existence.

CoCos have terms which vary from issuer to issuer and may expose investors to additional risks. Coupon payment risk is where coupon payments may be indefinitely deferred or cancelled with no interest accumulation and potentially no restriction on the issuer to pay dividends to equity holders or coupons to bond holders which rank *pari passu* or junior to the CoCo bond holders. Coupon cancellation may be at the option of the issuer or its regulator but may also be mandatory under the European Capital Requirements Directive (CRD IV) and related applicable laws and regulation. This mandatory deferral may be at the same time that equity dividends and bonuses may also be restricted, but some CoCo structures allow the bank at least in theory to keep on paying dividends whilst not paying CoCo holders. Mandatory deferral is dependent on the amount of required capital buffers a bank is asked to hold by regulators. In addition it is possible in certain circumstances, e.g., issuer discretion not to pay and / or



insufficient distributable profits to pay interest in full or in part, for interest payments on certain CoCos to be cancelled in full or in part by the issuer, without prior notice to bondholders. Therefore, there can be no assurances that investors will receive payments of interest in respect of CoCos. Unpaid interest may not be cumulative or payable at any time thereafter, and bondholders shall accordingly have no right, whether in a liquidation, dissolution or winding-up or otherwise, to claim the payment of any foregone interest which may impact the value of the Fund.

Issuers of CoCos operate within the financial services sector so investment in such instruments may entail concentration risk as described above.

### **Counterparty**

The institutions, including brokerage firms and banks, with which a Fund (directly or indirectly) will trade or invest, or to which its assets will be entrusted for custodial purposes, may encounter financial difficulties that impair the operational capabilities or the capital position of a Fund.

### **Credit and Index Linked Securities**

Credit and index linked securities are derivative instruments which may entail substantial risks. Such instruments may be subject to significant price volatility. The company issuing the instrument may fail to pay the amount on maturity. The underlying investment or security may not perform as expected by the Investment Manager. Markets, underlying securities and indexes may move in a direction that was not anticipated by the Investment Manager.

### **Cross Liability**

The Company is structured as an umbrella fund with segregated liability between its Funds. As a matter of Irish law, the assets of one Fund will not be available to meet the liabilities of another. However, the Company is a single entity that may operate or have assets held on its behalf or be subject to claims in other jurisdictions that may not necessarily recognise such segregation of liability.

### **Currency**

Because a Fund may invest in securities and hold active currency positions that are denominated in currencies other than its Base and/or Dealing Currency, each Fund may be exposed to currency exchange risk. For example, changes in exchange rates between currencies or the conversion from one currency to another may cause the value of a Fund's investments to diminish or increase. Currency exchange rates may fluctuate over short periods of time. They generally are determined by supply and demand in the currency exchange markets and the relative merits of investments in different countries, actual or perceived changes in interest rates and other complex factors. Currency exchange rates can be affected unpredictably by intervention (or the failure to intervene) by government or central banks, or by currency controls or political developments. Certain Funds, but not all, have placed limits on the percentage of such Funds' Net Asset Value that may be exposed to currencies other than the Base Currency of the relevant Fund.

Subject to the Central Bank's Rulebook and interpretations promulgated by the Central Bank from time to time, the appropriate hedging strategy used will be at the discretion of the Investment Manager in accordance with the investment style of the Fund. This may include hedging the Dealing Currency

against the Base Currency of the Fund or against the other currencies in which the assets of the relevant Fund may be denominated (based on either actual exposure or benchmark weights). There can be no assurance that the strategy chosen by the Investment Manager will be successful.

## **Cyber Security**

The Company and its service providers are susceptible to operational and information security and related risks of cyber security incidents. In general, cyber incidents can result from deliberate attacks or unintentional events. Cyber security attacks include, but are not limited to, gaining unauthorised access to digital systems (e.g., through "hacking" or malicious software coding) for purposes of misappropriating assets or sensitive information, corrupting data or causing operational disruption. Cyber-attacks also may be carried out in a manner that does not require gaining unauthorised access, such as causing denial-of-service attacks on websites (i.e., efforts to make services unavailable to intended users). Cyber security incidents affecting the Company, the Administrator or the Depositary or other service providers such as financial intermediaries have the ability to cause disruptions and impact business operations, potentially resulting in financial losses, including by interference with the ability to calculate the Net Asset Value of the Company; impediments to trading for the Company's portfolio; the inability of Shareholders to transact business with the Company; violations of applicable privacy, data security or other laws; regulatory fines and penalties; reputational damage; reimbursement or other compensation or remediation costs; legal fees; or additional compliance costs. Similar adverse consequences could result from cyber security incidents affecting issuers of securities in which the Company invests, counterparties with which the Company engages in transactions, governmental and other regulatory authorities, exchange and other financial market operators, banks, brokers, dealers, insurance companies and other financial institutions and other parties. While information risk management systems and business continuity plans have been developed which are designed to reduce the risks associated with cyber security, there are inherent limitations in any cyber security risk management systems or business continuity plans, including the possibility that certain risks cannot be and/or have not been identified.

## **Depositary**

The Investment Manager may decide from time to time to invest in a country where the Depositary has no correspondent. In such a case, the Depositary will have to identify and appoint after due diligence a local custodian. This process may take time and in the meantime deprive the Investment Manager of investment opportunities.

In the same manner, the Depositary shall assess on an ongoing basis the custody risk of the country where the Company's assets are safe-kept. The Depositary may identify from time to time a custody risk in a jurisdiction and recommends to the Investment Manager to realize the investments immediately. In doing so, the price at which such assets will be sold may be lower than the price the Company would have received in normal circumstances, potentially affecting the performance of the relevant Funds.

As a continuing security for the payment of its duties under the Depositary Agreement (like the fees to be paid to the Depositary for its services or also overdraft facilities offered by the Depositary), the Depositary shall have a first priority pledge granted by the Company over the assets the Depositary or any third party may from time to time hold directly for the account of the Company, in any currency.

In certain circumstances, the third party to whom the Depositary has delegated safekeeping duties might use nominee companies which are wholly owned subsidiaries of such third party and created for the sole purpose of doing acts which are strictly necessary to maintain the holding of the Company's assets on behalf of the Depositary. Those nominee companies might not meet the conditions laid down by the UCITS Directive relating to third parties to whom the safekeeping can be delegated by the Depositary, notably they might not be subject to prudential supervision.

Under the UCITS V Directive, cash is to be considered as a third category of assets beside financial instruments that can be held in custody and other assets. The UCITS V Directive imposes specific cash flow monitoring obligations. Depending on their maturity, term deposits could be considered as an investment and consequently would be considered as other assets and not as cash.

### **Duration**

Duration is a measure of the expected life of a debt obligation on a present value basis. Duration takes the length of the time intervals between the present time and the time that the interest and principal payments are scheduled or, in the case of a callable bond, the time the principal payments are expected to be received, and weights them by the present values of the cash to be received at each future point in time. For debt obligations with interest payments occurring prior to the payment of principal, duration will usually be less than maturity. In general, all else being equal, the lower the stated or coupon rate of the interest of a fixed income security, the longer the duration of the security; conversely, the higher the stated or coupon rate of a fixed income security, the shorter the duration of the security.

Holding long futures or call option positions will lengthen the duration of a Fund's portfolio. Holding short futures or put options will shorten the duration of a Fund's portfolio.

A swap agreement on an asset or group of assets may affect the duration of the Fund depending on the attributes of the swap. For example, if the swap agreement provides a Fund with a floating rate of return in exchange for a fixed rate of return, the duration of the Fund would be modified to reflect the duration attributes of a similar security that the fund is permitted to buy.

There are some situations where even the standard duration calculation does not properly reflect the interest rate exposure of a security. For example, floating- and variable-rate securities often have final maturities of ten or more years; however, their interest rate exposure corresponds to the frequency of the coupon reset. Another example where the interest rate exposure is not properly captured by maturity is mortgage pass-through securities. The stated final maturity of such securities is generally 30 years, but current prepayment rates are more critical in determining the securities' interest rate exposure. Finally, the duration of the debt obligation may vary over time in response to changes in interest rates and other market factors.

### **Emerging Markets**

A Fund faces a number of additional risks because of any investments in securities of companies located in emerging markets, including:

Investment and repatriation restrictions: A number of emerging markets restrict, to varying degrees, foreign investment in securities. Restrictions may include maximum amounts foreigners can hold of

certain securities, and registration requirements for investment and repatriation of capital and income. New or additional restrictions may be imposed subsequent to a Fund's investment in a given market.

Currency fluctuations can be severe in emerging markets that have both floating and/or “fixed” exchange rate regimes. The latter can undergo sharp one-time devaluations.

Potential market volatility: Many emerging markets are relatively small, have low trading volumes, suffer periods of illiquidity and are characterized by significant price volatility. Regulation and oversight of trading activity may not be up to the standards of developed countries.

Political instability and government interference in the private sector: This varies country by country, and may evolve to the detriment of Fund holdings. In particular, some emerging markets have no legal tradition of protecting shareholder rights.

Financial disclosure and accounting standards: Potential investments may be difficult to evaluate given lack of information as well as the use in emerging markets of accounting, auditing and financial reporting standards that differ from country to country and from those of developed countries.

Settlement: The trading and settlement practices of some of the stock exchanges or markets on which a Fund may invest may not be the same as those in more developed markets, which may increase settlement risk and/or result in delays in realising investments made by a Fund.

Custodial risk: Local custody services remain underdeveloped in many emerging market countries and there is a transaction and custody risk involved in dealing in such markets. In certain circumstances a Fund may not be able to recover or may encounter delays in the recovery of some of its assets. Such circumstances may include uncertainty relating to, or the retroactive application of, legislation, the imposition of exchange controls or improper registration of title. In some emerging market countries evidence of title to shares is maintained in “book-entry” form by an independent registrar who may not be subject to effective government supervision, which increases the risk of the registration of a Fund’s holdings of shares in such markets being lost through fraud, negligence or mere oversight on the part of such independent registrars. The costs borne by a Fund in investing and holding investments in such markets will generally be higher than in organized securities markets.

Taxation: Taxation of dividends and capital gains varies among countries and, in some cases, is comparatively high. In addition, emerging markets typically have less-well-defined tax laws and procedures and such laws may permit retroactive taxation, so that a Fund could in the future become subject to local tax liability that had not been reasonably anticipated when an investment was made.

**Where a Fund invests more than 20% of its Net Asset Value in emerging markets an investment in that Fund should not constitute a substantial proportion of an investment portfolio and may not be appropriate for all investors.**

## **Stock Connect**

### *Risks linked with dealing in securities in China via Stock Connect*

Some of the Funds may seek exposure to stocks issued by companies listed on China stock exchanges via Stock Connect. Stock Connect is a mutual market access programme through which non-PRC investors

can deal in select securities listed on a PRC stock exchange, currently the Shanghai Stock Exchange ("SSE") and the Shenzhen Stock Exchange ("SZSE"), through a platform organized by the Hong Kong Stock Exchange ("SEHK") via a broker in Hong Kong and PRC domestic investors can deal in select securities listed on the SEHK through a platform put in place by a PRC stock exchange, currently the SSE and SZSE.

China A Shares accessed via Stock Connect shall be referred to hereinafter as "**Stock Connect Shares**".

Under the Stock Connect programme, investors in Hong Kong and Mainland China can trade and settle shares listed on the other market via the exchanges and clearing houses in both jurisdictions. Stock Connect is subject to quota limitations, which may restrict a Fund's ability to deal via Stock Connect on a timely basis. This may impact that Fund's ability to implement its investment strategy effectively. Currently, the scope of Stock Connect includes all constituent stocks of the SSE 180 Index, the SSE 380 Index, the SZSE Component Index, the SZSE Small/Mid Cap Innovation Index (with market capitalization of RMB 6 billion or above) as well as all China A Shares dual-listed on either the SSE or SZSE and the SEHK, except for listed shares which are not traded in RMB and/or which are included under 'risk alert' or under delisting arrangements. Investors should note that a security may be recalled from the scope of Stock Connect as set out below. This may adversely affect the Fund's ability to meet its investment objective, e.g. when it wishes to purchase a security which is recalled from the scope of Stock Connect.

Under Stock Connect, China A Shares listed companies and trading of China A Shares are subject to market rules and disclosure requirements of the China A Shares market. Any changes in laws, regulations and policies of the China A Shares market or rules in relation to Stock Connect may affect share prices. Foreign shareholding restrictions are also applicable to China A Shares.

The Investment Manager will be subject to restrictions on trading (including restriction on retention of proceeds) in China A Shares as a result of its interest in the China A Shares. The Investment Manager is solely responsible for compliance with all notifications, reports and relevant requirements in connection with their interests in China A Shares.

Under the current Mainland China rules, once an investor holds up to 5% of the shares of a company listed on the either the SSE or SZSE, the investor is required to disclose his interest within three working days and during which he cannot trade the shares of that company. After that, the investor is also required to make disclosure within three working days every time a change in their shareholding reaches 5%. From the day the disclosure obligation arises to two working days after the disclosure is made, the investor may not trade the shares of that company. Overseas investors holding China A Shares via Stock Connect are subject to the following restrictions (i) shares held by a single foreign investor investing in a listed company must not exceed 10% of the total issued shares of such listed company; and (ii) total A shares held by all foreign investors (i.e. Hong Kong and overseas investors) who make investments in a listed company must not exceed 30% of the total issued shares of such listed company. If the aggregate foreign shareholding exceeds the 30% restriction, the foreign investors would be required to unwind their positions on the excessive shareholding according to a last-in-first-out basis within five trading days.

Trading in securities through the Stock Connect may be subject to clearing and settlement risk. If the PRC clearing house defaults on its obligation to deliver securities / make payment, the Fund may suffer delays in recovering its losses or may not be able to fully recover its losses.

According to existing Mainland China practices, the Fund as a beneficial owner of China A Shares traded via Stock Connect cannot appoint proxies to attend shareholders' meetings on its behalf.

#### *Beneficial owner of the Stock Connect Shares*

Stock Connect currently comprises a Northbound link, through which Hong Kong and overseas investors like the Company may purchase and hold Stock Connect Shares, and a Southbound link, through which investors in Mainland China may purchase and hold shares listed on the SEHK. The Company trades Stock Connect Shares through its broker affiliated to the Company sub-custodian who is an SEHK exchange participant. These Stock Connect Shares will be held following settlement by brokers or custodians as clearing participants in accounts in the Hong Kong Central Clearing and Settlement System ("CCASS") maintained by the Hong Kong Securities and Clearing Corporation Limited ("HKSCC") as central securities depository in Hong Kong and nominee holder. HKSCC in turn holds Stock Connect Shares of all its participants through a "single nominee omnibus securities account" in its name registered with ChinaClear, the central securities depository in Mainland China.

Because HKSCC is only a nominee holder and not the beneficial owner of Stock Connect Shares, in the unlikely event that HKSCC becomes subject to winding up proceedings in Hong Kong, investors should note that Stock Connect Shares will not be regarded as part of the general assets of HKSCC available for distribution to creditors even under Mainland China law. However, HKSCC will not be obliged to take any legal action or enter into court proceedings to enforce any rights on behalf of investors in Stock Connect Shares in Mainland China. Foreign Investors like the concerned Funds of the Company investing through the Stock Connect holding the Stock Connect Shares through HKSCC are the beneficial owners of the assets and are therefore eligible to exercise their rights through the nominee only.

#### *Not protected by Investor Compensation Fund*

Investors should note that any Northbound or Southbound trading under Stock Connect will not be covered by Hong Kong's Investor Compensation Fund, nor the China Securities Investor Protection Fund and thus investors will not benefit from compensation under such schemes.

Hong Kong's Investor Compensation Fund is established to pay compensation to investors of any nationality who suffer pecuniary losses as a result of default of a licensed intermediary or authorised financial institution in relation to exchange-traded products in Hong Kong. Examples of default are insolvency, in bankruptcy or winding up, breach of trust, defalcation, fraud, or misfeasance.

#### *Quotas used up*

Once the daily quota is used up, acceptance of the corresponding buy orders will also be immediately suspended and no further buy orders will be accepted for the remainder of the day. Buy orders which have been accepted will not be affected by the using up of the daily quota, while sell orders will be continued to be accepted.

#### *Difference in trading day and trading hours*

Due to differences in public holidays between Hong Kong and Mainland China or other reasons such as bad weather conditions, there may be a difference in trading days and trading hours in the markets in Hong Kong and Mainland China, Stock Connect will only operate on days when both markets are open

for trading and when banks in both markets are open on the corresponding settlement days. So it is possible that there are occasions when it is a normal trading day for the Mainland China market but it is not possible to carry out any China A Shares trading in Hong Kong. There may be a risk of price fluctuations in China A Shares during the time when Stock Connect is not trading.

#### *The recalling of eligible stocks and trading restrictions*

A stock may be recalled from the scope of eligible stocks for trading via Stock Connect for various reasons, and in such event the stock can only be sold but is restricted from being bought. This may affect the investment portfolio or strategies of the Investment Manager.

Under Stock Connect, the Investment Manager will only be allowed to sell China A Shares but restricted from further buying if: (i) the China A Share subsequently ceases to be a constituent stock of the relevant indices; (ii) the China A Share is subsequently under “risk alert”; and/or (iii) the corresponding H share of the China A Share subsequently ceases to be traded on SEHK; and/or (iv) in respect of SZSE Shares only, such Shares, based on any subsequent periodic review, that are determined to have a market capitalisation of less than RMB 6 billion. Investors should also note that price fluctuation limits would be applicable to China A Shares.

#### *Trading costs*

In addition to paying trading fees and stamp duties in connection with China A Shares trading, the Funds carrying out trading Stock Connect Shares via Stock Connect may also be subject to new portfolio fees, dividend tax and tax concerned with income arising from stock transfers which would be determined by the relevant authorities.

#### *Risk of ChinaClear default*

ChinaClear has established a risk management framework and measures that are approved and supervised by the China Securities Regulatory Commission (“CSRC”). Pursuant to the General Rules of CCASS, if China Clear (as the host central counterparty) defaults, HKSCC will, in good faith, seek recovery of the outstanding Stock Connect securities and monies from ChinaClear through available legal channels and through ChinaClear's liquidation process, if applicable.

HKSCC will in turn distribute the Stock Connect securities and/or monies recovered to clearing participants on a pro-rata basis as prescribed by the relevant Stock Connect authorities. Although the likelihood of a default by ChinaClear is considered to be remote, the relevant Fund should be aware of this arrangement and of this potential exposure before engaging in trading Stock Connect Shares.

#### *Risk of HKSCC default*

A failure or delay by the HKSCC in the performance of its obligations may result in a failure of settlement, or the loss, of Stock Connect securities and/or monies in connection with them and the Company and its investors may suffer losses as a result. Neither the Company nor the Investment Manager shall be responsible or liable for any such losses.

#### *Ownership of Stock Connect Shares*

Stock Connect Shares are uncertificated and are held by HKSCC for its account holders. Physical deposit and withdrawal of Stock Connect Shares are not available currently under the Northbound trading for a Fund.

A Fund's title or interests in, and entitlements to Stock Connect Shares (whether legal, equitable or otherwise) will be subject to applicable requirements, including laws relating to any disclosure of interest requirement or foreign shareholding restriction. It is uncertain whether the Chinese courts would recognise the ownership interest of the investors to allow them standing to take legal action against the Chinese entities in case disputes arise. This is a complex area of law and investors should seek independent professional advice.

The above may not cover all risks related to Stock Connect and any above mentioned laws, rules and regulations are subject to change.

### **Investment in Russia**

If a Fund invests in Russia, investors should note that Russia has weaker corporate governance, auditing and financial reporting standards than those in developed markets, which could result in a less thorough understanding of the financial condition, results of operations and cash flow of companies in which the Funds invest. Accordingly, an investment in a Russian corporate will not afford the same level of investor protection as would apply in more developed jurisdictions.

### **Equity**

Equity shares of companies will fluctuate in value due to market, economic, political and other factors. Such fluctuations may be substantial, and the fluctuation of small and mid-cap companies may be greater than would occur in similar market conditions for the equity shares of larger capitalisation companies. There is frequently less market liquidity for the shares of small and mid-cap companies than for larger capitalisation companies. In the case of companies located in or deriving substantial revenue from emerging markets, fluctuations in value due to market, economic, political and other factors may be substantial, and may be greater than would occur in similar market conditions for the equity shares of companies domiciled in OECD countries. Shares purchased in an initial public offering will relate to a company that has no track record operating as a public company. Such shares may be more volatile than those issued by more seasoned companies.

### **Exchange Traded Funds**

A Fund may invest in the securities of Exchange Traded Funds (ETFs) in different asset classes and sectors. Shares or units in ETFs represent interests in (i) fixed Funds of equity shares or debt securities designed to track the price and dividend yield performance of broad-based securities indices (such as the S&P 500 or NASDAQ 100); (ii) "baskets" of industry-specific securities; or (iii) commodities. Shares or units in ETFs are traded on an exchange like shares of equity shares, and the value of such shares or units fluctuate in relation to changes in the value of the underlying asset of the ETF. However, the market price of shares or units in ETFs may not be equivalent to the pro rata value of the underlying asset of the ETF. Shares and units of ETFs are subject to the risks of an investment in a broad-based Fund of equity shares or to the risks of a concentrated, industry-specific investment in equity shares. Furthermore, certain ETFs in which the Funds may invest may leverage their assets, thereby significantly increasing the potential volatility of such ETFs.



## Financial Derivatives Instruments

Certain risks may be associated with the use by a Fund of derivative instruments as follows:

**Market Risk:** This is a general risk that the value of a particular derivative may change in a way which may be detrimental to a Fund's interests and the use of derivative techniques may not always be an effective means of, and sometimes could be counter-productive to, a Fund's investment objective.

**Control and Monitoring:** Derivative instruments are highly specialized and require specific techniques and risk analysis. In particular, the use and complexity of derivative instruments require the maintenance of adequate controls to monitor the transactions entered into, the ability to assess the risk that a derivative instrument may add to a Fund and the ability to forecast the relative price, interest rate or currency rate movements correctly.

**Liquidity Risk:** Liquidity risk exists when a particular instrument is difficult to purchase or sell. If a derivative transaction is particularly large or if the relevant market is illiquid (as is the case with many privately negotiated derivatives), it may not be possible to initiate a transaction to liquidate a position at an advantageous price, to assess or value a position or to assess the exposure to risk. An adverse price movement in a derivative position may also require a cash payment to counterparties that might in turn require, if there is insufficient cash available in a Fund, the sale of investments under disadvantageous conditions.

**Counterparty Risk:** A Fund may enter into derivative transactions in over-the-counter markets, which will expose the Fund to the credit of its counterparties and their ability to satisfy the terms of such contracts. A Fund may be exposed to the risk that the counterparty may default on its obligations to perform under the relevant contract. In the event of the bankruptcy or insolvency of a counterparty, a Fund could experience delays in liquidating the position as well as significant losses, including declines in value during the period in which the Fund seeks to enforce its rights, the inability to realise any gains during such period and fees and expenses incurred in enforcing its rights.

**Legal Risk:** There is a possibility that the agreements governing the derivative techniques may be terminated due, for instance, to supervening illegality or change in the tax or accounting laws relative to those at the time the agreement was originated. There is also a risk if such agreements are not legally enforceable or if the derivative transactions are not documented correctly.

**Leverage Risk:** Leverage may be employed as part of the investment strategy when using derivatives. Derivatives may contain a leverage component and consequently any adverse changes in the value or level of the underlying asset can result in a loss greater than the amount invested in the derivative itself.

**Other Risks:** Other risks in using derivative instruments include the risk of differing valuations of derivative instruments arising out of different permitted valuation methods and the inability of derivative instruments to correlate perfectly with underlying securities, rates and indices. Many derivative instruments, in particular over-the-counter derivative instruments, are complex and often valued subjectively and the valuation can only be provided by a limited number of market professionals which often are acting as counterparties to the transaction to be valued. Inaccurate valuations can result in an increased cash payment to counterparties or a loss of value to a Fund. Derivative instruments do not always perfectly or even highly correlate or track the value of the securities, rates or indices they are designed to track.

The swaps market is a relatively new market and is largely unregulated. It is possible that developments in the swaps market, including potential government regulation, could adversely affect a Fund's ability to terminate existing swap agreements or to realise amounts to be received under such agreements. Whether a Fund's use of swap agreements will be successful will depend on the Investment Manager's ability to correctly predict whether certain types of investments are likely to produce greater returns than other investments. A Fund bears the risk of loss of the amount expected to be received under a swap agreement in the event of the default or bankruptcy of a swap agreement counterparty. The risk arising to a Fund in a total return swap is credit risk in the event that the counterparty is unable to meet its payment obligations to the Fund under the terms of the total return swap. Further as noted under "General" below, the Dodd-Frank Wall Street Reform and Consumer Protection Act (the "Dodd-Frank Act") and the European Markets and Infrastructure Regulation ("EMIR") include provisions that require increased regulation of derivatives markets. Notably in relation to swaps the Dodd-Frank Act and EMIR have introduced mandatory execution and clearing of certain swaps, as well as new record keeping and reporting requirements. This increased regulation may increase the costs of entering into certain transactions.

**Derivatives Generally:** There has been an international effort to increase the stability of the over-the-counter derivatives market in response to the recent financial crisis. In the United States, the Dodd-Frank Act includes provisions that comprehensively regulate the over-the-counter derivatives markets. In Europe, the European Parliament has adopted EMIR, a regulation on over-the-counter derivatives, central counterparties and trade repositories, which also comprehensively regulates the over-the-counter derivatives markets. These regulations will impose compliance costs on the Company. They will also increase the dealers' costs, which are expected to be passed through to other market participants in the form of higher fees and less favourable dealer marks. They may also render certain strategies in which the Company might otherwise engage impossible or so costly that they will no longer be economical to implement. The overall impact of these regulations on the Company is highly uncertain and it is unclear how the over-the-counter derivatives markets will adapt to this new regulatory regime.

**Central clearing risk:** A central clearing counterparty (CCP) stands between over-the-counter (OTC) derivatives counterparties, insulating them from each other's default. Effective clearing seeks to mitigate systemic risk by lowering the risk that defaults propagate from counterparty to counterparty. However, the extent to which CCPs mitigate the likelihood and severity of knock-on defaults that propagate from the failure of a large counterparty is unclear.

### **Fixed Income and Other Debt Securities**

Fixed income securities and other debt securities are subject to many risk factors, including economic conditions, government regulations, market sentiment, and local and international political events. The market value of these securities in which a Fund invests will fluctuate in response to changes in creditworthiness of the issuer, interest rates, currency values, and other economic, political and market factors. Such fluctuations may be substantial. There is a risk that one or more issuers of securities held by a Fund may default in payment of interest and/or principal. That portion of any Fund invested in securities which are rated below investment grade, or are deemed equivalent thereto by the Investment Manager, are subject to significantly greater risk of such defaults. Pass through instruments such as mortgage related and asset backed securities are subject to prepayment risk, which is the possibility that the principal of the loans underlying the securities may be prepaid at any time. As a general rule,

prepayments increase during a period of falling interest rates and decrease during a period of rising interest rates.

A Fund may invest in debt securities which rank junior to other outstanding securities and obligations of the issuer, all or a significant portion of which may be secured by substantially all of that issuer's assets. The Fund may invest in debt securities which are not protected by financial covenants or limitations on additional indebtedness. This would expose the Fund to credit and liquidity risks. In addition, the market for credit spreads is often inefficient and illiquid, making it difficult to accurately calculate discounting spreads for valuing financial instruments. Investment in a debt instrument will normally involve the assumption of interest rate risk.

A substantial number of the securities which a Fund holds may be debt securities rated below "investment grade" (Baa3 by Moody's and BBB- by Standard & Poor's) or unrated securities of comparable quality, sometimes known as "junk bonds" or high yield bonds. **Where a Fund invests more than 30% of its Net Asset Value in below investment grade securities an investment in that Fund should not constitute a substantial proportion of an investment portfolio and may not be appropriate for all investors.** These lower rated bonds are considered by credit rating agencies to be speculative and to carry a high level of risk. The lower rated securities in which a Fund will invest will have a significantly greater risk of default in payments of interest, principal, or both, than the risk of default for investment grade bonds. Issuers of below investment grade securities present a higher risk of bankruptcy or reorganisation than issuers of investment grade bonds, or may have recently been in bankruptcy or reorganisation proceedings.

The secondary market for lower rated securities is typically much less liquid than the market for investment grade bonds, frequently with significantly more volatile prices and larger spreads between bid and asked price in trading. The market price of lower rated securities will be affected by the bond market's perception of credit quality and the effect of stronger or weaker economic growth as well as political developments.

The market price of lower rated securities will also be affected by general changes in interest rates (decreasing as rates rise, and increasing as rates fall) that affect the market price of all bonds, although lower rated securities may be less sensitive to interest rate changes than investment grade bonds. The below investment grade security market at times will be very illiquid. Market prices of lower rated securities may be affected by imbalances in sell and buy orders among institutional investors and dealers. In addition to credit risk and liquidity risk concerns, the market price of lower rated securities in particular may be adversely impacted by legislative or regulatory developments, such as determinations that certain categories of institutional investors must divest their below investment grade holdings, or changes in rules regarding taxation or corporate reorganisations.

A Fund may also have to sell holdings of below investment grade securities at unfavourable prices in order to raise proceeds to pay for redemptions of Shares.

Any default in the payment of interest by an issuer to below investment grade securities will adversely affect a Fund if a distribution has already been made by the Fund on the basis of such interest being due and payable to the Fund.

The Investment Manager seeks to mitigate the risk of high yield investing by carefully selecting below investment grade securities which it believes offer an investment return that reasonably compensates a

Fund for the investment risk assumed, and by diversifying the Fund to minimise the adverse effect of default or substantial reduction in the market price of any below investment grade security in the Fund. The Investment Manager will actively manage the Funds, and will buy and sell portfolio securities based upon economic, financial, political and issuer credit analysis. There is no assurance that the Investment Manager will succeed in avoiding or mitigating the risks associated with below investment grade security investing.

A Fund's net income may decline or increase, based upon changes in the prevailing interest rates in the bond market at the times that it purchases bonds with proceeds from additional net investments in the Fund, or the proceeds from the sale of other portfolio securities in the Fund.

### **High Turnover**

The investment strategy of a Fund may involve the taking of frequent trading positions, as well as investment positions. As a result of portfolio turnover and brokerage commissions, expenses of that Fund may significantly exceed those of other Funds of comparable size that trade less frequently.

### **Investment in Other Collective Investment Schemes**

A Fund may invest in other collective investment schemes. By investing in the relevant collective investment scheme, an investor will indirectly bear fees and expenses charged by the underlying collective investment schemes in addition to the Fund's direct fees and expenses. Investments in other collective investment schemes shall be valued at the latest available net asset value per unit as published by the scheme; the latest bid prices as published by the scheme or if the scheme is listed on a Market, the latest market prices as described in the section entitled **Issue and Redemption Prices/Calculation of Net Asset Value/ Valuation of Assets**. The Funds investing in other collective investment schemes may be subject to the risk that (i) the valuations of the Fund may not reflect the true value of the underlying collective investment schemes at a specific time which could result in significant losses or inaccurate pricing for the Fund and/or (ii) the valuation may not be available as at the relevant Valuation Point for the Fund. In such circumstances, the Investment Manager, with the consent of the Depositary, may adjust the value of any such investment or permit such other method of valuation if the Investment Manager considers that such adjustment or other method of valuation is required to reflect more fairly the value of the underlying collective investment scheme.

