



Wellington Luxembourg S.à r.l
Société à responsabilité limitée
Registered Office: 33, Avenue de la Liberté
L-1931 Luxembourg
R.C.S. Luxembourg B. 37.861
(the “Management Company”)

Notice to the Unitholders of Wellington Management Funds (Luxembourg) (the “Umbrella Fund”)

16th October 2023

Dear Unitholder,

The board of managers of the Management Company (the “**Board**”) is writing to advise and inform you of a number of changes and clarifications that are being made to the prospectus of the Company (the “**Prospectus**”) as further described below. Capitalised terms not defined herein have the same meaning as ascribed to them in the Prospectus.

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I. Update to the *ESG Ratings Framework* section in chapter *Investment Objectives and Policies*

The *ESG Ratings Framework* section will be updated in order to clarify the way the ESG Ratings Framework may be used. The change to the ESG rating methodology is intended to align with the Investment Manager’s ESG research process and capabilities. In this context, the *ESG Ratings Framework* section will be amended as follows:

“Certain Funds may also use different components of the internal ESG Ratings Framework in different ways. In some cases, ~~for example~~, Funds may choose to rely on the Fundamental one or more individual environmental, social or governance rating (respectively “E Rating”, “S Rating or “G Rating”), or may leverage external, third-party ESG Ratings ~~where they conflict with the Quantitative ESG Ratings~~. Further information on the role ESG Ratings play in a Fund’s investment process can be found in the Fund’s Investment Objectives and Policy.”

For the avoidance of doubt, this change will not impact (i) the way the Funds are being managed, (ii) the composition of their respective portfolio characteristics, (iii) their respective risk profile, nor (iv) the level of fees borne by the unitholders of the Funds.

II. Addition of a *New Taiwan Dollar Repatriation Risk* section in chapter *LIBOR Transition and Associated Risk*

The following disclosure will be added, to clarify that principals and/or profits denominated in New Taiwan Dollar which will be converted to the base currency of a Fund will be undertaken by a local sub-custodian with a potential delay between when a redemption order is instructed and the moment the execution of order is effectively instructed. In this context, the following disclosure will be added:

“The exchange rate used for converting principals and/or profits denominated in New Taiwan Dollar back to the Base Currency of the relevant Fund and repatriating out of Taiwan will be determined based on market rates on the day the currency is converted which is typically after the settlement date. In case of redemption of Units, the valuation date for the redeeming Unitholder will precede the conversion date by several days, which will expose the remaining Unitholders of the Fund to currency risk and potential losses in case of depreciation of the New Taiwan Dollar between the valuation date and the conversion date.”

This risk factor applies to Wellington Asia Technology Fund, Wellington Emerging Markets Research Equity Fund and Wellington Asian Opportunities Fund.

For the avoidance of doubt, this new risk disclosure will not impact (i) the way the Funds are being managed, (ii) the composition of their respective portfolio characteristics, (iii) their respective risk profile, nor (iv) the level of fees borne by the unitholders of the Funds.

III. Updates to the Taxation chapter

The chapter will be amended to include additional tax related disclosures on Anti-Tax Avoidance Directive ('ATAD') 1 and 2 and EU Mandatory Disclosure Regime.

For the avoidance of doubt, the above-mentioned clarifications will not impact (i) the way the Funds are being managed, (ii) the composition of their respective portfolio, (iii) their respective risk profile, nor (iv) the level of fees borne by the unitholders of the Funds.

IV. Update to the investment policy of the Wellington Emerging Markets Research Equity Fund

The investment policy will be amended in order to clarify that the Fund will not invest in companies which derive more than 5% of their revenue from weapon support services.

For the avoidance of doubt, this change will not impact (i) the way the Fund is being managed, (ii) the composition of its portfolio characteristics, (iii) its risk profile, nor (iv) the level of fees borne by the unitholders of the Fund.

V. Update of the Funds subject to the disclosure requirements of Article 8 and Article 9 SFDR (the 'PCDs')

a) Clarifications for all the PCDs

- Clarifications will be made to the PCDs, section *What is the asset allocation planned for this financial product?* to reflect the minimum proportion of assets that is aligned with one or more of the environmental and/or social characteristics promoted by the Funds or that is aligned to the sustainable objectives. This is instead of the typical or expected commitment previously stated in the PCDs.
- Section *What is the policy to assess good governance practices of the investee companies?* of the PCDs will be amended to reflect the new ESG Ratings Framework, to align it with the changes that were made in the Prospectus, as mentioned under item I. above.

A number of other minor amendments will be made to the PCDs for clarification and consistency purposes.

b) Clarifications for specific PCDs

A number of other changes will be made to specific PCDs, as follows:

- **Wellington Climate Strategy Fund** – disclosures will be added to clarify the science-based targets. In addition, the section *What is the minimum share of sustainable investment with an environmental objective that are not aligned with the EU Taxonomy?* will be amended in order to add a disclosure that clarifies that the sustainable investments in which these Funds are investing, and that have an environmental objective could be aligned with the EU Taxonomy, but that the Investment Manager is currently unable to specify the exact proportion that this would represent.
- **Wellington Global Research Equity Fund and Wellington US Research Equity Fund** – section *What investment strategy does this financial product follow?* will be amended in order to clarify that the Fund will also exclude companies which derive more than 5% of their revenue from weapon support services.
- **Wellington Opportunistic Emerging Market Debt II Fund** – disclosures will be added to clarify certain derivatives are used for the purpose of attaining the environmental and/ or social characteristics promoted by the Fund.

