

# PROSPECTUS

Dated 8 September 2021

■ **NIKKO AM IMPACT INVESTING  
MULTI ASSET FUND**

**NIKKO AM IMPACT INVESTING  
MULTI ASSET FUND**

**PROSPECTUS REQUIRED PURSUANT TO  
DIVISION 2 OF PART XIII OF THE  
SECURITIES AND FUTURES ACT (Cap. 289)**

## **DIRECTORY**

### **Managers**

Nikko Asset Management Asia Limited  
12 Marina View, #18-02, Asia Square Tower 2, Singapore 018961  
(Company Registration Number: 198202562H)

### **Trustee**

BNP Paribas Trust Services Singapore Limited  
20 Collyer Quay, #01-01, Singapore 049319  
(Company Registration Number: 200800851W)

### **Auditors**

PricewaterhouseCoopers LLP  
7 Straits View, Marina One, East Tower, Level 12, Singapore 018936

### **Custodian**

BNP Paribas Securities Services, operating through its Singapore Branch  
20 Collyer Quay, #01-01, Singapore 049319  
(Company Registration Number: T08FC7287D)

### **Solicitors to the Managers**

Allen & Gledhill LLP  
One Marina Boulevard, #28-00, Singapore 018989

### **Solicitors to the Trustee**

Tan Peng Chin LLC  
50 Raffles Place  
#27-01 Singapore Land Tower  
Singapore 048623

# NIKKO AM IMPACT INVESTING MULTI ASSET FUND

## Important Information

Nikko Asset Management Asia Limited (the “**Managers**”) accepts full responsibility for the accuracy of the information contained in this Prospectus of the Nikko AM Impact Investing Multi Asset Fund (the “**Fund**”), a feeder fund that invests substantially all of its assets in the shares of the Wellington Global Impact Fund and Wellington Global Impact Bond Fund (the “**Underlying Funds**”), and confirms, having made all reasonable enquiries, that to the best of its knowledge and belief, there are no material facts the omission of which would make any statement herein misleading.

You should refer to the relevant provisions of the Deed (as defined in paragraph 1.3 of this Prospectus) and obtain independent professional advice if there is any doubt or ambiguity. You may inspect copies of the Deed at the business address of the Managers at 12 Marina View, #18-02, Asia Square Tower 2, Singapore 018961 at all times during usual business hours (subject to such reasonable restrictions as the Managers may impose).

This Prospectus does not constitute an offer or solicitation to anyone in any jurisdiction in which such offer or solicitation is not authorised or to any person to whom it is unlawful to make such offer or solicitation and may only be used in connection with the offering of units in the Fund (“**Units**”). No representation is made as to the tax status of the Fund.

The Units may not be directly or indirectly offered or sold in the United States of America or any of its states, territories, possessions or other areas subject to its jurisdiction (the “**United States**”) or for the benefit of a United States resident. If at any time it shall come to the knowledge of the Managers that any Units are held by or in the beneficial ownership or under the control of a United States resident, the Managers shall have the right, on giving written notice, to purchase from the holder such Units at the Realisation Price (as described in paragraph 11 of this Prospectus) or to require the holder of such Units to transfer all such Units to a person who is not a United States resident.

You should seek independent professional advice to ascertain (a) the possible tax consequences; (b) the legal and regulatory requirements; and (c) any foreign exchange restrictions or exchange control requirements which you may encounter under the laws of the country of your citizenship, residence, licensing or domicile, and which may be relevant to the subscription, holding or disposal of Units and should inform yourself of and observe all applicable laws and regulations of any relevant jurisdiction that may be applicable to you.

You should consider the normal risks involved in investing and participating in collective investment schemes before investing in the Fund. You should also carefully consider the risks of investing in the Fund, details of which are set out in paragraph 9 of this Prospectus. You should note that your investments can be volatile and that the value of Units may decline as well as appreciate. Therefore there is no assurance that the Fund will be able to attain its objective. The prices of Units as well as income from them may go up as well as down to reflect changes in the value of the Fund. You should only make an investment if you can sustain losses on your investment. You should also satisfy yourself as to whether an investment in the Fund is suitable for you based on your personal circumstances.

The Managers may in their absolute discretion, subject to the applicable investment restrictions as may from time to time be prescribed by the Monetary Authority of Singapore (the “**Authority**”), invest in financial derivative instruments (“**FDIs**”) for the purposes of optimising returns, hedging and/or efficient portfolio management. **The Underlying Funds, may also invest in FDIs for the purposes of optimising returns, hedging and/or efficient portfolio management.** Please refer to paragraphs 9.2.5, 9.2.14 and 9.3.5. of this Prospectus for further details, including the risks in connection with such investments.

No person, other than the Managers, has been authorised to issue any advertisement or to give any information, or to make any representations in connection with the offering, subscription or sale of Units, other than those contained in this Prospectus and, if issued, given or made, such advertisement, information or representations must not be relied upon as having been authorised by the Managers.

You should note that the Units are not listed on any stock exchange and that there is no secondary market for the Fund. You may purchase, cancel, realise or exchange your Units through the approved distributors of the Managers, subject to the ultimate discretion of the Managers in respect of the purchase, realisation or exchange of your Units in accordance with the provisions in the Deed. Institutional investors may also purchase, realise or exchange Units through the Managers directly.

The Units are capital markets products other than prescribed capital markets products (as defined in the Securities and Futures (Capital Markets Products) Regulations 2018) and Specified Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).

**You should note that the net asset value of the Underlying Funds which the Fund feeds into and the Fund is likely to have a high volatility due to their investment policies or portfolio management techniques.**

You should direct all enquiries in relation to the Fund to the Managers or their approved distributors.

## Personal Data Protection

You consent and acknowledge that any personal data provided to the Managers, the Trustee (as defined in paragraph 1.3 of this Prospectus), the Custodian (as defined in paragraph 4.3 of this Prospectus), the registrar of the Fund (the “**Registrar**”) and/or such other appointed representatives, agents and/or service providers of the Managers and/or each of their affiliates and related corporations (as defined under Section 6 of the Companies Act, Chapter 50 of Singapore) (“**Recipients**”, each a “**Recipient**”) whether directly or through appointed distributors or agents or otherwise collected by or on behalf of a Recipient in connection with the subscription for Units, including any personal data relating to third party individuals (e.g. your beneficial owners, directors or authorised signatories, if you are not an individual) (“**Data**”) may be collected, used and disclosed by a Recipient for the following purposes: (i) updating and maintaining the register of unitholders of the Fund; (ii) processing instructions from you or persons acting on your behalf or processing your trades or those of persons acting on your behalf; (iii) complying with any applicable rules, laws or regulations, regulatory policies, guidelines or industry codes, orders, directions or requests issued by any court, legal or regulatory bodies (whether in Singapore or otherwise) including rules and regulations relating to anti-money laundering and countering the financing of terrorism and the carrying out of audit checks, surveillance and investigation; (iv) preventing, detecting and investigating crime, offence or unlawful activity including but not limited to fraud, money-laundering, terrorist financing and bribery, and analysing and managing commercial risks; (v) complying with any applicable treaty or agreement with or between Singapore and a foreign jurisdiction; (vi) fulfilling a judgment or order of court or of any other tribunal within Singapore and in an applicable foreign jurisdiction; (vii) providing client-related services, including providing customer support, responding to queries or feedback given by you or persons acting on your behalf, and generating, communicating with and disseminating notices, reports, correspondence, statements, invoices, confirmations and advices to you or persons acting on your behalf; (viii) verifying your identity or the identity of persons acting on your behalf; (ix) reviewing and approving your account(s), and the conduct of initial and anticipatory credit checks and assessments, relevant checks, ongoing assessment and verification of ongoing credit worthiness and standing; (x) legal claims, actions or proceedings including but not limited to drafting and reviewing documents, obtaining legal advice and facilitating dispute resolution or exercising or enforcing the rights of a Recipient under contract or pursuant to applicable laws and regulations; (xi) administering, operating, processing or managing the Units or the Fund; (xii) meeting or complying with the Recipient’s internal policies and procedures; (xiii) handling feedback, queries or complaints; (xiv) maintaining the security of the Recipient’s premises including but not limited to the use of forms of surveillance such as security cameras; (xv) facilitating any proposed or actual business assignment, transfer, participation or sub-participation in any of the Recipient’s rights or obligations in respect of your relationship with the Recipient; (xvi) all purposes reasonably related to one or more of the foregoing; and (xvii) conducting general administration in relation to the foregoing. Where you provide personal data relating to third party individuals to a Recipient, you warrant that the prior consent of such third party individual, which will allow a Recipient to collect, use and disclose that personal data in the manner and for the purposes described above, has been obtained, and consent to and acknowledge all such collection, use and disclosure on behalf of that third party individual. You shall, upon request from any Recipient, promptly provide a copy of the document(s) containing or evidencing such prior consent obtained from such third party individual.