### **Liquidity**

Liquidity is an indicator of how easily an investment may be converted into cash. An investment may be less liquid if it is not widely traded or if there are restrictions imposed by the exchange where the trading takes place or by the issuer. The sale of any thinly traded or illiquid investments may be possible only at substantial discounts or at discounts to the values at which a Fund is carrying them. If a Fund is forced to sell thinly traded or illiquid securities in order to meet redemption requests and/or its ongoing objective, such sales may result in a reduction in the Fund's Net Asset Value.

### **Loans**

An investment in bank loans may be in the form of participations in loans or of assignments of all or a portion of loans from third parties. Participations and assignments involve additional risks, including the risk of non-payment of principal and interest by the borrower, the risk that any loan collateral may

become impaired and, particularly where the borrower is in financial distress, that the investor may obtain less than the full value for the loan interests sold because the bank loans have become illiquid. Purchasers of bank loans depend primarily upon the creditworthiness of the borrower for payment of interest and repayment of principal. If scheduled interest or principal payments are not made, the value of the instrument may be adversely affected.

Interests in bank loans are also subject to additional liquidity risks. Bank loans are not currently listed on any securities exchange or automatic quotation system, but are traded by banks and other institutional investors engaged in loan syndication. As a result, secondary markets may be subject to irregular trading activity, wide bid/ask spreads and extended trade settlement periods. Consequently, the Fund may have difficulty disposing of assignments or participations in response to a specific economic event such as deterioration in the creditworthiness of the borrower, which can result in a loss. In such market situations, it may be more difficult for a value to be assigned to bank loans for the purposes of calculating a Fund's Net Asset Value.

### **Long-Short Strategy**

Some Funds may employ long-short strategies. Long-short strategies generally seek to generate capital appreciation through the establishment of both long and short positions (through the use of financial derivative instruments) by purchasing perceived undervalued securities and selling perceived overvalued securities to generate returns and to reduce a portion of general market risk. If the analysis is incorrect or based on inaccurate information, these investments may result in significant losses to a Fund when the long and short sides of the portfolio both result in losses.

### **Market**

The success of any investment activity is affected by general economic conditions which affect the level and volatility of prices as well as the liquidity of the markets. The prices of many securities and derivative instruments are highly volatile. The prices of investments and the income from them, and therefore the value of, and income from, Shares can fall as well as rise. The price movements of the instruments which a Fund will acquire or sell are influenced by, among other things, interest rates, changing supply and demand relationships, trade, fiscal, monetary and exchange control programs and policies of governments, and national and international political and economic events. Governments from time to time intervene, directly and by regulation, in certain markets, particularly those in currencies and interest rates, disrupting strategies focusing on these sectors.

### **Omnibus Cash Subscription, Redemption and Dividend Account**

The Company will operate an umbrella cash account in the name of the Company which shall be designated in different currencies into which subscription monies received from Subscribers of all of the Funds and redemption and distribution monies due to Shareholder and/or former Shareholders who have redeemed Shares in the Funds pending payment to them shall be placed ("Omnibus Cash Subscriptions, Redemptions and Dividends Account"). All subscriptions, redemptions and dividends payable to or from the relevant Fund will be channelled and managed through the Omnibus Cash Subscriptions, Redemptions and Dividends Account and no such account shall be operated at the level of each individual Fund. The Omnibus Cash Subscriptions, Redemptions and Dividends Account shall be operated in accordance with the provisions of the Articles of Association. On issue of shares in relation to a subscription and/or on cancellation of shares relating to a redemption, the individual Fund will record

that net monies are due from/to the Omnibus Cash Subscriptions, Redemptions and Dividends Account. On settlement of the subscriptions or redemptions, net monies will be transferred from/to the Omnibus Cash Subscriptions, Redemptions and Dividends Account to/from the relevant Fund.

Subscription monies received in respect of a subscription in a Fund in advance of the issue of Shares will be held in the Omnibus Cash Subscriptions, Redemptions and Dividends Account in the name of the Company and will be treated as an asset of the Company. Subscribers will be unsecured creditors of the Umbrella Fund with respect to the amount subscribed and held by the Company until Shares are issued. As such, Subscribers will not benefit from any appreciation in the Net Asset Value of the relevant Fund or any other Shareholder rights (including dividend entitlement) until such time as Shares are issued. In the event of an insolvency of the Fund or the Company, there is no guarantee that the Fund or Company will have sufficient funds to pay unsecured creditors in full. Any payment in respect of subscription monies made in advance of the issue of Shares by any Subscriber is at such Subscriber's own risk.

Payment of redemption proceeds and dividends in respect of a particular Fund is subject to receipt by the Transfer Agent of the original Account Opening Agreement and compliance with all requirements of opening and maintaining a shareholder account including but not limited to compliance with all money laundering prevention checks. Notwithstanding this, redeeming Shareholders will cease to be Shareholders, with regard to the redeemed Shares, and will be unsecured creditors of the particular Fund from the relevant Dealing Day. Pending redemptions and distributions (including blocked redemptions or distributions) will, pending payment to the relevant Shareholder, be held in the Omnibus Cash Subscriptions, Redemptions and Dividends Account in the name of the Company. Redeeming Shareholders and Shareholders entitled to such distributions will be unsecured creditors of the relevant Fund, and will not benefit from any appreciation in the Net Asset Value of the Fund or any other Shareholder rights (including further dividend entitlement), with respect to the redemption or distribution amount held in the Omnibus Cash Subscriptions and Redemptions Account. In the event of an insolvency of the relevant Fund or the Company, there is no guarantee that the Fund or the Company will have sufficient funds to pay unsecured creditors in full. Redeeming Shareholders and Shareholders entitled to distributions should ensure that any outstanding documentation and information is provided to the Transfer Agent promptly. Failure to do so is at such Shareholder's own risk.

In the event of the insolvency of another Fund of the Company (the "Insolvent Fund"), recovery of any amounts held in the Omnibus Cash Subscriptions, Redemptions and Dividends Account to which another Fund is entitled (the "Entitled Fund"), but which may have transferred to the Insolvent Fund as a result of the operation of the Omnibus Cash Subscriptions, Redemptions and Dividends Account, will be subject to the principles of Irish insolvency law and the terms of the operational procedures for the Omnibus Cash Subscriptions, Redemptions and Dividends Account. There may be delays in effecting and/or disputes as to the recovery of such amounts, and the Insolvent Fund may have insufficient funds to repay amounts due to the Entitled Fund.

### **Real Estate Investment Trusts**

A Fund may invest in real estate securities, including REITs. REITs in which a Fund may invest may be affected by changes in underlying real estate values, which may have an exaggerated effect to the extent that REITs in which a Fund invests may concentrate investments in particular geographic regions or property types. Additionally, rising interest rates may cause investors in REITs to demand a higher annual yield from future distributions, which may in turn decrease market prices for equity securities issued by REITs. Rising interest rates also generally increase the costs of obtaining financing, which

could cause the value of a Fund's investments to decline. During periods of declining interest rates, certain mortgage REITs may hold mortgages that the mortgagors elect to prepay, which prepayment may diminish the yield on securities issued by such mortgage REITs. In addition, mortgage REITs may be affected by the ability of borrowers to repay when due the debt extended by the REIT and equity REITs may be affected by the ability of tenants to pay rent.

Certain REITs have relatively small market capitalizations, which may tend to increase the volatility of the market price of securities issued by such REITs. Furthermore, REITs are dependent upon specialized management skills, have limited diversification and are, therefore, subject to risks inherent in operating and financing a limited number of projects. REITs depend generally on their ability to generate cash flow to make distributions to investors.

### **Reliance on the Investment Managers**

The profitability of a significant portion of a Fund's investment program will depend upon the Investment Manager correctly assessing future price movements in securities. There can be no assurance that the Investment Manager will be able accurately to predict these price movements, even during market periods which are favourable to most other managers. Each strategy selected for a Fund will be unlikely to achieve its objectives under certain market conditions which may prevail for substantial periods of time after a Fund begins operating or allocates assets to a particular strategy.

The success of an investment manager in the past is not necessarily a reliable indicator of its prospects for future profitability. Speculative trading and investment strategies involve substantial risks, and the outcomes are uncertain.

### **Repurchase Agreements**

A Fund may engage in repurchase agreements with banks or broker-dealers. A repurchase agreement is an investment in which the relevant Fund sells ownership of securities and agrees to repurchase the securities at a future time and set price. Repurchase agreements involve certain risks in the event of default by the other party.

In the event the buyer of the securities files for bankruptcy or becomes insolvent, the relevant Fund's use of the proceeds of the agreement may be restricted pending the close out and set off process under the repurchase agreement, including the valuation of the securities held by the other party as collateral.

A Fund may engage in sell-buy back agreements which operate in a similar way and are subject to the same risks as repurchase agreements.

### **Reverse Repurchase Agreements**

A Fund may enter into reverse repurchase agreements with banks or broker-dealers. Reverse repurchase agreements involve a purchase by the relevant Fund of securities concurrently with an agreement by the seller to repurchase the same securities at a later date at a fixed price.

In the event of the bankruptcy or other default of the seller, the relevant Fund could experience both delays in liquidating the underlying securities and losses, including (i) possible decline in the value of the

underlying security during the period while it seeks to enforce its rights thereto; (ii) possible lack of access to income on the underlying security during this period; and (iii) expenses of enforcing its rights.

A Fund may engage in buy-sell back agreements which operate in a similar way and are subject to the same risks as reverse repurchase agreements.

### **Securities Lending**

Where a Fund enters into securities lending arrangements there are risks in the exposure to market movements on the value of collateral if the counterparty defaults and recourse has to be had to collateral, or if there is fraud or negligence on the part of the Depositary, the Investment Managers or lending agent. In addition there is an operational risk associated with marking to market daily valuations and there are the potential stability risks of providers of collateral. The principal risk in such securities lending arrangements is the insolvency of the counterparty. In this event the Company could experience delays in recovering its securities and such event could possibly result in capital losses. A derogation has been obtained from the requirements of the Central Bank in relation to investment of cash collateral received regarding securities lending to allow each Fund when investing cash collateral obtained under any securities lending agreement to invest up to 50% of its Net Asset Value in units of the State Street Global Securities Lending Trust and the State Street Global Securities Lending Euro Trust (the **Trusts**), which are money market funds operated by affiliates of the Company's Administrator and Depositary, which offers a securities lending facility to the Company. In the event of a material change in the management of the Trusts the use of the investment by each Fund will cease. The Trusts are neither rated nor regulated and accordingly are considered to pose a greater credit and counterparty risk to each Fund than would be the case if the collateral was to be invested in Aaa rated daily dealing money market funds to which the 50% limit would not apply.

### **Structured Notes**

Structured Notes are used to gain access to certain markets where direct investment may not be possible. Structured Notes are securities issued by a financial institution or special purpose entity, the performance of which depends on the performance of a corresponding asset. Typically the redemptions or repayment proceeds from the Structured Notes replicate the underlying asset. However, such Structured Notes may embed a derivative such as an option, swap, forward or future as described in the section entitled **Types and Description of FDIs**, which has the effect of adjusting the proceeds received. As a result, the note's coupon, average life, and/or redemption values can become exposed to the forward movement in various indices, equity prices, foreign exchange rates or mortgage backed security prepayment speeds. Leverage is created as the payment of a low purchase price can provide a Fund with a larger exposure than its outlay and a small change in the price of the underlying asset can produce a disproportionately larger profit or loss. Structured Notes are generally subject to the same risks as direct holdings of securities of foreign issuers. Moreover, Structured Notes are also subject to the default risk of the issuer of the Structured Notes. Structured Notes are also subject to the liquidity risks.

### **Collateral reuse risk**

Where a Fund reinvests collateral it receives from a counterparty under a trading agreement, there is a risk that such collateral reinvestment could result in a reduction of the value of the collateral capital (because the investment declines in value). This, in turn, may cause losses to the Fund because it is



obliged to return collateral to the counterparty. The Funds are limited to how they can reinvest collateral as set out in the section titled “Collateral”.

Where a Fund provides collateral under a trading agreement to a counterparty and that counterparty exercises a right of reuse of that collateral, the Fund will be subject to the following collateral re-use risks and consequences:

- its rights, including any proprietary rights, in that collateral will be replaced by an unsecured contractual claim for delivery of equivalent collateral subject to the terms of the relevant collateral arrangement;
- the collateral may not be held by the counterparty in accordance with client asset rules, and may not benefit from any client asset protection rights;
- in the event of the counterparty’s insolvency or default, the Fund’s claim against the counterparty for delivery of equivalent collateral may not be secured and will be subject to the terms of the relevant collateral arrangement and applicable law and, accordingly, the Fund may not receive such equivalent collateral or recover the full value of the financial instruments;
- in the event that the counterparty is not able to readily obtain equivalent collateral to deliver to the Fund at the time required: the Fund may be unable to fulfil its settlement obligations under a hedging or other transaction it has entered into in relation to those particular collateral assets.

### **Tax and Other Regulatory Considerations**

Certain prospective Shareholders may be subject to laws, rules and regulations which may regulate their participation in the Fund or their engaging directly, or indirectly through an investment in the Fund, in investment strategies of the types which the Fund may utilize from time to time (e.g., short selling). Prospective Shareholders should consult with their own advisors as to the advisability and tax consequences of an investment in the Fund. Prospective Shareholders should also be aware that the tax treatment of the Fund, as well as their investment, may change over time.

### **Technology and Data**

The Company and its service providers rely heavily on the use technology, including proprietary and third-party software and data, to run substantially all aspects of the management of the Fund. For example, the majority of trade instructions are entered by Fund managers and executed by traders utilizing electronic systems, some of the Funds use quantitative equity models to assess the attractiveness of investments or Fund construction models to generate suggested trades or investment weightings. Compliance with investment guidelines is monitored utilizing electronic systems and data provided by various proprietary and third-party sources.

Processes reasonably designed for developing, selecting and overseeing these technology systems and databases, in particular controls designed to assure that technology systems are sound and the systems suppliers that are relied on are reputable and competent and risk based controls around the use of data which include diligence of third party service providers, monitoring data sources for inaccurate or

missing data, and escalation procedures may not be successful in completing mitigating the risk of system defects and/or inaccurate or missing data.

Systems flaws and inaccurate data may go undetected for long periods of time, or avoid detection altogether. These issues could have a negative (or positive) impact on the investment performance of a Fund.

### **United Kingdom leaving the European Union**

The United Kingdom's referendum held on 23 June 2016 resulted in a majority voting in favour of the United Kingdom (UK) leaving the EU. As of now the UK is still a part of the EU notwithstanding that vote. The UK parliament has issued the Article 50 notice to formally start the process to leave the EU and this process is likely to take at least two years and there is no certainty as to what the terms of any exit will be. The UK will continue to be a member of the EU until the end of this exit process.

Ireland will remain a member of the EU and the Funds remain EU regulated UCITS that can avail of passporting rights under the UCITS Regulations to market and sell shares in the Funds in the EU, subject to complying with the terms of the UCITS Regulations.

However, the Funds may be negatively impacted by changes in law and tax treatment resulting from the UK's departure from the EU particularly as regards any UK situate investments held by the Fund in question and the fact that the Company may no longer have a right to market and sell shares in the Funds in the UK, following the UK's exit from the EU. In addition, UK domiciled investors in the Funds may be impacted by changes in law, particularly as regards UK taxation of their investment in a Fund, resulting from the UK's departure from the EU. This will all be dependent on the terms of the UK's exit, which are to be negotiated by the UK and the rest of the EU, and UK law following such an exit.

There is likely to be a degree of continued market uncertainty regarding this exit process which may also negatively impact the value of investments held by the Funds.

### **Valuation**

The Administrator may consult the Investment Managers with respect to the valuation of investments which are (i) unlisted, or (ii) listed or traded on a Market but where the market price is unrepresentative or not available. There is a possible conflict of interest because of an Investment Managers' role in determining the valuation of the Funds' investments and the fact that the Investment Managers receive a fee which increases as the value of the Fund increases.

### **144A Securities**

Certain Funds may purchase Rule 144A securities, which are securities that are not registered under the 1933 Act, but that can be sold to certain institutional buyers in accordance with Rule 144A under the 1933 Act. Rule 144A Securities may involve a high degree of business and financial risk and may result in substantial losses. These securities may be less liquid than publicly traded securities, and a Fund may take longer to liquidate these positions than would be the case for publicly traded securities. Although these securities may be resold in privately negotiated transactions, the prices realised from these sales could be less than those originally paid by a Fund. Further, companies whose securities are not publicly

traded may not be subject to disclosure and other investor protection requirements that would be applicable if their securities were publicly traded.

### **Legal risk**

The terms of derivatives, repurchase, reverse repurchase, buy-sell back, sell-buy back and securities lending transactions are generally established through negotiation between the parties to the agreements. While this provides more flexibility, these agreements may involve greater legal risk than exchange-traded instruments, which are standardised, as there may be a risk of loss if the agreement is deemed not to be legally enforceable or not documented correctly. There may also be a risk that the parties to the agreement may disagree as to the proper interpretation of its terms. If such a dispute occurs, the cost and unpredictability of the legal proceedings required for a Fund to enforce its contractual rights may lead the Fund to decide not to pursue its claims under the agreement. The Fund therefore assume the risk that it may be unable to obtain payments owed to it, and that those payments may be delayed or made only after the Fund has incurred the costs of litigation. Further, legal, tax and regulatory changes could occur which may adversely affect the Funds. The regulatory and tax environment governing these types of transactions is evolving, and changes in the regulation or taxation may adversely affect the value of such transactions entered into by the Funds and the Funds' ability to pursue their trading strategies.

### **Operational Risk**

The Funds are subject to the impact of breakdowns in systems, internal procedures or human error of the AIFM and any of its delegates or any of its counterparties or the markets in which it trades.

**The Net Asset Value of the Shares will fluctuate and may be worth more or less than the acquisition price when redeemed or sold. There is no assurance that a Fund's investment objective will be achieved.**

## **DEALING IN SHARES**

### **Available Share Classes**

Shares in each Fund may be issued with different characteristics relating to (i) target investor profile, (ii) currency of denomination, (iii) any related hedging strategy and (iv) distribution policy. Complete details of these characteristics of each available Share Class are set out in Appendix III. These are summarized as follows:

Class S Shares are available only for Institutional Investors.

Class N Shares are reserved for investors acting as financial intermediaries on behalf of underlying beneficial holders who either, according to applicable regulatory requirements, are not allowed to accept and retain a distribution fee or who have separate fee arrangements with their clients which preclude them from accepting and retaining a distribution fee, and for Institutional Investors investing on their own account, who do not meet the criteria for Class S Shares. No distribution fee is paid in respect of the Class N Shares.

Class D Shares are reserved for investors acting as financial intermediaries on behalf of underlying beneficial holders and in respect of whom a distribution fee of up to 1.00% of the Net Asset Value attributable to the Class D Shares is payable.

### **Other Share Classes**

Class R Shares are reserved for investors acting as financial intermediaries on behalf of underlying beneficial holders invested as at 30 September 2013 and in respect of whom a distribution fee of up to 1.10% of the Net Asset Value attributable to the Class R Shares is payable. This Share Class is closed to investors from outside the Class.

Class G Shares (including the Class GN and Class GR Shares) are reserved for existing Shareholders whose previous Shares have been changed, and serves as a “grandfathered” Class enabling the Shareholders to remain invested without undergoing those changes. This Share Class is closed to investors from outside the Class, and the Company also reserves the right to close the Class to additional subscriptions from existing G, GN and GR Class Shareholders in any particular Fund. A distribution fee of 0.75% is payable in respect of the Class GR Shares.

Class NI and NR Shares are reserved for certain investors, acting as financial intermediaries on behalf of underlying beneficial holders, investing in the Wellington Emerging Local Debt Fund.

Class P Shares are reserved for certain investors investing in the Wellington Global Bond Fund via investment platforms, wrapped accounts or other intermediary arrangements.

Class E Shares are reserved for investors investing in the Wellington Emerging and Sovereign Opportunities Fund at or near the time of its launch. Class E Shares are also available to investors in the Wellington Global Impact Fund, at the discretion of the Directors, until the total net asset value of that Fund reaches USD 60 million or equivalent amount in another currency.

Class DL Shares are reserved for investors in certain markets, acting as financial intermediaries on behalf of underlying beneficial holders and in respect of whom a distribution fee of up to 1.30% of the Net Asset Value attributable to the Class DL Shares is payable.

Class T Shares are reserved for investors that have a direct investment advisory or other relationship with the Investment Managers or an affiliate, and for investment by the Investment Managers and/or their affiliates (including affiliated pension plans).

Class SB and SC Shares are reserved for Institutional Investors in the Wellington Emerging Local Debt Advanced Beta Fund.

Class TB and TC Shares are reserved for Institutional Investors in the Wellington Emerging Local Debt Advanced Beta Fund that have a direct investment advisory or other relationship with the Investment Managers or an affiliate, and for investment by the Investment Managers and/or their affiliates (including affiliated pension plans).

In addition, Shares in each Fund may be denominated in either the Fund's Base Currency or in another Dealing Currency, they may be either hedged or unhedged and either Distributing Shares or Accumulating Shares. With respect to unhedged Share classes not in Base Currency, a currency

conversion at the prevailing spot currency exchange rate of the relevant Base Currency for the currency of the relevant Share class will take place with respect to subscriptions, redemptions and dividend distributions and the value of the unhedged Shares expressed in the Dealing Currency will be subject to exchange rate risk in relation to the Base Currency. The value of the Share Classes in the Wellington Emerging Local Debt Advanced Beta Fund will be subject to exchange rate risk in relation to a basket of developed market currencies.

### **Application for Shares**

It is intended that Shares normally will be issued on the Dealing Day for which an application is received in good order by the relevant Dealing Deadline.

Accounts must be opened by submission of an Account Opening Agreement sent by mail or by facsimile to the Transfer Agent at the address/facsimile number indicated in the Investor Guide. If sent by facsimile, the original signed Account Opening Agreement (and supporting documentation in relation to money laundering prevention checks) must be promptly sent by courier or air mail to the Transfer Agent and no Shares will be issued until these documents have been received and the actual money laundering prevention checks have been completed. Upon acceptance of the Account Opening Agreement by the Transfer Agent, applications for Shares should be made to the Transfer Agent as specified in the Investor Guide. Valid applications made in accordance with the requirements set out in the Investor Guide will be treated by the Company as definitive orders and will not be capable of withdrawal after acceptance by or on behalf of the Company. Full details on subscription and payment requirements are available from the Transfer Agent. In addition, prospective investors should consult the current version of the Investor Guide, which may be obtained from the Transfer Agent or the Investment Managers, for the current dealing procedures.

Payment is due in the relevant Dealing Currency on or before the Settlement Date. A Fund's current settlement cut-off times and policies are included in the Investor Guide. If an application is received after the relevant Dealing Deadline or relevant payment received after the relevant Settlement Date, the application and/or payment, as the case may be, shall, unless otherwise determined by the Directors or their delegate, be deemed to have been received by the following relevant Dealing Deadline or Settlement Date. Payments made by the investors to the Company in relation to subscriptions are received into an omnibus account held in the name of the Company and therefore upon receipt are treated as assets of the Company. As assets of the Company such subscription monies do not have the benefit of the protections afforded by the Central Bank (Supervision and Enforcement) Act 2003 (Section 48(1)) Investor Money Regulations 2015 for Fund Service Providers (S.I. 105 of 2015) (as amended). For further details see the Omnibus Cash Subscription, Redemption and Dividends Account paragraph in the section entitled **Risk Factors**.

Should prospective investors or Shareholders wish to receive or make payments in an alternative currency to the Dealing Currency or exchange between Shares with different Dealing Currencies then this must be clearly noted on the application and the associated foreign exchange trade undertaken for such investors or Shareholders will be executed with Brown Brothers Harriman & Co., the parent company of the Transfer Agent, as principal counterparty at the commercial rate available from the counterparty on the relevant Dealing Day. This foreign exchange transaction will be at the cost and risk of the investor or Shareholder (as applicable) and details of the associated costs are available on request. Payments relating to any instruction received to process an exchange of any Shares will be made directly between the relevant Funds in the currency of each relevant Share. Where a foreign exchange trade is required to

facilitate this, such trade will be processed as described above. All related bank charges are to be borne by the investor or the Shareholder (as applicable).

Shares of each Class shall be, or were, offered at the Initial Issue Price set out in Appendix III during the Initial Offer Period for such Class of Shares. Thereafter Shares of such Class will be available for subscription at the Net Asset Value per Share of the relevant Class.

The Minimum Initial Subscription, Minimum Subsequent Subscription and Minimum Holding Amounts are set out in Appendix III. Such amounts and any other eligibility criteria applicable to the relevant Class of Shares may be waived by the Directors or Investment Manager, at its discretion.

Payment by wire transfer should quote the information precisely as specified in the Investor Guide. Any charges incurred in making payment by wire transfer will be payable by the applicant.

Securities transactions may be made in respect of subscriptions prior to settlement, and as agreed in the Account Opening Agreement, investors will be liable for any interest, losses or other costs incurred as a result of failing to settle an order within the time frames agreed to in the Investor Guide. The Directors or their delegate reserve the right to require other settlement procedures (such as shortened settlement period) for large orders or in other circumstances that, in the Investment Manager's judgment, present settlement risk.

The Directors may in their absolute discretion, provided that they are satisfied that no material prejudice would result to any existing Shareholders and subject to the provisions of the Companies Act 2014 (the **Companies Act**), allot Shares of any class of a Fund against the vesting in the Company of investments which would form part of the assets of the relevant Fund. The number of Shares of a Fund to be issued in this way shall be the number which would on the day the investments are vested in the relevant Fund of the Company have been issued for cash against the payment of a sum equal to the value of the investments. The value of the investments to be vested shall be calculated on such basis as the Directors may decide and as described under the section entitled **Issue and Redemption Prices/Calculation of Net Asset Value/Valuation of Assets** below.

The Company may decline any application for Shares in whole or in part without assigning any reason therefor and will not accept an initial subscription for Shares of any amount (exclusive of the preliminary charge, if any) which is less than the Minimum Initial Subscription unless the Minimum Initial Subscription is waived by the Directors or their delegate. In particular, the Directors may close any Share Class or Fund to additional investment on such terms as they determine if they believe any Fund has reached a size that could impact on the ability of the Fund to find suitable investments, and may reopen a Share Class or Fund without advance notice at any time. If an application is rejected, the Company, at the risk of the applicant, will return application monies or the balance thereof by wire transfer at the cost of the applicant, within five Business Days of the rejection. No interest will be paid on subscription amounts.

Applications for Shares must be made for specified amounts in value or specified numbers of Shares. Fractional shares of not less than 0.001 of a Share may be issued. Subscription monies representing smaller portions of Shares will not be returned to the applicant but will be retained as part of the assets of the relevant Fund. Shares will be issued in registered form. Written confirmations of entry in the register of Shareholders will be issued within five Business Days after the Dealing Day on which Shares are allotted and paid for.

The Account Opening Agreement contains certain conditions regarding the application procedure for Shares in the Company and certain indemnities in favour of the Company, the Investment Managers, the Administrator, the Transfer Agent, the Depositary and the other Shareholders for any loss suffered by them as a result of such applicant or applicants acquiring or holding Shares in the Company.

Shares may not be issued or sold by the Company during any period when the calculation of the Net Asset Value of the relevant Fund is suspended in the manner described under the section entitled **Suspension of Calculation of Net Asset Value** below. Applicants for Shares will be notified of such suspension and, unless withdrawn, their applications will be considered as at the next Dealing Day following the ending of such suspension.

### **Anti-Money Laundering**

The Company and its agents have a responsibility to comply with all applicable laws and regulations designed to combat money laundering activity and terrorist financing. Applicants for Shares may be required to furnish independent documentary evidence of their identity, a permanent address and information relating to the source of the monies to be invested. In the event of delay or failure by the Applicant for Shares to produce any information required for verification purposes, the Company or its duly authorized agents may refuse to accept the application or may refuse to process a redemption request until proper information has been provided.

To the extent that an Investor is purchasing the Shares on behalf of, or as an intermediary for, one or more of its clients, the Investor will represent and confirm that:

- (i) the purchase of such Shares shall be for the benefit of certain clients for whom the Investor has an established relationship and investment discretion, or who have authorized this investment; and
- (ii) the Investor has obtained and recorded evidence of the identity of its clients who have invested in the Company in accordance with applicable money laundering regulations and prudent due diligence procedures. The Investor will inform the Company immediately in the event of any change in this internal procedure or in the event the Investor uncovers additional information about a client that would make this representation no longer true.

Applicants and investors should note that pursuant to the European Union (Anti-Money Laundering: Beneficial Ownership of Corporate Entities) Regulations 2016 (as may be amended from time to time), an investor may be required to disclose its ownership rights in the shares of each Fund and where such investor holds greater than 25% of the Shares of the Company, such investors name shall be entered on a beneficial ownership register maintained by the Company or its delegates.

### **Redemption of Shares**

Requests for the redemption of Shares should be made to the Transfer Agent in accordance with the requirements set out in the Investor Guide and will be treated as definitive orders and requests received by or on behalf of the Company on or prior to the Dealing Deadline will normally be dealt with on the relevant Dealing Day. The Directors may at their discretion require greater notice to be given to the Transfer Agent in respect of redemption requests of a significant size so as to facilitate an orderly disposition of securities in the interests of the remaining Shareholders. Amendments to a Shareholder's registration details and payment instructions will only be effected on receipt of original documentation.

Any communication of amendments related to such items where the original documentation has not been received may delay the settlement of a redemption. Redemption requests received after the Dealing Deadline shall be treated as having been received by the following Dealing Deadline unless otherwise determined by the Directors or the Investment Manager of the relevant Fund. A redemption request will not be capable of withdrawal after the relevant Dealing Deadline, unless such withdrawal is approved by the Directors, acting in their absolute discretion. The Company may, in its absolute discretion and subject to the prior approval of the Depositary, agree to designate additional Dealing Days and Valuation Points for the redemption of Shares relating to any Fund which has not designated every Business Day as a Dealing Day.

Payment of redemption proceeds will be made to the registered Shareholder or in favour of the joint registered Shareholders, as appropriate, unless the Transfer Agent is otherwise instructed in writing by the registered Shareholder or joint registered Shareholders. Payments pending distribution to investors from the Company in relation to redemptions are received into an omnibus account held in the name of the Company and therefore upon receipt are treated as assets of the Company. As assets of the Company such redemption monies do not have the benefit of the protections afforded by the Central Bank (Supervision and Enforcement) Act 2003 (Section 48(1)) Investor Money Regulations 2015 for Fund Service Providers (S.I. 105 of 2015) (as amended). For further details see the Omnibus Cash Subscription, Redemption and Dividends Account paragraph in the section entitled **Risk Factors**.

The amount due on redemption of Shares will be paid by wire transfer at the Shareholder's expense or by negotiable instrument in the Dealing Currency of the relevant Class of Shares (or in such other currency as may be approved by the Directors from time to time) on or before the Settlement Date.

The Company is entitled to limit the number of Shares of any Fund redeemed on any Dealing Day to 10% of the total number of Shares of that Fund in issue. In this event, the limitation will apply pro rata so that all Shareholders wishing to have Shares of that Fund redeemed on that Dealing Day realise the same proportion of redeemed Shares. Shares not redeemed, but which would otherwise have been redeemed, will be carried forward for redemption on the next Dealing Day and will be dealt with in priority (on a pro rata basis) to redemption requests received subsequently. If requests for redemption are so carried forward, the Transfer Agent will inform the Shareholders affected.

If a Shareholder submits a redemption request which would have the effect of reducing the value of the Shareholder's remaining holdings below the Minimum Holding Amount for the Fund, the Company may treat the redemption request as a request to redeem the Shareholder's entire holdings.

