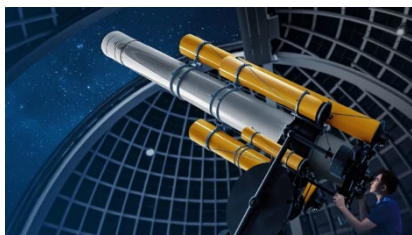


# Wellington Credit Total Return Fund

## Important Information

1. The Fund primarily invests in a global portfolio of US Dollar-denominated treasury, corporate, high yield and emerging market fixed income instruments.
2. The Fund is therefore exposed to risks relating to credit instruments, fixed income and other debt securities including but not limited to counterparty risks, interest rate risks, volatility and liquidity risks, downgrading risks, risk associated with debt securities rated below investment grade or unrated, sovereign debt risk, risk associated with preferred securities, valuation risk and credit rating risk.
3. The Fund is also exposed to emerging markets risks, risks relating to securities issued by REITs, risks of investing in convertible bonds, risk of investing in Rule 144A and regulation S Securities and currency risk.
4. The Fund may also invest in debt instruments with loss absorption features which are subject to higher risks when compared to traditional debt instruments.
5. The Fund may use financial derivatives instruments (FDIs) for investment and hedging purposes. The use of leverage can result in a loss significantly greater than the amount invested in the FDIs by the Fund. Exposure to FDIs may lead to a high risk of significant loss by the Fund.
6. The Fund may at its discretion pay dividend out of capital. The Fund may also at its discretion pay dividend out of gross income while charging all or part of the Fund's fees and expenses to the capital of the Fund, resulting in an increase in distributable income for the payment of dividends by the Fund and therefore, the Fund may effectively pay dividend out of capital. Payment of dividends out of capital amounts to a return or withdrawal of part of an investor's original investment or from any capital gains attributable to that original investment. Any distributions involving payment of dividends out of the Fund's capital or payment of dividends effectively out of the Fund's capital (as the case may be) may result in an immediate reduction of the net asset value per share/unit. The distribution amount and net asset value of a hedged share class may be adversely affected by differences in the interest rates of the reference currency of the hedged share class and the Fund's base currency, resulting in an increase in the amount of distribution that is paid out of capital and hence a greater erosion of capital than other non-hedged share classes.
7. Investors should not make investment decisions based on this document alone. Investors should refer to the Prospectus and Key Facts Statement for details including risk factors.
8. The Fund's investment portfolio may fall in value and therefore your investment in the Fund may suffer losses. There is no guarantee of the repayment of principal.



## ABOUT US ♦

Tracing our history to 1928, **Wellington Management** is one of the largest independent investment management firms in the world.

**USD 1T+** of assets managed worldwide  
**~900** investment professionals

**USD 458B** of assets in **fixed income** under management  
**25+ years** in Asia Pacific region

## DYNAMIC APPROACH GOING BEYOND INCOME GENERATION

Be cautious of the allure of yield alone - One must evaluate opportunities based on the distribution of potential total return outcomes over shorter time periods. Looking forward, we expect increased frequency and magnitude of large moves in credit markets due to increased central bank intervention, and investors could consider a total return approach that is focused on optimizing price return and capital preservation.

Most fixed income investors solely focus on yields...



Focusing only on coupons and income leads to sub-optimal outcomes

How we think about fixed income investing =



Yield

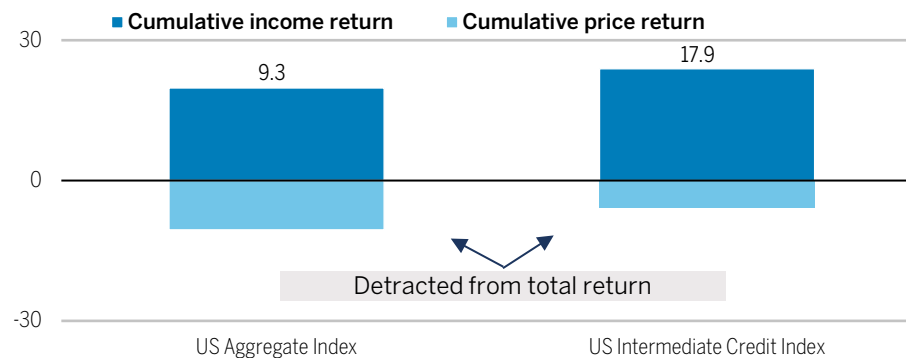
+



Price return

Cumulative income vs price return (%) ♦

Since 1 April 2018 to 30 June 2024



## FUND SNAPSHOT



### DIFFERENTIATED APPROACH

Unconstrained, bottom-up investment approach, combined with a top-down risk assessment framework  
 A focus on identifying securities with a higher probability of generating outsized returns more frequently



### DYNAMIC ROTATION

The Fund tactically rotates between credit and US Treasuries, owning credit when there is perceived value in doing so, and seeking safety in US Treasuries and cash when valuations appear stretched



### DISTINCTLY SIMPLE

A focused, long-only cash bond fund seeking long-term total returns through sector and security selection; our universe is made up of US Treasuries, corporates and select emerging market debt