You consent and acknowledge that Data may be disclosed and transferred to the following parties, in Singapore or in a foreign jurisdiction, for the purposes set out above: (i) any person or entity including government authorities, regulatory bodies, courts and tribunals to whom a Recipient is under an obligation to make disclosure pursuant to any domestic or foreign legal process, legal obligation or regulatory obligation; (ii) related corporations of the Managers, the Trustee (as defined in paragraph 1.3 of this Prospectus), the Custodian (as defined in paragraph 4.3 of this Prospectus) or the Registrar; and (iii) any agent, contractor or third party service provider who provides administrative, mailing, data processing, business process, human resource, information technology or other services to a Recipient in connection with the operation of the business of a Recipient or the administration and operation of the Fund.

You may, after consenting to the collection, use and disclosure of your Data, withdraw your consent by giving notice in writing to the Managers, whether directly or through their appointed agents or distributors. You should note that a notice of withdrawal of consent submitted by you, or by any third party individuals whose personal data you have provided to the Recipients (e.g. your beneficial owners, directors or authorised signatories, if you are not an individual), may be deemed to be a request for redemption of all Units held by you.

You undertake to ensure that all information provided to the Recipient is true, accurate and complete and that changes to any such information shall be notified to the Recipient in a timely manner.

## Foreign Account Tax Compliance

You acknowledge that you shall notify the Managers or their approved distributors immediately in writing if you are a US Person or if you have subscribed for or hold any Units on behalf of any US Person. You shall further notify the Managers or their approved distributors not later than thirty (30) days of any change under FATCA or any laws or regulations that affects your tax status or the tax status of any US Person on whose behalf you have subscribed for or hold any Units.

You represent and warrant that you have provided or shall provide to the Managers or their approved distributors all documentation or other information required for compliance with FATCA and in connection with any change in tax status and shall otherwise provide all required documentation (including the completion of any FATCA related forms and documents) and other information not later than seven (7) days of any request in writing by the Managers or their approved distributors.

You acknowledge that if you fail to provide accurate and timely information the Managers and their approved distributors have the right to deem you recalcitrant and/or reportable and shall be entitled to take all necessary action(s) against you (including but not limited to, the right by the Managers, on giving written notice to you, to compulsorily realise on any Dealing Day (as defined in paragraph 10.5 of this Prospectus) all or any of the Units held by you at the Realisation Price in accordance with the realisation provisions under clause 14 of the Deed) to be compliant with requirements under FATCA, including but not limited to any local legislation enacted in connection with FATCA as such local legislation may be modified, amended, supplemented, re-enacted or re-constituted from time to time. You should note that the Managers may compulsorily realise all or any of your Units in any of the circumstances set out in paragraph 20.7 of this Prospectus.

You consent to the collection, storage, and disclosure of any confidential information including personal data to persons to whom payments are made or from whom payments are received for your account and to governmental authorities as required by laws and regulations or other agreement by or between governments pursuant to FATCA. You represent that you have secured from any third party whose information may be provided to the Managers and their approved distributors all necessary consents and/or waivers to permit the Managers and their approved distributors to carry out the actions required pursuant to FATCA, and that you shall secure such consents and waivers prior to furnishing such information to the Managers and their approved distributors.

You acknowledge that the Managers and their approved distributors are entitled to take all necessary action determined by the Managers and the approved distributors to be and remain compliant with FATCA as is required by law or any agreement by or between governments. You authorise the Managers and their approved distributors to withhold or otherwise deduct from any payment any required tax or other government assessment, including but not limited to any requirement to withhold or deduct an amount pursuant to FATCA.

The Managers and their approved distributors shall have the right to determine and carry out any action which they consider to be appropriate to meet any obligations or requirements, whether in Singapore or elsewhere, for the purpose of the prevention of tax evasion. Such actions may include, but shall not be limited to, investigating and intercepting payments into and out of your account(s) (particularly in the case of international transfer of funds), investigating the source of or intended recipient of funds, sharing information and documents with any tax or regulatory authorities and withholding income from your account(s) and transferring it to such tax authorities. If there is any doubt as to whether a payment in or out of your account is lawful, the Managers and their approved distributors reserve the right to cease all dealings with you in relation to such account.

For the purposes of this section relating to foreign account tax compliance, the following words and expressions shall have the following meanings:

**“FATCA”** means sections 1471 through 1474 of the United States Internal Revenue Code and any regulations and other guidance issued in connection thereto or any agreement entered into with or between authorities and governments arising out of or in connection with FATCA or the implementation thereof, as each may be modified, amended, supplemented, re-enacted or re-constituted from time to time.

**“US Person”** means a United States citizen or resident individual, a partnership or corporation organised in the United States or under the laws of the United States or any state of the United States, or a trust if (i) a court within the United States would have authority under applicable law to render orders or judgments concerning substantially all issues regarding administration of the trust, and (ii) one or more US Persons have the authority to control all substantial decisions of the trust, or an estate of a decedent that is a citizen or resident of the United States. This definition shall be interpreted in accordance with the United States Internal Revenue Code. Please note that persons who have lost their United States citizenship and who live outside the United States may nonetheless in some circumstances be treated as US Persons.

## **Common Reporting Standard and Automatic Exchange of Information**

Following the development by the Organisation for Economic Cooperation and Development of a common reporting standard (“**CRS**”) to achieve a comprehensive and multilateral automatic exchange of information, the Income Tax (International Tax Compliance Agreements) (Common Reporting Standard) Regulations 2016 (the “**CRS Regulations**”) have been promulgated to allow Singapore to implement the CRS with effect from 1 January 2017. Singapore has committed to commence exchange of information under the CRS in 2018.

The CRS Regulations require certain Singapore financial institutions (as defined in the CRS Regulations) to identify financial asset holders and establish if they are resident for tax purposes in countries with which Singapore has a tax information sharing agreement. Singapore financial institutions will then report financial account information of the asset holder to the Singapore tax authorities, which will thereafter automatically transfer this information to certain competent foreign tax authorities on a yearly basis.

Accordingly, the Managers and/or the Trustee (as defined in paragraph 1.3 of this Prospectus) will require you to provide, amongst other things, information in relation to your identity and tax residence(s) of your account(s) (and the controlling persons, if any), account details, reporting entity, account balance/value and income/sale or redemption proceeds and any additional documentation or information, which will then be reported to the Inland Revenue Authority of Singapore and the other relevant tax authorities for purposes of complying with FATCA, the CRS Regulations and any similar automatic exchange of tax information regimes.

You should consult your professional advisers on the possible tax and other consequences with respect to the implementation of FATCA and CRS.