The Articles contain special provisions with respect to a redemption request received from a Shareholder which would result in more than 5% of the Net Asset Value of Shares of any Fund being redeemed by the Company on any Dealing Day. In such a case, the Company may satisfy the redemption request in whole or in part by a distribution of investments of the relevant Fund in specie, provided that such a distribution would not be prejudicial to the interests of the remaining Shareholders of that Fund. The allocation of the investments of the relevant Fund is subject to the approval of the Depositary. Where a Shareholder requesting such redemption receives notice of the Company's intention to elect to satisfy the redemption request by such a distribution of assets, the Shareholder may require that the Company, instead of transferring those assets, arrange for their sale and the payment of the net proceeds of sale to that Shareholder.

When a repurchase request has been submitted by an investor who is or is deemed to be or is acting on



behalf of a Taxable Irish Person, the Company shall deduct from the repurchase proceeds an amount which is equal to the tax payable by the Company to the Revenue Commissioners in Ireland in respect of the relevant transaction.

The Company may redeem all the Shares of any Fund if, at any time after the initial issue of such Shares, the Net Asset Value of the relevant Fund is less than such amount as the Directors determine, in their sole discretion, is adequate to maintain a Fund of sufficient size to serve the best interests of its Shareholders.

### **Exchange of Shares**

Shareholders of each Share Class will be able to apply to exchange on any Dealing Day all or part of their holding of Shares of any Class (the "Source Class") for Shares of another Class which are being offered at that time whether in relation to the same Fund or in another Fund of the Company as specified in the Investor Guide (the "Target Class"), provided that all criteria for subscription into the Target Class have been met, by giving notice to the Transfer Agent on behalf of the Company on or prior to the Dealing Deadline for the relevant Dealing Day. The general provisions and procedures relating to redemptions will apply equally to exchanges. All exchanges will be treated as a redemption of the Shares of the Source Class and application of the net proceeds to the purchase of Shares of the Target Class, based upon the then current sales and redemption prices of Shares in each Fund. There is presently no fee charged for any exchange. The Articles allow for an exchange fee of up to 1% of the total sales price of the Shares of the Target Class purchased to be charged, and the Directors reserve the right to impose such a fee, upon giving at least 30 days written notice to Shareholders.

### **Market Timing**

The Company, at its discretion, reserves the right to refuse to accept any application for initial or subsequent subscription or to compulsorily redeem Shares held by any Shareholder, without giving any reason where the Company suspects market timing. Without limiting the foregoing, and as further described below, the Company may not be used as a vehicle for frequent trading in response to short term market fluctuations (so called "market timing"). Accordingly, the Company may reject any subscriptions (or compulsorily redeem Shares) from any investor that it determines is engaged in market timing or other activity which it believes is harmful to the Company or any Fund. If a subscription is rejected, subscription proceeds will be returned without interest to the subscriber, as soon as practicable. There is no guarantee that the Company or its agents will be able to recognise Shareholders engaged in this activity or curtail their trading practices.

### **Excessive Trading Policies**

The Company emphasises that all investors and Shareholders are bound to place their subscription, redemption or exchange order(s) no later than the relevant Dealing Deadline for transactions in the Fund's Shares. Late trading is not accepted.

Excessive trading into and out of a Fund can disrupt portfolio investment strategies and increase the Fund's operating expenses. The Funds are not designed to accommodate excessive trading practices. The Directors reserve the right to restrict, reject or cancel purchase, redemption and exchange orders as described above, which represent, in their sole judgment, excessive trading.

Shareholders seeking to engage in excessive trading practices may deploy a variety of strategies to avoid

detection, and there is no guarantee that the Company or its agents will be able to recognise such Shareholders or curtail their trading practices. The ability of the Company and its agents to detect and curtail excessive trading practices may also be limited by operational systems and technological limitations.

To the extent that the Company or its agents are unable to curtail excessive trading practices in a Fund, these practices may interfere with the efficient management of the Fund's portfolio, and may result in the Fund engaging in certain activities to a greater extent than it otherwise would, such as maintaining higher cash balances, using a line of credit and engaging in portfolio transactions. Increased portfolio transactions and the use of a line of credit would correspondingly increase a Fund's operating costs and decrease the Fund's investment performance, and maintenance of a higher level of cash balances would likewise result in lower Fund investment performance during periods of rising markets.

### **Issue and Redemption Prices / Calculation of Net Asset Value / Valuation of Assets**

During the Initial Offer Period of the relevant Fund, the issue price for Shares of such a Fund shall be, or was, the amount(s) set out in Appendix III. The issue price at which Shares of any Fund will normally be issued on a Dealing Day, after the Initial Offer Period, is calculated by ascertaining the Net Asset Value of the relevant Fund as at the Valuation Point for that Fund for the relevant Dealing Day and may include an adjustment for swing pricing as fully described in the section entitled **Swing Pricing Procedure**.

The Net Asset Value of the relevant Fund is equal to the value of the assets of the relevant Fund as at the relevant Valuation Point less its liabilities (including specific charges, if any, applicable to a particular Class of Shares). The Net Asset Value per Share of the relevant Fund is calculated by dividing the Net Asset Value of the relevant Fund, by the total number of Shares in issue at the relevant Valuation Point. If a Fund has more than one Class of Shares, additional fees may be charged against certain Classes, and details of such fees will be set forth in the table under the section entitled **Charges and Expenses**, for the relevant Fund. This may result in the Net Asset Value per Share of each Class being different. The Valuation Point for a Fund is as of the close of business of the New York Stock Exchange on the relevant Dealing Day. Where each Fund has more than one Class of Shares, the Net Asset Value per Share of each Class will be calculated by dividing the net assets attributable to the relevant Class, by the total number of Shares in issue in the relevant Class at the relevant Valuation Point. The Net Asset Value per Share in each case is the resulting sum rounded to the nearest four decimal places, save for JPY Share Classes where it is the resulting sum rounded to the nearest currency unit. For Hedged Share Classes and the SC and TC Share Classes in the Wellington Emerging Local Debt Advanced Beta Fund, the Net Asset Value also reflects the general costs and either gains or losses of the derivative transaction which will accrue solely to the relevant Share Class as individual derivative transactions are attributed specifically to the relevant Share Class.

The Articles provide for the method of valuation of the assets and liabilities of each Fund for the purpose of calculating the Net Asset Value of each Fund.

Securities which are listed or traded on a Market may be valued at last traded prices; where a security is listed on several exchanges, the relevant market shall be the one which constitutes the main market or the one which the Directors determine provides the fairest criteria in a value for the security. Securities listed or traded on a Market, but acquired at a premium or at a discount outside or off the relevant market may be valued taking into account the level of premium or discount at the date of valuation and the

Depository must ensure the adoption of such a procedure is justifiable in the context of establishing the probable realisation value of the security.

Securities which are listed or traded on a Market where the market price is unrepresentative or not available and unlisted securities shall be valued at the probable realisation value estimated with care and in good faith by the Directors; a competent person appointed by the Directors and approved for the purpose by the Depository; or any other means provided the value is approved by the Depository.

Fixed income securities may be valued using matrix pricing (i.e. valuing securities by reference to the valuation of other securities which are considered comparable in rating, yield, due date and other characteristics) where reliable market quotations are not available. The use of the matrix methodology will be determined by the Directors.

Units of collective investment schemes shall be valued at the latest available net asset value per unit as published by the collective investment scheme; the latest bid prices as published by the collective investment scheme; or if the scheme is listed on a Market, the latest market prices.

Cash (in hand or deposit) is valued at face/nominal value plus accrued interest.

Exchange traded futures and options contracts (including index futures) and other derivatives shall be valued based on the settlement price as determined by the market in question, provided that if a settlement price is not available, the value shall be the probable realisation value estimated with care and in good faith by the Directors or a competent person appointed by the Directors and approved for the purpose by the Depository; or they will be valued by any other means provided the value is approved by the Depository.

Over-the-counter derivative contracts will be valued on a daily basis. This may be done using the counterparty valuation provided that the valuation will be approved or verified by a party who is approved for the purpose by the Depository and who is independent of the counterparty and the independent verification will be carried out at least weekly. An alternative valuation may be used provided that the Fund follows international best practice and adheres to the principles on valuation of OTC instruments established by industry bodies; the alternative valuation is that provided by a competent person appointed by the Directors and approved for the purpose by the Depository, or a valuation by any other means provided that the value is approved by the Depository; and the alternative valuation will be reconciled to the counterparty valuation on a monthly basis. Where significant differences arise these will be promptly investigated and explained.

Forward foreign exchange and interest rate swap contracts will be valued according the same method set out for over the counter derivatives above or by reference to freely available market quotations.

A particular/specific asset may be valued using an alternative method of valuation if the Directors deem it necessary and the alternative method must be approved by the Depository. For example fixed income securities may be valued using an evaluation methodology, that may include matrix pricing described above, where such method provides a more reliable price. Any such evaluation methodology will be based on the Company's Valuation Policy and Procedures.

The value of an asset may be adjusted by the Directors where such an adjustment is considered necessary to reflect the fair value in the context of currency, marketability, dealing costs and/or such other considerations which are deemed relevant.

The amortized cost method of valuation may only be used in relation to Funds which comply with the Central Bank's requirements for short-term money market funds and where a review of the amortized cost valuation vis-à-vis market valuation will be carried out in accordance with the Central Bank's guidelines.

Money market instruments in a money-market or a non-money-market Fund may be valued on an amortized basis in accordance with the Central Bank's requirements.

The Net Asset Value per Share of each Class will be available from the Administrator on request and in addition is published daily on Bloomberg's website, [www.bloomberg.com](http://www.bloomberg.com).

The Company may, in calculating the issue price, include in the issue price in respect of each Fund, for its own account, a charge sufficient to cover stamp duties and taxation (if any) in respect of the issue of Shares or certificates and delivery and insurance costs in respect of certificates.

The price at which Shares will be redeemed on a Dealing Day is calculated by ascertaining the Net Asset Value per Share or per Share in the relevant Class (as the case may be), in the manner outlined above. In addition, the Company may, in calculating the redemption price, deduct such sum as the Directors consider fair, in respect of redemption or exchange requests which will necessitate the Company breaking deposits at a penalty or realising investments at a discount, in order to realise assets to provide moneys to meet such redemption or exchange requests or, in the event that the Company borrows funds to meet any such redemption or exchange request, a sum to meet the cost of such borrowing.

In order to mitigate transaction costs for existing Shareholders, the Company may also impose an Anti-Dilution Levy per Share purchased or redeemed (to be retained by a Fund) in respect of fiscal and purchase or redemption charges on investments purchased with subscription proceeds or on investments sold to fund a redemption request as applicable. Where an Anti-Dilution Levy is imposed, the issue or redemption price may be adjusted by the addition or deduction of the Anti-Dilution Levy, or the Anti-Dilution Levy may be imposed as a separate charge in which case no adjustment would need to be made to the issue or redemption price. In either case, the purpose of the Anti-Dilution Levy would be to cover the costs and preserve the value of the underlying assets of the Company.

### **Swing Pricing Procedure**

Funds may suffer dilution of the Net Asset Value per Share due to investors buying or selling Shares at a price that does not take into account dealing and other costs arising when the Investment Manager makes or sells investments to accommodate cash inflows or outflows. To counteract this, a partial swing pricing mechanism may be adopted to protect Shareholders' interests. If on any Valuation Date, the aggregate net transactions in Shares for a Fund exceeds a pre-determined threshold, as determined by the Company from time to time, the Net Asset Value per Share may be adjusted upwards or downwards to reflect net inflows and net outflows respectively. The extent of the price adjustment will be set by the Company to reflect dealing and other costs. Such adjustment is not expected to exceed 3% of the Net Asset Value per Share. Any performance fee payable will be calculated on the basis of the unswung Net Asset Value per Share.

### **Suspension of Calculation of Net Asset Value**

The Company may at any time temporarily suspend the calculation of the Net Asset Value of any Fund and the right of Shareholders to require the redemption or exchange of Shares of any Class during (i) any period when any of the principal markets or stock exchanges on which a substantial part of the investments of the relevant Fund are quoted is closed, otherwise than for ordinary holidays, or days during which dealings therein are restricted or suspended; (ii) any period when, as a result of political, economic, military or monetary events or any circumstances outside the control, responsibility and power of the Directors, disposal or valuation of investments of the relevant Fund is not reasonably practicable without this being seriously detrimental to the interests of Shareholders of the relevant Class or if, in the opinion of the Directors, redemption prices cannot fairly be calculated; (iii) any breakdown in the means of communication normally employed in determining the price of any of the Company's investments and other assets or when for any other reason the current prices on any market or stock exchange of any assets of the relevant Fund cannot be promptly and accurately ascertained; or (iv) any period during which the Company is unable to repatriate funds required for the purpose of making payments due on redemption of Shares of any Class or during which the transfer of funds involved in the acquisition or realisation of investments or payments due on redemption of Shares cannot, in the opinion of the Directors, be effected at normal prices or normal rates of exchange. The Central Bank may also require the suspension of redemption of Shares of any Class in the interests of the Shareholders or the public. The Company will, whenever possible, take all reasonable steps to bring any period of suspension to an end as soon as possible.

Shareholders who have requested issue or redemptions of Shares of any Class or exchanges of Shares of one Class to another will be notified of any such suspension in such manner as may be directed by the Directors and their requests will be dealt with on the first Dealing Day after the suspension is lifted. The Central Bank shall be notified immediately and in any event within the same business day, of any such suspension.

### **Restriction on Ownership and Transfer of Shares**

The Articles of Association of the Company give powers to the Directors to impose restrictions on the holding of Shares by (and consequently to redeem Shares held by), or the transfer of Shares to, United States Persons or by any person who appears to be in breach of the laws or requirements of any country or government authority or by any person or persons in circumstances (whether directly or indirectly affecting such person or persons, and whether taken alone or in conjunction with any other persons, connected or not, or any other circumstances appearing to the Directors to be relevant) which, in the opinion of the Directors, might result in the Company incurring any liability to taxation or suffering any other pecuniary or regulatory disadvantages which the Company might not otherwise have incurred or suffered. In the absence of express approval by the Directors, Shares may not be beneficially held by any Restricted Person or Covered Person. The Articles of Association also permit the Directors where necessary to repurchase and cancel Shares held by a person who is or is deemed to be or is acting on behalf of a Taxable Irish Person on the occurrence of a chargeable event for taxation purposes.

## CHARGES AND EXPENSES

### Investment Management Fees

The Company shall pay from the assets attributable to each Class of Shares of a Fund, a fee based on a percentage of net assets attributable to such Class of Shares, which is accrued daily and paid quarterly in arrears to the Investment Manager of that Fund at an annual rate set forth in the table below. In addition a performance fee will be payable to the Investment Manager in respect of the Wellington Emerging and Sovereign Opportunities Fund, the Wellington Global Currency Absolute Return Fund, the Wellington Enduring Assets Fund and the Wellington Durable Companies Fund each as further described below. Each Investment Manager shall be responsible for its own out-of-pocket expenses.

Fund Name	Share Class	Investment Management Fee
Wellington Emerging Local Debt Fund	Class D, DL, N and S Shares	0.50%
	Class NI Shares	0.65%
	Class NR Shares	1.20%
	Class G, GN and GR Shares <sup>1</sup>	0.45%
Wellington Emerging Local Debt Advanced Beta Fund	Class SB and SC Shares	0.30%
Wellington Emerging Markets Corporate Debt Fund	Class D, N and S Shares	0.55%
Wellington Emerging and Sovereign Opportunities Fund	Class D, DL, N and S Shares	1.00%
	Class E Shares	0.50%
Wellington Global Bond Fund	Class G <sup>2</sup> and S Shares	0.35%
	Class D, DL, N and R Shares	0.45%
	Class P Shares	0.50%
Wellington Global Credit Buy and Maintain Fund	Class D, DL, N and S Shares	0.20%
Wellington Global Credit Plus Fund	Class D, DL, N and S Shares	0.35%
	Class G <sup>3</sup> Shares	0.30%
Wellington Global Currency Absolute Return Fund	Class D, N and S Shares	0.25%
Wellington Global High Yield Bond Fund	Class D, DL, N and S Shares	0.45%
Wellington Global Strategic Sovereign Fund	Class D, DL, N and S Shares	0.15%
Wellington Higher Quality Global High Yield Bond Fund	Class D, N and S Shares	0.40%
Wellington Opportunistic Emerging Markets Debt Fund	Class D, N and S Shares	0.55%
Wellington Opportunistic Fixed Income Fund	Class D, DL, N and S Shares	0.50%
Wellington Sterling Core Bond Plus Fund	Class D, N and S Shares	0.30%

<sup>1</sup> The G, GN and GR Classes in the Wellington Emerging Local Debt Fund are only available to those investors that were holding S, N and R Shares in the Fund as at 19 May, 2015.

<sup>2</sup> The G Class in the Wellington Global Bond Fund is only available to those investors that were holding B Shares in the Fund as at 17 January 2012.

<sup>3</sup> The G Class in the Wellington Global Credit Plus Fund is only available to those investors that were holding Shares in the Fund as at 17 April 2013.

Wellington US\$ Core High Yield Bond Fund	Class D, DL, N and S Shares	0.40%
Wellington World Bond Fund	Class D, DL, N and S Shares	0.40%
Wellington Asia ex Japan Equity Fund	Class D, DL, N and S Shares	0.80%
Wellington Durable Companies Fund	Class D, N and S Shares	0.60%
Wellington Durable Enterprises Fund	Class D, DL, N and S Shares	0.70%
Wellington Emerging Markets Equity Fund	Class D, N and S Shares	1.00%
Wellington Emerging Markets Local Equity Fund	Class D, N and S Shares	1.00%
Wellington Emerging Markets Opportunities Fund	Class D, N and S Shares	1.00%
Wellington Emerging Markets Systematic Equity Fund	Class D, DL, N and S Shares	0.65%
Wellington Emerging Market Themes Fund	Class D, DL, N and S Shares	0.80%
Wellington Enduring Assets Fund	Class D, DL, N and S Shares	0.60%
Wellington European Contrarian Value Fund	Class D, DL, N and S Shares	0.70%
Wellington Global Health Care Equity Fund	Class D, N and S Shares	1.25%
	Class G <sup>4</sup> Shares	0.75%
Wellington Global Impact Fund	Class D, DL, N and S Shares	0.65%
	Class E Shares	0.50%
Wellington Global Perspectives Fund	Class D, DL, N and S Shares	0.90%
Wellington Global Property Fund	Class D, N and S Shares	0.75%
Wellington Global Quality Equity Fund	Class D, N and S Shares	0.75%
	Class G <sup>5</sup> Shares	0.60%
Wellington Hedged Alpha Opportunities Fund	Class D, N and S Shares	0.65%
Wellington Opportunistic Themes Fund	Class D, N and S Shares	1.25%
Wellington Pan European Small Cap Equity Fund	Class D, DL, N and S Shares	0.70%
Wellington Strategic European Equity Fund	Class D, N and S Shares	0.70%
Wellington US Capital Appreciation Equity Fund	Class D, N, R and S Shares	1.25%
Wellington Dynamic Diversified Income Fund	Class D, DL, N and S Shares	0.60%
Wellington Multi-Asset Absolute Return Fund	Class D, DL, N and S Shares	0.45%

### *Performance Fees*

In addition to the base investment management fee, certain Classes of certain Funds may also charge a performance fee, calculated based on the Class' net return (net of the Fund's base investment management fee and operating expenses but gross of any distribution fee applicable). The Performance Period is generally the Fund's fiscal year (1 January – 31 December), but may also refer to periods from the launch of a Class to the fiscal year end or from the fiscal year end to the closure of a Class.

The performance fee is accrued daily in the Net Asset Value of each relevant Class, is crystallized at the Fund's fiscal year end and is calculated based on the current year's Shares, except a) where the Fund or a Class closes on a different date or b) on any Dealing Day (other than the last valuation date of the year) in which there is a reduction in the number of Shares in a Class. In these circumstances any accrued

<sup>4</sup> The G Class in the Wellington Global Health Care Equity Fund is only available to those investors that were holding Shares in the Fund as at 31 December 2005.

<sup>5</sup> The G Class in the Wellington Global Quality Equity Fund is only available to those investors that were holding Shares in the Fund as at 4 October 2016.

performance fee with respect to such Shares will crystallize on that Dealing Day and will then become payable to the Investment Manager.

### *Performance Fee Types*

For certain Classes a High Water Mark, Performance Benchmark, Hurdle or Performance Benchmark with a High Water Mark may also be applicable:

#### *a) High Water Mark (HWM)*

Where a HWM mechanism applies, a performance fee will be accrued on a Class' net return over a Performance Period in excess of the HWM. At the launch of a Class, the HWM means the Initial Issue Price and is taken as the starting point for the performance fee calculation. If the Net Asset Value per Share on the last valuation day of a Performance Period is higher than the previous HWM, the HWM is set to the Net Asset Value calculated at the end of the Performance Period. To the extent that a Class did not exceed its HWM at the end of a Performance Period, the HWM is carried forward, and no performance fees will be accrued until the NAV of that Class exceeds its HWM in a subsequent Performance Period. When this occurs, the Performance Period will extend beyond one year and continue until the next fiscal year end that a performance fee does crystallize. The HWM will be adjusted for any distributions in the case of a Distributing Share Class.

#### *b) Performance Benchmark*

Where a Performance Benchmark applies, a performance fee may be accrued on a Class' net return in excess of the return of the Performance Benchmark over a Performance Period. The Performance Benchmark is expressed in the denomination currency of the relevant Class, or for Hedged Classes, hedged to the denomination currency of the relevant Class. If the Net Asset Value per Share on the last valuation day of a Performance Period is higher than the Performance Benchmark over the same period, the performance fee will crystallize. To the extent that a Class did not exceed its Performance Benchmark at the end of a Performance Period, no performance fee will accrue until the Class' cumulative net return exceeds the cumulative Performance Benchmark return over the same period. When this occurs, the Performance Period will extend beyond one year and continue until the next fiscal year end that a performance fee does crystallize. The Performance Benchmark will be adjusted for any distributions in the case of a Distributing Share Class.

#### *c) Hurdle*

Where a Hurdle mechanism applies, a performance fee may be accrued on a Class' net return over the Performance Period in excess of the Hurdle. The Hurdle is the Initial Issue Price of a Share plus a predefined rate, set on a fund by fund basis (see table below). The Hurdle is calculated as a percentage of the Initial Issue Price, annualized to create a daily rate which is accrued daily for that fiscal year. In the event that the Net Asset Value per Share of a Class is higher than the accrued Hurdle on the last valuation day of that fiscal year, the performance fee will crystallize, and the Hurdle for the following year will be the previous fiscal year end Net Asset Value per Share of that Class plus the predefined rate annualized, and accrued daily. In the event that the Net Asset Value per Share of a Class does not exceed the Hurdle on the last valuation day of the fiscal year, the new Hurdle for the following year will be the previous year end Hurdle plus a rate equal to the predefined rate, annualized and accrued daily.

Note that for any non-Base Currency Classes which are unhedged, the performance fee accrual will be calculated based on the Class' net return in excess of the Hurdle which may be positively or



negatively impacted by currency differentials between the Fund's Base Currency and the currency of the unhedged Class. As a result the performance fee for these Classes may differ from the performance fees for Hedged/Base Currency Classes. The Hurdle for Distributing Share Classes will be reduced for any distributions made with respect to such Share Classes

**d) Performance Benchmark with HWM**

Where a Performance Benchmark with a HWM applies, a performance fee will be accrued on a Class' net return in excess of both the return of the Performance Benchmark and the HWM, over a Performance Period. The performance fee is accrued daily in the Net Asset Value of each relevant Class and is crystallized at the Fund's fiscal year end subject to achieving a new HWM and outperforming the cumulative Performance Benchmark returns since the last crystallization date. To the extent that a Class did not exceed its Performance Benchmark and HWM at the end of a Performance Period, no performance fee will accrue until the Class' cumulative net return exceeds both the cumulative Performance Benchmark return and the HWM over the same period. When this occurs, the Performance Period will extend beyond one year and continue until the next fiscal year end that a performance fee does crystallize. The HWM will be adjusted for any distributions in the case of a Distributing Share Class.

The mechanisms employed in respect of performance fees are detailed for each relevant Fund below.

Fund Name	Performance Benchmark	Predefined Rate* (for Hurdle)	HWM	Class	Performance Fee
Wellington Emerging and Sovereign Opportunities Fund	Bank of America Merrill Lynch 3-month US Treasury Bill Index		Yes	S, D, DL, N	20%
				E	10%
Wellington Global Currency Absolute Return Fund	Bank of America Merrill Lynch 3-month US Treasury Bill Index		Yes	S, D, N	20%
Wellington Enduring Assets Fund		8%		S, D, DL, N	10%
Wellington Durable Companies Fund		8%		S, D, N	10%

\* The predefined rate is an additional amount added to the Hurdle which is set on a fund by fund basis and approved by the Directors.

**Further Considerations**

Due to differences in timing between their date(s) of investment and a Class' performance fee calculation period, subscribers and Shareholders of the Fund should be aware that their own individual performance experience as a Shareholder may not be equivalent to the actual performance of the Fund on which the performance fee is calculated and paid, and the performance fee paid to the Fund may be higher or lower than the actual performance they experience as a Shareholder. Although a daily accrual of a portion of the performance fee in a Class' Net Asset Value mitigates some of these timing differences, the performance

fee is calculated and paid based on the Class' fiscal year assets and performance, not on the basis of a Shareholder's specific assets or performance.

The Class' net return on which the performance fee is based, includes net unrealized gains and losses as at the end of each calculation period and as a result, a performance fee may be paid on unrealised gains which may subsequently never be realized. The performance fee is calculated prior to any dilution adjustments and is verified by the Depositary.

## Distribution Fees

With respect to the Class D, Class R and Class DL Shares of each Fund and in addition the G Shares of the Wellington Global Bond Fund and GR Shares of the Wellington Emerging Local Debt Fund, the Company shall pay to financial intermediaries a distribution fee ranging from 0.25% to 1.30% per annum of the net assets attributable to those Shares, as set forth in the table below.

The distribution fee is paid to intermediaries to compensate the intermediary for distribution and shareholder services provided to underlying beneficial owners of Fund Shares. The distribution fee is accrued daily and paid in arrears. Investors considering investing via an intermediary should be aware of these fees and the potential for conflict of interest that they create where, for example, an intermediary might be incentivized to recommend a particular Fund, or class of Shares within a Fund, that has a higher distribution fee.

From time to time, the Company may transfer payments of the distribution fee through the Distributor and the Distributor may transfer these payments to the financial intermediary in order to aggregate multiple fees due to the financial intermediary into a single payment. Such transfers are executed for the administrative convenience of the financial intermediary and have no impact on the fees paid by the Company.

Fund Name	Share Class	Distribution Fee
Wellington Emerging Local Debt Fund	Class D	0.50%
	Class DL	0.80%
	Class GR <sup>6</sup>	0.75%
Wellington Emerging Markets Corporate Debt Fund	Class D	0.55%
Wellington Emerging and Sovereign Opportunities Fund	Class D	1.00%
	Class DL	1.30%
Wellington Global Bond Fund	Class D	0.50%
	Class DL	0.70%
	Class R	0.75%
	Class G <sup>7</sup>	0.30%
Wellington Global Credit Buy and Maintain Fund	Class D	0.25%
	Class DL	0.50%
Wellington Global Credit Plus Fund	Class D	0.35%
	Class DL	0.65%

<sup>6</sup> The GR Class in the Wellington Emerging Local Debt Fund are only available to those investors that were holding R Shares in the Fund as at 19 May, 2015

<sup>7</sup> The G Class in the Wellington Global Bond Fund is only available to those investors that were holding B Shares in the Fund as at 17 January 2012.

Wellington Global Currency Absolute Return Fund	Class D	0.50%
Wellington Global High Yield Bond Fund	Class D	0.45%
	Class DL	0.75%
Wellington Global Strategic Sovereign Fund	Class D	0.25%
	Class DL	0.55%
Wellington Higher Quality Global High Yield Bond Fund	Class D	0.40%
Wellington Opportunistic Emerging Markets Debt Fund	Class D	0.55%
Wellington Opportunistic Fixed Income Fund	Class D	0.50%
	Class DL	0.80%
Wellington Sterling Core Bond Plus Fund	Class D	0.30%
Wellington US\$ Core High Yield Bond Fund	Class D	0.40%
	Class DL	0.70%
Wellington World Bond Fund	Class D	0.50%
	Class DL	0.80%
Wellington Asia ex Japan Equity Fund	Class D	0.80%
	Class DL	1.30%
Wellington Durable Companies Fund	Class D	0.75%
Wellington Durable Enterprises Fund	Class D	0.70%
	Class DL	1.20%
Wellington Emerging Markets Equity Fund	Class D	0.75%
Wellington Emerging Markets Local Equity Fund	Class D	1.00%
Wellington Emerging Markets Opportunities Fund	Class D	1.00%
Wellington Emerging Markets Systematic Equity Fund	Class D	0.65%
	Class DL	1.15%
Wellington Emerging Market Themes Fund	Class D	0.80%
	Class DL	1.30%
Wellington Enduring Assets Fund	Class D	0.75%
	Class DL	1.25%
Wellington European Contrarian Value Fund	Class D	0.70%
	Class DL	1.20%
Wellington Global Health Care Equity Fund	Class D	0.65%
Wellington Global Impact Fund	Class D	0.65%
	Class DL	1.05%
Wellington Global Perspectives Fund	Class D	0.90%
	Class DL	1.30%
Wellington Global Property Fund	Class D	0.75%
Wellington Global Quality Equity Fund	Class D	0.75%
Wellington Hedged Alpha Opportunities Fund	Class D	0.65%
Wellington Opportunistic Themes Fund	Class D	1.00%
Wellington Pan European Small Cap Equity Fund	Class D	0.70%
	Class DL	1.20%
Wellington Strategic European Equity Fund	Class D	0.75%
Wellington US Capital Appreciation Equity Fund	Class D	0.75%
	Class R	1.10%
Wellington Dynamic Diversified Income Fund	Class D	0.60%
	Class DL	1.10%
Wellington Multi-Asset Absolute Return Fund	Class D	0.45%
	Class DL	0.95%

### **Administrator and Depositary Fees**

The Company shall pay from the assets of the Funds the following fees to the Depositary and the Administrator together with value added tax thereon, if applicable. The Depositary shall be entitled to a fee for safekeeping services which is accrued daily and paid monthly in arrears at an annual rate up to 0.32% of net assets. In addition, the Depositary will also be entitled to receive transaction charges at normal commercial rates. The Depositary and Administrator shall also be entitled to a fee which is accrued daily and paid monthly in arrears at an annual rate of up to 0.07% of net assets for administrative, accounting and additional depositary services as well as a fee for financial statement preparation at normal commercial rates. The Depositary and Administrator will be entitled to be reimbursed their properly vouched reasonable out-of-pocket expenses from the assets of the relevant Funds.

### **Transfer Agent Fees**

The Transfer Agent will be entitled to receive shareholder account opening, maintenance and transaction charges, which include but are not limited to charges relating to share class maintenance and the processing of distribution fees and rebates of the investment management fees.

### **Directors' Fees**

The Directors who are not partners, officers or employees of the Investment Managers or any of its affiliates will be entitled to remuneration by the Company for their services as directors, provided however that the aggregate emoluments of the Directors in respect of any twelve month accounting period shall not exceed Euro 100,000 or such higher amount as may be approved by the Company in general meeting. In addition, the Directors will also be entitled to be reimbursed for their reasonable and vouched out of pocket expenses incurred in discharging their duties as Directors.

### **Preliminary, Redemption and Exchange Charges**

No preliminary, redemption or exchange charge will be made on subscriptions for Shares or requests for redemption of Shares or exchange of Shares in a Fund by the Company, the Distributor or the Investment Managers. The Directors reserve the right to add such fees in the future. The Company may also impose an Anti-Dilution Levy on purchases and redemptions of Shares of any Fund, as further described under the section entitled **Issue and Redemption Prices/Calculation of Net Asset Value/Valuation of Assets**.

