

For professional and accredited investor use only. Not for further distribution.

MARKET REVIEW

In May, global equities advanced on the back of satisfactory first-quarter earnings and a resilient economic outlook, despite cooling US labor markets. A moderation in US payrolls and employment growth supported market expectations that the US Federal Reserve would cut rates this year. The Fed has remained on hold, delaying interest rate cuts amid more persistent than expected inflation. In contrast, the European Central Bank exhibited a greater willingness to lower rates in the upcoming months. Asian economies performed in line with broader emerging markets over the month with Taiwan and Singapore being the better-performing markets on a relative basis, while Indonesia and Korea lagged.

Taiwanese equities rallied over the month as leading semiconductor manufacturers continued to benefit from AI demand. Singapore equities advanced, supported by strong gains in financials, while transportation and shipping names rose amid elevated freight rates. The tourism and services sector also benefited from surging arrivals from China after the government loosened visa requirements. Conversely, Indonesian equities underperformed the region following central bank's surprise interest rate hike in April. Korean equities declined despite stronger-than-expected GDP expansion and resilient export growth. Investor sentiment remained cautious amid concerns that April's election loss by the country's ruling party would lead to ongoing policy deadlock.

The MSCI AC Asia ex Japan Net returned 1.6% over the period. Within the index, eight out of 11 sectors rose for the period. Utilities and information technology were the top performing sectors, while health care and consumer staples were the bottom performing sectors over the period.

FUND PERFORMANCE AND ATTRIBUTION

- The fund underperformed the index for the period, however delivered overall positive returns.
- Security selection was the primary driver of relative underperformance. Weak selection in industrials, financials and information technology was partially offset by selection in real estate and communication services. Sector allocation, a result of our bottom-up stock selection process, contributed to returns. Allocation effect was driven by our underweight to health care and lack of exposure to consumer staples, but partially offset by our overweight to real estate and underweight to utilities and information technology. On a market basis, strong stock selection in India was partially offset by selection in Indonesia and Singapore.
- At the issuer level, our top two relative contributors were an overweight to Mahindra & Mahindra and an out of benchmark allocation to Oberoi Realty Ltd, while our top two relative detractors were overweights to Bank Negara Indonesia and Samsung E&A.
- Shares of Mahindra & Mahindra rose over the period after the Indian automotive manufacturer reported results for fiscal fourth quarter 2024 that beat consensus estimates. Revenue increased 11% year-over-year as steady sales of the company's sports utility vehicles contributed to results. Management also announced it would invest \$1.44 billion over the next three years in its EV unit to boost growth. Shares of Bank Negara Indonesia fell over the period as continued pressure from the end of the banking credit restructuring stimulus and a large outflow of foreign funds posed headwinds. Indonesian state-owned lenders also declined after competitor, Bank Mandiri, announced weak earnings results.

FUND POSITIONING AND OUTLOOK

From an outlook perspective, we remain constructive on the outlook for Asian equities although performance divergence across markets have been significant. We continue to observe a range of attractive bottom-up opportunities in India, supported by the country's more favorable economic backdrop, younger demographics and rising importance in the context of the global supply chain. Conversely in China, despite earnings have improved gradually, we have continued to see a compression in equity valuation driven by rising geopolitical concerns, a struggling property market and more importantly, a lack of confidence in both consumers and business owners to spend and invest. In the long run, we continue to be focused on finding attractive high-quality companies, which are able to sustain higher returns on capital at undemanding valuations, and we are optimistic on the outlook for portfolio alpha. We believe that over time, high-quality businesses trading at reasonable valuations have good potential to outperform the broader market on the strength of their stock-specific fundamentals.

At the end of the period, our largest overweights were real estate and industrials. We were most underweight to materials and had no exposure to consumer staples and energy. From a market perspective, our largest overweights were India and South Korea. We were most underweight to China and Taiwan.