**WARNING**

The Fund may be offered to professional investors in Hong Kong. Hong Kong investors should note that the contents of this document have not been reviewed by any regulatory authority in Hong Kong and are advised to exercise caution in relation to the offer. If you are in any doubt about any of the contents of this document, you should obtain independent professional advice.



## TABLE OF CONTENTS

<b>Contents</b>	<b>Page</b>
<b>1. BASIC INFORMATION</b>	<b>1</b>
<b>2. THE MANAGERS</b>	<b>1</b>
<b>3. THE TRUSTEE</b>	<b>3</b>
<b>4. OTHER PARTIES</b>	<b>3</b>
<b>5. STRUCTURE OF THE FUND</b>	<b>4</b>
<b>6. INCLUSION UNDER THE CENTRAL PROVIDENT FUND INVESTMENT SCHEME (“CPFIS”)</b>	<b>4</b>
<b>7. INVESTMENT OBJECTIVE, FOCUS AND APPROACH / PRODUCT SUITABILITY / DISTRIBUTION POLICY</b>	<b>4</b>
<b>8. FEES AND CHARGES</b>	<b>6</b>
<b>9. RISKS</b>	<b>7</b>
<b>10. SUBSCRIPTION OF UNITS</b>	<b>13</b>
<b>11. REALISATION OF UNITS</b>	<b>17</b>
<b>12. EXCHANGE OF UNITS WITHIN GROUP TRUST</b>	<b>19</b>
<b>13. OBTAINING PRICES OF UNITS</b>	<b>20</b>
<b>14. SUSPENSION OF DEALINGS</b>	<b>20</b>
<b>15. PERFORMANCE OF THE FUND</b>	<b>21</b>
<b>16. SOFT DOLLAR COMMISSIONS/ ARRANGEMENTS</b>	<b>22</b>
<b>17. CONFLICTS OF INTEREST</b>	<b>22</b>
<b>18. REPORTS</b>	<b>24</b>
<b>19. QUERIES AND COMPLAINTS</b>	<b>24</b>
<b>20. OTHER MATERIAL INFORMATION</b>	<b>24</b>

## NIKKO AM IMPACT INVESTING MULTI ASSET FUND

*The Fund offered in this Prospectus is an authorised scheme under the Securities and Futures Act, Chapter 289 of Singapore (the “SFA”). A copy of this Prospectus has been lodged with and registered by the Authority. The Authority assumes no responsibility for the contents of this Prospectus. The registration of this Prospectus by the Authority does not imply that the SFA or any other legal or regulatory requirements have been complied with. The Authority has not, in any way, considered the investment merits of the Fund.*

### 1. BASIC INFORMATION

- 1.1 The Fund is a Singapore authorised open-ended standalone unit trust.
- 1.2 The date of registration of this Prospectus with the Authority is 8 September 2021. This Prospectus shall be valid for 12 months after the date of registration (i.e., up to and including 7 September 2022) and shall expire on 8 September 2022.
- 1.3 The Fund is constituted as a standalone unit trust in Singapore on 10 August 2021 pursuant to the trust deed dated 10 August 2021 (the “**Deed**”) entered into between the Managers and BNP Paribas Trust Services Singapore Limited (the “**Trustee**”). You may inspect copies of the Deed at the business address of the Managers at 12 Marina View, #18-02, Asia Square Tower 2, Singapore 018961 at all times during usual business hours (subject to such reasonable restrictions as the Managers may impose). Unless specifically defined herein, all defined terms used in this Prospectus shall have the same meaning as used in the Deed.
- 1.4 The Deed is binding on the Managers, the Trustee and all unitholders of the Fund (the “**Holders**”) (and all persons claiming through such Holders) as if such persons had each been a party to the Deed. Much of the information in this Prospectus is a summary of corresponding provisions in the Deed. You should read the Deed for further details and for further information which is not contained in this Prospectus.

### 1.5 Accounts and Reports

You may obtain the latest annual and semi-annual reports, annual and semi-annual accounts and the auditors’ report on the annual accounts relating to the Fund from the Managers’ website at [www.nikkoam.com.sg](http://www.nikkoam.com.sg).

## 2. THE MANAGERS

- 2.1 The managers for the Fund are Nikko Asset Management Asia Limited (Company Registration No.: 198202562H) and their registered and business address is at 12 Marina View, #18-02, Asia Square Tower 2, Singapore 018961. The Managers are licensed and regulated by the Authority.
- 2.2 The Managers have managed collective investment schemes or discretionary funds in Singapore since 1982.
- 2.3 The Fund, as a feeder fund currently, will invest substantially all of its assets in the shares of the Underlying Funds, both sub-funds within the Wellington Management Funds (Ireland) Plc. The Wellington Management Funds (Ireland) Plc qualifies as a UCITS<sup>1</sup> and is an umbrella type open-ended investment company incorporated under the laws of Ireland.
- 2.4 The investment manager of the Wellington Management Funds (Ireland) Plc is Wellington Management Company LLP (the “**Underlying Fund Investment Manager**”), which is domiciled in the State of Delaware, United States. The Underlying Fund Investment Manager has been managing collective investment schemes or discretionary funds since 2014. The financial supervisory authority of the Underlying Fund Investment Manager is the United States Securities and Exchange Commission (“**SEC**”).
- 2.5 Subject to Section 295 of the SFA, the Managers may be removed by the Trustee by notice in writing, if they go into liquidation (except a voluntary liquidation for the purpose of reconstruction or amalgamation) or if a judicial manager or a receiver is appointed over any of their assets. Please refer to the Deed for further information on the role and responsibilities of the Managers and what happens if they become insolvent.

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<sup>1</sup> “**UCITS**” means an undertaking for collective investment in transferable securities established pursuant to the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations, 2011 as such may be further amended, supplemented or replaced from time to time and any rules made by the Central Bank of Ireland pursuant to them.

## 2.6 Directors of the Managers

### Seet Oon Hui Eleanor

Eleanor joined the Managers in 2011 as the President and as an executive director of the Managers. She is also the Head of Asia ex-Japan at the Managers and is responsible for driving the growth of the Managers in the region. Additionally, she leads in the management of Nikko Asset Management group's joint venture relationships in China and Malaysia and is a board member of Affin Hwang Asset Management Berhad. Eleanor is a pioneer in the asset management industry with over 20 years of experience.

Prior to joining the Managers, Eleanor led the distribution efforts for iShares concentrating on the wealth management segments across Asia ex-Japan. Previously, she spent 12 years at AllianceBernstein, where she was responsible for building and developing the firm's distribution channels and business. In that capacity, she was responsible for the overall strategy and execution of the firm's product offerings in South East Asia via intermediaries.

Eleanor graduated with a Bachelor of Economics from the University of New South Wales, Sydney. In 2017, she was conferred the IBF Fellow distinction by the Institute of Banking and Finance Singapore.

### Kiyotaka Ryu

Kiyotaka is a non-executive director of the Managers.

Kiyotaka was appointed as Acting Chief Risk Officer in December 2018 and became Chief Risk Officer in April 2019. He is also Chief Administrative Officer at Nikko Asset Management Co., Ltd ("**Nikko AM**"), helming the position since July 2018. He is responsible for overall business planning and management to support Middle and Back Office functions, as well as leading the global risk management function in Nikko AM.

Kiyotaka joined the Internal Audit Department of Nikko AM in September 2007 and went on to become the Head of Internal Audit where he led the Nikko AM group's Internal Audit practice for three and a half years.

Before joining Nikko AM, he worked for KPMG, as a financial and technology auditor. He served clients from various industries including the financial sector.

He is a qualified accountant and a member of the American Institute of Certified Public Accountants.