Shareholders may be charged a transaction fee by their financial advisor or the intermediary. Where investors are subscribing in D or DL Share Classes through a financial intermediary, a preliminary charge of up to 5% for D Shares or 3% for DL Shares of the amount of the investment in the relevant Fund may be payable to the financial adviser or intermediary. Investors should consult their financial adviser or the intermediary about any such fees.

### **Soft Commissions**

In the selection of broker-dealers and other counterparties and in the execution of transactions in portfolio securities for a Fund, the Investment Managers seek to achieve the most favourable price and best execution available under the circumstances. In assessing the terms of a particular transaction, consideration may be given to various relevant factors, including the market for the security and

difficulty of executing the transaction, the price of the security, the financial condition and execution expertise of the intermediary, the reasonableness of the commission, if any, and the brokerage or research services provided by the intermediary to the Investment Manager. Subject always to the requirement of most favourable price, best execution and applicable laws, the Investment Managers may pay a higher commission than might be otherwise available in consideration of such brokerage and research services which assist the Investment Manager in providing investment services to the Company, provided that the relevant Investment Manager determines in good faith that such commission is reasonable in relation to the value of brokerage and research services. Such brokerage and research services may apply to the Investment Manager's services to a Fund or to its other clients. Disclosure of the fact that soft commissions have been paid in respect of a Fund will be set forth in the Company's semi-annual and annual accounts. However where Wellington Management International Limited is appointed as the Investment Manager of all or a portion of the assets of a Fund, Wellington Management International Limited will pay for any research it receives in relation to such management out of its own account and the cost of that research will not be charged to the relevant Funds.

### **Other Operating Expenses**

The Company will pay out of the assets of each Fund (or the relevant class), all other operating expenses of the relevant Fund (or the relevant class), including but not limited to any fees in respect of circulating details of the Net Asset Value, stamp duties, insurance, taxes, company secretarial fees, brokerage or other expenses of acquiring and disposing of investments, costs associated with execution / trading or settlement platforms, costs associated with derivative use, the fees and expenses of the auditors, tax, legal advisers and directors (as described above), the fees connected with the filing of class action lawsuits and any fees connected with listing on any stock exchange (if applicable). The costs of printing and distributing reports, accounts and any explanatory memoranda, any necessary translation fees, publishing prices and any costs incurred as a result of periodic updates of the Prospectus, KIIDs and factsheets, costs incurred in maintaining a website, registration of shares in any country, including the costs of any agent or representative whose fees will be at normal commercial rates or of a change in law or the introduction of any new law (including any costs incurred as a result of compliance with any applicable code, whether or not having the force of law) will also be paid by the Company.

Affiliates within the Wellington Management group provide various services to the Company, including, but not limited to, administrative, domiciliary, corporate, risk management, regulatory compliance and reporting services. These entities also incur fees payable to third parties to provide certain infrastructure and other support services. In this respect, the Company will pay a fee out of the assets of each Fund (or the relevant Class) to the Wellington Management group of an amount up to 0.02% per annum of daily net assets. This fee is calculated daily (and payable quarterly in arrears) and may be waived or reduced at the discretion of the Board of Directors of the Company.

All material costs (as well as any gains or losses) associated with derivative use by Hedged Share Classes or SC and TC Share Class specific transactions will be allocated to the Share Classes engaging in such transactions, with the exception of the Wellington Emerging Local Debt Advanced Beta Fund, where fees for services related to managing currency at the share class level will not be charged to the Fund.

The Company will pay to the Distributor out of the assets of the Class N, GN, DL and D Shares a distribution co-ordination fee of 0.15% per annum of net asset attributable to such Shares. This fee will accrue daily and be payable quarterly in arrears. This fee is charged in consideration of the services provided by the Distributor (and its affiliates) in establishing, servicing on an ongoing basis and

administering relationships with financial intermediaries and distributors and the costs incurred, including the costs of performing diligence on financial intermediaries/distributors, the additional oversight of third party service providers and the provision of additional marketing support. The distribution co-ordination fee is waivable in full or part by the Distributor.

Such fees, duties and charges will be charged to a Fund or Share Class in respect of which they were incurred or, where an expense is not considered by the Directors to be attributable to any one Fund, the expense will be allocated by the Directors with the approval of the Depositary, in such manner and on such basis as the Directors in their discretion deem fair and equitable. In the case of any fees or expenses of a regular or recurring nature, such as audit fees, the Directors may calculate such fees and expenses on an estimated figure for yearly or other periods in advance and accrue the same in equal proportions over any period. The ongoing cost and expenses of this offer, which include the preparation and printing of this Prospectus, marketing costs and the fees of all professionals relating to it, and costs associated with ratings and/or rankings of the Funds, will be borne by the Company and charged as a current expense among each Fund on such terms and in such manner as may be agreed between the Company and the Investment Manager.

Subject to the provisions of the Articles and the requirements of the Central Bank, the Directors may determine that certain fees and expenses incurred by the Company and/or its Funds including, without limitation, formation costs and expenses and investment management fees and expenses (including any performance fee payable) will be charged to capital.

The initial costs and expenses related to establishing the Wellington Opportunistic Fixed Income Fund, Wellington Emerging Markets Corporate Debt Fund, Wellington Global Property Fund, Wellington Higher Quality High Yield Bond Fund, Wellington Durable Enterprises Fund and Wellington Pan European Small Cap Equity Fund (together the “New Funds”), including the fees and expenses in relation to the approval of the New Funds, are each not expected to exceed €20,000, and are being borne by each New Fund and treated as an expense of the New Funds in the first financial year after the closure of the initial offer period of the New Fund.

Each Investment Manager may, in its sole discretion, agree to cap its fees or reimburse a particular Fund or Class of Shares an amount in respect of charges and expenses payable out of the assets of that Fund. The level of any such cap or reimbursement is subject to the discretion of the Investment Manager, it may be temporary and may be introduced and removed without prior notice to the Shareholders.

## **MANAGEMENT AND ADMINISTRATION**

### **The Board of Directors**

The Board of Directors is responsible for managing the business affairs of the Company in accordance with the Articles of Association. The Directors may delegate certain functions to the Administrator, the Transfer agent, the Investment Managers and other parties, subject to supervision and direction by the Directors.

The Directors of the Company are described below. The following Directors may also be directors, partners or employees of the Investment Managers, the Distributor or other Wellington Management group companies.

### ***Sergio Betancourt***

Mr Betancourt is a Managing Director and Manager of Wellington Management Funds Product Development. Prior to joining the firm in 2004, Mr Betancourt worked as a banker in the mergers & acquisitions and equity capital markets divisions of Deutsche Bank in London (1999 – 2004). Before that, he was operations manager at Firebird Transport, a Moscow-based start-up company (1994 – 1997). Mr Betancourt earned his MBA in finance from the University of Pennsylvania (Wharton, 1999), and his BA in economics and political science from the University of Vermont (1993). Additionally, Mr Betancourt holds the Chartered Financial Analyst designation and is a member of the CFA institute.

### ***Alan J. Brody***

Mr. Brody was a Managing Director and Chief Operating Officer of the Wellington Management Funds Global Group for more than ten years prior to his retirement from the firm in April 2017. Prior to joining the firm in 2006, Mr. Brody was the Asia regional business director at Union Bancaire Privée (2005-2006), and the director of the Europe, Middle East and Asia wealth management business at Prudential Financial (1996-2004). Before that, Mr. Brody held a variety of positions at Lehman Brothers (1990-1996), was the president and chief executive officer of Commodity Exchange, Inc. (1980-1990), and in the private practice of law (1977-1980). Mr. Brody received his JD from Rutgers School of Law - Newark (1977), and his BA from Northwestern University (1974).

### ***Greg Konzal***

Mr Konzal is a Managing Director and Regional Head of Legal EMEA. Additionally, he serves as secretary of the Board of Directors of Wellington Management International Ltd. and the Management Board of Wellington Management Switzerland GmbH. Prior to joining Wellington Management in 2002, Mr Konzal was an attorney with Dechert (1997 – 2002), Bankers Trust Company (1996 – 1997), and Seward & Kissel (1994 –1996). Mr Konzal received his JD from Columbia School of Law (1994) and his BA from Columbia University (1991).

### ***Lucinda Marrs***

Ms. Marrs is a Senior Managing Director and Partner and is the President of the Wellington Management Funds Global Group. Prior to joining the firm in 1994, Ms. Marrs worked as an investment consultant at Evaluation Associates (1989-1994) and held investment-related positions at Paine Webber, Inc. (1986-1987) and Olin Corporation (1983-1985). Ms. Marrs received her MBA from Columbia Business School (1989) and her BS in chemistry, cum laude, from Duke University (1983).

### ***Thomas Murray***

Mr Murray is a Managing Director and Director of Wellington Management Funds Global Fund Services. Prior to joining the firm in 2004, Mr Murray worked at MFS Investment Management, where he held several different roles including controller, chief administration officer, and chief financial officer for various divisions (1992 – 2004). He also worked as an auditor for KPMG Peat Marwick (1990 – 1992). Mr Murray earned his MBA in Finance from Boston University (1998), and a BS in Accounting from Providence College (1990). Additionally Mr Murray earned the CPA designation in the State of Rhode Island.

The following directors are not affiliated with the Investment Managers.

### ***Gerald Brady***

Gerald Brady is an independent, non-executive director and consultant in the regulated, international financial services industry. Mr. Brady has over 25 years' experience of the funds industry, both as a director and full-time executive, and has held senior executive management positions in Bank of Bermuda, Capita Financial Group and Northern Trust. Mr. Brady has worked both abroad and in Ireland and is a past Council member of the Irish Funds Industry Association (IFIA) and former Executive Board member of Financial Services Ireland/Irish Business and Employers Confederation (FSI/IBEC). Mr. Brady has a First Class Honours degree in Economics and is a Fellow of the Institute of Chartered Accountants of Ireland (FCA) and a Chartered Financial Analyst (CFA).

### ***William Manahan***

William "Liam" Manahan is an independent, non-executive director in the funds industry. Mr. Manahan has over thirty years' experience in the financial services sector, including as a director and full-time executive. Mr. Manahan was one of the founding directors (April 1993 to November 2004) and Chief Executive Officer (November 2004 to December 2009) of Bank of Ireland Securities Services Limited. He was employed as a risk adviser to the Central Bank of Ireland (June 2010 to May 2012). Mr. Manahan was also Chairman of the Irish Funds Industry Association from 2006-2007.

For the purposes of this Prospectus, the address of all the Directors is the registered office of the Company.

The Company has delegated the day to day management and running of the Company to the Administrator, the Transfer Agent and the Investment Managers and has appointed the Depositary as depositary in relation to its assets. Consequently, all Directors of the Company are non-executive.

### **The Investment Managers**

Wellington Management Company LLP has been appointed Investment Manager of all the Funds except for the Wellington Emerging and Sovereign Opportunities Fund, Wellington Global Currency Absolute Return Fund, Wellington Pan European Small Cap Equity Fund, Wellington Strategic European Equity Fund for which Wellington Management International Limited has been appointed Investment Manager; the Wellington Asia Ex Japan Equity Fund, Wellington Emerging Markets Local Equity Fund and Wellington Emerging Market Themes Fund for which Wellington Management Singapore Pte Ltd has been appointed Investment Manager; and the Wellington Emerging Markets Opportunities Fund for which Wellington Management Hong Kong Limited has been appointed Investment Manager.

Pursuant to investment management agreements (summarized under the section entitled **General Information** below) each Investment Manager also provides or arranges for shareholder liaison matters, performs liaison functions with the Depositary, the Administrator and the Transfer Agent, and may act in such other capacities as the Directors may approve. All or a portion of the investment management services for a Fund may be carried out by personnel who are employed by affiliates of the Investment Manager appointed to that Fund. Furthermore, an Investment Manager may choose to delegate the discretionary investment management of a Fund or a portion of a Fund to an Affiliate by way of a sub-



investment management arrangement. In such instance, the Affiliate will be paid out of the fee payable to the relevant Investment Manager in respect of the relevant Fund and information in respect of the relevant affiliates will be provided to the Shareholders on request and will be disclosed in the periodic reports of the Company. In all cases the relevant Investment Manager remains responsible for all investment management services under its agreement with the Company.

Wellington Management Company LLP is a limited liability partnership organized in 2014 under the laws of the State of Delaware, U.S.A., and is registered as an investment adviser with the Securities and Exchange Commission under the Investment Advisers Act of 1940, as amended.

Wellington Management International Limited is a limited liability company incorporated in 2001 under the laws of England and Wales, and is authorized and regulated by the Financial Conduct Authority in the United Kingdom. Wellington Management International Limited is registered as an investment adviser with the Securities and Exchange Commission under the Investment Advisers Act of 1940, as amended.

Wellington Management Hong Kong Limited is a limited liability company incorporated in 2003 under the laws of Hong Kong, and is authorised and regulated in Hong Kong by the Hong Kong Securities and Futures Commission.

Wellington Management Singapore Pte Ltd is a limited liability company incorporated in 2014 under the laws of Singapore, and is authorized and regulated in Singapore by the Monetary Authority of Singapore.

The Wellington Management group provides discretionary portfolio management services and financial advisory services related to portfolio management to a range of institutional clients and CISs. As of 31 March 2017, the amount of assets under discretionary management by the Wellington Management group was approximately USD 1 trillion.

## Depository

The Company has appointed State Street Custodial Services (Ireland) Limited (the “Depository”) to act as depository in relation to the assets of the Company pursuant to a Depository Agreement (summarized under the section entitled **General Information** below).

The principal activity of the Depository is to act as depository in relation to the assets of CISs. The Depository is regulated by the Central Bank.

The Depository is a private limited company incorporated in Ireland on 22 May 1991. The Depository is an indirect, wholly-owned subsidiary of State Street Corporation.

The Depository shall carry out functions in respect of the Company including but not limited to the following:

- (i) the Depository shall hold in custody all financial instruments capable of being registered or held in a financial instruments account opened in the Depository's books and all financial instruments capable of being physically delivered to the Depository;

- (ii) the Depositary shall verify each Fund's ownership of all any assets (other than those referred to in (i) above) and maintain and keep up-to-date a record of such assets it is satisfied are owned by the Funds;
- (iii) the Depositary shall ensure effective and proper monitoring of each Fund's cash flows;
- (iv) the Depositary shall be responsible for certain oversight obligations in respect of the Company – see "Summary of Oversight Obligations" below.

Duties and functions in relation to (iii) and (iv) above may not be delegated by the Depositary.

#### *Summary of Oversight Obligations*

The Depositary is obliged to ensure, among other things, that:

- the sale, issue, redemption and cancellation of Shares effected on behalf of the Company are carried out in accordance with the conditions imposed by the Central Bank and the Memorandum and Articles of Association of the Company;
- the value of Shares is calculated in accordance with the Regulations and the Memorandum and Articles of Association of the Company;
- in transactions involving the assets of the Funds, any consideration is remitted to it within time limits which are acceptable market practice in the context of a particular transaction;
- the Company and each Fund's income is applied in accordance with the Regulations and the Memorandum and Articles of Association of the Company;
- the instructions of the Company are carried out unless they conflict with the Regulations or the Memorandum and Articles of Association of the Company;
- effective and proper monitoring of the Company's and each Fund's cash flows; and
- safe-keeping of the Company's assets, including the safekeeping of financial instruments to be held in custody and ownership verification and record keeping in relation to other assets.

In addition, the Depositary will be obliged to enquire into the conduct of the Company in each financial year and to report thereon to the Shareholders. The Depositary's report shall be delivered to the Company in good time to enable it to be included in the annual report of the Company. The Depositary's report shall state whether in the Depositary's opinion the Company has been managed in that period:

- (i) in accordance with the limitations imposed on the investment and borrowing powers of the Company by the Memorandum and Articles of Association of the Company and by the Regulations; and
- (ii) otherwise in accordance with the provisions of the Memorandum and Articles of Association of the Company and the Regulations.

If the Company has not complied with (i) or (ii) above, the Depositary must state why this is the case and outline the steps which the Depositary has taken to rectify the situation.

#### *Delegation*

The Depositary has full power to delegate the whole or any part of its safe-keeping functions but its liability will not be affected by the fact that it has entrusted to a third party some or all of the assets in its safekeeping. The Depositary's liability shall not be affected by any delegation of its safe-keeping functions under the Depositary Agreement.

Information about the safe-keeping functions which have been delegated and the identification of the relevant delegates and sub-delegates are contained in Appendix IV to this Prospectus.

### **Administrator**

The Company has delegated responsibility for the administration of each Fund to State Street Fund Services (Ireland) Limited (the “Administrator”).

The Administrator is responsible for performing the day to day administration of the Company and for providing fund accounting for the Company, including the calculation of the Net Asset Value and the Net Asset Value per Share.

The Administrator is a private limited company incorporated in Ireland on 23 March 1992.

In addition, the Company has appointed an affiliate of the Depositary and Administrator, State Street Bank Europe Limited (“SSBE”), to manage currency hedging for certain of the Funds’ Hedged Share Classes and SC Share Classes of Wellington Emerging Local Debt Advanced Beta Fund. SSBE acts pursuant to an agreement to carry out passive currency hedging transactions for certain of the Fund’s Share Classes.

SSBE is a limited company incorporated in the U.K.

Each of the Depositary, the Administrator and SSBE ultimately are owned by State Street Corporation. State Street Corporation is a leading world-wide specialist in providing global investors with investment servicing and investment management. State Street Corporation is headquartered in Boston, Massachusetts, U.S.A.

### **Transfer Agent**

The Company has appointed Brown Brothers Harriman Fund Administration Services (Ireland) Limited (the “Transfer Agent”) to act as registrar and transfer agent under a Registrar and Transfer Agency Agreement. The Transfer Agent is a private limited company incorporated in Ireland.

The Transfer Agent is responsible for providing registration, transfer agency and related services to the Company but may delegate such services to an affiliate.

The Transfer Agent was incorporated in Ireland on 29 March 1995 and is ultimately a wholly owned subsidiary of Brown Brothers Harriman & Co.

### **Distributor**

The Company has appointed Wellington Global Administrator, Ltd (the “Distributor”) to act as distributor under a Distribution Agreement.

The Distributor receives a distribution co-ordination fee as described under “Charges and Expenses” above.

The Distributor will coordinate, provide for and supervise the distribution of Shares indirectly through various sub-distributors or other financial intermediaries pursuant to terms and conditions set out in an appropriate agreement with such intermediaries.

The Distributor is an exempted company organized under the laws of Bermuda and is within the Wellington Management group.

## **TAXATION**

**The following sections do not purport to deal with all of the tax consequences applicable to the Company or to all categories of Shareholders, some of whom may be subject to special rules, and do not constitute tax advice. Shareholders and potential investors are advised to consult their professional advisors concerning possible taxation or other consequences of purchasing, holding, selling, converting or otherwise disposing of the Shares under the laws of their country of incorporation, establishment, residence, or domicile, and in the light of their particular circumstances.**

The following statements on taxation are based on advice received by the Directors regarding the law and practice in force at the date of this Document. There is no guarantee that tax laws and practices will not change, so that the following general discussion of tax matters is no longer accurate. As is the case with any investment, there can be no guarantee that the tax position or proposed tax position prevailing at the time an investment is made in the Company will endure indefinitely.

For the purposes of this part of the prospectus, all references to the holding of shares in the Company should be regarded as references to the holding of shares in a particular Fund/Funds of the Company.

### **Irish Taxation**

#### *Tax on income and capital gains*

#### **The Company**

The Directors have been advised that, under current Irish law and practice, the Company qualifies as an investment undertaking for the purposes of Section 739B of the Taxes Consolidation Act, 1997, as amended ("TCA") so long as the Company is resident in Ireland. Accordingly, it is not chargeable to Irish tax on its income and gains.

The Company will only be subject to tax on chargeable events in respect of Shareholders who are Taxable Irish Persons (generally persons who are resident or ordinarily resident in Ireland for tax purposes – refer to Irish Residence and Ordinary Residence for Tax Purposes section for more detail).

A chargeable event occurs on:

- (i) a payment of any kind to a Shareholder by the Company;

- (ii) an encashment, repurchase, redemption, cancellation, transfer or deemed disposal of Shares; and
- (iii) on the eighth anniversary of a Shareholder acquiring Shares and every subsequent eighth anniversary.

but does not include any transaction in relation to Shares held in a clearing system recognized by the Irish Revenue Commissioners, certain transfers arising as a result of an amalgamation or reconstruction of fund vehicles and certain transfers between spouses/civil partners or former spouses/civil partners. Where a chargeable event occurs, the Company is required to account for the Irish tax thereon.

If a Shareholder is not a Taxable Irish Person at the time a chargeable event arises no Irish tax will be payable on that chargeable event in respect of that Shareholder.

Where tax is payable on a chargeable event, subject to the comments below, it is a liability of the Company which is recoverable by deduction or, in the case of a transfer and on the eight year rolling chargeable event by cancellation or appropriation of Shares from the relevant Shareholders. In certain circumstances, and only after notification by the Company to a Shareholder, the tax payable on the eight year rolling chargeable event can at the election of the Company become a liability of the Shareholder rather than the Company. In such circumstances the Shareholder must file an Irish tax return and pay the appropriate tax (at the rate set out below) to the Irish Revenue Commissioners. In the absence of the appropriate declaration being received by the Company that a Shareholder is not a Taxable Irish Person or if the Company has information that would reasonably suggest that a declaration is incorrect, and in the absence of written notice of approval from the Revenue Commissioners to the effect that the requirement to have been provided with such declaration is deemed to have been complied with (or following the withdrawal of, or failure to meet any conditions attaching to such approval), the Company will be obliged to pay tax on the occasion of a chargeable event (even if, in fact, the Shareholder is neither resident nor ordinarily resident in Ireland). Where the chargeable event is an income distribution tax will be deducted at the rate of 41%, or at the rate of 25% where the Shareholder is a company and the appropriate declaration has been made, on the amount of the distribution. Where the chargeable event occurs on any other payment to a Shareholder, not being a company which has made the appropriate declaration, on a transfer of Shares and on the eight year rolling chargeable event, tax will be deducted at the rate of 41% on the increase in value of the shares since their acquisition. Tax will be deducted at the rate of 25% on such transfers where the Shareholder is a company and the appropriate declaration has been made. In respect of the eight year rolling chargeable event, there is a mechanism for obtaining a refund of tax where the Shares are subsequently disposed of for a lesser value.

An anti-avoidance provision increases the 41% rate of tax to 60% (80% where details of the payment/disposal are not correctly included in the individual's tax return) if, under the terms of an investment in a fund, the investor or certain persons associated with the investor have an ability to influence the selection of the assets of the Company.

Other than in the instances described above, the Company should have no liability to Irish taxation on income or chargeable gains.

### ***Shareholders***

Shareholders who are neither resident nor ordinarily resident in Ireland in respect of whom the appropriate declarations have been made (or in respect of whom written notice of approval from the

Revenue Commissioners has been obtained by the Company to the effect that the requirement to have been provided with such declaration from that Shareholder or class of shareholders to which the Shareholder belongs is deemed to have been complied with) will not be subject to tax on any distributions from the Company or any gain arising on redemption, repurchase or transfer of their shares provided the shares are not held through a branch or agency in Ireland and the shares, if unlisted, do not derive the greater part of their value from Irish land or mineral rights. No tax will be deducted from any payments made by the Company to those Shareholders who are not Taxable Irish Persons.

Shareholders who are Irish resident or ordinarily resident or who hold their shares through a branch or agency in Ireland may have a liability under the self-assessment system to pay tax, or further tax, on any distribution or gain arising from their holdings of Shares. In particular where the Company has elected to not deduct tax at the occasion of the eight year rolling chargeable event a Shareholder will have an obligation to file a self-assessment tax return and pay the appropriate amount of tax to the Irish Revenue Commissioners.

Refunds of tax where a relevant declaration could be made but was not in place at the time of a chargeable event are generally not available except in the case of certain corporate Shareholders within the charge to Irish corporation tax.

#### **Exempt Irish Resident Shareholders**

The Company will not be required to deduct tax in respect of the following categories of Irish Resident Shareholders, provided the Company has in its possession the necessary declarations from those persons (or an intermediary acting on their behalf) and the Company is not in possession of any information which would reasonably suggest that the information contained in the declarations is not, or is no longer, materially correct. A Shareholder who comes within any of the categories listed below and who (directly or through an intermediary) has provided the necessary declaration to the Company is referred to herein as an **“Exempt Irish Resident”**:

- (a) a pension scheme which is an exempt approved scheme within the meaning of Section 774 of the TCA, or a retirement annuity contract or a trust scheme to which Section 784 or Section 785 of the TCA, applies;
- (b) a company carrying on life business within the meaning of Section 706 of the TCA;
- (c) an investment undertaking within the meaning of Section 739B(1) of the TCA, or an investment limited partnership within the meaning of Section 739J of the TCA;
- (d) a special investment scheme within the meaning of Section 737 of the TCA;
- (e) a charity being a person referred to in Section 739D(6)(f)(i) of the TCA;
- (f) a qualifying management company within the meaning of Section 739B(1) of the TCA;
- (g) a unit trust to which Section 731(5)(a) of the TCA applies;

- (h) a person who is entitled to exemption from income tax and capital gains tax under Section 784A(2) of the TCA where the shares held are assets of an approved retirement fund or an approved minimum retirement fund;
- (i) a person who is entitled to exemption from income tax and capital gains tax by virtue of Section 787I of the TCA, and the shares are assets of a PRSA;
- (j) a credit union within the meaning of Section 2 of the Credit Union Act, 1997;
- (k) the National Treasury Management Agency;
- (l) the National Asset Management Agency;
- (m) a company within the charge to corporation tax in accordance with Section 110(2) of the TCA (securitisation companies);
- (n) in certain circumstances, a company within the charge to corporation tax in respect of payments made to it by the Company; or
- (o) any other person who is resident or ordinarily resident in Ireland who may be permitted to own Shares under taxation legislation or by written practice or concession of the Revenue Commissioners without giving rise to a charge to tax in the Company or jeopardising the tax exemptions associated with the Company.

There is no provision for any refund of tax to Shareholders who are Exempt Irish Residents where tax has been deducted in the absence of the necessary declaration. A refund of tax may only be made to corporate Shareholders who are within the charge to Irish corporation tax.

### **Stamp Duty**

No Irish stamp duty will be payable on the subscription, transfer or redemption of Shares provided that no application for Shares or repurchase or redemption of Shares is satisfied by an in specie transfer of any Irish situated property or any right over or interest in such property, or to any stocks or marketable securities of a company (other than a company which is an investment undertaking within the meaning of Section 739B of the TCA or a qualifying company within the meaning of Section 110 of the TCA) which is registered in Ireland.

### ***Capital Acquisitions Tax***

No Irish gift tax or inheritance tax (capital acquisitions tax) liability will arise on a gift or inheritance of Shares provided that:

- (i) at the date of the disposition the transferor is neither domiciled nor ordinarily resident in Ireland and at the date of the gift or inheritance the transferee of the Shares is neither domiciled nor ordinarily resident in Ireland; and
- (ii) the Shares are comprised in the disposition at the date of the gift or inheritance and the valuation date.

### ***Irish Residence and Ordinary Residence for Tax Purposes***

### ***Residence - Corporate Investors***

A company will be resident in Ireland if its central management and control is in Ireland or (in certain circumstances) if it is incorporated in Ireland. For Ireland to be treated as the location of a company's central management and control this typically means Ireland is the location where all fundamental policy decisions of the company are made.

All companies incorporated in Ireland are resident in Ireland for tax purposes except where:

- (i) in the case of a company incorporated before 1 January 2015, the company or a related company carries on a trade in Ireland, and either (a) the company is ultimately controlled by persons resident in a "relevant territory", being an EU member state (other than Ireland) or a country with which Ireland has a double taxation agreement in force by virtue of Section 826(1) of the TCA or that is signed and which will come into force once all the ratification procedures set out in Section 826(1) of the TCA have been completed, or (b) the principal class of the shares in the company or a related company is substantially and regularly traded on a recognised stock exchange in a relevant territory; or
- (ii) the company is regarded as resident in a country other than Ireland and not resident in Ireland under a double taxation agreement between Ireland and that other country.

A company incorporated in Ireland and coming within either (i) or (ii) above will not be regarded as resident in Ireland unless its central management and control is in Ireland, PROVIDED however, a company coming within (i) above which has its central management and control outside of Ireland will still be regarded as resident in Ireland if (a) it would by virtue of the law of a relevant territory be tax resident in that relevant territory if it were incorporated in that relevant territory but would not otherwise be tax resident in that relevant territory, (b) is managed and controlled in that relevant territory, and (c) would not otherwise by virtue of the law of any territory be regarded as resident in that territory for tax purposes.

The exception from the incorporation rule of tax residence at (i) above in respect of a company incorporated before 1 January 2015 will however cease to apply or be available after 31 December 2020, or, if earlier, from the date, after 31 December 2014, of a change in ownership (direct or indirect) of the company where there is a major change in the nature or conduct of the business of the company within the period beginning on the later of 1 January 2015 or the date which occurs one year before the date of the change in ownership of the company, and ending 5 years after the date of the change in ownership. For these purposes a major change in the nature or conduct of the business of the company includes the commencement by the company of a new trade or a major change arising from the acquisition by the company of property or of an interest in or right over property.

### ***Residence – Individual Investors***

An individual will be regarded as being resident in Ireland for a tax year if s/he:

- (i) spends 183 days or more in the State in that tax year; or



- (ii) has a combined presence of 280 days in the State, taking into account the number of days spent in the State in that tax year together with the number of days spent in the State in the preceding year.

Presence in a tax year by an individual of not more than 30 days in the State will not be reckoned for the purpose of applying the two year test. Presence in the State for a day means the personal presence of an individual at any time during the day.

### ***Ordinary Residence – Individual Investors***

The term “ordinary residence” as distinct from “residence”, relates to a person’s normal pattern of life and denotes residence in a place with some degree of continuity.

An individual who has been resident in the State for three consecutive tax years becomes ordinarily resident with effect from the commencement of the fourth tax year.

An individual who has been ordinarily resident in the State ceases to be ordinarily resident at the end of the third consecutive tax year in which s/he is not resident. Thus, an individual who is resident and ordinarily resident in the State in 2010 and departs from the State in that tax year will remain ordinarily resident up to the end of the tax year in 2013.

### ***Residence - Trust Investors***

A trust will generally be regarded as resident in Ireland where all of the trustees are resident in Ireland. Trustees are advised to seek specific tax advice if they are in doubt as to whether the trust is resident in Ireland.

### ***Intermediary***

This means a person who:

- (i) carries on a business which consists of, or includes, the receipt of payments from an investment undertaking resident in Ireland on behalf of other persons; or
- (ii) holds units in an investment undertaking on behalf of other persons.

### ***Common Reporting Standard (CRS)***

The Organisation for Economic Co-operation and Development has developed a new global standard for the automatic exchange of financial information between tax authorities (the CRS). Ireland is a signatory jurisdiction to the CRS and intends to conduct its first exchange of information with tax authorities of other signatory jurisdictions in September 2017. Legislation to implement the CRS in Ireland was introduced in the Finance Act 2014 by inserting Section 891F in the Taxes Consolidation Act 1997 (as part of the implementation of the Council Directive 2014/107/EU amending the Council Directive 2011/16/EU as regards mandatory automatic exchange of information in the field of taxation and approval of the multilateral competent authority agreement on automatic exchange of financial account information, signed on 29 October 2014). The requirements, when finalised, will impose obligations on the Company

and Shareholders, as the Company will be required to conduct due diligence and obtain (among other things) confirmation of the tax residency, tax identification number and CRS classification of Shareholders in order to fulfil its own legal obligations from 1 January 2016. Further, the Shareholders will be required to permit the Issuer to share such information with the relevant taxing authority. It is intended that the Company will fully comply with CRS regulations.