RISKS

CAPITAL: Investment markets are subject to economic, regulatory, market sentiment and political risks. All investors should consider the risks that may impact their capital, before investing. The value of your investment may become worth more or less than at the time of the original investment. The Fund may experience a high volatility from time to time. **CONCENTRATION:** Concentration of investments within securities, sectors or industries, or geographical regions may impact performance. **CURRENCY:** The value of the Fund may be affected by changes in currency exchange rates. Unhedged currency risk may subject the Fund to significant volatility. **EMERGING MARKETS:** Emerging markets may be subject to custodial and political risks, and volatility. Investment in foreign currency entails exchange risks. **EQUITIES:** Investments may be volatile and may fluctuate according to market conditions, the performance of individual companies and that of the broader equity market. **HEDGING:** Any hedging strategy using derivatives may not achieve a perfect hedge. **MANAGER:** Investment performance depends on the

PAST PERFORMANCE DOES NOT PREDICT FUTURE RETURNS. AN INVESTMENT CAN LOSE VALUE.

Fund performance is based on USD S Acc share class and are net of fees and expenses. Other share class performance may differ. | Index used in the calculation of attribution data: MSCI All Country Asia ex Japan. | Fund performance is net of actual (but not necessarily maximum) withholding and capital gains tax but are not otherwise adjusted for the effects of taxation and assume reinvestment of dividends and capital gains. | If an investor's own currency is different from the currency in which the fund is denominated, the investment return may increase or decrease as a result of currency fluctuations. | The views expressed are in the context of the investment objective of the Fund only and should not be considered a recommendation or advice.

investment management team and their investment strategies. If the strategies do not perform as expected, if opportunities to implement them do not arise, or if the team does not implement its investment strategies successfully; then a fund may underperform or experience losses.

SUSTAINABILITY: A Sustainability Risk can be defined as an environmental, social or governance event or condition that, if it occurs, could cause an actual or potential material negative impact on the value of an investment.

DISCLOSURE

This material has been prepared exclusively for use with professional, accredited or institutional investors, wholesale clients and non-retail investors for general information purposes only and does not take into account the investment objectives, financial situation or needs of any particular person. By accepting this material, you acknowledge and agree that this material is provided for your use only and that you will not distribute or otherwise make this material available to any person.

This material and its contents may not be reproduced or distributed, in whole or in part, without the express written consent of Wellington Management. This document is intended for marketing purposes only. It is not an offer to anyone, or a solicitation by anyone, to subscribe for units or shares of any Wellington Management Fund ("Fund"). Nothing in this document should be interpreted as advice, nor is it a recommendation to buy or sell securities. Investment in the Fund may not be suitable for all investors. Any views expressed in this document are those of the author at the time of writing and are subject to change without notice. Fund shares/units are made available only in jurisdictions where such offer or solicitation is lawful. The Fund only accepts professional clients or investment through financial intermediaries. Please refer to the Fund offering documents for further risk factors, pre-investment disclosures, the latest annual report (and semi-annual report), and for UCITS Funds, the latest Key Investor Information Document (KIID) or Key Information Document (KID) before investing. For each country where UCITS Funds are registered for sale, the prospectus and summary of investor rights in English, and the KIID / KID in English and an official language, are available at www.wellington.com/KIIDs. For share/unit classes registered in Switzerland, Fund offering documents in English can be obtained from the local Representative and Paying Agent – BNP Paribas Securities Services, Selnaustrasse 16, 8002 Zurich, Switzerland. Wellington Management Funds (Luxembourg) and Wellington Management Funds (Luxembourg) III SICAV are authorised and regulated by the Commission de Surveillance du Secteur Financier and Wellington Management Funds (Ireland) plc is authorized and regulated by the Central Bank of Ireland. The Fund may decide to terminate marketing arrangements for shares/units in an EU Member State by giving 30 working days' notice.