He graduated from Waseda University with a Bachelor of Arts in Human Sciences and has also received a Master of Professional Accounting degree from the University of New South Wales.

### Hiroki Tsujimura

Hiroki is a non-executive director of the Managers.

Hiroki has held the position of Executive Vice President, Global Head of Investment and Chief Investment Officer of Nikko AM since June 2019, and is responsible for overseeing all investment management activities globally.

Hiroki joined Nikko AM in December 2004 as the firm's Global Head of Alternative Investments and Chief Investment Officer at its New York subsidiary. After relocating to Nikko AM's Tokyo headquarters in August 2010, Hiroki served as Head of Active Investments, where he was in charge of equity, fixed income and alternative investments. He was appointed Chief Investment Officer – Japan in January 2013 and was also named Senior Corporate Managing Director in April 2014. He was named Executive Vice President in May 2019.

Before joining the firm, Hiroki spent 12 years in the investment and financial industry in the United States where he worked in alternative investments serving as Director and Executive Vice President at Nikko Securities International ("**NSI**"). He also started NSI's proprietary trading operation in his role as the head of the equity trading department. At Nikko Securities (now SMBC Nikko Securities) in Japan, Hiroki established a joint venture with an American securities firm, where he served as Executive Vice President and Chief Operating Officer.

He holds a Bachelor's degree from the Faculty of Business and Commerce at Keio University.

## 2.7 Key executives of the Managers

The key executives of the Managers in relation to the Fund are Seet Oon Hui Eleanor (whose description is set out in paragraph 2.6 above) and Choo Wing Kwong.

Choo Wing Kwong heads the Portfolio Solutions Group (PSG) at Nikko AM and the Managers. He leads a global team of 13 professionals, conducting manager evaluation, active portfolio management, investment strategy analysis and capital market research for Nikko AM's and the Managers' multi-managers investment programs.

Wing Kwong has more than 15 years of investment experience. Prior to joining Nikko AM and the Managers in 2015, Wing Kwong spent 15 years at the Government of Singapore Investment Corporation (GIC), in Singapore & New York, as a portfolio manager in the External Managers Department. At GIC, he invested into special situations hedge funds and managed multiple portfolios of external equities, fixed income and currencies strategies. Prior to joining GIC, Wing Kwong was an industry development planner with Singapore's Ministry of Trade and Industry.

Wing Kwong is passionate about impact investing. He established an Environmental, Social and Governance (ESG) working group within PSG to spearhead the integration of good ESG practices into PSG's investment process. At a personal level, Wing Kwong does socially responsible micro-financing in Myanmar and he chairs the investment committee of a bible school in Singapore.

Wing Kwong holds a Master of Science degree in Industrial and Systems Engineering from the National University of Singapore, and is a Chartered Financial Analyst charterholder.

## 3. THE TRUSTEE

The trustee for the Fund is BNP Paribas Trust Services Singapore Limited (Company Registration Number: 200800851W) and its registered address is at 20 Collyer Quay, #01-01, Singapore 049319. The Trustee is approved and regulated by the Authority.

The Trustee may be removed by the Managers by notice in writing, if it goes into liquidation (except a voluntary liquidation for the purpose of reconstruction or amalgamation) or if a judicial manager or a receiver is appointed over any of its assets. Please refer to the Deed for further information on the role and responsibilities of the Trustee and what happens if the Trustee becomes insolvent.

## 4. OTHER PARTIES

### The Registrar

- 4.1 The Registrar is the Trustee and Holders may inspect the register of Holders (the "**Register**") at 20 Collyer Quay, #01-01, Singapore 049319 during usual business hours subject to such closure of the Register in accordance with the Deed and such reasonable restrictions as the Managers or the Trustee may impose.

### The Auditors

- 4.2 The auditors for the Fund are PricewaterhouseCoopers LLP of 7 Straits View, Marina One, East Tower, Level 12, Singapore 018936.

### The Custodian

- 4.3 The custodian of the Fund is BNP Paribas Securities Services, operating through its Singapore branch (Company Registration No.: T08FC7287D) (the "**Custodian**") and its registered address is at 20 Collyer Quay, #01-01, Singapore 049319. The Custodian is licensed and regulated by the Authority.

The Custodian is a global custodian with direct market access in certain jurisdictions and for other markets it engages selected sub-custodians. Any sub-custodian engaged by the Custodian must be regulated in its home jurisdiction. In respect of its sub-custodians, the Custodian operates a selection and on-going monitoring program based on defined criteria which include financial strength, reputation, and breadth and quality of services provided, such as communication capabilities, settlement, safekeeping, corporate action notification and processing, dividend collection and payment, client service delivery, market information management, asset segregation and business continuity planning.

In the event that the Custodian becomes insolvent, the Trustee may terminate the appointment of the Custodian and, in accordance with the Deed, appoint such other person as the new custodian to provide custodial services to the Fund.

**4.4** The Managers have delegated their administration and valuation functions in respect of the Fund to BNP Paribas Securities Services, operating through its Singapore branch.

**4.5** Counterparties, brokers and/or prime brokers (if any) that are used by the Fund are selected from an approved panel and their appropriateness for continuous use by the Managers is reviewed on a regular basis. The Managers must complete due diligence on the counterparties, brokers and/or prime brokers and obtain the relevant internal approvals for their inclusion onto the panel. However, for inclusion onto the panel of counterparties, brokers and/or prime brokers to transact in foreign exchange, over-the-counter (“**OTC**”) derivatives, secured/unsecured call loan or securities lending, approval must also be sought from the risk management department of the Managers’ parent company, Nikko AM.

## **5. STRUCTURE OF THE FUND**

**5.1** The Fund is a Singapore authorised standalone unit trust. The base currency of the Fund is the United States dollar (“**USD**” or “**US\$**”).

**5.2** It is the Managers’ current policy that the Fund will be a feeder fund (“**Feeder Fund**”) investing substantially all of its assets into the Underlying Funds.

**5.3** The Managers have the discretion to establish different classes of Units (each a “**Class**” and collectively the “**Classes**”) from time to time. There are currently two Classes of Units established within the Fund, namely the Singapore dollar (“**SGD**” or “**S\$**”) Hedged Class Units (denominated in SGD) and USD Class Units (denominated in USD).

**5.4** The Classes differ in terms of their currency of denomination. In addition, for the SGD Hedged Class, the Managers intend to hedge the currency exposure of the assets of the Fund attributable to the SGD Hedged Classes into SGD through the use of currency forwards. Consequently, the net asset value (“**NAV**”) per Unit of the SGD Hedged Class will take into account any gains or losses arising from the use of the currency forwards in respect of the relevant Class. Please refer to paragraph 10.10 of this Prospectus on the availability of a regular savings plan for the Classes.

## **6. INCLUSION UNDER THE CENTRAL PROVIDENT FUND INVESTMENT SCHEME (“CPFIS”)**

**6.1** The Fund is currently not included under the CPFIS.

## **7. INVESTMENT OBJECTIVE, FOCUS AND APPROACH / PRODUCT SUITABILITY / DISTRIBUTION POLICY**

### **7.1 Investment objective, focus and approach**

The investment objective of the Fund is to deliver long-term total returns as well as generate positive social and/or environmental changes in the world. The Fund will invest directly or indirectly primarily in global equities and investment grade rated global fixed income securities.

The investment policy of the Fund will be to, as a Feeder Fund, invest substantially all of its assets in the shares of the Underlying Funds. The investment objective of each Underlying Fund is to seek long-term total returns.