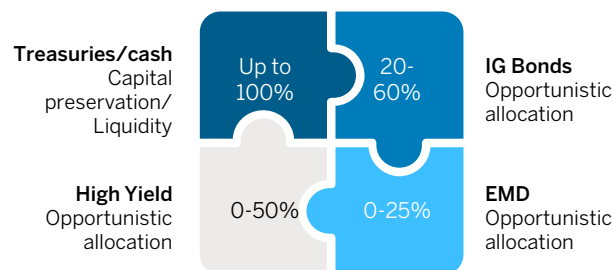


### MULTIPLE CURRENCY CHOICES \*

USD Dist: LU2750480977  
 HKD Dist: LU2750481199  
 SGD Dist: LU2750481272

♦ All figures are for Wellington Management Group of companies as of 30 June 2024. ♦ Source: Bloomberg and Wellington calculations The characteristics presented are sought during the portfolio management process. Actual experience may not reflect all of these characteristics, or may be outside of stated ranges. For illustrative purposes only. **PAST PERFORMANCE DOES NOT PREDICT FUTURE RETURNS. AN INVESTMENT CAN LOSE VALUE.** Chart data: 31 March 2018 – 30 June 2024. \* Aim to pay dividend on a monthly basis. Dividend rate is not guaranteed. Distributions may be paid from capital. Refer to Important Information 6

## FOUR CORE BUILDING BLOCKS



## KEY INFORMATION

Fund manager	Connor Fitzgerald
Fund inception	January 2024
Fund size	USD 296.8 million
Strategy inception	March 2018
Strategy size**	USD 2.0 billion

PERFORMANCE (%) <sup>□</sup>

	YTD	1 MO	3 MOS	1 YR	3 YRS	SI
USD A M6 Dist	4.4	1.2	3.8	-	-	4.4

## PORTFOLIO CHARACTERISTICS

Average quality <sup>#</sup>	A+
Effective duration	3.6 years
Yield to worst <sup>◇</sup>	5.1%

## PORTFOLIO BREAKDOWN

Market value %

Sector	Quality (excluding cash) <sup>#</sup>	Region	
Treasuries + Cash	61.5 AAA	United States	87.6
IG Corporates	20.1 AA	Latin America	4.6
HY Corporates	9.9 A	Asia	2.5
EM HY Credit	5.3 BBB	Dollar Bloc	2.2
EM IG Credit	3.1 BB	EE/Africa/ME	1.4
	B	Other	1.0
	Below B	Europe	0.7
	Not Rated	United Kingdom	0.0

TOP HOLDINGS <sup>†</sup>

Market value %

Industry (ex-Treasuries)	Issuer (ex-Treasuries)	Securities	
Communications	5.8 Paramount Global	1.6 US Treasury Bill Discount 10-15-24	9.3
Basic Industry	4.7 Charter Comm Op LLC	1.6 US Treasury NB 3.2500% 06-30-29	7.4
Consumer Cyclical	4.0 Warnermedia Hldgs	1.4 US Treasury Bill Discount 10-22-24	6.3
Energy	4.0 Capital One Finl	1.2 US Treasury NB 4.0000% 07-31-29	4.3
Banking	3.6 Transcanada Trust	1.0 US Treasury NB 4.2500% 06-30-29	4.2
Finance Companies	3.0 Allied UnivrsI	1.0 US Treasury NB 3.7500% 08-15-27	4.0
Electric Utility	2.4 Enbridge Inc	0.9 US Treasury NB 5.2500% 02-15-29	3.7
Insurance	2.2 Celanese US Hldg LLC	0.9 US Treasury NB 4.0000% 01-31-29	3.2
Capital Goods	2.0 Pacific Gas and	0.9 US Treasury Bill Discount 10-03-24	2.3
Consumer Non-Cyclical	1.8 Adani Ports and Spec	0.9 US Treasury NB 4.6250% 04-30-29	2.3

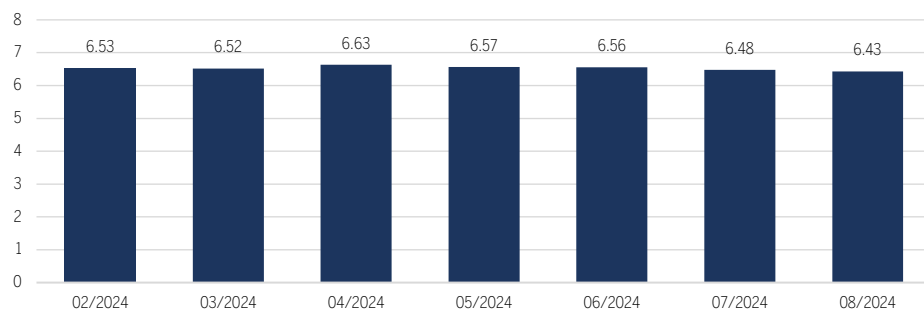
EM = emerging markets. EMD = EM debt. HY = high yield. IG = investment grade. SI = since inception. Totals may not add up to 100% due to rounding. The characteristics presented are sought during the portfolio management process. Actual experience may not reflect all of these characteristics, or may be outside of stated ranges.