■ In Canada, this material is provided by Wellington Management Canada ULC, a British Columbia unlimited liability company registered in the provinces of Alberta, British Columbia, Manitoba, New Brunswick, Newfoundland and Labrador, Nova Scotia, Ontario, Prince Edward Island, Quebec, and Saskatchewan in the categories of Portfolio Manager and Exempt Market Dealer. ■ In the UK, issued by Wellington Management International Limited (WMIL), authorised and regulated by the Financial Conduct Authority (Reference number: 208573). ■ In Europe (ex. UK and Switzerland), issued by marketing entity Wellington Management Europe GmbH which is authorised and regulated by the German Federal Financial Supervisory Authority (BaFin). Shares of the Fund may not be distributed or marketed in any way to German retail or semi-professional investors if the Fund is not admitted for distribution to these investor categories by BaFin. In Spain CNMV registration number 1236 for Wellington Management Funds (Luxembourg) and CNMV registration number 1182 for Wellington Management Funds (Ireland) plc. ■ In Dubai, this material is provided by Wellington Management (DIFC) Limited (WM DIFC), a firm registered in the DIFC with number 7181 and regulated by the Dubai Financial Services Authority ("DFSA"). To the extent this document relates to a financial product, such financial product is not subject to any form of regulation or approval by the DFSA. The DFSA has no responsibility for reviewing or verifying any prospectus or other documents in connection with any financial product to which this document may relate. The DFSA has not approved this document or any other associated documents nor taken any steps to verify the information set out in this document, and has no responsibility for it. Any financial product to which this document relates may be illiquid and/or subject to restrictions on its resale. Prospective purchasers should conduct their own due diligence on any such financial product. If you do not understand the contents of this document, you should consult an authorised financial adviser. This document is provided on the basis that you are a Professional Client and that you will not copy, distribute or otherwise make this material available to any person. ■ In Hong Kong, Wellington Management Hong Kong Limited (WM Hong Kong), a corporation licensed by the Securities and Futures Commission to conduct Type 1 (dealing in securities), Type 2 (dealing in futures contracts), Type 4 (advising on securities), and Type 9 (asset management) regulated activities. Wellington Private Fund Management (Shanghai) Limited (WPFM), which is an unregulated entity incorporated in China, is a wholly-owned subsidiary of WM Hong Kong. Wellington Global Private Fund Management (Shanghai) Limited (WGPFM) is a wholly-owned entity and subsidiary of WPFM and is registered as a private fund manager with Asset Management Association of China to conduct qualified domestic limited partnership and management activities. ■ In mainland China, this material is provided for your use by WPFM, WGPFM, or WMHK (as the case may be). ■ In Singapore, Wellington Management Singapore Pte Ltd (WM Singapore) (Registration Number 201415544E), regulated by the Monetary Authority of Singapore. WM Singapore is regulated by the Monetary Authority of Singapore under a Capital Markets Services Licence to conduct fund management activities and deal in capital markets products, and is an exempt financial adviser. ■ In Australia, Wellington Management Australia Pty Ltd (WM Australia) (ABN19 167 091 090) has authorized the issue of this material for use solely by wholesale clients (as defined in the Corporations Act 2001). ■ In Japan, Wellington Management Japan Pte Ltd (WM Japan) (Registration Number 199504987R) is registered as a Financial Instruments Firm with registered number: Director General of Kanto Local Finance Bureau (Kin-Sho) Number 428 a member of the Japan Investment Advisers Association, the Investment Trusts Association, Japan (ITA) and the Type II Financial Instruments Firms Association (T2FIFA). WM Hong Kong and WM Japan are also registered as investment advisers with the SEC; however, they will comply with the substantive provisions of the US Investment Advisers Act only with respect to their US clients. Wellington Management Funds ("the Funds") may not be offered to citizens and residents of the United States or within the United States, its territories, or possessions (other than to distributors and financial intermediaries). None of the Funds have been or will be registered under the US Securities Act of 1933, as amended (the "Securities Act"), and none of such shares may be offered, sold, transferred or delivered, directly or indirectly, in the United States or to United States residents or citizens (other than to distributors and financial intermediaries). None of the Funds have been or will be registered as an investment company under the US Investment Company Act of 1940, as amended (the "1940 Act"). Interests in the Funds may be offered through an affiliate of Wellington Management Company LLP; Wellington Funds Distributors, Inc., an SEC-Registered Broker/Dealer, Member FINRA and SIPC. Office of Supervisory Jurisdiction: 280 Congress Street, Boston, MA 02210. Tel: 617-951-5000 Fax: 617-951-5250. Not FDIC Insured – No Bank Guarantee – May Lose Value.

©2024 Wellington Management. All rights reserved. As of 12 April 2024. WELLINGTON MANAGEMENT FUNDS® is a registered service mark of Wellington Group Holdings LLP