## **Austrian Taxation**

The following information is intended to give a general overview of the principles of Austrian taxation on income derived from investment funds for investors subject to unlimited tax liability in Austria based on the legal status applicable since 1 April 2012.

The discussion is generic, and specific cases are not considered. As no tax advice on the taxation of individual investors is hereby given, it is recommended that investors seek advice from a tax advisor regarding the taxation of their respective holdings.

Investment funds are transparent according to Austrian tax law. This means that income from the Company is not taxed at the Company level but at investor level (tax transparency).

The Company's income is generally taxable when it is distributed to the investors. Income, which is not distributed, is taxable as deemed distributed income ("DDI") once a year.

The Investment Fund Act 2011 provides for two tax categories for foreign investment funds:

- Investment funds which have a tax representative, who reports the tax categorisation of distributions and DDI to the Oesterreichische Kontrollbank ("OeKB") (reporting funds) and
- Investment funds, which do not have a tax representative and which are therefore subject to the lump-sum taxation (black funds).

### ***Shareholders: Private Investors***

#### ***Taxation of the Company's income***

The Company's taxable income consists of

- the ordinary income (i.e. interest income, dividend income, other ordinary income minus the Company's expenses) and
- the extraordinary income (i.e. realised capital gains from the sale of the Company's assets and income from derivative instruments).

For private investors only 60% of the accumulated extraordinary income is taxable. In case of distributions 100% of the distributed extraordinary income is taxable.

Negative extraordinary income (realised capital losses after netting with realised capital gains) can be credited against ordinary income (dividends, interest and other income minus expenses). If capital losses exceed the net investment income, the exceeding amount can be carried forward at the share class level. Further, negative net investment income can be offset against realised capital gains and carried

forward if the negative net investment income exceeds the realised capital gains. In the following financial years, these carried forward amounts have to be offset, firstly against realised capital gains, and after that against the net investment income.

The applicable tax rate for private investors on the Company's income is generally 27.5%. In cases where the fund shares are held on Austrian deposit, the 27.5% tax on the DDI and the distributed income is withheld by the Austrian depository bank. In case the fund shares are held on foreign deposit, the DDI (which is deemed to be distributed seven months after the fund's financial year-end in this case) and the distributed income have to be included in the private investor's personal income tax return.

#### *Sale of Shares*

Where private investors sell their Company shares, the difference between the sales price and the purchase price is subject to 27.5% tax irrespective of the holding period. In order to avoid a double taxation of the DDI (i.e. annual taxation and taxation as part of the gain derived from the sale of the Company shares) the Company share's purchase price is increased annually by the taxed DDI. It should be noted that the sales (preliminary) charge must generally not be considered as incidental acquisition cost.

If the Company shares are held on Austrian deposit, the 27.5% tax on the capital gain shall be withheld by the Austrian depository bank. In cases where the Company shares are held on foreign deposit, the capital gain has to be included in the private investor's personal income tax return.

The capital gains taxation at 27.5% tax only applies to the sale of Company shares bought after 31 December 2010. Capital gains from the sale of Company shares bought before 1 January 2011 are generally tax free.

#### ***Shareholders: Individuals Holding the Company Shares as Business Property***

If Company shares are held by individuals as business property (sole proprietors or partnerships), the tax rules as described above for private investors are generally applicable with the following exceptions:

- 100% of the accumulated extraordinary income is taxable at 27.5%.
- Individuals holding the fund shares as business property have to include the extraordinary income and the realised capital gains or losses from the sale of Company shares in their income tax return in any case. Any tax withheld on extraordinary income and on capital gains by the Austrian depository bank will be credited on the individual's income tax.
- The sales (preliminary) charge can be considered as an incidental acquisition cost and has to be included in the individual's income tax return.

#### ***Shareholders: Corporate Investors***

Ordinary income and extraordinary income are subject to 25% Corporate Income Tax and must be included in the corporate income tax return of the corporation. If the corporate investor sells Company shares, the difference between the purchase price and the sales price less already taxed DDI is subject to 25% Corporate Income Tax (irrespective of the holding period) and must be included in the corporate

income tax return. The DDI is deemed to be received by corporate investors at the financial year-end of the fund.

Corporate investors can avoid the withholding tax deduction by providing the Austrian bank with a certificate of exemption. If no certificate of exemption is provided, the deducted withholding tax can be credited against Corporate Income Tax.

### **Proof of Taxable Income**

The tax categorisation of DDI have to be calculated by an Austrian tax representative on an annual basis and reported to the OeKB within seven months after the fund's financial year-end.

The withholding tax on the DDI is deducted by the Austrian depository bank, once the DDI is published by the OeKB. The tax figures are published on the OeKB's website ([www.profitweb.at](http://www.profitweb.at)).

If an investment fund is not registered with the OeKB, the lump-sum taxation applies as at calendar year-end. In this case, 90% of the increase in the NAV over the calendar year, but at least 10% of the NAV at calendar year-end, is subject to taxation.

### **Disclaimer**

Please note that the information relating to the tax consequences above is based on the tax rules as of July 2017. The correctness of this tax information may be affected by subsequent changes in the law or changes in the application of the law.

### **German Taxation**

#### ***Taxation in Germany***

The statements regarding the tax regulations are not to be considered exhaustive. They are not a complete analysis of all tax considerations relating to the holding of a Relevant Share Class. They do not constitute legal or tax advice. The comments are limited to certain aspects of current German tax law and practice and may not apply to certain classes of investors.

According to the flat rate tax, introduced by the Corporate Tax Reform Act 2008 and which came into effect on 1 January 2009, all capital income within the meaning of § 20 German Income Tax Act of private German Shareholders will be subject to the flat rate tax independent of the duration of holding periods which is levied at a rate of 25% as well as the solidarity surcharge of (5.5% thereof) and the church tax, if applicable.

#### **Investment Fund Tax Regime Until 31 December 2017**

The following provisions apply only in respect of certain Share Classes (each referred to as a Relevant Share Class) of Funds for which the Company has elected to publish the relevant tax information pursuant to the German Investment Tax Act (GITA).

Where a Relevant Share Class is publicly distributed in Germany (and it is considered appropriate in the circumstances), and in certain circumstances where the Relevant Share Class is not publicly distributed (e.g. private placement), the Company intends to retain the services of qualified tax experts and intermediaries to prepare and publish, as appropriate, all tax information required to be published under the German Investment Tax Act in order to allow for optimal taxation of German tax-resident investors in respect of such Relevant Share Class.

The Company will inform shareholders who maintain an account for the holding of shares in the Relevant Share Class and who have indicated an address in Germany in the Account Opening Agreement prior to any decision to waive the right of public distribution in Germany for any such Relevant Share Class or any decision to no longer maintain the services of qualified tax experts and intermediaries in order to prepare and publish tax information pursuant to the German Investment Tax Act. Such notification will be made either directly by letter or by publication in the *Börsenzeitung*.

Neither the Company nor the Investment Managers guarantee that all information required to ensure optimal taxation under the German Investment Tax Act will be obtained or published. In particular, neither the Company nor the Investment Managers can guarantee the publication of the required tax information to the extent underlying funds in which the Company may be invested do not provide the required tax information themselves. Prospective investors are therefore advised to seek independent professional advice concerning possible taxation or other consequences of purchasing, holding, selling or otherwise disposing of shares.

The following statements with respect to the tax consequences at the Shareholder level only apply if the necessary publication requirements, within the meaning of the GITA, have been met.

### *The Shareholder*

The following statements are based on the law in effect after the introduction of the Flat Rate Tax on 1 January 2009. The statements do not address the tax consequences which could be relevant to the taxation of an individual Shareholder based upon his personal circumstances.

In principle, the distributed income, the deemed distribution income, the capital gains upon sale or redemption (as well as equivalent transactions) and the interim profit upon sale or redemption of a Relevant Share Class are capital income according to §20 German Income Tax Act of a German Shareholder and subject to the flat rate tax.

The flat rate tax will satisfy any income tax liability of a private German Shareholder in respect of capital investment income (distributed income) or private capital gains. For shares of an accumulating Relevant Share Class or shares which will be held in a non-German custody account, the flat rate tax cannot be withheld by the bank and therefore the German private Shareholders have to include the capital income of the Relevant Share Class in their tax return.

For a Shareholder that holds their shares of a Relevant Share Class as business assets, any taxable income received from the Company is subject to German income tax or, if applicable, German corporate income tax at their individual tax rate. The withholding tax will not satisfy the income tax liability of Shareholders which hold their shares as business assets and therefore the Shareholders have to include all income from shares in their tax return.

In the case of a distribution, the distributed and deemed distributed income is subject to capital income withholding tax of 25 % (plus solidarity surcharge and church tax, if applicable). Due to the fact that no German withholding tax will be withheld on the basis of the deemed distribution income of a foreign fund at the time of the deemed distribution, the (German) custodian banks are obliged to withhold the 25% capital income withholding tax (plus solidarity surcharge and, if applicable, church tax) based on the accumulated deemed distributed income (ADDI) at the time of sale or redemption provided that the Shareholder holds his shares of a Relevant Share Class in a German custodian account. The withholding tax based on the ADDI will be withheld even if the German Shareholder filed the deemed distribution income in his tax return correctly. To avoid double taxation in this case the German shareholder can reclaim the withholding tax on the ADDI. Upon the sale or redemption (or equivalent transaction) of shares of private individuals capital income withholding tax of 25% (plus solidarity surcharge and, if applicable, church tax) are applicable to the amount of the Zwischengewinn (interim profit) as well.

Capital gains from the sale or redemption of shares held as private assets which were acquired before 1 January 2009, are tax exempt, whereas capital gains from the sale or redemption (or an equivalent transaction) of shares acquired after 31 December 2008 are subject to the capital income withholding tax of 25% (plus solidarity surcharge and, if applicable, church tax).

In principle, capital gains from the sale or redemption of shares held as business assets are taxable.

### **Tax Risk**

The legal and fiscal treatment of funds may change in a way that is unforeseeable and beyond the reasonable control of the Company.

If the German tax authorities undertake field audits there could be a change of incorrect tax bases of the Funds for previous business years. The change can impact the tax base of the Shareholder in an unfavourable way as a German Shareholder must bear the tax burden resulting from the correction made for previous fiscal years, even if the German Shareholder was not invested in the Company at the relevant period. Further, a German Shareholder may not be able to benefit from a favourable tax correction for the holding period due to the sale or redemption prior to the relevant correction.

For the purposes of Section 1(b) of the GITA, the Company meets the following criteria: The Company is subject to investment supervision by the Central Bank of Ireland. The objective business purpose of the Company is limited to the passive investment and administration of its assets for the joint account of the investors and active entrepreneurial management of the assets or an entrepreneurial influence is not permitted. The capital of the Company will be invested according to the principle of risk spreading, thus the Company will invest in more than three different assets with different risk profiles. The Company will invest at least 90% of its value into qualified assets defined as follows: securities, money market instruments, derivatives, deposits, real property, rights equivalent to real property and comparable rights under foreign law, participants in real estate companies, business fixtures and other items to manage the property, shares or participations in domestic and foreign investment funds, participations in PPP – project companies provided that the current market price can be determined, precious metals, non-securitised loans and participations in corporate entities provided the current market price can be determined. The Company does not invest more than 10% of the capital in corporations which are neither traded on a stock exchange nor in another regulated market under the UCITS directive, therefore meeting the requirement that the Company does not invest more than 20% of the capital in participations in corporations which are neither traded on a stock exchange nor in another regulated market under the

GITA The capital ownership percentage of participation into a corporation, excluding real estate corporations, will remain below 10% of the corporation's capital. The Company can borrow up to 10% of its net asset value. The Company will use reasonable methods to monitor compliance and ensure continued eligibility for German tax reporting which is beneficial to certain German investors.

Where the requirements of the GITA are not met, the German Shareholder will be taxed on a lump sum basis according to the GITA during the holding period as well as upon sale or redemption of the Company and will not benefit from certain favourable tax rules.

### **Investment Fund Tax Regime From 1 January 2018**

On 1 January 2018 the new German Investment Tax Act ("new GITA") - regime becomes effective. The new tax regime differs between investment funds and special-investment funds which are investment funds that have to fulfil certain requirements and are generally eligible for institutional and corporate investors only. All Share Classes of the Company will be treated as investment funds. The special-investment fund tax regime will not apply.

Therefore, the following statements refer to the rules applicable to investment funds only. The new investment fund tax regime introduces taxation rules at the level of the Fund in addition to changes regarding the taxation at the level of the Shareholder.

From 1 January 2018 domestic and foreign investment funds will be taxed at fund level with respect to certain German source income. In general, the tax will apply to German dividend income and German real estate income. In the case of German dividend income, the German tax will be withheld at source. For investment funds that applied for the fund status certificate the tax rate will be 15% (including 5.5% solidarity surcharge).

### ***The Shareholder***

To account for the systematic change of the investment fund taxation, the new-GITA stipulates a "fictitious" disposal of shares as of 31 December 2017 and a reacquisition of the same as of 1 January 2018. The capital gains will be subject to tax according to the tax rules in place until 31 December 2017. As a consequence, all capital gains derived after 31 December 2017 will be subject to tax according to the new-GITA. The capital gains from the "fictitious" disposal is deferred free of interest until the shares are finally sold or redeemed.

Capital gains of shares acquired before 1 January 2009 ("grandfathered shares") derived from the "fictitious" disposal as of 31 December 2017 should be tax free for private investors, any capital gains derived from grandfathered shares after 31 December 2017 should be subject to tax for private investors if the capital gains exceed EUR 100.000,00.

Under the rules of the new-GITA, Shareholders will be taxed on a cash flow basis (i.e. generally, upon distribution and upon disposal or redemption of the shares). In addition, the Shareholder will be taxed based on the so-called pre lump-sum amount ("Vorabpauschale") on an annual basis provided the value of the Fund increased during the calendar year. The pre lump-sum amount applies once a year for accumulating classes or, in case of distributing classes, if the distributions are below the base income amount which will be calculated based on the interest rate published by the Ministry of Finance, the NAV and the distributions during the calendar year.

All taxable income (i.e. distribution, capital gains upon disposal or redemption, pre-lump sum amount, etc.) will be subject to capital income withholding tax of 25% (plus solidarity surcharge and church tax, if applicable) for private investors. For business investors (i.e. shareholders falling either under the rules of the German Income Tax Act or the German Corporate Income Tax Act) the personal tax rate applies.

Shareholders may benefit from a partial tax exemption depending on the fund type according to the definition of the new-GITA (i.e. "equity funds" or "mixed funds"). The applicable fund type is linked to the amount of equity investments of a sub-Fund and is generally stated in its terms and conditions.

The partial tax exemption applies on all income (i.e. distribution, capital gains upon disposal or redemption of the shares and the so-called pre lump-sum amount ("Vorabpauschale")). The percentage of the partial tax exemption depends on the fund type and the investor type. For example, a private investor can benefit from a 30% tax exemption in case of an equity fund according to the new-GITA. In case of a mixed fund the tax exemption would be 15% for a private investor.

### ***Tax Risk***

The legal and fiscal treatment of funds may change in a way that is unforeseeable and beyond the reasonable control of the Company.

The sub-Funds are classified as equity, bond or mixed funds based upon the securities held by the sub-Fund and the categorization of the securities as defined in the new-GITA.

Changes in the investment strategy of a sub-Fund are not anticipated. However, such a change could cause a breach of the equity thresholds as defined in the GITA which may lead to a loss of the benefit of the partial tax exemption for the Shareholder. A change in fund status will also lead to a fictitious redemption of the shares and acquisition of the shares based on the new fund tax status. The fictitious gain will be deferred free of interest until the shares are actually sold or redeemed by the Shareholder.

If there is an audit by the German tax authorities, there could be a change of fund category. The change may impact the historic and future taxation of the Shareholder.

### **Swiss Taxation**

The following information gives a general overview of the principles of Swiss taxation on income derived from investment funds for investors subject to unlimited tax liability in Switzerland. However, there is no certainty that the tax authority competent for the income tax assessment of a particular investor will follow this interpretation, and applicants are advised to seek their own advice on the matter.

#### ***Swiss Income and Wealth Tax Considerations***

##### ***Private investors***

Swiss private investors are liable to income tax on their worldwide income, including net investment income. The general tax rules for such investors who do not qualify as professional securities dealers ("gewerbsmässige Wertschriftenhändler"), and who are subject to unlimited Swiss tax liability, are



described as follows.

The market value of the investment in the Fund, at the end of each fiscal year of the Shareholder, is subject to cantonal and communal tax on wealth.

Liquidation: Swiss private investors will be subject to taxation for their share of the liquidation proceeds received from the fund less the following items: (i) share in the capital of the fund, (ii) capital gains realized and (iii) accumulated income that has already been subject to the Swiss income tax.

### ***Sale and redemption of Shares***

Capital gains on the sale of Shares held for private investment purposes are in principle not subject to direct federal tax and cantonal / communal taxes. Should the investment activities of a private investor, due to special circumstances be qualified as having a commercial purpose ('gewerbsmässiger Wertschriftenhändler'), any capital gains and losses realized by the fund will be considered as part of ordinary taxable income.

The redemption of the Shares, which are held as private assets, is not triggering any income taxes at the federal and the cantonal / communal level.

### ***Corporate investors and private investors (investment as "business asset")***

Swiss resident corporate investors and individuals are liable to income taxes on all profits derived from the Fund. Such investors would have to include their income and capital gains in their financial statements, taking into account Swiss accounting principles. The financial statements are the basis for the tax assessments of Swiss corporate investors.

Swiss resident corporate investors like charities and pension funds, are in general tax exempt with respect to direct federal and cantonal/communal tax.

### ***Swiss Securities Transfer Tax***

The issue of Shares in the Fund will basically be subject to 0.15 per cent Swiss Securities Transfer Tax, calculated on the consideration for the Shares of the Fund issued, provided a Swiss securities dealer according to Swiss stamp duty law is involved in an issuance as an intermediary. A Swiss securities dealer in its capacity as a Swiss securities dealer acting as intermediary is liable to levy Swiss Securities Transfer Tax on every counterparty (without regard to the counterparty's country of residence) that is neither a registered Swiss securities dealer nor an exempt party. The full rate of the Securities Transfer Tax is 0.3 per cent, but this is reduced to 0.15% if one of the counterparties is an exempt party, and eliminated entirely if both counterparties are exempt. Since the Fund as the issuer of the Shares is basically an exempted counterparty, a Swiss securities dealer would have to levy a half Securities Transfer Tax at 0.15 per cent unless an investor can show that it too is an exempt party under the legislation. Where applicable (as will generally be the case) the cost of the Securities Transfer Tax, being the amount of 0.15% of the invested capital, would have to be borne by the investor.

In the event of any subsequent purchase, sale or transfer of Shares in the Fund through a Swiss securities dealer, in general, a Security Transfer Tax of 0.30 per cent will be levied (i.e. the full rate) in so far as the involved parties were both to be neither a registered Swiss securities dealer nor an exempt party.

Redemption of Shares in the Fund is not subject to any Securities Transfer Tax as long as the Shares are cancelled.

### ***Withholding Tax based on Agreement between Switzerland and the European Union***

The European Union and Switzerland have concluded an agreement providing for measures similar to those laid down in the Directive 2003/48/EC on taxation of savings income in the form of interest payments (the “Agreement”). Based on this Agreement and the relevant guidance published by the Swiss Federal Tax Authority, the main points with regard to investment funds established outside Switzerland but distributed by Swiss paying agents are defined by the Agreement, can be summarized as follows:

Swiss paying agents have to deduct a withholding tax (the retention) on interest payments to individual beneficial owners who are resident in a Member State of the European Union.

Such investor may opt for the voluntary disclosure (“notification”) to the state of residence of interest payments instead of the retention.

The following de minimis rules are applicable (according to the rules set out in the Agreement; please note that applicable home country rules may differ): Income relating to entities which have invested up to 15% of their assets in so called direct and/or indirect debt claims according to art. 7 para. 1 a of the Agreement, shall not be considered as interest payments. As a consequence, any income distributed by a fund or realised upon the sale, refund or redemption of the Shares of a fund meeting this requirement, do not fall under the regulations of the Agreement; distributions from funds which invest more than 15% but not more than 25% of their total assets in direct and/or indirect investments in debt claims are subject to retention. The income realised upon the sale, refund or redemption of the Shares of such a fund is not subject to retention; and income distributed by a fund or realised upon the sale, refund or redemption of Shares of a fund investing more than 25% of its total assets in direct and/or indirect investments generating interest income covered by the Agreement is subject to retention.

If the Swiss paying agent does not obtain the necessary information from the Fund concerning the part of interest income, the total amount of the distribution is to be considered interest payment and the Swiss paying agent has to withhold the retention on the total distribution amount (Art. 7 para. 3 of the Agreement). The same rule applies on the proceeds of the sale, refund or redemption of the Shares.

Interest payments on claims issued by debtors domiciled in Switzerland are not covered by the Agreement (with some exceptions, e.g. Swiss funds exempted from Swiss anticipatory tax).

Investors for whom the qualifications of a fund under the Agreement is of a concern are invited to contact the Swiss paying agent before an investment in the fund is made.

It is expected that this agreement will be cancelled as soon as Switzerland and the European Union start sharing client information based on an automatic information exchange agreement.

## **United Kingdom Taxation**

### **The Company**

The shares shall be widely available and shall be marketed and made available sufficiently widely to reach the intended categories of sophisticated investors and in a manner appropriate to attract those investors.

The Board of Directors intends, as far as possible, to conduct the affairs of the Company so as to minimise any liability of the Company to UK taxation. Accordingly, and provided that the Company is not trading in the UK through a fixed place of business or agent situated therein that constitutes a “permanent establishment” for UK taxation purposes and that all the trading transactions in the UK of the Fund are carried out through a broker or investment manager acting as an agent of independent status in the ordinary course of its business, the Company will not be subject to UK corporation tax or the diverted profits tax on income or chargeable gains arising to it, other than certain UK source income. The Board of Directors intends that the affairs of the Company are conducted so that these requirements are met, insofar as this is within the Board’s control. However, it cannot be guaranteed that the necessary conditions will at all times be satisfied.

The Company may be liable to transfer taxes on acquisitions and disposals of investments. In the UK, stamp duty or Stamp Duty Reserve Tax at a rate of 0.5% will be payable by the Company on the acquisition of shares in companies that are either incorporated in the UK or that maintain a share register in the UK. This could also apply to UK shares contributed into the Company by Shareholders.

### **The UK Offshore Funds Regime**

The Offshore Funds (Tax) Regulations 2009, as amended by the Offshore Funds (Tax) (Amendment) Regulations (the ‘Offshore Funds Regulations’) introduced a regime for the taxation of investments in offshore funds (as defined in Part 8 of the Taxation (International and other Provisions) Act 2010 (“TIOPA”)) which operates by reference to whether a fund opts into a reporting regime (“reporting funds”) or not (“non-reporting funds”). In broad terms, a “reporting fund” is an offshore fund that meets certain upfront and annual reporting requirements to HMRC and its Shareholders.

If an individual Shareholder who is resident in the UK for taxation purposes holds an interest in an offshore fund and that offshore fund is a “non-reporting fund” for all periods of account for which the Shareholder holds that interest, any gain accruing to the Shareholder upon the sale, redemption or other disposal of that interest (including a deemed disposal on death) will be taxed at the time of such sale, redemption or other disposal as income (an “offshore income gain”) and not as a capital gain.

Alternatively, where an individual Shareholder who is resident in the UK holds an interest in an offshore fund that has been a reporting fund for all periods of account for which they hold an interest, any gain accruing upon sale or other disposal (however not including deemed disposal on death) of their holding would be subject to tax as a capital gain rather than income, with relief for any accumulated or reinvested profits which have already been subject to UK income tax on income. Shareholders in non-reporting funds would be subject to tax on income distributed by a non-reporting fund, but not on income retained but not distributed by a non-reporting fund.

A disposal of an offshore reporting and non-reporting fund is generally considered non UK situs for UK resident taxpayers. In the case of Shareholders who are individuals domiciled outside the UK, the gain may be subject to the remittance basis in particular circumstances.

The Board of Directors have been advised that the shareholdings in the Company will likely constitute interests in an offshore fund, as defined for the purposes of TIOPA, with each class of Shares treated as a separate “offshore fund” for these purposes.

Certain classes of shares have already applied for and obtained “reporting status.” The reporting status obtained from HMRC for the relevant classes of shares will remain in place permanently so long as the annual requirements are undertaken. A list of the classes of shares which currently have reporting status is available at: <https://www.gov.uk/government/publications/offshore-funds-list-of-reporting-funds>

The Board of Directors intends to manage the affairs of the Company so that these upfront and on-going duties are met and will continue to be met for the relevant classes of Shares for each reporting period (as defined for United Kingdom tax purposes) on a per-Share basis to all relevant Shareholders (as defined for these purposes). UK Shareholders who hold their interests at the end of the reporting period to which the reported income relates, will be subject to income tax or corporation tax on the higher of any cash distribution paid and the full reported amount. The reported income will be deemed to arise to UK Shareholders six months after the year end. The reporting fund status obtained from HMRC for the relevant classes of Shares will remain in place permanently provided the annual requirements are undertaken.

Investors should refer to their tax advisors in relation to the implications of the Company having obtained such status in respect of certain Classes of Shares.

### **Taxes on Income**

Subject to their personal circumstances, Shareholders who are resident in the UK for UK taxation purposes will be liable to UK corporation tax or income tax annually in respect of dividends or other distributions of an income nature made by the Company, whether or not such dividends or distributions are reinvested. The nature of the charge to tax will depend upon the composition of the relevant assets of the Company.

For individual Shareholders in the UK, effective from 6 April 2016, dividend distributions made from an offshore fund over the dividend allowance (which replaced the tax credit) will be subject to income tax. Dividend distributions from an offshore fund made to corporate Shareholders resident in the UK are likely to fall within one of a number of exemptions from UK corporation tax. In addition, distributions to non-UK companies carrying on a trade in the UK through a permanent establishment in the UK should also fall within the exemption from UK corporation tax on dividends to the extent that the shares held by that company are used by, or held for, that permanent establishment.

Distributions from offshore funds are not generally considered UK source for UK resident taxpayers. In the case of Shareholders who are individuals domiciled outside the UK, distributions may be subject to the remittance basis in particular circumstances.

### **UK Corporation Tax – Loan Relationships**

Shareholders within the charge to UK corporation tax should note that the regime for the taxation of most corporate debt contained in the UK Corporation Tax Act 2009 (the “loan relationships regime”) provides that, if at any time in an accounting period of such a person, that person holds an interest in an offshore fund within the meaning of the relevant provisions of the Offshore Fund Regulations and TIOPA, and there is a time in that period when that fund fails to satisfy the “qualifying investments” test, the interest

held by such a person will be treated for that accounting period as if it were rights under a creditor relationship for the purposes of the loan relationships regime. An offshore fund fails to satisfy the qualifying investments test at any time when more than 60% of its assets by market value (excluding cash awaiting investment) comprise “qualifying investments”. Qualifying investments include government and corporate debt securities, cash on deposit, certain derivative contracts and holdings in other collective investment schemes which at any time in the accounting period of the person holding the interest in the offshore fund do not themselves satisfy the qualifying investments test.

In the eventuality that the “qualifying investments test” is failed at any time during the life of the Company, the relevant class of Shares will be treated for corporation tax purposes as within the loan relationships regime with the result that all returns on that class of Shares in respect of such a corporate Shareholder’s accounting period (including gains, profits and losses) will be taxed or relieved as an income receipt or expense on a “fair value accounting” basis. Accordingly, in such eventuality, a corporate Shareholder who acquires Shares may, depending on its own circumstances, incur a charge to corporation tax on an unrealized increase in the value of its holding of Shares (and, likewise, obtain relief against corporation tax for an unrealized reduction in the value of its holding of Shares).

### **UK Income Tax – Distributions Treated as Interest**

Where an offshore fund invests more than 60% of its assets in interest-bearing (or economically similar) assets that are qualifying investments as defined above, distributions will not be treated as dividends but as interest in the hands of the individual Shareholder. This means that the relevant tax rates will be those applying to interest. As above the remittance basis may be available to individuals domiciled outside the UK.

### **Other UK Tax Matters**

The attention of Shareholders subject to UK income tax is drawn to the anti-avoidance provisions of Section 714 of the Income Taxes Act 2007. These provisions deal with the transfer of assets outside the UK which may render certain resident persons liable to income tax in respect of undistributed income profits of the Fund on an annual basis. The legislation is not directed towards the taxation of capital gains.

Corporate Shareholders resident in the UK for taxation purposes should note that “controlled foreign companies” legislation contained in Part 9A of TIOPA 2010 could apply to any UK resident company which is, either alone or together with persons connected or associated with it for taxation purposes, deemed to be interested in 25% or more of any chargeable profits of a non-UK resident company, where that non-UK resident company is controlled by residents of the UK and meets certain other criteria (broadly that it is resident in a low tax jurisdiction). “Control” is defined in Chapter 18, Part 9A of TIOPA 2010. A non-UK resident company is controlled by persons (whether companies, individuals or others) who are resident in the UK for taxation purposes or is controlled by two persons taken together, one of whom is resident in the UK for tax purposes and has at least 40% of the interests, rights and powers by which those persons control the non-UK resident company, and the other of whom has at least 40% and not more than 55% of such interests, rights and powers. The effect of these provisions could be to render such Shareholders liable to UK corporation tax in respect of the income of the Company.

The attention of Shareholders (including individuals, companies and trusts) resident in the UK for taxation purposes is drawn to the provisions of section 13 of the TCGA 1992 (“section 13”). Section 13 could be material to any such Shareholder who has an interest in the Company as a “participator” for UK

taxation purposes (which term includes a shareholder) at a time when any gain accrues to the Fund (such as on a disposal of any of their investments) which constitutes a chargeable gain or an offshore income gain if, at the same time, the Company is itself controlled in such a manner and by a sufficiently small number of persons as to render the Company a body corporate that would, were it to have been resident in the UK for taxation purposes, be a “close” company for those purposes. The provisions of section 13 could, if applied, result in a Shareholder with such an interest in the Fund being treated for the purposes of UK taxation of chargeable gains as if a proportionate part of any capital gain or offshore income gain accruing to the Fund had accrued to that person directly; that part being equal to the proportion of the gain that corresponds to that Shareholder’s proportionate interest in the Fund. No liability under section 13 could be incurred by such a Shareholder, however, in respect of a chargeable gain or an offshore income gain accruing to the Fund if the aggregate proportion of that gain that could be attributed under section 13 both to that person and to any persons connected with him for UK taxation purposes does not exceed one quarter of the gain. In the case of Shareholders who are individuals domiciled outside the UK, section 13 applies subject to the remittance basis in particular circumstances.

### **Stamp Duties**

UK stamp duty, or stamp duty reserve tax, will not be payable on the issue, transfer or redemption of the Shares provided that the register of Shareholders is kept outside the UK. UK stamp duty at the rate of 0.5% of the value of the consideration for the transfer of any Shares is payable on any instrument of transfer of the Shares executed in, or in certain cases brought into, the UK.

### **Inheritance Tax**

An individual Shareholder domiciled or deemed for United Kingdom tax purposes domiciled in the United Kingdom may be liable to United Kingdom Inheritance Tax on a gift of their Shares in the event of death or on making certain categories of lifetime transfer. For these purposes, a transfer of Shares at less than their full market value may be treated as a gift.