\*\* As of end-June 2024. This figure includes assets of the Fund and discretionary management accounts managed by the portfolio management team of the Wellington Credit Total Return strategy. Each portfolio is individually managed; individual holdings will vary for each portfolio and there is no guarantee that any particular portfolio will have the same characteristics, investment restrictions, and/or investment objective as the Fund. The data shown is for reference only. It should not be construed as the performance or size of the Fund. <sup>□</sup> Source: Wellington Management, as of 31 August 2024. The inception date of the USD A M6 Dist share class is 31 January 2024. Performance shown is calculated as NAV-to-NAV in the denominated currency and are net of fees and other expenses with dividends reinvested. Periods greater than one year are annualised. For funds/share classes denominated in foreign currencies, US/HK dollar-based investors are exposed to fluctuations in the currency exchange rate. Please note the fund has a swing pricing mechanism in place. If the last business day of the month is not a business day for the Fund, performance is calculated using the last available NAV. This may result in a performance differential between the fund and the index. Calendar year return: 2024 YTD (since inception) 4.4%. <sup>#</sup> Quality ratings are based on the highest of Moody's, S&P, and Fitch. Ratings do not apply to the Fund itself. Ratings may change. <sup>◇</sup> Yield to worst is an estimate of the lowest possible total return that could be received on bonds held by a Fund, without the issuer defaulting. It is used for bonds where the issuer has the right to redeem the bond prior to its maturity date. It is an estimate of the worst-case scenario for yield taking into account the rights of the issuer. <sup>†</sup> The individual securities listed should not be considered a recommendation to buy or sell. Holdings vary and there is no guarantee that the Fund currently holds any of the securities listed. Please refer to the annual and semi-annual report for the full holdings. The top 10 holdings do not reflect exposure to cash and cash equivalents as well as exposure gained through the use of derivatives.

## HISTORICAL DISTRIBUTIONS ^

## Annualised yield of USD A M6 class\* over the past year (%)

\* Aim to pay dividend on a monthly basis. Dividend rate is not guaranteed. Distributions may be paid from capital. Refer to Important Information 6



Ex-dividend date  
(DD/MM/YYYY)

Distribution per unit (in denominated currency) /  
Annualised yield \*

Ex-dividend date (DD/MM/YYYY)	Distribution per unit (in denominated currency) / Annualised yield *		
	USD A M6 Dist	HKD A M6 Dist	SGD A M6 Dist Hdg
28/06/2024	0.05390 6.56%	0.05395 6.58%	0.04022 4.90%
31/07/2024	0.05390 6.48%	0.05395 6.49%	0.04022 4.84%
30/08/2024	0.05390 6.43%	0.05395 6.45%	0.03879 4.64%

^ Dividend may fluctuate and is not guaranteed. Annualised yield = (distribution per unit / share \* intended dividend frequency per year) / NAV on ex-dividend date. Annualised yield is calculated using the distribution rates and NAV rates processed into the NAV declared on ex-dividend date. For further information including the ex-dividend date used, please refer to the dividend composition document located on our website: [www.wellington.com.hk](http://www.wellington.com.hk). The Fund may at its discretion pay dividend out of capital. Dividends are calculated gross (before deduction of fees, expenses and taxes), and while this increases the dividend, it may erode capital. A positive distribution yield does not imply a positive return. Hedged share class dividends may be impacted positively or negatively by the difference in interest rates between the share class currency and the Fund's base currency.

■ If any payment dates fall on currency holidays, the payment will be paid out on the next currency business day.

## 2H 2024 DIVIDEND CALENDAR

Subject to change

Record date	Ex-dividend date	Reinvestment date	Payment date ■
(DD/MM/YYYY)			
30/07/2024	31/07/2024	31/07/2024	06/08/2024
29/08/2024	30/08/2024	30/08/2024	06/09/2024
27/09/2024	30/09/2024	30/09/2024	04/10/2024
30/10/2024	31/10/2024	31/10/2024	06/11/2024
27/11/2024	29/11/2024	29/11/2024	05/12/2024
30/12/2024	31/12/2024	31/12/2024	07/01/2025



For more information, please contact your bank or financial adviser, or visit [www.wellington.com/hk/ctr](http://www.wellington.com/hk/ctr)

Unless stated otherwise, all information is sourced from Wellington Management, as of end-August 2024. Please refer to [www.wellington.com/hk/3rd-party-data](http://www.wellington.com/hk/3rd-party-data) for disclaimers regarding any third-party data used. 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 information purposes only. It is not an offer or a solicitation by anyone, to subscribe for shares in Wellington Management Funds (Luxembourg) III SICAV (the Fund). Nothing in this document should be interpreted as advice, nor is it a recommendation to buy or sell shares. Investment in the Fund may not be suitable for all investors. Any views expressed are those of the author at the time of writing and are subject to change without notice. Investors should carefully read the Key Facts Statement (KFS), Prospectus, and Hong Kong Covering Document for the Fund and the sub-fund(s) for details, including risk factors, before making an investment decision. Other relevant documents are the annual report (and semi-annual report).

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