For the avoidance of doubt, the above-mentioned changes will not impact (i) the way the Funds are being managed, (ii) the composition of their respective portfolio characteristics, (iii) their respective risk profile, nor (iv) the level of fees borne by the unitholders of the Funds.

VI. Changes to Article 5 Issue and conversion of Units, point (B) Conversion of Units of the Management Regulations and chapter Dealing in Units, section Conversion (Switching) of Units of the Prospectus

Article 5 (B) of the Management Regulations will be amended to provide the Board with the power, under certain circumstances, to compulsory convert units of unitholders from one unit class to another unit class, within the Umbrella Fund, and notably when the aggregate net asset value of unit(s) held by a unitholder falls below a certain value as determined by the Management Company in its discretion, or when a unitholder no longer meets the qualifying criteria of the unit class, or is unable to accept payment of any fees related to the given unit class due to commercial or regulatory constraints.

As such, the following paragraphs will be added after the first paragraph of the Article 5 (B) of the Management Regulations:

“The Management Company may proceed with a compulsory conversion of a Unitholder’s holding from one Unit Class to another Unit Class, after giving appropriate notice enabling the Unitholder to redeem its Units free of charge prior to the conversion date, if the aggregate net asset value of Units held by such Unitholder falls below such value as determined by the Management Company in its discretion.

The Management Company may proceed unilaterally to a compulsory conversion of a Unitholder’s holding from one Unit Class to another Unit Class if the Unitholder no longer meets the qualifying criteria of the Unit Class, or is unable to accept payment of any fees due to commercial or regulatory constraints.”

Chapter *Dealing in Units*, section *Conversion (Switching) of Units* of the Prospectus will be amended as follows:

“The Management Company may proceed unilaterally to a compulsory conversion of a Unitholder’s holding from one Unit Class to another Unit Class, after giving appropriate notice enabling the Unitholder to redeem their Units free of charge prior to the conversion date, if the aggregate net asset value of Units held by such Unitholder falls below such value as determined by the Management Company in its discretion.”

VII. Changes to Article 10 Restriction on ownership of Units of the Management Regulations and Chapter Dealing in Units, section Restriction on ownership and transfer of Units of the Prospectus

Article 10 of the Management Regulations will be amended to add further clarifications as to when (i) the Board is authorised to definitely cease the issuance of units to certain persons or corporate entities, and (ii) unit ownership by a certain unitholder is not considered to be in the best interest of the Management Company and/or the Umbrella Fund.

As such, the first and second paragraphs of Article 10 of the Management Regulations will be amended as follows (addition underlined):

“The Management Company is permitted to discontinue temporarily, cease definitively (including by means of compulsory redemption) or limit the issuance of Units at any time to persons or corporate entities resident or established in certain countries and territories.

The Management Company may exclude certain persons or corporate entities from the acquisition of Units, if such action is necessary for the protection of the Unitholders and of the Umbrella Fund, as a whole. In this connection, the Management Company may (a) reject in its discretion any subscription for Units; and (b) redeem at any time the Units owned by Unitholders (i) who are excluded from or limiting as to purchasing or holding Units, (ii) who have failed to fulfil any condition of investing in the Umbrella Fund, including conditions agreed to in the Umbrella Fund’s subscription documents, or (iii) whose Unit ownership the Management Company believes is not in the best interest of the Umbrella Fund including, but not limited to, causing material administrative disadvantage to the Company.”

It is finally intended to amend Article 10 of the Management Regulation to reserve the right of the Board to require the unitholder to indemnify the Umbrella Fund against any losses, costs or expenses the Umbrella Fund or the Management Company has incurred in certain cases of compulsory redemption.

As such, the following paragraph will be added at the very end of Article 10 of the Management Regulations:

“The Management Company reserves the right to require the relevant Unitholder to indemnify the Umbrella Fund against any losses, costs or expenses arising as a result of any compulsory redemption of Units due to the Units being held by, on behalf or for the account of for the benefit of, such persons or corporate entities or investors who are found to be in breach of, or failed to provide, the abovementioned representations, warranties or information in a timely manner. The Management Company may pay such losses, costs or expenses out of the proceeds of any compulsory redemption and/or redeem all or part of the relevant Unitholder’s Units in order to pay for such losses, costs or expenses.”

Chapter *Dealing in Units*, section *Restriction on ownership and transfer of Units* of the Prospectus will be amended accordingly.

Please be informed that the above changes under point VI and VII will become effective on 16 November 2023, i.e. one month after the date of this notice. During such period, Unitholders may redeem their Units free of charge should they disagree with the proposed changes. The remaining changes will become effective on 16 October 2023.

Should you wish to receive any further information or have questions regarding the above amendment, please do not hesitate to contact your Wellington Relationship Manager.

The revised Prospectus will be at the disposal of the Unitholders at the registered office of the Management Company on or around 16 October 2023.

The revised Management Regulations will be at the disposal of the Unitholders at the registered office of the Management Company on or around 16 November 2023.

For the Board,

The Prospectus as well as a version of the prospectus showing all amendments made (once available), the Key Information Documents, the Management Regulations as well as the Annual and Semi-annual reports may be obtained free of charge upon request from the Swiss Representative.

Representative and paying agent in Switzerland:

BNP PARIBAS, Paris, Zurich branch
Selnaustrasse 16
CH - 8002 Zurich