In respect of the Wellington Global Impact Fund:

- The Underlying Fund Investment Manager will actively manage the Underlying Fund, seeking to outperform the MSCI All Country World Index and achieve its investment objective by investing primarily in global equities, focusing on companies whose core business, in the opinion of the Underlying Fund Investment Manager, aims to generate positive social and/or environmental change alongside a financial return.
- The Underlying Fund Investment Manager will seek to understand the world’s social and environmental problems and to identify and invest in companies that it believes are addressing these needs in a differentiated way through their core products and services. Through the Underlying Fund’s investments, the Underlying Fund Investment Manager seeks to improve access to, and quality of, basic life essentials, reduce inequality, and mitigate the effects of climate change.

In respect of the Wellington Global Impact Bond Fund:

- The Underlying Fund Investment Manager will actively manage the Underlying Fund, seeking to outperform the Bloomberg Global Aggregate Hedged to US dollar Index and achieve its investment objective by investing primarily in investment grade rated global fixed income securities issued by organisations whose core business or projects, in the opinion of the Underlying Fund Investment Manager, address some of the world’s major social and environmental challenges.
- The Underlying Fund Investment Manager will seek to understand the world’s social and environmental challenges and to identify and invest in debt issued by companies and organisations that it believes addresses these challenges in a differentiated way through their products, services and projects. Through the Underlying Fund’s investments, the Underlying Fund Investment Manager seeks to improve access to, and quality of, basic life essentials, reduce inequality, and mitigate the effects of climate change.

The Underlying Fund Investment Manager may enter into derivative transactions for the purpose of optimising returns, hedging or efficient management of the portfolio including, but not limited to, forward currency transactions to hedge exposures back into USD, interest rate futures to hedge duration exposure and credit default swaps and options to hedge credit risk.

Subject to the investment limits and restrictions applicable to it, the Underlying Funds will have the ability to hedge against directional risk using index futures and/or cash; to hold bonds and warrants on transferable securities; to use options and futures; to enter into portfolio swaps (including credit default swaps); to use forward currency contracts; and to hold liquid assets on an ancillary basis.

The Fund will feed into the two Underlying Funds with a dynamic asset allocation subject to a maximum of 60% of the NAV of the Fund into an Underlying Fund.

Please refer to paragraph 15 of this Prospectus for details of the benchmark of the Fund.

The Underlying Funds are actively managed. In respect of the Wellington Global Impact Fund, the Underlying Fund seeks to outperform the MSCI All Country World Index. In respect of the Wellington Global Impact Bond Fund, the Underlying Fund seeks to outperform the Bloomberg Global Aggregate Hedged to US dollar Index.

The Fund shall comply with Appendix 1 of the Code on Collective Investment Schemes issued by the Authority, as amended from time to time (the Code as amended from time to time is referred to as the “Code”).

## 7.2 Product Suitability

The Fund is suitable for investors who:

- seek to achieve long-term total returns;
- are prepared to accept, in normal market conditions, a high degree of volatility of NAV from time to time; and
- are willing and able to accept that their principal will be at risk.

**You should consult your financial advisers if in doubt as to whether the Fund is suitable for you.**

## 7.3 Distribution Policy

In respect of each Class, the Managers have the absolute discretion to determine whether any distributions should be made to Holders of Units in the relevant Class.

Sources of income for distribution include dividend and/or interest income and/or capital gains derived from the investments of the Fund (collectively, the “Investment Income”). The Managers will decide whether a distribution is to be made based on various factors, including the Investment Income. If the Investment Income is insufficient to fund a distribution for the Fund, the Managers may determine that such distributions should be paid from the capital of the Fund.

Where distributions are paid out of capital, the NAV of the relevant Class will be reduced and this will be reflected in the Realisation Price of the Units of that Class. Holders redeeming their Units may therefore receive an amount less than their initial investment. Such distributions may also result in reduced future returns to Holders.



Currently, the Managers may make distributions in accordance with the relevant distribution policies for the Classes of the Fund set out in the table below:

Class	Distribution policy
SGD Hedged	Quarterly
USD	Quarterly

You should note that the above policies of quarterly distributions is not guaranteed and that the Managers may review the distribution policy of each of the Classes of the Fund set out in the table above in future depending on prevailing market conditions.

## 8. FEES AND CHARGES

### 8.1 The following fees and charges are applicable to the Fund<sup>^</sup>:

Fees and charges payable by a Holder/an investor	
Initial Sales Charge <sup>2</sup>	Current: Up to 5.00%; Maximum: 5.00%  (Subject to the terms and conditions applicable to the exchange of units set out in paragraph 12)
Realisation Charge	Current: Nil; Maximum: 1%
Exchange Fee	Where the Initial Sales Charge paid for the Units being exchanged is less than the Initial Sales Charge payable for the Units being acquired, the Managers shall be entitled to charge for the difference.  For the avoidance of doubt, where the Initial Sales Charge paid for the Units being exchanged is more than the Initial Sales Charge payable for the Units being acquired, the Managers shall be entitled to retain the difference.

Fees and Charges payable by the Fund	
Annual Management Fee	Current: 1.50% p.a.; Maximum: 2.00% p.a.
(a) Retained by Managers	(a) 40% to 100% of Annual Management Fee
(b) Paid by Managers to financial adviser (trailer fee)	(b) 0% to 60% <sup>3</sup> of Annual Management Fee
Annual Trustee Fee	Current: 0.025% p.a. of the Fund's NAV; Maximum: 0.10% p.a. of the Fund's NAV. Subject always to a minimum fee of S\$5,000 per annum or such lower amount as the Managers and the Trustee may agree from time to time.
Fees charged by each Underlying Fund which the Fund invests in*	Subscription fee or preliminary charge: N.A. Realisation fee: N.A. Investment management fee: N.A. Distribution Fee: N.A. Any other substantial fee/charge (i.e. 0.1% or more of the Underlying Fund's asset value): – Administrative Fee: 0.25% p.a. for the Wellington Global Impact Fund – Administrative Fee: 0.25% p.a. for the Wellington Global Impact Bond Fund

<sup>2</sup> "Initial Sales Charge" means a charge upon the issue of Units of such amount as the Managers may from time to time determine generally or in relation to any specific transaction or class of transactions provided that such charge shall not exceed five per cent. of the gross investment sum. Such expression in the context of a given date shall refer to the charge or charges determined by the Managers pursuant to the Deed and applicable on that date.

<sup>3</sup> Your financial adviser is required to disclose to you the amount of trailer fee it receives from the Managers.

Other Fees and Charges	Subject to agreement with the relevant parties, other fees and charges may each amount to or exceed 0.10% per annum, depending on the proportion that each fee or charge bears to the Fund's NAV.
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^ You should note that the fees and charges applicable to the Fund (including fees based on the NAV of the Fund) will be based on the NAV before Swing Pricing adjustment (if any) is applied. Please refer to paragraph 20.10 of this Prospectus for further details.

\* You should note that where a fee charged by an Underlying Fund is calculated based on its NAV, such fee would be based on the "unswung" price of the Underlying Fund (i.e. without applying any swing pricing mechanism as described in paragraph 9.3.7).

- 8.2** The Initial Sales Charge and the Exchange Fee where applicable, will be retained by or paid to the approved distributors of the Managers and/or the Managers for their own benefit or will be shared between the approved distributors and the Managers. Any rounding differences due to the adjustment in the calculation of the Issue Price (as described in paragraph 10 of this Prospectus) and Realisation Price will be retained by the Fund. Any commission, remuneration or other sum payable to the approved distributors in respect of the issue or sale of any Units shall not be added to the price of such Units but will be paid by the Managers. The approved distributors may also charge additional fees not listed in this Prospectus. You should therefore check with the approved distributors before subscribing for Units.

The Managers may at any time differentiate between investors as to the amount of the Initial Sales Charge and the Exchange Fee where applicable, (subject to the maximum permitted) or allow discounts on such basis or on such scale as the Managers may think fit.