### **United States Taxation**

Shareholders are hereby notified, in compliance with requirements imposed by the US Internal Revenue Service (the “IRS”), that the US tax advice contained herein (i) is written in connection with the promotion or marketing by the Company and the Investment Managers of the transaction or matters addressed herein, and (ii) is not intended or written to be used, and cannot be used by any taxpayer, for the purpose of avoiding US tax penalties. Each taxpayer should seek advice based on the taxpayer’s particular circumstances from an independent tax advisor.

The summary is based on Internal Revenue Code of 1986, as amended (the “Code”), applicable statutes and regulations, administrative pronouncements and judicial decisions as currently in effect. There can be no assurance (i) that changes in such authorities or their application or interpretation will not be made in the future, possibly with retroactive effect, or (ii) that the IRS will agree with the interpretation described below as applied to the operation of the Company.

### ***Taxation of the Company***

For US federal income tax purposes, the Company expects to be treated as a corporation. The remainder of this discussion assumes that the Company will be so treated.

There are specific exemptions from US federal income tax for non-US persons (including entities and individuals) who restrict their activities in the US to trading in stocks, securities and commodities (including currencies) for their own account. These exemptions may apply regardless of whether the non-US person or their employees conduct such trading through a broker, commission agent, custodian or other agent in the US. These particular exemptions do not apply to a non-US person that is engaged in business activities in the US, other than trading in stocks, securities and commodities (including currencies) for its own account, or if the person is considered a dealer in stocks or securities. The Company intends to conduct its affairs so that it will not be deemed to be engaged in a trade or business in the US and, therefore, none of its income (other than certain income from investments in US real property interests, if any) should be treated as "effectively connected" with a US trade or business carried on by the Company. However, in the event that the Company is deemed to be deriving income which is effectively connected with a US trade or business carried on by the Company, such income could be subject to US federal income tax at the graduated rates applicable to US persons, and the Company could also be subject to a branch profits tax on amounts deemed repatriated from the US based on a statutorily calculated dividend equivalent amount.

Certain categories of income (including dividend income and certain types of interest income) that are not effectively connected with a US trade or business but that are derived from US sources will be subject to US withholding taxes. It is anticipated that under current US tax law rules, substantially all of the US source interest income to be earned by any Fund will be exempt from US withholding tax. Provided certain documentation requirements are satisfied, the Company will not be subject to any US withholding tax on capital gains or proceeds arising from the sale or exchange of the Company's securities, commodities or other assets that are not effectively connected with a US trade or business of the Company (other than withholding on certain income and/or gains from investments in U.S. real property interest, if any).

### *Taxation of Non-U.S. Shareholders*

The rules described in this section apply to any Shareholder of the Company who is a non-resident alien individual, a foreign corporation, a foreign partnership, or a foreign estate or trust (hereafter a "non-US investor").

Non-US investors who are not engaged in a trade or business within the US and, if individuals, do not have a "tax home" in the US, generally will not be subject to any U.S. federal income, withholding, capital gains, estate or inheritance taxes with respect to the Shares owned by them or any dividends received by them on such Shares.

### *Foreign Account Tax Compliance Act Provisions ("FATCA")*

The final regulations for the Foreign Account Tax Compliance Act that was enacted on 18 March 2010 by United States Congress as part of the Hiring Incentives to Restore Employment ("HIRE") Act were issued on 17 January 2013. FATCA is generally effective for payments made after 30 June 2014. The FATCA provisions impose new tax documentation requirements on both a Fund and its Shareholders. If the tax documentation requirements are not satisfied, FATCA imposes a 30% withholding tax on certain payments (including dividends, interest and proceeds from the sale of securities) that may be received by a Fund or that may be made to a Shareholder on redemption of Shares in the Company.

In order to comply with FATCA, the Company may request additional tax-related documentation from its Shareholders. A Shareholder that fails to comply with such documentation requests may be charged with any taxes imposed on the Company attributable to such investor's noncompliance under the FATCA Provisions. The Company may, in its sole discretion, redeem such Shareholder's shares. While the Company will make reasonable efforts to seek documentation from Shareholders to comply with these rules and to allocate any taxes imposed or required to be deducted under FATCA to Shareholders whose noncompliance caused the imposition or deduction of the tax, it is possible that complying Shareholders in the Company may be affected by the presence of such non-complying Shareholders.

The Company may find itself subject to an Intergovernmental Agreement ("IGA") that was entered into between the jurisdiction in which the Company is located and the U.S. Internal Revenue Service, that supersedes certain provisions under FATCA. If the Company is subject to an IGA, the Company will apply the appropriate documentation requirements under the terms of the IGA and will make reasonable efforts to assure that the Company complies with the terms of the applicable IGA.

PURSUANT TO US TREASURY DEPARTMENT CIRCULAR 230, THE COMPANY IS INFORMING THE PROSPECTIVE INVESTORS THAT (A) THE SUMMARY SET FORTH ABOVE IS NOT INTENDED AND WAS NOT WRITTEN TO BE USED, AND CANNOT BE USED, BY ANY TAXPAYER FOR THE PURPOSE OF AVOIDING PENALTIES UNDER THE US FEDERAL TAX LAWS THAT MAY BE IMPOSED ON THE TAXPAYER, (B) THE SUMMARY SET FORTH ABOVE WAS WRITTEN IN CONNECTION WITH THE PROMOTION OR MARKETING BY THE COMPANY AND THE DISTRIBUTOR OF THE SHARES, AND (C) EACH TAXPAYER SHOULD SEEK ADVICE BASED ON ITS PARTICULAR CIRCUMSTANCES FROM AN INDEPENDENT TAX ADVISOR.

### **Taxation of Investments Generally**

The Company invests on exchanges, and in securities issued by entities which are virtually all domiciled in countries other than Ireland. Many of these countries have laws that tax non-resident investors, such as the Company, on income or gains arising from that country. While many of these countries have withholding or other mechanisms that clarify the application and payment of tax, in certain countries there can be uncertainty about how tax law is applied to income earned by the Company and as a result, uncertainty as to the amount, if any, that will ultimately be payable by the Company. While the Company monitors the tax position from its investment activities, there remains a risk that any one, or several, foreign tax authorities will attempt to collect taxes on investment income earned by the Company, or under financial accounting standards, the Company may be required to accrue for such uncertain taxes. This could happen without any prior warning, possibly on a retrospective basis, and could result in a material loss to the Company's Net Asset Value per share.

The income and/or gains of the Company from the investments may suffer withholding tax in the countries where such income and/or gains arise. The Company may not be able to benefit from reduced rates of withholding tax in double taxation agreements between Ireland and such countries. The rate of withholding tax therefore, may vary from the rate applied to the benchmark against which Fund performance is measured where a net of tax benchmark is used. If this position changes in the future and the application of a lower rate results in repayment to the Fund(s), the Net Asset Value of the Fund(s) will not be restated and the benefit will be allocated to the existing Shareholders ratably at the time of repayment.



Generally, Shareholders must include in computing their income for tax purposes the amount of the net income, and the taxable portion of the net realized capital gains, paid or made payable to them in the year by the Company, even if such amount is reinvested in additional shares. Generally, Shareholders must report in their tax returns any capital gains realized on the disposition of shares which may include a switch among Funds, a switch between different funds and / or a liquidation of the Fund or the Company.

Shareholders should consult their own tax advisors concerning the deductibility of management fees paid directly to the Manager.

The above statements are only intended as a general summary of the current position under current tax law and practice of Shareholders who are the absolute beneficial owners of Shares who hold such shares as an investment and their applicability will depend upon the particular circumstances of each Shareholder. In particular, these statements may not apply to certain Classes of Shareholder (such as financial institutions). The summary is not exhaustive and does not generally consider tax relief or exemptions.

Prospective Shareholders are advised to consult their own tax advisors on the tax implications for them of investing, holding and disposing of Shares and receiving distributions in respect of Shares.

## **GENERAL INFORMATION**

### **Fund Transactions and Conflicts of Interest**

Subject to the provisions of this section, the Investment Managers, the Administrator, the Transfer Agent, the Depositary, the Distributor, any Shareholder, and any of their respective subsidiaries, affiliates, associates, agents or delegates (each a "Connected Person"), may contract or enter into any Subject to the provisions of this section, the Investment Managers, the Administrator, the Transfer Agent, the Depositary, the Distributor, any Shareholder, and any of their respective subsidiaries, affiliates, associates, agents or delegates (each a "Connected Person"), may contract or enter into any financial, banking or other transaction with one another or with the Company, including without limitation, investment by the Company in securities of a Shareholder, or investment by any Connected Persons in any company or body any of whose investments form part of the assets comprised in any Fund or be interested in any such contract or transactions.

In addition, any cash of the Company may be deposited, subject to the provisions of the Central Bank Acts, 1942 to 1998, as amended by the Central Bank and Financial Services Authority of Ireland Act, 2003 to 2004, with any Connected Person or invested in certificates of deposit or banking instruments issued by any Connected Person. Banking and similar transactions may also be undertaken with or through a Connected Person.

Any Connected Person may also deal as agent or principal in the sale or purchase of securities and other investments to or from the Company or through the Depositary or any subsidiary, affiliate, associate, agent or delegate thereof. There will be no obligation on the part of any such Connected Person to account to Shareholders for any benefits so arising, and any such benefits may be retained by the relevant party, provided that such transactions are carried out as if effected on normal commercial terms negotiated at arm's length, are consistent with the best interests of Shareholders, and

- (a) a certified valuation of such transaction by a person approved by the Depositary as independent and competent has been obtained; or
- (b) such transaction has been executed on best terms reasonably available on an organized investment exchange under its rules; or

where neither (a) nor (b) are practicable,

- (c) such transaction has been executed on terms which the Depositary is satisfied conform with the principle that such transactions be carried out as if effected on normal commercial terms negotiated at arm's length.

Prospective investors and Shareholders should be aware that the Investment Managers, their affiliates, or their personnel individually may invest their own assets in any of the Funds. In that regard, certain terms of investing in a Fund (e.g., the Minimum Initial Subscription for a Class of Shares) may be waived for the Investment Managers, its affiliates or its personnel. In addition, the Investment Managers, their affiliates or its personnel may have access to information about a Fund that is not available to other Shareholders in the Funds, or may have access to information on a more timely basis than other Shareholders. If a Fund were considered a proprietary account of the Investment Managers, the Fund may be subject to restrictions or limitations in its trading or investment under the Investment Managers' policies and procedures designed to comply with applicable law and its obligations to their clients. The Investment Managers may seek to hedge or otherwise offset the market risk that arises from their investments in a Fund.

The Investment Managers may also, in the course of their business, have potential conflicts of interest with the Company in circumstances other than those referred to above. The Investment Managers will, however, have regard in such event to their obligations under the Investment Management Services Agreements and, in particular, to their obligations to act in the best interests of the Company and the Shareholders so far as practicable, having regard to its obligations to other clients when undertaking any investments where conflicts of interest may arise. In the event that a conflict of interest does arise the Directors will endeavour to ensure that such conflicts are resolved fairly, and that investment opportunities are allocated fairly.

The Directors may act as directors of other collective investment vehicles.

### **Payments to Financial Intermediaries and Potential Conflicts of Interest**

Prospective investors and Shareholders should also be aware that the Investment Managers and/or the Distributor or one or more of their affiliates, may make, out of their own resources, additional cash payments to financial intermediaries in support of certain marketing and administrative activities. In respect of marketing activities this may include payments for or reimbursement of the costs associated with sales and marketing events, such as conferences, seminars, sales or training programs for employees or clients or other intermediary-sponsored events. In respect of administrative activities such payments might relate to platforms, account maintenance or transaction processing. Such payments will only be made to the extent they are not prohibited by applicable laws or internal policies. Depending on the arrangements in place at any particular time, a financial intermediary may have a financial incentive to recommend a particular Fund or Share Class. You may ask your financial intermediary for information

about any payments it receives from the Wellington Management group and any services provided, as well as about any fees and/or commissions it charges in addition to those disclosed in this Prospectus.

### **Depository's Potential Conflicts of Interest**

The Depository is part of an international group of companies and businesses that, in the ordinary course of their business, act simultaneously for a large number of clients, as well as for their own account, which may result in actual or potential conflicts. Conflicts of interest arise where the Depository or its affiliates engage in activities under the depository agreement or under separate contractual or other arrangements. Such activities may include:

- (i) providing nominee, administration, registrar and transfer agency, research, agent securities lending, investment management, financial advice and/or other advisory services to the Company;
- (ii) engaging in banking, sales and trading transactions including foreign exchange, derivative, principal lending, broking, market making or other financial transactions with the Company either as principal and in the interests of itself, or for other clients.

In connection with the above activities the Depository or its affiliates:

- (i) will seek to profit from such activities and are entitled to receive and retain any profits or compensation in any form and are not bound to disclose to, the Company, the nature or amount of any such profits or compensation including any fee, charge, commission, revenue share, spread, mark-up, mark-down, interest, rebate, discount, or other benefit received in connection with any such activities;
- (ii) may buy, sell, issue, deal with or hold, securities or other financial products or instruments as principal acting in its own interests, the interests of its affiliates or for its other clients;
- (iii) may trade in the same or opposite direction to the transactions undertaken, including based upon information in its possession that is not available to the Company;
- (iv) may provide the same or similar services to other clients including competitors of the Company;
- (v) may be granted creditors' rights by the Fund which it may exercise.

The Company may use an affiliate of the Depository to execute foreign exchange, spot or swap transactions for the account of the Company. In such instances the affiliate shall be acting in a principal capacity and not as a broker, agent or fiduciary of the Company. The affiliate will seek to profit from these transactions and is entitled to retain and not disclose any profit to the Company. The affiliate shall enter into such transactions on the terms and conditions agreed with the Company.

Where cash belonging to the Company is deposited with an affiliate being a bank, a potential conflict arises in relation to the interest (if any) which the affiliate may pay or charge to such account and the fees or other benefits which it may derive from holding such cash as banker and not as trustee.

The Company may also be a client or counterparty of the Depository or its affiliates.

Up-to-date information on the Depositary, its duties, any conflicts that may arise, the safe-keeping functions delegated by the Depositary, the list of delegates and sub-delegates and any conflicts of interest that may arise from such a delegation will be made available to Shareholders on request.

### **Directors' Interests**

There are no service contracts in existence between the Company and any of its Directors, nor are any such contracts proposed.

At the date of this Prospectus, no Director has any interest, direct or indirect, in any assets which have been or are proposed to be acquired or disposed of by, or issued to, the Company and no Director is materially interested in any contract or arrangement subsisting at the date hereof which is unusual in its nature and conditions or significant in relation to the business of the Company.

At the date of this Prospectus neither the Directors nor any Associated Person have any beneficial interest in the share capital of the Company or any options in respect of such capital.

The Directors of the Company, with the exception of Messrs. Brody, Manahan and Brady are partners or employees of entities within the Wellington Management group. Their biographical details are set out above.

### **Share Capital**

At the date hereof the authorized share capital of the Company is 30,000 subscriber shares of Euro 1.27 each and 500,000,000,000 shares of no par value initially designated as unclassified shares.

### **Reserves & Dividend Policies**

#### ***Reserves Policy***

Under the Articles, the Directors may before declaring any dividends set aside out of the profits of the Company and carry to the credit of any reserve account such sums as they think proper, which shall, at the discretion of the Directors, be applicable for any purpose to which the profits or reserves may be properly applied and pending such application may at the like discretion either be employed in the business of the Company or be invested in such investments as the Directors may from time to time think fit. The Directors may also carry forward to the accounts of the succeeding year or years any balance of profits which they shall think fit neither to divide nor to place to reserve.

#### ***Dividends Policy***

No dividend shall be payable to the holders of the subscriber shares.

The Directors in each year may if they think fit declare such dividends on the Shares, or on any class of Shares as appear to the Directors to be justified by the profits being:

- all revenue received or accrued including interest and dividends less all actual and accrued expenses of the relevant Fund attributable to the respective Share Class; and/or

- realised profits on the disposal of investments less realised losses on the disposal of investments of the relevant Fund attributable to the respective Share Class and unrealised profits less unrealised losses on the valuation of investments of the relevant Fund attributable to the respective Share Class; and/or
- realised and unrealised gains less realised and unrealised losses of the relevant Fund attributable to the respective Share Class.

PROVIDED THAT in each case that dividends may only be paid out of funds available for the purpose which may be lawfully distributed.

The Directors at such times as they think fit may also declare such dividends on any Share Class out of the capital of the relevant Fund.

On the occasion of the payment of a dividend to the holder of a Share in respect of which an income equalisation payment (as described in the paragraph entitled **Income Equalisation** below) has been paid and to whom a capital sum is payable in accordance with the Articles the amount of the dividend payable to such holder shall be reduced by the amount of the capital sum payable to such holder as aforesaid and if such capital sum is equal to or greater than the dividend which would otherwise be payable no dividend shall be payable on such Share.

The Directors may in accordance with the provisions laid down in the Articles declare interim dividends on Shares of any Share Class.

The Directors may deduct from any dividend or other monies payable to any Shareholder on or in respect of a Share all sums of money (if any) presently payable by him to the Company in relation to the shares of the Company.

Where the Company is required to pay any taxation to the Irish tax authorities as a consequence of making any payment to a Shareholder, the Directors may deduct from the payment an amount equal to the taxation attributable to the relevant payment(s) and pay such amount to the Irish taxation authorities.

All unclaimed dividends on Shares may be invested or otherwise made use of by the Directors for the benefit of the relevant Fund and its respective Share Classes until claimed. No dividend shall bear interest against the Company. The payment by the Directors of any unclaimed dividend or other monies payable on or in respect of a Share into a separate account shall not constitute the Company a trustee in respect thereof and any dividend unclaimed after a period of six years from the date of declaration of such dividend shall be forfeited and shall revert to the relevant Fund and its respective Share Classes.

Where it is not the intention of the Directors to declare a dividend, any distributable profits will remain in the relevant Fund's assets and be reflected in the Net Asset Value of the relevant Class of Shares.

Where it is the intention of the Directors to declare a dividend, it shall ordinarily be declared in accordance with the dividend policy of the relevant Fund and its respective Share Classes.

Shares of any Share Class may at the discretion of the Directors be issued on the basis that any dividends declared in respect of those Shares will be automatically reinvested on behalf of the relevant Shareholder in the subscription of further Shares of that Share Class. Further Shares will be issued on the date the

dividend is declared or, if that is not a Dealing Day, on the next following Dealing Day at a price calculated in the same way as for other issues of Shares on that Dealing Day. There is, however, no minimum number of such further Shares which may be so subscribed and fractions of Shares will be issued if necessary.

**At the present time it is the intention of the Directors to declare dividends on Distributing Shares only based on the procedures below.**

The Directors reserve the right to amend the calculation methodology of a dividend of a Fund or its respective Share Classes, notwithstanding the dividends will be calculated in accordance with the provisions relating to dividends in the Articles.

***Dividends on the Distributing Shares of all Funds excluding the Wellington Dynamic Diversified Income Fund***

Where it is the intention of the Directors to declare a dividend it shall ordinarily be calculated based on net operating income defined as all revenue received or accrued including interest and dividends, net of their respective withholding taxes and all actual and accrued expenses of the relevant Fund, attributable to the respective Share Class. Where a Share Class charges a Performance Fee this fee will not ordinarily be included as part of the accrued expenses for the purpose of calculating the dividend.

***Dividends on the Distributing Shares of the Wellington Dynamic Diversified Income Fund***

In respect of the Wellington Dynamic Diversified Income Fund, dividends will be paid based on a pro-rata amount of the total net assets relating to the projected yield.

The amount payable for the non-Base Currency hedged Distributing Shares of the Wellington Dynamic Diversified Income Fund will also reflect the addition or deduction of the interest rate differential (depending on whether such differential is positive or negative respectively between the Dealing Currency of the relevant Share Class and the Base Currency of the Fund). The interest rate differential used to calculate the dividend for each distribution period may not necessarily equal the actual interest rate differential resulting from the any currency hedging transactions carried out by the relevant Investment Manager.

At the Directors' discretion, where there is insufficient income in a given month, dividends may be declared and paid from realised profits less realised losses on the disposal of investments in the Wellington Dynamic Diversified Income Fund and unrealised profits less unrealised losses on the valuation of investments of that Fund. The Directors at such times as they deem appropriate may also declare such dividends on any class of Share out of the capital of the relevant Fund.

**Frequency of dividend payments**

Dividends will generally be declared on or about the last Business Day of the relevant dividend frequency period as noted in the table below. Dividends will generally be paid within seven days of the declaration date for Distributing Share Classes only.

Shareholders can elect to reinvest the dividend proceeds into additional Shares of the same class or will receive dividend payments in cash by way of wire transfer or otherwise in accordance with the terms of the Account Opening Agreement and the Investor Guide.

The below table outlines the frequency within which the dividends will be paid.

<b>Fund Name</b>	<b>Dividend Frequency</b>
Wellington Dynamic Diversified Income Fund	Monthly
Wellington Emerging Local Debt Fund	Quarterly
Wellington Emerging Local Debt Advanced Beta Fund	Quarterly
Wellington Emerging Markets Corporate Debt Fund	Quarterly
Wellington Emerging and Sovereign Opportunities Fund	Quarterly
Wellington Global Bond Fund	Quarterly
Wellington Global Credit Buy and Maintain Fund	Quarterly
Wellington Global Credit Plus Fund	Quarterly
Wellington Global Currency Absolute Return Fund	Quarterly
Wellington Global High Yield Bond Fund	Quarterly
Wellington Global Strategic Sovereign Fund	Quarterly
Wellington Higher Quality Global High Yield Bond Fund	Quarterly
Wellington Multi-Asset Absolute Return Fund	Quarterly
Wellington Opportunistic Emerging Markets Debt Fund	Quarterly
Wellington Opportunistic Fixed Income Fund	Quarterly
Wellington Sterling Core Bond Plus Fund	Quarterly
Wellington US\$ Core High Yield Bond Fund	Quarterly
Wellington World Bond Fund	Quarterly
Wellington Asia ex Japan Equity Fund	Annually
Wellington Durable Companies Fund	Annually
Wellington Durable Enterprises Fund	Annually
Wellington Emerging Markets Equity Fund	Annually
Wellington Emerging Markets Local Equity Fund	Annually
Wellington Emerging Markets Opportunities Fund	Annually
Wellington Emerging Markets Systematic Equity Fund	Annually
Wellington Emerging Market Themes Fund	Annually
Wellington Enduring Assets Fund	Annually
Wellington European Contrarian Fund	Annually
Wellington Global Health Care Equity Fund	Annually
Wellington Global Impact Fund	Annually
Wellington Global Perspectives Fund	Annually
Wellington Global Property Fund	Annually
Wellington Global Quality Equity Fund	Annually
Wellington Hedged Alpha Opportunities Fund	Annually
Wellington Opportunistic Themes Fund	Annually
Wellington Pan European Small Cap Equity Fund	Annually
Wellington Strategic European Equity Fund	Annually

Wellington US Capital Appreciation Equity Fund	Annually
--	----------

## Memorandum and Articles of Association

All holders of Shares will be entitled to the benefit of, will be bound by and deemed to have notice of the provisions of the Memorandum and Articles of Association of the Company summarized below, copies of which are available as detailed under "Documents for Inspection".

The Articles contain provisions to the following effect:

- (i) **Voting Rights.** The Articles provide that on a show of hands at a general meeting of the Company every holder of Shares present in person or by proxy shall have one vote and the holder or holders of the subscriber shares shall only have one vote in respect of all the subscriber shares; on a poll at a general meeting every holder of Shares who is present in person or by proxy shall have one vote in respect of each whole Share held by him and every holder of subscriber shares shall have one vote in respect of his holding of such shares.

The Articles further provide that, on a poll of all of the holders of Shares of more than one class for the time being, the voting rights of holders shall be adjusted in a manner determined by the Directors so as to reflect the latest calculated redemption price per Share of each of the classes in question.

- (ii) **Compulsory redemption.** The Directors have power to impose such restrictions as they think necessary for the purpose of ensuring that no Shares are acquired or held directly or beneficially by certain categories of investors as described in the Articles. They may also request the redemption of certain Shares for the reasons described in the Articles.

- (iii) **Winding up.** The Articles contain provisions to the following effect:

- (a) If the Company shall be wound up a liquidator shall, subject to the provisions of the Companies Act, be appointed and shall apply the assets of each Fund in satisfaction of creditors' claims relating to that Fund.

The assets available for distribution among the members shall then be applied in the following priority:

- (a) First, in the payment to the holder of the Shares of each Fund of a sum in the currency in which that Fund or the relevant class of shares is designated or in any other currency selected by the liquidator as nearly as possible equal (at a rate of exchange determined by the liquidator) to the Net Asset Value of the Shares of such class held by such holders respectively as at the date of commencement to wind up provided that there are sufficient assets available in the relevant Fund to enable such payment to be made. In the event that, as regards any class of Shares, there are insufficient assets available in the relevant Fund to enable such payment to be made recourse shall be had:

- (1) First, to the assets of the Company not comprised within any of the Funds; and



- (2) Secondly, to the assets remaining in the Funds for the other classes of Shares (after payment to the holders of the Shares of the classes to which they relate of the amounts to which they are respectively entitled under this paragraph (1)) pro rata to the total value of such assets remaining within each such Fund.
- (b) Secondly, in the payment to the holders of the subscriber shares of sums up to the nominal amount paid thereon out of the assets of the Company not comprised within any Funds remaining after any recourse thereto under sub paragraph (1)(A) above. In the event that there are insufficient assets as aforesaid to enable such payment in full to be made, no recourse shall be had to the assets comprised within any of the Funds.
- (c) Thirdly, in the payment to the holders of each class of Shares of any balance then remaining in the relevant Fund, such payment being made in proportion to the number of Shares held.
- (d) Fourthly, in the payment to the holders of the Shares of any balance then remaining and not comprised within any of the Funds, such payment being made in proportion to the number of Shares held.

If the Company shall be wound up (whether the liquidation is voluntary, under supervision or by the court) the liquidator may, with the authority of a special resolution of the holders of Shares in the relevant Fund and any other sanction required by the Companies Act, divide among the holders of Shares of any class or classes within a Fund in specie the whole or any part of the assets of the Fund, and whether or not the assets shall consist of property of a single kind, and may for such purposes set such value as he deems fair upon any one or more class or classes of property, and may determine how such division shall be carried out as between the holders or different classes of holders. The liquidator may, with the like authority, vest any part of the assets in trustees upon such trusts for the benefit of members as the liquidator, with the like authority, shall think fit, and the liquidation of the Company may be closed and the Company dissolved, but so that no member shall be compelled to accept any assets in respect of which there is liability.

### **Income Equalisation**

The Directors may determine that the Company, on behalf of one or more of the Funds, use an accounting technique known as income equalisation to prevent distortion of current shareholders' earnings. This is accomplished by applying a portion of the proceeds from shares issued and redeemed, equivalent on a per Share basis to the amount of undistributed net investment income on the date of the transaction. Apportioned amounts are credited or charged to undistributed income. As a result distributions of the Share class will be protected from the potential distortions caused by issues or redemptions of Shares.

Special rules may apply when a Fund operates income equalisation and Investors should seek their own professional advice as to the tax consequences of investing in Shares of the Company.

### **Reports and Accounts**

The Company's year-end is December 31 in each year and the Company's annual report and audited account will be published within 4 months of each 31 December. The annual report and audited accounts

of the Company will be provided to Shareholders within four months after the conclusion of each accounting year and at least twenty one days before the general meeting of the Company at which they are to be submitted for approval. The Company will also provide a semi-annual report and unaudited accounts to Shareholders within 2 months after the end of each semi-annual period. The semi-annual report of the Company will be published within 2 months of each June 30.

Copies of the then latest audited report and annual accounts of the Company, and any subsequent semi-annual report and unaudited accounts of the Company, will also be sent free of charge to any Shareholder on request and are available on request to potential investors free of charge before the conclusion of any contract.

Such reports and accounts will contain a statement of the Net Asset Value of each Fund and of the investments comprised therein as at the year end or the end of such semi-annual period.

### **Material Contracts**

The following contracts have been entered into otherwise than in the ordinary course of the business intended to be carried on by the Company and are or may be material:

- (a) the Investment Management Services Agreements between the Company and each of the Investment Managers listed in the section above entitled **Directory** regarding the Funds, as amended. Each Agreement provides that the appointment of the Investment Manager will continue in force unless and until terminated by either party giving to the other not less than sixty days prior written notice. The Agreements oblige the Investment Manager at all times to exercise reasonable care and diligence and act in good faith in the performance of its duties and provides that the Investment Manager shall not be responsible and shall be without liability for any loss, liability, claim or expense suffered or incurred by the relevant Fund or the Company unless caused by the Investment Manager's own fraud, wilful default, negligence or wilful misconduct or that of its agents and employees.
- (b) the Depositary Agreement between the Company and the Depositary. As detailed in the Depositary Agreement, the appointment of the Depositary shall continue until terminated by either party on not less than ninety days' notice or earlier upon certain breaches or the insolvency of either party. The Company may not terminate the appointment of the Depositary and the Depositary may not retire from such appointment unless and until a successor depositary approved by the Central Bank has been appointed with the prior approval of the Central Bank or where the Depositary is no longer permitted to act as a depositary by the Central Bank. The Depositary shall be liable to the Company, or to the Shareholders, for all losses suffered by them as a result the Depositary's negligent or intentional failure to properly fulfil its obligations as set out in the Depositary Agreement and the UCITS Directive. The Depositary shall be liable to the Company and to the Shareholders, for the loss by the Depositary or a duly appointed third party of any financial instruments held in custody (determined in accordance with the UCITS Directive) and shall be responsible for the return of financial instruments or corresponding amount to the Fund without undue delay. The Depositary Agreement contains provisions governing the responsibility and limitations on the responsibility of the Depositary and provides for its indemnification in certain circumstances.

- (c) the Administration Agreement dated 2 July 1997 between the Company and the Administrator in relation to the Company, as novated by a novation agreement dated 31 October 2003. As detailed in the Administration Agreement, the appointment of the Administrator shall continue until terminated by either party on not less than ninety days' notice or earlier upon certain breaches or the insolvency of either party. In the absence of fraud, negligence, bad faith or wilful misconduct, the Administrator will not be liable for any loss arising as a result of the performance by the Administrator of its obligations and duties under the Administration Agreement. The Company has agreed to indemnify the Administrator against losses suffered by the Administrator in the performance of its duties and obligations under the Administration Agreement, except for losses arising out of the fraud, negligence, bad faith or wilful misconduct of the Administrator in the performance of its duties under the Administration Agreement.
- (d) the Amended and Restated Registrar and Transfer Agency Agreement dated [ ] 2017 between the Company and the Transfer Agent. As detailed in the Registrar and Transfer Agency Agreement, the appointment of the Transfer Agent shall continue until terminated by either party on not less than ninety days' notice or earlier upon certain breaches or the insolvency or equivalent event arising of either party. The Registrar and Transfer Agency Agreement contains indemnities in favour of the Transfer Agent excluding matters arising by reasons of the Transfer Agent (its directors, officers, employees or agents) acting with wilful malfeasance, bad faith, fraud or negligence in the performance of duties and obligations under the Registrar and Transfer Agency Agreement.
- (e) the Distribution Agreement dated 14 November 2013 between the Company and the Distributor. As detailed in the Distribution Agreement, the appointment of the Distributor shall continue indefinitely and may be terminated by either party on not less than ninety days' notice. Under the terms of the Distribution Agreement, the Distributor also may enter in dealer or sub-distributor arrangements with intermediaries who purchase or distribute the Company's Shares. The Distributor will indemnify and hold harmless the Company against any loss, liability, damages, claim or expense (including the reasonable cost of investigating or defending any alleged loss, liability, damages, claim or expense and reasonable counsel fees incurred in connection therewith), arising by reason of any person's acquiring any Shares, on account of any wrongful act of the Distributor or any of its employees or agents (including any dealer it may have appointed), including any failure to conform with any requirement of applicable law relating to the offer or sale of Shares.