## 9. RISKS

### 9.1 General risks of investing in collective investment schemes

**9.1.1** While the Managers believe that the Fund offers the potential to achieve its stated objective, there is no assurance that this objective will be achieved. You should read this Prospectus and discuss all risks with your financial and legal advisers before making an investment decision, and you should also assess for yourself the risks of investing in the Fund's investments in general.

**9.1.2** You should be aware that the price of Units can go down as well as up and this may be in response to changes in interest rates, foreign exchange, economic and political conditions. Past performance is not necessarily a guide to the future performance of the Fund. You may not get back your original investment. An investment in the Fund is designed to produce returns over the long-term and is not suitable for short-term speculation. The value of the Fund and its distributions (if any) may rise or fall.

**9.1.3** Dealings in the Units and the calculation of the NAV thereof may be suspended in certain circumstances and the redemption of Units may be suspended or deferred in certain circumstances as provided for in the Deed.

### 9.2 Risks specific to the Fund

**9.2.1 Interest rate and credit risk:** Investments in debt securities are subject to interest rate fluctuations and credit risks, such as risk of default by the issuer, and are subject to adverse changes in general economic conditions, the financial condition of the issuer, or both, or an unanticipated rise in interest rates, which may impair the issuer's ability to make payments of interest and principal, resulting in a possible default by the issuer.

**9.2.2 Market Risk:** The prices of the securities comprised in the portfolio of the Fund and the Units, and the income from them, may be influenced by political and economic conditions, changes in interest rates, the earnings of the corporations whose securities are comprised in the Fund's portfolio, and the market's perception of such securities.

**9.2.3 Liquidity Risk:** The extent of market liquidity would depend on the size of the market and therefore affect the Fund's ability to acquire or dispose of assets at the price and time desired. There may be state regulations governing the outward remittance by foreign investors of their share of net profits and dividends and repatriation of their investments in foreign currency.



**9.2.4 Foreign Securities Risk:** The investments of the Fund may be affected by political instability as well as exchange controls, changes in taxation, foreign investment policies and other restrictions and controls which may be imposed by the relevant authorities in the other countries. The legal infrastructure and accounting, auditing and reporting standards in certain countries in which an investment may be made by the Fund may not provide the same degree of investor protection or information to investors as would generally apply in major securities markets. Foreign ownership restrictions in some markets may mean that corporate action entitlements may not always be secured or may be restricted.

**9.2.5 Foreign Exchange Risk:** As the investments of the Fund may be denominated in currencies other than the USD, fluctuations of the exchange rates of such currencies against the base currency of the Fund (i.e. USD) may have an impact on the income of the Fund and affect the value of Units.

The Fund may also invest in securities that are denominated in a wide range of currencies, some of which may not be freely convertible. The NAV of the Fund as expressed in its base currency will fluctuate in accordance with the changes in the foreign exchange rate between the base currency of the Fund and the currency in which the Fund's investments are denominated. The Fund may therefore be exposed to foreign exchange/currency risks.

The Managers reserve the discretion to hedge, whether fully, partially or not at all, the foreign currency exposure of the Fund depending on the prevailing foreign exchange rates, and if no hedging or partial hedging is made, the value of the Fund may be affected. If the foreign currency exposure of the Fund is hedged, an active hedging strategy is usually adopted.

In addition, as the Fund is denominated in USD, foreign currency exchange rate movements may affect the returns to investors in Singapore, and such investors may be exposed to exchange rate risks.

If any investments of the Fund are denominated in currencies other than the currency in which the relevant Class of the Fund is denominated, fluctuations in the exchange rates of the currency of the investment against the currency of denomination of the relevant Class may affect the NAV of the relevant Class. The Managers reserve the discretion to hedge, whether fully, partially or not at all, the currency exposure of the assets of the Fund that are attributable to any of the Classes to the relevant currency in which it is denominated. If any such currency exposure is hedged, an active hedging strategy is usually adopted.

**9.2.6 Currency Hedged Class Risk:** If the currency of a Class within the Fund is different from the base currency of the Fund, fluctuations in exchange rates may affect the NAV of the Class irrespective of performance and therefore substantially impact the performance of such Class expressed in its currency. For currency hedged Classes (each referred to in this sub-paragraph as a "**Hedged Class**" and collectively the "**Hedged Classes**"), the Managers may seek to reduce such exchange rate fluctuations by engaging in currency hedging transactions between the currency of the relevant Hedged Class and the base currency of the Fund. However there is no assurance that the hedging objective can be achieved. In the case of a net flow to or from such Hedged Classes, the hedging may not be adjusted and reflected in the NAV of the relevant Hedged Class until the following or a subsequent Business Day<sup>4</sup> following the valuation day on which the instruction was accepted. To the extent these hedging transactions are imperfect or only placed over a portion of the foreign exchange exposure, the resulting gains/losses will be reflected in the NAV of such Hedged Classes. The cost of using FDIs such as currency forwards to implement these hedging strategies with respect to the Hedged Classes may also be reflected in the NAV of such Hedged Classes. You should note that in extreme cases, there is a risk that currency hedging transactions that are attributed to specific Hedged Classes may adversely affect the NAV of other Classes within the Fund due to a lack of segregated liabilities between Classes of the Fund.

**9.2.7 Emerging Markets Risks:** The Fund may invest in emerging markets securities which are in general more volatile than those of developed countries, with the result that the Units may be subject to greater price volatility.

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<sup>4</sup> "**Business Day**" means a full day (other than a Saturday, Sunday or public holiday in Singapore) on which banks in Singapore, the United States Federal Banks and the New York Stock Exchange are open for business except for: Easter Monday, May 1<sup>st</sup>, the weekday prior to and the weekday following Christmas Day, or any other day as the Managers and the Trustee may agree in writing.

Some emerging markets do not have well-developed or consolidated bodies of securities laws and regulatory frameworks. There may be less public information on companies listed on such markets as compared to other stock markets. The auditing and financial reporting methods used in some emerging markets may differ from internationally recognised standards, and information on the accounts of some companies listed on such markets may not be an accurate reflection of their financial strength.

You would also have to take into account that trading volume in emerging markets may be substantially less than in the world's leading stock markets and trading may have to be conducted at unfavourable prices. Securities of companies domiciled in emerging markets are less liquid and more volatile than those domiciled in more developed stock markets and this may result in fluctuations in the price of the Units. Emerging markets may not have fully developed custodian and settlement services and therefore investments in such markets are subject to a greater degree of risk.

There may also be state regulations governing the outward remittance by foreign investors of their share of net profits and dividends and the repatriation of their investments in a foreign currency.

- 9.2.8 Counterparty Risk:** The Trustee may (upon the instructions of the Managers), on behalf of the Fund, enter into transaction(s) with one or more counterparties which may expose the Fund to the credit risk of the counterparties with whom it trades and the risk of settlement default. The aforementioned counterparties may also be issuers of the securities in which the Fund invests. If any counterparty becomes bankrupt or insolvent, the Fund could experience delays in liquidating the position and significant losses, including declines in the value of its investment during the period in which the Trustee seeks to enforce its rights, inability to realise any gains on its investment during such period and fees and expenses incurred in enforcing its rights. Also, fraud, regulatory sanctions or a refusal to complete a transaction by any of these counterparties could significantly impair the operational capabilities or the capital position of the Fund. The Managers intend that the counterparties with which the Trustee deals on behalf of the Fund must have reasonable financial soundness at the time of entering into the relevant transaction. It is also possible that the above transactions will be terminated due, for instance, to bankruptcy, supervening illegality or change in the tax or accounting laws relative to those at the time the agreement was entered into. The Managers will use reasonable efforts to mitigate such risks but there can be no guarantee that transactions with such counterparties will always be completed in the manner contemplated by, and favourable to, the Fund.
- 9.2.9 Changes in Applicable Law and Regulation:** The Fund must comply with various legal and regulatory requirements imposed by the jurisdictions under which it operates. Should any of those laws change over the life of the Fund, the legal requirements to which the Fund and its Holders may be subject, could differ materially from current requirements.
- 9.2.10 Country Specific Risk:** The Fund may invest in securities of a limited number of countries. Where the Fund invests in a few, select countries, it will be exposed to fluctuations in the economies of these countries, and the market, currency, political, social environment and other risks related specifically to these countries, which may affect the market price of its investments in these countries. Exposure to a limited number of countries also increases the potential volatility of the Fund due to the increased concentration risk as it is less diversified as compared to being exposed to global markets.
- 9.2.11 Income Distribution Risk:** You should note that the income of the Fund (if any) may be distributed to Holders at the absolute discretion of the Managers. Sources of income for distribution include dividend and/or interest income and/or capital gains derived from the investments of the Fund. Such dividend and/or interest income may be adversely affected by events such as (but are not limited to) companies suffering unexpected losses or, having lower than expected dividends and adverse exchange rate fluctuations. In addition to distributions to Holders out of distributable income and/or capital gains, the Managers may make capital distributions to Holders at such time as they deem fit in accordance with the provisions of the Deed.

Where distributions are paid out of capital, the NAV of the relevant Class will be reduced and this will be reflected in the Realisation Price of the Units of that Class. Holders redeeming their Units may therefore receive an amount less than their initial investment. Such distributions may also result in reduced future returns to Holders.

**9.2.12 Political Risk:** The value of the Fund's assets may be affected by uncertainties such as political developments, changes in government policies, taxation, currency repatriation restrictions and restrictions on foreign investment in some of the countries in which the Fund may invest.

**9.2.13 Investment Strategy Risk:** The performance of the Fund is subject to the performance of the Underlying Funds. The Managers have no control over the investment strategy of the manager of the Underlying Funds and hence there is no assurance that the Underlying Funds will meet its investment objective.

**9.2.14 Financial Derivative Risk:**

- (i) In respect of the Fund, subject to the Code, the Managers may in their absolute discretion, invest in FDIs for the purposes of optimising returns, hedging and/or efficient portfolio management, provided that FDIs are not used to gear the overall portfolio. Where such FDIs are financial derivatives on commodities, such transactions shall be settled in cash at all times. The Fund may net its OTC financial derivative positions.
- (ii) Where FDIs are used, the global exposure of the Fund to FDIs or embedded FDIs will not exceed 100% of the NAV of the Fund at all times and such exposure will be calculated using the commitment approach as described in, and in accordance with the provisions of, the Code.
- (iii) The Managers employ a risk management process in the investment of FDIs. The risks related to each FDI the Managers invest in are duly measured, monitored and managed on an ongoing basis.
- (iv) All open positions/exposure in FDIs will be marked to market at a frequency at least equal to the frequency of the calculation of the NAV of the Fund.
- (v) The Managers have a dedicated team which is responsible for oversight of, amongst other things, the monitoring of the Fund for compliance with the investment guidelines. This team will be responsible for setting up and maintaining the checks on the investment guidelines and restrictions on both the automated and manual compliance systems, which cover pre-trade and on-going review of the Fund.
- (vi) The Managers also have an established procedure to report breaches of the investment guidelines, if any.
- (vii) The Managers will ensure that the risk management and compliance procedures and controls adopted in paragraphs 9.2.14(iii) to 9.2.14(vi) are adequate and have been or will be implemented and that they have the necessary expertise to control and manage the risks relating to the use of FDIs.
- (viii) While the prudent and judicious use of derivatives by investment professionals can be beneficial, derivatives involve risks different from, and in some cases, greater than, the risks presented by more traditional investments. Some of the risks associated with derivatives are market risk, management risk, credit risk, liquidity risk, moratorium risk, capital control risk, tax risk and leverage risk. The Managers have the necessary expertise and controls for investments in derivatives and have in place systems to monitor the derivative positions for the Fund, if any.

The viability of exercising derivative instruments depends on the market price of the investments to which they relate, and accordingly, the Managers may from time to time decide that it is not viable to exercise certain derivatives held by the Fund within the prescribed period, in which case, any costs incurred in obtaining the derivatives will not be recoverable. Additionally, the market price of the relevant investment may not exceed the exercise price attached to the derivative instrument at any time during the exercise period or at the time at which the warrants or options are exercised and if this happens, there may be an immediate loss to the Fund.

**It is possible that the Fund's NAV may be subject to volatility due to the Fund's or the Underlying Fund's usage or investment in FDIs.**

**9.3** The risks specific to the investments of the Fund in the Underlying Funds are as follows:

The following are the principal risks which may affect the Underlying Funds but the list is not exhaustive:

- 9.3.1 Liquidity Risk:** The sale of any thinly traded or illiquid investments may be possible only at substantial discounts or at discounts to the values at which an Underlying Fund is carrying them. Adverse market conditions resulting from force majeure events may also affect the liquidity of an investment due to increased market volatility, exchange trading suspensions and closures as well as other disruptions to markets and market operations, which may impact an Underlying Fund's ability to sell certain securities and/or complete redemptions. If an Underlying 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 Underlying Fund's net asset value.
- 9.3.2 Market Risk:** 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 an Underlying 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.
- 9.3.3 Operational Risk:** The Underlying Funds are subject to the impact of breakdowns in systems, internal procedures or human error of the Underlying Fund Investment Manager and any of Wellington Management Funds (Ireland) Plc's delegates or any of the Wellington Management Funds (Ireland) Plc's counterparties or the markets in which it trades.
- 9.3.4 Counterparty Risk:** An Underlying Fund may enter into derivative transactions in over-the-counter markets, which will expose the Underlying Fund to the credit of its counterparties and their ability to satisfy the terms of such contracts. An Underlying 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, an Underlying Fund could experience delays in liquidating the position as well as significant losses, including declines in value during the period in which the Underlying Fund seeks to enforce its rights, the inability to realise any gains during such period and fees and expenses incurred in enforcing its rights.
- 9.3.5 Risks associated with use of FDIs:** Certain risks may be associated with the use by an Underlying 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 an Underlying Fund's interests and the use of derivative techniques may not always be an effective means of, and sometimes could be counter-productive to, an Underlying Fund's investment objective.

*Control and Monitoring:* Derivative instruments are highly specialised 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 an Underlying 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 an Underlying Fund, the sale of investments under disadvantageous conditions.

*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 an Underlying 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 an Underlying Fund's ability to terminate existing swap agreements or to realise amounts to be received under such agreements. Whether an Underlying Fund's use of swap agreements will be successful will depend on the Underlying Fund Investment Manager's ability to correctly predict whether certain types of investments are likely to produce greater returns than other investments. An Underlying 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 an Underlying Fund in a total return swap is credit risk in the event that the counterparty is unable to meet its payment obligations to the Underlying Fund under the terms of the total return swap. Further as noted under Derivatives Generally 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 Underlying Funds. 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 Underlying Funds might otherwise engage impossible or so costly that they will no longer be economical to implement. The overall impact of these regulations on the Underlying Funds 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 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.

Further Information on the Use of FDIs by the Underlying Funds:

- (a) In respect of the Wellington Global Impact Fund, the Underlying Fund Investment Manager uses a risk management technique known as the commitment methodology to assess the Underlying Fund's market risk to seek to ensure that its use of FDIs is within regulatory limits. The global exposure generated through the use of FDIs is limited to 100% of the net asset value of the Underlying Fund when calculated using the commitment methodology.
- (b) In respect of the Wellington Global Impact Bond Fund, the Underlying Fund Investment Manager uses a risk management technique known as relative Value-at-Risk ("**VaR**") to assess the Underlying Fund's market risk to seek to ensure that its use of FDIs is within regulatory limits. The VaR of the Underlying Fund is calculated daily in accordance with the requirements of the Central Bank of Ireland and may not exceed twice the VaR of the benchmark of the Underlying Fund, the Bloomberg Global Aggregate Hedged to US dollar Index.