### **Strategy for the Exercise of Voting Rights**

The Company has a strategy for determining when and how voting rights attached to ownership of each Fund's investments are to be exercised for the exclusive benefit of the Fund. A summary of this strategy as well as the details of the actions taken on the basis of this strategy in relation to each Fund may be obtained free of charge during normal office hours at the registered office of the Company.

### **Remuneration Policy**

The Company has in place remuneration policies, procedures and practices as required pursuant to the UCITS Directive (the **Remuneration Policy**). The Remuneration Policy is consistent with and promotes sound and effective risk management. It is designed to discourage risk-taking which is inconsistent with the risk profile of the Company and the Funds. The Remuneration Policy applies to staff whose

professional activities have a material impact on the risk profile of the Company or the Funds, and ensures that no individual will be involved in determining or approving their own remuneration. The Remuneration Policy will be reviewed annually. Details of the up-to-date remuneration policy are available from <http://www.wellington.com/KIIDs> and a paper copy of the remuneration policy will be made available to Shareholders free of charge upon request.

### **Documents for Inspection**

Copies of the Memorandum and Articles of Association of the Company, Prospectus, Key Investor Information Documents and, after publication thereof, the periodic reports and accounts may be obtained free of charge on request from the registered office of the Company or the Investment Managers. Copies of the Memorandum and Articles of Association of the Company, the Key Investor Information Documents, Prospectus, and after publication thereof, the periodic reports and accounts, are also available on <http://www.wellington.com/KIIDs/>.

A list of all past and present directorships and partnerships held by each Director over the last five years may be inspected at the registered office of the Company during usual business hours on weekdays, except public holidays.

## DEFINITIONS

<b>Accumulating Shares</b>	means Shares that accumulate income and pay no dividend.
<b>ADRs, GDRs and GDNs</b>	means American Depositary Receipts, Global Depositary Receipts and Global Depositary Notes.
<b>Administrator</b>	means State Street Fund Services (Ireland) Limited and any other person or persons for the time being duly appointed administrator in succession to the said State Street Fund Services (Ireland) Limited.
<b>Anti-Dilution Levy</b>	means the amount added to a subscription amount, or deducted from redemption proceeds, and in each case payable to a Fund, representing an estimate of fiscal and purchase or sale charges on investments.
<b>Account Opening Agreement</b>	means the Account Opening Agreement in respect of each Fund.
<b>Articles</b>	means the Articles of Association of the Company as may be amended from time to time.
<b>Associated Person</b>	<p>a person is associated with a Director if, and only if, he is;</p> <ol style="list-style-type: none"><li>1. that Director's spouse, parent, brother, sister or child;</li><li>2. a person acting in his capacity as the trustee of any trust, the principal beneficiaries of which are the Director, his spouse or any of his children or any body corporate which he controls;</li><li>3. a partner of that Director.</li></ol> <p>A company will be deemed to be connected with a director of a company if it is controlled by that director.</p>
<b>Base Currency</b>	means in relation to any Fund such currency used for accounting purposes or to measure the profits and losses of the Shares. The Base Currency for all Funds except the Wellington Emerging Markets Equity Fund, the Wellington Sterling Core Bond Plus Fund, the Wellington Strategic European Equity Fund, the Wellington European Contrarian Value Fund and the Wellington Pan European Small Cap Equity Fund is the US Dollar. The Base Currency for the Wellington Emerging Markets Equity Fund and the Wellington Sterling Core Bond Plus Fund is GBP and the Base Currency for the Wellington Strategic European Equity Fund, the Wellington European Contrarian Value Fund and the Wellington Pan European Small Cap Equity Fund is the Euro.

<b>Business Day</b>	<p>means every day that US Federal banks and the New York Stock Exchange are open for business except for:</p> <ul style="list-style-type: none"> <li>a) Easter Monday</li> <li>b) May 1<sup>st</sup></li> <li>c) the weekday prior to and following Christmas Day as observed by the New York Stock Exchange</li> <li>d) such other days as the Directors may from time to time determine</li> </ul> <p>A list of the non-Business Days is available in the Literature section at <a href="http://www.wellingtonfunds.com">www.wellingtonfunds.com</a> and from the Transfer Agent. This list is subject to change.</p>
<b>Central Bank</b>	means the Central Bank of Ireland or any successor authority.
<b>Central Bank's Rulebook</b>	means the Central Bank (Supervision and Enforcement) Act 2013 (Section 48(1)) (Undertakings for Collective Investment in Transferable Securities) Regulations and guidance notes and guidelines issued by the Central Bank, as may be amended, supplemented or consolidated from time to time.
<b>China A Shares</b>	means Renminbi denominated "A" shares in mainland China based companies that trade on Chinese stock exchanges such as the Shanghai Stock Exchange and the Shenzhen Stock Exchange.
<b>CIS</b>	means collective investment scheme.
<b>Class or Classes</b>	any class of Share issued in respect of any Fund as set out in this Prospectus.
<b>Company</b>	means Wellington Management Funds (Ireland) plc.
<b>Connected Person</b>	means the persons defined as such in the section entitled <b>Fund Transactions and Conflicts of Interest</b> .
<b>Covered Person</b>	means (i) any person who is an executive officer or director of (a) a company that is registered under Section 12 of the US Securities Exchange Act or files periodic reports pursuant to Section 15(d) thereof or (b) a "covered non-public company" as defined in Rule 5131 of the Conduct Rules of the US Financial Industry Regulatory Authority, (ii) any person materially supported by a person described in (i) above, or (iii) any entity in which a persons described in (i) and (ii) above have aggregate beneficial interests in excess of 25%.
<b>Depository</b>	means State Street Custodial Services (Ireland) Limited or any other person or persons for the time being duly appointed

Depository hereof in succession to State Street Custodial Services (Ireland) Limited.

**Dealing Currency**

means in relation to any Class of Shares such currency as is used for subscription and redemption purposes.

**Dealing Day/Non-Dealing Day**

Dealing Day means the day Shares will normally be issued or redeemed by a Fund.

Typically Funds are daily dealing with a Dealing Day being each Business Day. Notwithstanding this, some Business Days will be Non-Dealing Days for certain Funds where, for example, a substantial amount of a Fund's portfolio is traded in markets which are closed. A current list of these Funds and the Business Days which are Non-Dealing Days is contained in the Holiday and Dealing Day Calendar which is available in the Literature section at [www.wellingtonfunds.com](http://www.wellingtonfunds.com) and from the Transfer Agent. This list is subject to change.

Some Funds are weekly dealing. The table below lists the typical weekly Dealing Days for these Funds. However, please refer to the Holiday and Dealing Day Calendar, which is available in the Literature section at [www.wellingtonfunds.com](http://www.wellingtonfunds.com) and obtainable from the Transfer Agent, which contains a list of the actual dates of the weekly Dealing Days for these Funds. This list is subject to change.

Dealing Days may be amended from time to time as determined by the Directors

**Dealing Deadline**

means the deadline for subscription, conversion and redemption orders to be received by the Transfer Agent, which is 2:00 pm Ireland time.

While Funds typically have a Dealing Deadline which falls on the Dealing Day, certain Funds require orders to be received prior to the Dealing Day. Fund Dealing Deadlines including those requiring pre-notification are listed in the table below.

Orders received on a Non-Dealing Day will be deemed to be received on the next Dealing Day for daily dealing Funds.

The Directors reserve the right to change the Dealing Deadline for all Funds as long as it is not after the Valuation Point.

<b>Fund</b>	<b>Shares may be issued and redeemed on:</b>	<b>Dealing Deadline (with usual notification period)</b>
All Funds except those listed below	Any Dealing Day	Same day (T)
Wellington Emerging Local Debt Advanced Beta Fund Wellington Emerging Markets Corporate Debt Fund Wellington Asia ex Japan Equity Fund Wellington Emerging Markets Equity Fund Wellington Emerging Markets Systematic Equity Fund Wellington Global Impact Fund Wellington Global Perspectives Fund Wellington Global Property Fund Wellington Opportunistic Themes Fund	Any Dealing Day	One day prior to the Dealing Day (T-1), provided that day is also a Dealing Day. <sup>1</sup>
Wellington Emerging Markets Opportunities Fund	Weekly Dealing (usually Tuesday) <sup>2</sup>	Usually Thursday prior to the Dealing Day (T-3) <sup>2</sup>
Wellington Durable Companies Fund Wellington Emerging and Sovereign Opportunities Fund Wellington Emerging Market Themes Fund	Weekly Dealing (usually Wednesday) <sup>2</sup>	Usually Wednesday prior to the Dealing Day (T-5) <sup>2</sup>
Wellington Emerging Markets Local Equity Fund	Weekly Dealing (usually Wednesday) <sup>2</sup>	Usually Monday, one week prior to the Dealing Day (T-7) <sup>2</sup>

<sup>1</sup> Where this is not a Dealing Day, the Dealing Deadline will default to the prior Dealing Day.

<sup>2</sup> These days are the typical Dealing Days and Dealing Deadlines. However, please refer to the Holiday and Dealing Day Calendar, obtainable from the Transfer Agent, which contains a list of the actual dates of the weekly Dealing Days and Dealing Deadlines for these Funds. This list may be subject to change.

**Directors** means the directors of the Company.

**Distributing Shares** means Shares in respect of which dividends may be declared and paid in accordance with the Dividend Policy section above.

**Distributor** means Wellington Global Administrator, Ltd.

**EEA** means the European Economic Area.

**EU** means the European Union.

**EU Member State** means a member of the EU.

**Fitch** means Fitch ratings, the international rating agency.



**Foreign Person**

means (i) a person who is neither resident nor ordinarily resident in Ireland for tax purposes who has provided the Company with the appropriate declaration under Schedule 2B TCA and the Company is not in possession of any information that would reasonably suggest that the declaration is incorrect or has at any time been incorrect or (ii) the company is in possession of written notice of approval from the Revenue Commissioners to the effect that the requirement to have been provided with such declaration is deemed to have been complied with in respect of that person or class of shareholder to which that person belongs, and that approval has not been withdrawn and any conditions to which that approval is subject to have been satisfied.

**Fund(s)**

means each of the Funds details of which are set out in the Prospectus and any other Funds which may be established from time to time by the Company.

**Group Companies**

means companies which are included in the same group for the purposes of consolidated accounts, as defined in accordance with Directive 83/349/EEC or in accordance with international accounting rules.

**Hedged Share Class and  
SC Share Classes**

means a Share Class in respect of which the Company will enter into derivative transactions, the benefits and costs of which will accrue solely to Shareholders in that Share Class.

**Initial Issue Price**

means the price per Share at which Shares are or were initially offered in a Fund during the Initial Offer Period specified in Appendix III for the relevant Fund.

**Initial Offer Period**

means the period during which Shares in a Fund are offered at the Initial Issue Price, which period may be extended or shortened at the discretion of the Directors.

The Investor Guide includes a list of all the Share Classes whose Initial Offer Period has closed.

The Initial Offer Period for the Wellington Durable Enterprises Fund, the Wellington Pan European Small Cap Equity Fund and the Wellington Higher Quality Global High Yield Bond Fund will commence on 26 July 2017 and will close on 25 January 2018.

The Initial Offer Period for the Wellington Opportunistic Fixed Income Fund will commence on 9 October 2017 and will close on 8 March 2018.

The Initial Offer Period for the remaining Share Classes has commenced and will close on or on such other date as the Directors may determine and notify periodically to the Central Bank.

The Initial Offer Period for the DL class shares will commence on 18 December 2017 and will close on 15 June 2018.

**Institutional Investor**

Institutional investor means any institution investing for its own account or for its own beneficial interest. The term institutional investor does not include a financial intermediary subscribing on behalf of or for the beneficial interest of underlying clients of the financial intermediary.

**Investment Manager**

means either Wellington Management Company LLP, Wellington Management International Limited, Wellington Management Hong Kong Limited or Wellington Management Singapore Pte Ltd or any other person or persons for the time being duly appointed investment manager of the Company in succession to one of the above.

**Investor Guide**

means the guide to dealing procedures for the Funds.

**Key Investor Information Document**

means any Key Investor Information Document issued by the Company in respect of the Funds from time to time.

**Minimum Holding Amount**

means such minimum holding amount for Shares in a Class as may be specified in Appendix III for the relevant Class of Shares from time to time.

**Minimum Initial  
Subscription**

means such minimum amount (excluding any preliminary charge) in the relevant Dealing Currency initially subscribed for by each Shareholder for Shares in a Class as is specified in Appendix III for the relevant Class of Shares.

**Minimum Subsequent  
Subscription**

means such minimum amount (excluding any preliminary charge) in the relevant Dealing Currency subsequently subscribed for by each Shareholder for Shares in a Class as is specified in Appendix III for the relevant Class of Shares.

**Money Market Instruments**

shall have meaning prescribed to them in the Central Bank's Rulebook.

**Moody's**

means Moody's Investor Services, Inc.

<b>Net Asset Value</b>	means in respect of the assets of a Fund or Share Class, the amount determined in accordance with the provisions set out in the section entitled <b>Dealing in Shares</b> .
<b>Net Credit Exposure</b>	means the net loss a Fund would experience from an immediate, no recovery, default by a particular issuer or group of issuers, including any gains or losses on derivative positions, according to the Investment Manager's standard calculation, applied in good faith and in accordance with accepted industry practice.
<b>OECD</b>	means the Organisation for Economic Co-operation and Development.
<b>PRC</b>	means the People's Republic of China.
<b>Redemption or Redeem</b>	means the repurchase of Shares by the Company.
<b>Regulations</b>	means the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations, 2011 (S.I. No. 352) as may be amended, supplemented or consolidated from time to time, and includes any conditions that may from time to time be imposed thereunder by the Central Bank whether by notice or otherwise affecting the Company.
<b>Restricted Person</b>	means any person or entity defined as such in Rule 5130 of the Conduct Rules of the US Financial Industry Regulatory Authority.
<b>Settlement Date</b>	<p>for payment of Shares subscribed for, means no later than 4:00 p.m. New York time on the second Business Day following the Dealing Day on which the Shares were purchased, unless extended as specified in the contract note, or such other earlier time as will be established by the Directors from time to time, except for the following Funds where payment will be no later than the third Business Day following the Dealing Day on which the Shares were purchased, unless otherwise extended as per above:</p> <p>Wellington Emerging Local Debt Fund  Wellington Emerging Local Debt Advanced Beta Fund  Wellington Emerging Markets Corporate Bond Fund  Wellington Opportunistic Emerging Markets Debt Fund</p> <p>For payment of redemption proceeds, Settlement Date means a date usually within two Business Days, but not more than ten Business Days, from the trade date in respect of a redemption request, with the exception of the following funds, for which Settlement Date means a date usually within three Business</p>

Days, but not more than ten Business Days from the trade date in respect of a redemption request:

Wellington Emerging Local Debt Fund  
Wellington Emerging Local Debt Advanced Beta Fund  
Wellington Emerging Markets Corporate Bond Fund  
Wellington Opportunistic Emerging Markets Debt Fund  
Wellington Emerging Markets Local Equity Fund

**Shares** means participating shares in the Company and includes, where the context so permits or requires, the Shares in a Fund.

**Shareholders** means holders of Shares, and each a “Shareholder”.

**Standard & Poor’s** means Standard & Poor’s Ratings Services.

**Stock Connect** means (i) Shanghai-Hong Kong Stock Connect, the mutual market access program through which foreign investors can deal in select China A Shares listed on the Shanghai Stock Exchange (SSE) through the Stock Exchange of Hong Kong (SEHK) and (ii) the Shenzhen-Hong Kong Stock Connect, the mutual market access program through which foreign investors can deal in select China A Shares listed on the Shenzhen Stock Exchange (SZSE) through the SEHK.

**Taxable Irish Person** means any person, other than:

- (i) a Foreign Person;
- (ii) an intermediary, including a nominee, for a Foreign Person;
- (iii) a qualifying management company within the meaning of section 739B TCA;
- (iv) a specified company within the meaning of section 734 TCA;
- (v) an investment undertaking within the meaning of section 739(B) of the TCA;
- (vi) an investment limited partnership within the meaning of section 739J of the TCA;
- (vii) an exempt approved scheme or a retirement annuity contract or trust scheme within the provisions of sections 774, 784 or 785 TCA;

- (viii) a company carrying on life business within the meaning of section 706 TCA;
- (ix) a special investment scheme within the meaning of section 737 TCA;
- (x) a unit trust to which section 731(5)(a) TCA applies;
- (xi) a charity entitled to an exemption from income tax or corporation tax under section 207(1)(b) TCA;
- (xii) a person entitled to exemption from income tax and capital gains tax under section 784A(2) of the TCA, section 787I of the TCA or section 848E of the TCA and the units held are assets of an approved retirement fund, an approved minimum retirement fund, a special savings incentive account or a personal savings retirement savings account (as defined in section 787A of the TCA);
- (xiii) the Courts Service within the meaning of section 4 of the Courts Service Act, 1998;
- (xiv) a Credit Union within the meaning of section 2 of the Credit Union Act, 1997;
- (xv) an Irish resident company within the charge to corporation tax under section 739G(2) TCA, but only where the Fund is a money market fund;
- (xvi) a company within the charge to corporation tax under section 110(2) TCA;
- (xvii) the National Asset Management Agency;
- (xviii) the National Pensions Reserve Fund Commission or a Commission investment vehicle (within the meaning given by Section 2 of the National Pensions Reserve Fund Act of 2000 (as amended)); and
- (xix) the State acting through the National Pensions Reserve Fund Commission or any other person as may be approved by the Directors from time to time provided the holding of Shares by such person does not result in a potential liability to tax arising to the Company in respect of that Shareholder under section 739 TCA

in respect of each of which the appropriate declaration set out in Schedule 2B TCA or otherwise and such other information evidencing such status is in the possession of the Company on the appropriate date.

<b>TCA</b>	means the Taxes Consolidation Act, 1997, as amended.
<b>Transferable Securities</b>	Transferable Securities shall have the meaning prescribed to them in the Central Bank's Rulebook.
<b>Transfer Agent</b>	means Brown Brothers Harriman Fund Administration Services (Ireland) Limited and any other person or persons for the time being duly appointed registrar and transfer agent in succession to the said Brown Brothers Harriman Fund Administration Services (Ireland) Limited.
<b>UCITS</b>	means an Undertaking for Collective Investment in Transferable Securities.
<b>UCITS Directive</b>	means the EC Council Directive 2009/65/EC of the European Parliament and of the Council of 13 July 2009 on the Co-ordination of Laws, Regulations and Administrative Provisions relating to UCITS, as amended, supplemented or replaced from time to time.
<b>United Kingdom or UK</b>	means the United Kingdom of Great Britain and Northern Ireland.
<b>United States</b>	means the United States of America, its territories, possessions and all areas subject to its jurisdiction (including the Commonwealth of Puerto Rico).
<b>United States Person or US Person</b>	means, unless otherwise determined by the Directors, any citizen or resident of the United States, any corporation, trust, partnership or other entity created or organized in or under the laws of the United States or any state thereof or having its principal place of business in the United States, any legal entity (other than an entity where all of the owners of the entity have limited liability) that is directly or indirectly majority owned by United States Persons and in which such persons bear unlimited responsibility for the obligations and liabilities of such entity, any collective investment vehicle that is majority owned by United States Persons, or any estate or trust the income of which is subject to United States federal income tax, regardless of source.
<b>US Dollars or USD</b>	means the currency of the United States.

**Valuation Point**

means the close of business on the New York Stock Exchange on the relevant Business Day.

---

## APPENDIX I

### MARKETS

---

The markets set out below are listed in accordance with the requirements of the Central Bank. The Central Bank does not issue a list of approved markets.

With the exception of permitted investment in unlisted securities or in units of open-ended collective investment schemes, investment will be limited to the following stock exchanges and regulated markets **(Market):-**

1.

(i) any stock exchange which is:

- located in any Member State; or
- located in a member state of the European Economic Area (Norway, Iceland and Liechtenstein); or
- located in any of the following countries:-
  - Australia
  - Canada
  - Hong Kong
  - Japan
  - New Zealand
  - Switzerland
  - United States of America; or

(ii) any stock exchange included in the following list of countries:

Albania	-	Tirana Stock Exchange;
Argentina	-	Bolsa de Comercio de Buenos Aires, Cordoba, Mendoza, Rosario and La Plata Stock Exchange;
Bahrain	-	Bahrain Stock Exchange;
Bangladesh	-	Chittagong Stock Exchange and Dhaka Stock Exchange;
Bermuda	-	Bermuda Stock Exchange
Botswana	-	Botswana Stock Exchange;
Brazil	-	Bolsa de Valores de Sao Paulo, Bolsa de Valores de Brasilia, Bolsa de Valores de Bahia-Sergipe - Alagoas, Bolsa de



		Valores de Extremo Sul, Bolsa de Valores de Parana, Bolsa de Valores de Regional, Bolsa de Valores de Santos, Bolsa de Valores de Pernambuco e Paraiba, Bolsa de Valores de Rio de Janeiro, Extremo Sul Porto Alegre, Parana Curitiba, Regional Fortazela, Pernambuco e Bahia Recife, Bolsa de Mercadoria and Futuros;
Chile	-	Santiago Stock Exchange and Valparaiso Stock Exchange;
China	-	Shanghai Stock Exchange, Fujian Stock Exchange, Hainan Stock Exchange and Shenzhen Stock Exchange;
Colombia	-	Bolsa de Bolsa de Valores de Colombia
Costa Rica	-	Bolsa Nacional de Valores;
Dubai	-	Dubai Financial Market and Dubai International Financial Centre
Egypt	-	Egyptian Exchange
Ghana	-	Ghana Stock Exchange;
India	-	Mumbai Stock Exchange, Madras Stock Exchange, Delhi Stock Exchange, Ahmedabad Stock Exchange, Bangalore Stock Exchange, Cochin Stock Exchange, Guwahati Stock Exchange, Magadh Stock Exchange, Pune Stock Exchange, Hyderabad Stock Exchange, Ludhiana Stock Exchange, Uttar Pradesh Stock Exchange, Calcutta Stock Exchange and the National Stock Exchange of India;
Indonesia	-	Jakarta Stock Exchange and Surabaya Stock Exchange;
Israel	-	Tel Aviv Stock Exchange;
Ivory Coast	-	Abidjan Stock Exchange;
Jamaica	-	Jamaica Stock Exchange;
Jordan	-	Amman Stock Exchange;
Kazakhstan	-	Kazakhstan Stock Exchange;
Kenya	-	Nairobi Stock Exchange;

Korea (Republic of)	-	Korean Stock Exchange;
Kuwait	-	Kuwait Stock Exchange;
Malaysia	-	Kuala Lumpur Stock Exchange;
Malawi	-	Malawi Stock Exchange;
Mauritius	-	Stock Exchange of Mauritius;
Mexico	-	Bolsa Mexicana de Valores;
Morocco	-	Casablanca Stock Exchange;
Namibia	-	Namibian Stock Exchange;
Nigeria	-	Lagos Stock Exchange, Kaduna Stock Exchange and Port Harcourt Stock Exchange;
Oman	-	Muscat Securities Market;
Pakistan	-	Lahore Stock Exchange and Karachi Stock Exchange;
Panama	-	Panama Stock Exchange;
Peru	-	Bolsa de Valores de Lima ;
Philippines	-	Philippines Stock Exchange;
Puerto Rico	-	San Juan Stock Exchange;
Qatar	-	Doha Stock Exchange;
Romania	-	Bucharest Stock Exchange;
Russia	-	Moscow Stock Exchange;
Saudi Arabia	-	Saudi Stock Exchange (Tadawul)
Singapore	-	The Stock Exchange of Singapore;
South Africa	-	Johannesburg Stock Exchange;
Swaziland	-	Swaziland Stock Exchange;
Sri Lanka	-	Colombo Stock Exchange;
Taiwan	-	Taipei Stock Exchange Corporation;
Tanzania	-	Dar-es-Salaam Stock Exchange;
Thailand	-	The Stock Exchange of Thailand;
Tunisia	-	Tunis Stock Exchange;
Turkey	-	Istanbul Stock Exchange;
Uganda	-	Uganda Securities Exchange;
Ukraine	-	Ukrainian Stock Exchange;
United Arab Emirates	-	Dubai Financial Market and Dubai International Financial Centre
United Arab Emirates	-	Abu Dhabi Securities Exchange
United Arab Emirates	-	Dubai Stock Exchange
Uruguay	-	Montevideo Stock Exchange;
Vietnam	-	Ho Chi Minh Exchange and Hanoi Stock Exchange;
Zambia	-	Lusaka Stock Exchange;
Zimbabwe	-	Zimbabwe Stock Exchange;

(iii) any of the following:

The market organized by the International Capital Markets Association;

The UK market (i) conducted by banks and other institutions regulated by the UK Financial Conduct Authority (the FCA) and subject to the Inter-Professional Conduct provisions of the FCA's Market Conduct Sourcebook; and (ii) in non-investment products which is subject to the guidance contained in the "Non-Investment Products Code" drawn up by the participants in the London market, including the FCA and the Bank of England (formerly known as the Grey Paper);

The "listed money market institutions" as described in the Bank of England publication "The Regulation of the Wholesale Cash and OTC Derivatives Market in Sterling, Foreign Currency and Bullion" dated April, 1988 (as amended from time to time);

The market in US government securities conducted by primary dealers regulated by the Federal Reserve Bank of New York;

The over-the-counter market in the United States regulated by the Financial Industry Regulatory Authority Inc. (FINRA), also described as the over-the-counter market in the United States conducted by primary and secondary dealers regulated by the Securities and Exchanges Commission and by the FINRA (and by banking institutions regulated by the U.S. Comptroller of the Currency, the Federal Reserve System or Federal Deposit Insurance Corporation);

NYSE Euronext;

NASDAQ in the United States;

The over-the-counter market in Japan regulated by the Securities Dealers Association of Japan;

The Over-the-Counter market in Canadian Government Bonds as regulated by the Investment Dealers Association of Canada;

The French market for "Titres de Creance Negotiable" (over-the-counter market in negotiable debt instruments); and

AIM-the Alternative Investment Market in the UK regulated and operated by the London Stock Exchange.

2. In relation to any derivatives contract used, any market or exchange on which such contract may be acquired or sold which is referred to in clause 1 (i), (ii) or (iii) above or which is in the European Economic Area, and/or is regulated, recognized, operates regularly, and is open to the public including the Korean Futures Exchange, the Singapore Monetary Exchange, MEFF, South Africa Futures Exchange (SAFEX) and TSX Group Exchange.

---

## APPENDIX II

### INVESTMENT RESTRICTIONS APPLICABLE TO THE FUNDS

---

The particular investment restrictions for each Fund will be formulated by the Directors at the time of the creation of the Fund and are set out in the section headed “Investment Objectives and Policies of the Funds” above.

Details of the investment restrictions laid down in accordance with the Central Bank's Rulebook, in respect of each Fund are set out below:

#### 1. Permitted Investments

Investments of a Fund are confined to:

- 1.1 Transferable Securities and Money Market Instruments which are either admitted to official listing on a stock exchange in an EU Member State or non-EU Member State or which are dealt on a market which is regulated, operates regularly, is recognized and open to the public in an EU Member State or non-EU Member State.
- 1.2 recently issued Transferable Securities which will be admitted to official listing on a stock exchange or other market (as described above) within a year.
- 1.3 Money Market Instruments other than those dealt on a regulated market.
- 1.4 shares of UCITS.
- 1.5 shares of AIFs as set out in the Central Bank's Rulebook.
- 1.6 deposits with credit institutions as prescribed in the Central Bank's Rulebook.
- 1.7 financial derivative instruments as prescribed in the Central Bank's Rulebook.

#### 2. Investment Limits

- 2.1 A Fund may invest no more than 10% of net assets in Transferable Securities and Money Market Instruments other than those referred to in paragraph 1.
- 2.2 A Fund may invest no more than 10% of net assets in recently issued Transferable Securities which will be admitted to official listing on a stock exchange or other market (as described in paragraph 1.1) within a year. This restriction will not apply in relation to investment by a Fund in certain US securities known as Rule 144A securities provided that:
  - 2.2.1 the securities are issued with an undertaking to register with the US Securities and

Exchange Commission within one year of issue; and

- 2.2.2 the securities are not illiquid securities i.e. they may be realized by a Fund within seven days at the price, or approximately at the price, at which they are valued by a Fund.
- 2.3 A Fund may invest no more than 10% of net assets in Transferable Securities or Money Market Instruments issued by the same body provided that the total value of Transferable Securities and Money Market Instruments held in the issuing bodies in each of which it invests more than 5% is less than 40%.
- 2.4 Subject to the prior approval of the Central Bank, the limit of 10% (in 2.3) is raised to 25% in the case of bonds that are issued by a credit institution which has its registered office in an EU Member State and is subject by law to special public supervision designed to protect bondholders. If a Fund invests more than 5% of its net assets in these bonds issued by one issuer, the total value of these investments may not exceed 80% of the Net Asset Value of the Fund.
- 2.5 The limit of 10% (in 2.3) is raised to 35% if the Transferable Securities or Money Market Instruments are issued or guaranteed by an EU Member State or its local authorities or by a non-EU Member State or public international body of which one or more EU Member States are members.
- 2.6 The Transferable Securities and Money Market Instruments referred to in 2.4. and 2.5 shall not be taken into account for the purpose of applying the limit of 40% referred to in 2.3.
- 2.6 A Fund may not invest more than 20% of net assets in deposits made with the same credit institution.

Deposits with any one credit institution, other than

- a credit institution authorized in the EEA (European Union Member States, Norway, Iceland, Liechtenstein);
- a credit institution authorized within a signatory state (other than an EEA Member State) to the Basel Capital Convergence Agreement of July 1988 (Switzerland, Canada, Japan, United States); or
- a credit institution authorized in Jersey, Guernsey, the Isle of Man, Australia or New Zealand

held as ancillary liquidity, must not exceed 10% of net assets.

This limit may be raised to 20% in the case of deposits made with the Depositary.

- 2.7 The risk exposure of a UCITS to a counterparty to an over-the-counter (OTC) derivative may not exceed 5% of net assets.

This limit is raised to 10% in the case of a credit institution authorized in the EEA; a credit institution authorized within a signatory state (other than an EEA Member State) to the Basel Capital Convergence Agreement of July 1988; or a credit institution authorized in Jersey, Guernsey, the Isle of Man, Australia or New Zealand.

- 2.8 Notwithstanding paragraphs 2.3, 2.7 and 2.8 above, a combination of two or more of the following issued by, or made or undertaken with, the same body may not exceed 20% of net assets:
- 2.8.1 investments in Transferable Securities or Money Market Instruments;
  - 2.8.2 deposits, and/or
  - 2.8.3 risk exposures arising from OTC derivatives transactions.
- 2.9 The limits referred to in 2.3, 2.4, 2.5, 2.7, 2.8 and 2.9 above may not be combined, so that exposure to a single body shall not exceed 35% of net assets.
- 2.10 Group Companies are regarded as a single issuer for the purposes of 2.3, 2.4, 2.5, 2.7, 2.8 and 2.9. However, a limit of 20% of net assets may be applied to investment in Transferable Securities and Money Market Instruments within the same group.
- 2.11 A Fund may invest up to 100% of net assets in different Transferable Securities and Money Market Instruments issued or guaranteed by any EU Member State, its local authorities, non-EU Member States or public international bodies of which one or more EU Member States are members. The following are permitted issuers for the purposes of this investment restriction:

An OECD member country (provided it is of investment grade),  
Government of Brazil (provided the issues are of investment grade),  
Government of India (provided the issues are of investment grade),  
Government of Singapore,  
European Investment Bank,  
European Bank for Reconstruction and Development,  
International Finance Corporation,  
International Monetary Fund,  
Euratom,  
The Asian Development Bank,  
European Central Bank,  
Council of Europe,  
Eurofima,  
African Development Bank,  
International Bank for Reconstruction and Development (The World Bank),  
The Inter-American Development Bank,  
European Union,  
Federal National Mortgage Association (Fannie Mae),  
Federal Home Loan Mortgage Corporation (Freddie Mac),  
Government National Mortgage Association (Ginnie Mae),  
Student Loan Marketing Association (Sallie Mae),  
Federal Home Loan Bank,  
Federal Farm Credit Bank,  
Tennessee Valley Authority,  
Straight-A Funding LLC,

Export-Import Bank.

The Fund must hold securities from at least six different issues, with securities from any one issue not exceeding 30% of net assets.

### **3. Investment in Collective Investment Schemes (CIS)**

- 3.1 A Fund may not invest more than 10% of net assets in aggregate in shares or units of any other CIS.
- 3.2 The CIS must be prohibited from investing more than 10% of net assets in other CIS.
- 3.3 When a Fund invests in the units of other CIS that are managed, directly or by delegation, by the Investment Managers or by any other company with which the Investment Managers or the Company is linked by common management or control, or by a substantial direct or indirect holding of more than 10% of the capital or votes, the Investment Managers or other company may not charge subscription, exchange or redemption fees on account of the Fund investment in the units of such other CIS. Moreover, in such a case, no management fee may be charged to the Fund's assets.
- 3.4 Where a commission (including a rebated commission) is received by the Investment Managers by virtue of an investment in the units of another CIS, this commission must be paid into the property of the Fund.

### **4. Index Tracking UCITS**

- 4.1 A Fund may invest up to 20% of net assets in shares and/or debt securities issued by the same body where the investment policy of a Fund is to replicate an index, which satisfies the criteria set out in the Central Bank's Rulebook and is recognized by the Central Bank.
- 4.2 The limit in 4.1 may be raised to 35%, and applied to a single issuer, where this is justified by exceptional market conditions.

### **5. General Provisions**

- 5.1 The Company may not acquire any shares carrying voting rights which would enable it to exercise significant influence over the management of an issuing body.
- 5.2 A Fund may acquire no more than:
  - 5.2.1 10% of the non-voting shares of any single issuing body;
  - 5.2.2 10% of the debt securities of any single issuing body;
  - 5.2.3 25% of the units of any single CIS;
  - 5.2.4 10% of the Money Market Instruments of any single issuing body.

The limits laid down in 5.2.2, 5.2.3 and 5.2.4 above may be disregarded at the time of acquisition if at that time the gross amount of the debt securities or of the Money Market Instruments, or the net amount of the securities in issue cannot be calculated.

- 5.3 5.1 and 5.2 shall not be applicable to:
  - 5.3.1 Transferable Securities and Money Market Instruments issued or guaranteed by an EU Member State or its local authorities;
  - 5.3.2 Transferable Securities and Money Market Instruments issued or guaranteed by a non-EU Member State;
  - 5.3.3 Transferable Securities and Money Market Instruments issued by public international bodies of which one or more EU Member States are members;
  - 5.3.4 shares held by a UCITS in the capital of a company incorporated in a non-EU Member State which invests its assets mainly in the securities of issuing bodies having their registered offices in that State, where under the legislation of that State such a holding represents the only way in which the UCITS can invest in the securities of issuing bodies of that State. This waiver is applicable only if in its investment policies the company from the non-EU Member State complies with the limits laid down in 2.3 to 2.11, 3.1, 3.2, 5.1, 5.2, 5.4, 5.5 and 5.6 and provided that where these limits are exceeded, paragraphs 5.5 and 5.6 below are observed;
  - 5.3.5 shares held by an investment company in the capital of subsidiary companies carrying on only the business of management, advice or marketing in the country where the subsidiary is located, in regard to the repurchase of units at shareholders' request exclusively on their behalf.
- 5.4 A Fund need not comply with the investment restrictions herein when exercising subscription rights attaching to Transferable Securities or Money Market Instruments which form part of their assets.
- 5.5 The Central Bank may allow recently authorized UCITS to derogate from the provisions of 2.3 to 2.12, 3.1, 3.2, 4.1 and 4.2 for six months following the date of their authorisation, provided they observe the principle of risk spreading.
- 5.6 A Fund may not carry out uncovered sales or physical shorting of:
  - 5.6.1 Transferable Securities;
  - 5.6.2 Money Market Instruments;
  - 5.6.3 units of CIS; or
  - 5.6.4 financial derivative instruments.
- 5.7 A Fund may hold ancillary liquid assets.



## **6. Financial Derivative Instruments (FDIs)**

- 6.1 A Fund may invest in FDIs dealt in over-the-counter (OTC) provided that the counterparties to the OTC transactions are institutions subject to prudential supervision and belonging to categories approved by the Central Bank.
- 6.2 Position exposure to the underlying assets of FDIs, including embedded FDIs in Transferable Securities or Money Market Instruments, when combined where relevant with positions resulting from direct investments, may not exceed the investment limits set out in the Central Bank's Rulebook. (This provision does not apply in the case of index-based FDIs provided the underlying index is one which meets with the criteria set out in the Central Bank's Rulebook.)
- 6.3 The UCITS global exposure (as prescribed in the Central Bank's Rulebook) relating to FDI must not exceed its total Net Asset Value.
- 6.4 Investment in FDIs is subject to the conditions and limits laid down by the Central Bank.

It is intended that the Company should have the power to avail of any change in the law, regulations or guidelines which would permit investment in assets and securities on a wider basis.

Compliance with the investment restrictions noted above is measured at the time of purchase.

If the limits set forth above are exceeded for reasons beyond the control of the Investment Managers (such as market movements) or as a result of the exercise of subscription rights, the Company shall adopt as a priority objective for its sales transactions the remedying of that situation, taking due account of the interests of Shareholders.

---

### APPENDIX III

---

<b>Fund</b>	<b>Share Class</b>
All Funds (except Wellington Emerging Local Debt Advanced Beta Fund)	S
	D & N
	T
Wellington Global Bond Fund Wellington US Capital Appreciation Equity Fund	R
Wellington Emerging Local Debt Fund	NI
	NR
Wellington Emerging Local Debt Fund Wellington Global Health Care Equity Fund Wellington Global Credit Plus Fund Wellington Global Bond Fund Wellington Global Quality Equity Fund	G
Wellington Emerging Local Debt Fund	GN
	GR
Wellington Global Bond Fund	P
Wellington Emerging and Sovereign Opportunities Fund Wellington Global Impact Fund	E
Wellington Emerging Local Debt Advanced Beta Fund	SB, SC, TB, TC
Wellington Asia Ex Japan Equity Fund Wellington Durable Enterprises Fund Wellington Dynamic Diversified Income Fund Wellington Emerging and Sovereign Opportunities Fund Wellington Emerging Local Debt Fund Wellington Emerging Market Themes Fund Wellington Emerging Markets Systematic Equity Fund Wellington Enduring Assets Fund Wellington Global Bond Fund Wellington Global Credit Buy and Maintain Fund Wellington Global Credit Plus Fund Wellington Global High Yield Bond Fund Wellington Global Impact Fund Wellington Global Perspectives Fund Wellington Global Strategic Sovereign Fund Wellington Multi-Asset Absolute Return Fund Wellington Opportunistic Fixed Income Fund	DL

Wellington Pan European Small Cap Equity Fund Wellington US\$ Core High Yield Bond Fund Wellington World Bond Fund	
--	--

Each Share Class is available in each of the following Dealing Currencies:  
USD, Euro, GBP, CHF, JPY, AUS, NZD, SGD, CAD, NOK and SEK

Each Share Class in each Dealing Currency is available as both a Distributing Share Class and an Accumulating Share Class.

Each Share Class in each Dealing Currency in each Fund (save for Wellington Emerging Local Debt Advanced Beta) is available as both a Hedged Share Class and an unhedged Share Class. For Emerging Local Debt Advanced Beta the SB and TB Share Classes are only available as unhedged USD Share Classes and the SC and TC Share Classes are only available in the above non-USD Dealing Currencies with the share class level currency hedging transactions described in the section title “**Other Share Class Transactions**”.

The Minimum Initial Subscription and Minimum Holding Amounts are the following USD amounts or the equivalent to the USD amount in the Dealing Currency of the relevant Share Class.

S, T, NI, NR, G, E, SB, SC, TB, TC Share Classes – USD 5 million  
D, N, DL, GN, GR, R, P Share Classes – USD 5,000

The Initial Issue Price for each Share Class is 10 of the relevant Dealing Currency of that Share Class save for JPY Share Classes where the Initial Issue Price is JPY 10,000.

The Minimum Subsequent Subscription for each Share Class is USD 1,000 or the USD equivalent in the relevant Dealing Currency of that Share Class.

---

## APPENDIX IV

---

The Depositary has appointed State Street Bank and Trust Company with registered office at Copley Place 100, Huntington Avenue, Boston, Massachusetts 02116, USA as its global sub-custodian.

State Street Bank and Trust Company as global sub-custodian has appointed local sub-custodians within the State Street Global Custody Network as listed below, as at the date of this prospectus. The list is subject to change and a current list is available upon request from the Transfer Agent or the Investment Managers.

Market	Sub-custodian
Albania	Raiffeisen Bank sh.a.
Australia	The Hongkong and Shanghai Banking Corporation Limited
Austria	Deutsche Bank AG
	UniCredit Bank Austria AG
Argentina	Citibank, N.A.
Bahrain	HSBC Bank Middle East Limited (as delegate of The Hongkong and Shanghai Banking Corporation Limited)
Bangladesh	Standard Chartered Bank
Belgium	Deutsche Bank AG, Netherlands (operating through its Amsterdam branch with support from its Brussels branch)
Benin	via Standard Chartered Bank Côte d'Ivoire S.A., Abidjan, Ivory Coast
Bermuda	HSBC Bank Bermuda Limited
Federation of Bosnia and Herzegovina	UniCredit Bank d.d.
Botswana	Standard Chartered Bank Botswana Limited
Brazil	Citibank, N.A.
Bulgaria	Citibank Europe plc, Bulgaria Branch
	UniCredit Bulbank AD
Burkina Faso	via Standard Chartered Bank Côte d'Ivoire S.A., Abidjan, Ivory Coast
Canada	State Street Trust Company Canada
Chile	Itaú CorpBanca S.A.
People's Republic of China	HSBC Bank (China) Company Limited (as delegate of The Hongkong and Shanghai Banking Corporation Limited)
	China Construction Bank Corporation (for A-share market only)

	Citibank N.A. (for Stock Connect market only)
	The Hongkong and Shanghai Banking Corporation Limited (for Stock Connect market only)
	Standard Chartered Bank (Hong Kong) Limited (for Stock Connect market)
Colombia	Cititrust Colombia S.A. Sociedad Fiduciaria
Costa Rica	Banco BCT S.A.
Croatia	Privredna Banka Zagreb d.d. Zagrebacka Banka d.d.
Cyprus	BNP Paribas Securities Services, S.C.A., Greece (operating through its Athens branch)
Czech Republic	Československá obchodní banka, a.s. UniCredit Bank Czech Republic and Slovakia, a.s.
Denmark	Nordea Bank AB (publ), Sweden (operating through its subsidiary, Nordea Bank Danmark A/S) Skandinaviska Enskilda Banken AB (publ), Sweden (operating through its Copenhagen branch)
Egypt	HSBC Bank Egypt S.A.E. (as delegate of The Hongkong and Shanghai Banking Corporation Limited)
Estonia	AS SEB Pank
Finland	Nordea Bank AB (publ), Sweden (operating through its subsidiary, Nordea Bank Finland Plc.) Skandinaviska Enskilda Banken AB (publ), Sweden (operating through its Helsinki branch)
France	Deutsche Bank AG, Netherlands (operating through its Amsterdam branch with support from its Paris branch)
Republic of Georgia	JSC Bank of Georgia
Germany	State Street Bank GmbH Deutsche Bank AG
Ghana	Standard Chartered Bank Ghana Limited
Greece	BNP Paribas Securities Services, S.C.A.
Guinea-Bissau	via Standard Chartered Bank Côte d'Ivoire S.A., Abidjan, Ivory Coast
Hong Kong	Standard Chartered Bank (Hong Kong) Limited
Hungary	Citibank Europe plc Magyarországi Fióktelepe UniCredit Bank Hungary Zrt.
Iceland	Landsbankinn hf.
India	Deutsche Bank AG The Hongkong and Shanghai Banking Corporation Limited
Indonesia	Deutsche Bank AG
Ireland	State Street Bank and Trust Company, United Kingdom branch

Israel	Bank Hapoalim B.M.
Italy	Deutsche Bank S.p.A.
Ivory Coast	Standard Chartered Bank Côte d'Ivoire S.A.
Jamaica	Scotia Investments Jamaica Limited
Japan	Mizuho Bank, Limited
	The Hongkong and Shanghai Banking Corporation Limited
Jordan	Standard Chartered Bank
Kazakhstan	JSC Citibank Kazakhstan
Kenya	Standard Chartered Bank Kenya Limited
Republic of Korea	Deutsche Bank AG
	The Hongkong and Shanghai Banking Corporation Limited
Kuwait	HSBC Bank Middle East Limited (as delegate of The Hongkong and Shanghai Banking Corporation Limited)
Latvia	AS SEB banka
Lebanon	HSBC Bank Middle East Limited (as delegate of The Hongkong and Shanghai Banking Corporation Limited)
Lithuania	AB SEB bankas
Malawi	Standard Bank Limited
Malaysia	Deutsche Bank (Malaysia) Berhad
	Standard Chartered Bank Malaysia Berhad
Mali	via Standard Chartered Bank Côte d'Ivoire S.A., Abidjan, Ivory Coast
Mauritius	The Hongkong and Shanghai Banking Corporation Limited
Mexico	Banco Nacional de México, S.A.
Morocco	Citibank Maghreb
Namibia	Standard Bank Namibia Limited
Netherlands	Deutsche Bank AG
New Zealand	The Hongkong and Shanghai Banking Corporation Limited
Niger	via Standard Chartered Bank Côte d'Ivoire S.A., Abidjan, Ivory Coast
Nigeria	Stanbic IBTC Bank Plc.
Norway	Nordea Bank AB (publ), Sweden (operating through its subsidiary, Nordea Bank Norge ASA)
	Skandinaviska Enskilda Banken AB (publ), Sweden (operating through its Oslo branch)
Oman	HSBC Bank Oman S.A.O.G. (as delegate of The Hongkong and Shanghai Banking Corporation Limited)
Pakistan	Deutsche Bank AG
Panama	Citibank, N.A.
Peru	Citibank del Perú, S.A.

Philippines	Deutsche Bank AG
Poland	Bank Handlowy w Warszawie S.A.
	Bank Polska Kasa Opieki S.A
Portugal	Deutsche Bank AG, Netherlands (operating through its Amsterdam branch with support from its Lisbon branch)
Puerto Rico	Citibank N.A.
Qatar	HSBC Bank Middle East Limited (as delegate of The Hongkong and Shanghai Banking Corporation Limited)
Romania	Citibank Europe plc, Dublin – Romania Branch
Russia	AO Citibank
Saudi Arabia	HSBC Saudi Arabia Limited (as delegate of The Hongkong and Shanghai Banking Corporation Limited)
Senegal	via Standard Chartered Bank Côte d’Ivoire S.A., Abidjan, Ivory Coast
Serbia	UniCredit Bank Serbia JSC
Singapore	Citibank N.A.
	United Overseas Bank Limited
Slovak Republic	UniCredit Bank Czech Republic and Slovakia, a.s.
Slovenia	UniCredit Banka Slovenija d.d.
South Africa	FirstRand Bank Limited
	Standard Bank of South Africa Limited
Spain	Deutsche Bank S.A.E.
Sri Lanka	The Hongkong and Shanghai Banking Corporation Limited
Republic of Srpska	UniCredit Bank d.d.
Swaziland	Standard Bank Swaziland Limited
Sweden	Nordea Bank AB (publ)
	Skandinaviska Enskilda Banken AB (publ)
Switzerland	Credit Suisse AG
	UBS Switzerland AG
Taiwan - R.O.C.	Deutsche Bank AG
	Standard Chartered Bank (Taiwan) Limited
Tanzania	Standard Chartered Bank (Tanzania) Limited
Thailand	Standard Chartered Bank (Thai) Public Company Limited
Togo	via Standard Chartered Bank Côte d’Ivoire S.A., Abidjan, Ivory Coast
Tunisia	Union Internationale de Banques
Turkey	Citibank, A.Ş.
	Deutsche Bank A.Ş.
Uganda	Standard Chartered Bank Uganda Limited
Ukraine	PJSC Citibank

United Arab Emirates Dubai Financial Market	HSBC Bank Middle East Limited (as delegate of The Hongkong and Shanghai Banking Corporation Limited)
United Arab Emirates Dubai International Financial Center	HSBC Bank Middle East Limited (as delegate of The Hongkong and Shanghai Banking Corporation Limited)
United Arab Emirates Abu Dhabi	HSBC Bank Middle East Limited (as delegate of The Hongkong and Shanghai Banking Corporation Limited)
United Kingdom	State Street Bank and Trust Company, United Kingdom branch
Uruguay	Banco Itaú Uruguay S.A.
Venezuela	Citibank, N.A.
Vietnam	HSBC Bank (Vietnam) Limited (as delegate of The Hongkong and Shanghai Banking Corporation Limited)
Zambia	Standard Chartered Bank Zambia Plc.
Zimbabwe	Stanbic Bank Zimbabwe Limited (as delegate of Standard Bank of South Africa Limited)



## ADDITIONAL INFORMATION FOR INVESTORS IN AUSTRIA

Date: 18/12/17

**This Additional Information document forms part of, and should be read in conjunction with the Prospectus of WELLINGTON MANAGEMENT FUNDS (IRELAND) PLC dated 15 December 2017.**

**All capitalized terms herein contained shall have the same meaning in this Additional Information document as in the Prospectus, unless otherwise indicated.**

The following sub-funds of the Company (the “Funds”) are registered with the Austrian Financial Market Authority for distribution in Austria:

Wellington Asia ex Japan Equity Fund  
Wellington Durable Companies Fund  
Wellington Durable Enterprises Fund  
Wellington Dynamic Diversified Income Fund  
Wellington Emerging and Sovereign Opportunities Fund  
Wellington Emerging Local Debt Advanced Beta Fund  
Wellington Emerging Local Debt Fund  
Wellington Emerging Market Themes Fund  
Wellington Emerging Markets Corporate Debt Fund  
Wellington Emerging Markets Equity Fund  
Wellington Emerging Markets Local Equity Fund  
Wellington Emerging Markets Opportunities Fund  
Wellington Emerging Markets Systematic Equity Fund  
Wellington Enduring Assets Fund  
Wellington European Contrarian Value Fund  
Wellington Global Bond Fund  
Wellington Global Credit Buy and Maintain Fund  
Wellington Global Credit Plus Fund  
Wellington Global Currency Absolute Return Fund  
Wellington Global Health Care Equity Fund  
Wellington Global High Yield Bond Fund  
Wellington Global Impact Fund  
Wellington Global Perspectives Fund  
Wellington Global Quality Equity Fund  
Wellington Global Strategic Sovereign Fund  
Wellington Hedged Alpha Opportunities Fund  
Wellington Higher Quality Global High Yield Bond Fund  
Wellington Multi-Asset Absolute Return Fund  
Wellington Opportunistic Emerging Markets Debt Fund  
Wellington Opportunistic Fixed Income Fund  
Wellington Pan European Small Cap Equity Fund  
Wellington Strategic European Equity Fund  
Wellington US\$ Core High Yield Bond Fund

Wellington World Bond Fund

#### **AUSTRIAN PAYING AND INFORMATION AGENT**

The function of the paying and information agent (the “Austrian Paying and Information Agent”) for the Company in the Republic of Austria has been taken over by:

SOCIETE GENERALE VIENNA BRANCH

Prinz Eugen Strasse 8-10/5/TOP 11

A-1040 Vienna

Applications for the redemption, repurchase and conversion of shares may be sent to the Austrian Paying and Information Agent. All payments to investors, including redemption proceeds and potential distributions, may, upon request, be paid through the Austrian Paying and Information Agent.

The following documents and information may be obtained in hard copy free of charge at the registered office of the Company and at the Austrian Paying and Information Agent and can be inspected at the offices of the Austrian Paying and Information Agent during normal business hours:

- the Prospectus and the fact sheets;
- the Articles of Association;
- the Key Investor Information Documents (“KIIDs”);
- the annual report and semi-annual report;
- issue, sale, redemption or repurchase prices;
- any investor notices.

#### **PUBLICATIONS**

The issue and redemption prices are published daily on [fundinfo.com](http://fundinfo.com) and can be obtained from the Company by sending an E-Mail to [WellingtonClientServices@bbh.com](mailto:WellingtonClientServices@bbh.com).

#### **TAX INFORMATION**

Please note that taxation under Austrian law might substantially differ from the tax situation generally outlined in this Prospectus. Shareholders and interested persons are advised to consult their tax advisors regarding the taxes due on their shareholdings.

**WELLINGTON MANAGEMENT FUNDS (IRELAND) PLC (THE "COMPANY")**

**INFORMATION TO THE INVESTORS OF THE COMPANY IN DENMARK**

Date: 18/12/17

**This Country Supplement forms part of, and should be read in conjunction with the prospectus for the Company dated 15 December 2017, as amended and supplemented from time to time (the "Prospectus"). All capitalized terms herein contained shall have the same meaning in this Country Supplement as in the Prospectus, unless otherwise indicated.**

Wellington Management Funds (Ireland) plc (the "Company") is an investment company with variable capital and segregated liability between Funds incorporated on 25 June 1997 and is authorized in Ireland as a UCITS pursuant to the Regulations.

Information relating to the fees and expenses payable by investors is set out in the Prospectus entitled "**Charges and Expenses**". The attention of prospective investors is drawn to the information relating to fees and expenses set out therein.

**Information on the Danish Representative Agent**

The Company has appointed Nordea Bank Danmark A/S as entity to act as its Representative Agent in Denmark as the main Target Audience (according to local laws) for the Company will be Institutional Investors, Investment Professionals, Investment Advisors and Retail Investors.

The contact details of the Representative Agent are as follows:

Nordea Bank Danmark A/S

Issuer Services, Securities Services Hermes Hus, Helgeshøj Allé 33 Postbox 850

DK-0900 Copenhagen C

Telephone number: +45 33 33 33 01

Fax number: +45 33 33 10 31

Email: [issuerservices.dk@nordea.com](mailto:issuerservices.dk@nordea.com)

Nordea Bank Danmark A/S is authorized to act as representative of the Company in Denmark. The Representative Agent shall carry out any and all duties required by a representative agent under the Danish Executive Order no. 786 of 17 June 2014 on marketing carried out by foreign investment undertakings in Denmark (the "Danish Executive Order") as amended from time to time.

Upon the Danish Investors request the Representative agent shall assist the Danish Investors in redemption, dividend payments, conversion of shares, as well as, assist the Danish Investors in contacting the Company directly. The Representative Agent shall also supply the documents which the Company makes public in Ireland and provide information about the Company at the request of investors.

## **ADDITIONAL INFORMATION FOR INVESTORS IN THE FEDERAL REPUBLIC OF GERMANY**

Date: 18/12/2017

**This Additional Information document forms part of, and should be read in conjunction with the Prospectus of WELLINGTON MANAGEMENT FUNDS (IRELAND) PLC dated 15 December 2017. All capitalized terms herein contained shall have the same meaning in this Additional Information document as in the Prospectus, unless otherwise indicated.**

**For the following sub-funds of WELLINGTON MANAGEMENT FUNDS (IRELAND) PLC (the “Funds”) no notification for distribution in the Federal Republic of Germany was submitted and shares in these Funds may NOT be offered to investors within the Federal Republic of Germany:**

### **Wellington Global Property Fund**

The function of the paying and information agent for the Funds in Germany (the “German paying and information agent”) has been taken over by:

Deutsche Bank AG, Taunusanlage 12, D-60325 Frankfurt am Main, Germany

Requests for redemption and conversion of the shares authorised for distribution in the Federal Republic of Germany can be submitted to the German paying and information agent. Furthermore, investors can request all payments (redemption proceeds, any dividends and other payments) to be conducted by the German paying and information agent.

The following documents are available free of charge in hard copy and are available for inspection at the office of the German paying and information agent.

- the Prospectus,
- the Key Investor Information Documents,
- the Articles of Association of the Company,
- the annual report and semi-annual report of the Company,
- the issue, redemption as well as all conversion prices,
- notices to shareholders.

Furthermore, the copy of the following document is available for inspection free of charge at the office of the

German paying and information agent:

- the list of all past and present directorships and partnerships held by each Director over the last five years.

The issue, redemption as well as all conversion prices are published on [fundinfo.com](http://fundinfo.com).

Any notices to the shareholders will be sent to the shareholders in Germany via letter or e-mail as requested by the shareholder in their account opening agreement. According to § 298 (2) of the Investment Code (KAGB), the notices to the shareholders will additionally be published in Germany in the Federal Gazette ([www.bundesanzeiger.de](http://www.bundesanzeiger.de)) in the following cases:

- suspension of the redemption of the shares,
- termination of the management of the fund or its liquidation,
- any amendments to the Articles of Association which are inconstant with the previous investment principles, which affect material investor rights or which relate to remuneration and reimbursement of expenses that may be paid or made out of the asset pool,
- merger of the fund with one or more other funds and
- the change of the fund into a feeder fund or the modification of a master fund.

**WELLINGTON MANAGEMENT FUNDS (IRELAND) PLC (THE “COMPANY”)**

**ADDENDUM FOR THE ATTENTION OF INVESTORS RESIDENT IN LUXEMBOURG**

Date: 18/12/17

**This addendum forms part of the Prospectus and should be read in conjunction with the Prospectus dated 15 December 2017 and may not be used separately. All capitalized terms herein contained shall have the same meaning in this Additional Information document as in the Prospectus, unless otherwise indicated.**

The Company is an umbrella type open-ended investment company with variable capital and segregated liability between Funds and qualifies and is authorised in Ireland by the Central Bank of Ireland as a UCITS for the purposes of the regulations.

Information relating to the distribution in Luxembourg of the Company:

**Paying and Information Agent**

The Company has appointed State Street Bank Luxembourg, as the local information and paying agent in the Grand Duchy of Luxembourg (the “Agent”).

The Agent shall act as agent of the Company for the receipt of and transmission of subscription, redemption and any other requests and the payment of redemption and dividend monies in accordance with Luxembourg law, and the prospectus of the Company in force.

The Agent shall upon the request of an investor provide copies of the current prospectus of the Company and any supplement or addendum thereto, the KIIDs, the annual report and semi-annual report of the Company and the certificate from the Central Bank of Ireland. The Net Asset Value per Shares may also be obtained at the Agent’s office during normal bank business hours:

49, Avenue J.F. Kennedy L-1855, Luxembourg  
Grand Duchy of Luxembourg

**Distribution of the Company shares in Luxembourg**

The Company is registered with the *Commission de Surveillance du Secteur Financier (CSSF)* to publicly distribute shares in Luxembourg in accordance with the requirements of the Luxembourg Law on Undertakings for Collective Investment dated 17 December 2010 UCITS situated in other EU Member States which market their shares in Luxembourg.

Wellington Global Administrator Limited will be the entity in charge of the marketing of shares of UCITS in Luxembourg.

**Price Listings**

Except where the determination of the Net Asset Value per Share and/or the issue and redemption of Shares has been temporarily suspended under the circumstances described in the Prospectus, the Net Asset Value per Share of each class will be available from the Administrator, on request and in addition is

published daily on Bloomberg's website, [www.bloomberg.com](http://www.bloomberg.com).

### **Notifications**

Any notices to shareholders of the Company will be communicated by registered letter or through a newspaper publication.

### **Taxation in Luxembourg**

#### *The Company*

Under current Luxembourg law, there are no Luxembourg ordinary income, capital gains, estate or inheritance taxes payable by the Company.

#### *Shareholders*

Under current Luxembourg law, there are no Luxembourg ordinary income, capital gains, estate or inheritance taxes payable by the shareholders in respect of their shares, except under certain conditions by shareholders who are domiciled in, or are residents of or have a permanent establishment in the Grand Duchy of Luxembourg.

## ADDITIONAL INFORMATION FOR INVESTORS IN THE UK

Date: 18/12/17

This Addendum forms part of, and should be read in conjunction with the Prospectus of WELLINGTON MANAGEMENT FUNDS (IRELAND) PLC dated 15 December 2017. All capitalized terms herein contained shall have the same meaning in this Addendum as in the Prospectus, unless otherwise indicated.

### 1. Name and address of the collective investment scheme

WELLINGTON MANAGEMENT FUNDS (IRELAND) PLC (hereafter the “Company”) is self-managed, its principal place of business being 25-28 North Wall Quay, International Financial Services Centre, Dublin 1 Ireland.

### 2. United Kingdom Facilities Agent

The Company has appointed Wellington Management International Limited, its principal place of business being Cardinal Place 80 Victoria Street, London SW1E 5JL, United Kingdom, as its UK Facilities Agent.

Investors can obtain information about the most recent prices and redemption facilities from the office of the UK Facilities Agent detailed above. Updated prices are also available under [www.bloomberg.com](http://www.bloomberg.com).

The UK Facilities Agent is also in charge of arranging and redirecting dealing instructions to the Irish Transfer Agent Brown Brothers Harriman Fund Administration Services (Ireland) Limited, its principal place of business being at Styne House, Upper Hatch Street, Dublin 2, Ireland.

Concerning the nature of the Share classes, please refer to the Section “DEALING IN SHARES” of the latest available Prospectus.

UK resident investors should seek their own professional advice as to tax matters and other relevant considerations. Please note that investors making investments in the Company may not receive back their entire investment.

Although the Company is authorised by the Financial Conduct Authority for the purposes of distribution, potential and current investors in the UK are advised that the rules made under Financial Services and Market Act (FSMA) do not in general apply to the Company in relation to its investment business.

### 3. Information to investors

The following documents and/or information are available for inspection at the office of the UK Facilities Agent:

- a) The latest available prospectus and key investor information documents,



- b) The latest articles of association of the Company,
- c) The latest available annual and semi-annual financial reports of the Company,
- d) The issue and redemption prices.

#### **4. Written Complaints**

Written complaints about any aspect of the service including the operations of the Company, or requests to obtain a copy of the complaints handling procedure can be addressed to Wellington Management International Limited for their further submission to the Company's head office.

#### **5. Cancellation Rights**

Please note that the investors have no rights of cancellation in respect of their holding.

#### **6. Compensation Rights**

Potential investors should be aware that WELLINGTON MANAGEMENT FUNDS (IRELAND) PLC is not subject to the rules and regulations made under FSMA for the protection of investors. Investors will not have any protection under the United Kingdom Financial Services Compensation Scheme.

**The foregoing is based on the WELLINGTON MANAGEMENT FUNDS (IRELAND) PLC understanding of the law and practice currently in force in the United Kingdom and is subject to changes therein. It should not be taken as constituting legal or tax advice and, Investors should obtain information and, if necessary, should consult their professional advisers on the possible tax or other consequences of buying, holding, transferring or selling the shares under the laws of their countries of origin citizenship, residence or domicile. Furthermore the content of this document is for information purposes only, it does not constitute any offer or promotion of sale nor does it make any reference to the suitability of investments referred to herein.**