You may obtain supplementary information relating to the risk management methods employed by the Underlying Funds, including the quantitative limits that are applied and any recent developments in the risk and yield characteristics of the main categories of investments of the Underlying Funds, by making a request to the Managers.

**9.3.6 Fixed Income and Other Debt Securities Risk:** 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 an Underlying 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 an Underlying Fund may default in payment of interest and/or principal.

**9.3.7 Swing Pricing:** The Underlying 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 Underlying Fund 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 dealing day, the aggregate net transactions in shares for an Underlying Fund exceeds a pre-determined threshold, as determined by Wellington Management Funds (Ireland) Plc from time to time, the net asset value may be adjusted upwards or downwards to reflect net inflows and net outflows respectively as a means of apportioning trading costs associated with such transactions to the investors that create these costs in order to protect existing or remaining shareholders. Where the net asset value is adjusted upwards subscribing investors will pay and redeeming shareholders will receive a higher net asset value per share than they would have done had the net asset value not been adjusted. Where the net asset value is adjusted downwards subscribing investors will pay and redeeming shareholders will receive a lower net asset value per share than they would have done had the net asset value not been adjusted. The extent of the price adjustment will be set by Wellington Management Funds (Ireland) Plc to reflect bid-ask spreads, transaction taxes, dealing and other costs. Such adjustment is not expected to exceed 3% of the original net asset value per share. Partial swing pricing may be applied by Wellington Management Funds (Ireland) Plc to any Underlying Fund and is not aimed at addressing the specific circumstances of each individual investor transaction. The swing factor and swing thresholds are set and reviewed on a quarterly basis by a Wellington Management group swing pricing review governance group, which reports to the board of Wellington Management Funds (Ireland) Plc on a quarterly basis. This group has the ability to respond to market events (e.g. higher market volatility) and make intra quarter adjustments. In any other cases where there are net subscriptions or redemptions in an Underlying Fund and the directors of Wellington Management Funds (Ireland) Plc reasonably believe that imposing a partial swing price is in the best interests of existing shareholders, Wellington Management Funds (Ireland) Plc may, at its discretion, impose one.

**The above is not an exhaustive list of the risks which you should consider before investing in the Fund. You should be aware that an investment in the Fund may be exposed to other risks of an exceptional nature from time to time.**

## **10. SUBSCRIPTION OF UNITS**

### **10.1 How to purchase Units**

#### **10.1.1 Cash subscriptions**

You may apply to subscribe for Units by submitting a completed application form, together with such other documents as may be required by, and the subscription monies in full to, the Managers through their approved distributors.

#### **10.1.2 Subscriptions through use of Supplementary Retirement Scheme (“SRS”) monies**

Subject to the applicable terms and conditions imposed by the relevant SRS operator and any relevant competent authority, if you wish to subscribe for Units with your SRS monies, you will have to give a written authorisation to the relevant SRS operator for monies to be withdrawn from your SRS account to pay for the subscription of Units. Currently, only the SGD Hedged Class Units are available for subscription using SRS monies.

#### **10.1.3 Subscriptions through the internet**

The Managers may, at their absolute discretion, offer Units through the internet subject to applicable laws, regulations, practice directions and other requirements by the relevant authorities. By making an electronic online application for the subscription of Units on or through the website of any distributor in Singapore which the Managers may, after giving notice to the Trustee, appoint for the purpose of this paragraph (the “**Relevant Participating Distributor**”), or by an application form

printed from such a website, you confirm:

- (a) you have obtained a copy of this Prospectus and have read and understood its contents;
- (b) you are making the application for the subscription of Units while being present in Singapore; and
- (c) your permission to the Relevant Participating Distributor to disclose relevant particulars of your account to the Relevant Persons and neither the Managers nor the Trustee shall be liable to you for the consequences of any such disclosure.

During any period when the issue of Units is suspended pursuant to paragraph 14 of this Prospectus, the application for subscription of Units through the internet will also be suspended. Any charges to be imposed by the Managers or the Relevant Participating Distributor in connection with your application for the subscription of Units through the internet will be borne by you and such charges shall not be taken out of the Deposited Property (as defined in the Deed) or form part of the Initial Sales Charge. The Managers will provide you with hard copies of this Prospectus, the Deed and any supplemental deed for the time being in force upon your request. However, the Managers may levy a charge for providing you with a copy of the Deed and any such supplemental deed.

For the purposes of this paragraph 10.1.3, “**Relevant Persons**” means the Managers, the Trustee, the relevant authorities and any other person to whom the Relevant Participating Distributors deem it necessary to give, divulge or reveal information about your bank account, for the purpose of an application for Units via the internet.

#### 10.1.4 Institutional investors

In respect of institutional investors, an application form may also be obtained directly from the Managers and, once duly completed, forwarded to the Managers, together with the subscription monies in respect of the application for Units.

### 10.2 Minimum initial investment and minimum subsequent investment

	Minimum initial investment*	Minimum subsequent investment*
<b>SGD Hedged Class</b>	S\$1,000	S\$100
<b>USD Class</b>	US\$1,000	US\$100

\* or such other amount as the Managers may determine from time to time upon giving prior notice to the Trustee.

### 10.3 Initial offer period and initial issue price

The initial offer periods for the SGD Hedged Class and the USD Class will each be for such period and at such time as the Managers may decide from time to time upon notification to the Trustee and as at the date of registration of this Prospectus, each such initial offer period is expected to be within the next 6 to 12 months.

During the initial offer period, the SGD Hedged Class Units will be offered at the initial issue price of S\$1.000 per Unit, and the USD Class Units will be offered at the initial issue price of US\$1.000 per Unit.

### 10.4 Minimum size and other conditions

The Managers reserve the right not to proceed with the launch of the SGD Hedged Class and/or the USD Class if:

- (i) the capital raised for the relevant Class as at the close of the initial offer period for that Class is less than S\$10 million or its equivalent; or
- (ii) the Managers are of the view that it is not in the interest of the investors or it is not commercially viable to proceed with the relevant Class(es).

In such event, the Managers may at their discretion declare the relevant Class(es) to be deemed not to have commenced, and shall notify the relevant investors of the same and return the subscription monies received (without interest) to the relevant investors no later than 30 Business Days after the close of the initial offer period for the relevant Class(es).

## 10.5 Pricing and Dealing Deadline

Following the close of the initial offer period for a Class, the issue price per Unit (“**Issue Price**”) of that Class on any Dealing Day<sup>5</sup> will be calculated based on forward pricing and shall be the price per Unit ascertained by the Managers by determining the Value<sup>6</sup> as at the Valuation Point<sup>7</sup> in relation to the relevant Dealing Day of the proportion of the Deposited Property attributable to the relevant Class, and by dividing such Value by the number of Units of that Class in issue or deemed to be in issue as of that Valuation Point and rounding such amount to the nearest 3 decimal places or such other number of decimal places or such other method of rounding as the Managers may from time to time determine after consulting with the Trustee. The Managers shall be entitled to convert the Issue Price to any other applicable currency at the prevailing rate of exchange. The Managers may, subject to the prior approval of the Trustee, change the method of determining the Issue Price, and the Trustee shall determine if the Holders should be informed of such changes.

The dealing deadline is, in relation to any Dealing Day, currently 5 p.m. (Singapore time) on the said Dealing Day (the “**Dealing Deadline**”) but this may be changed subsequently to any other time of the day by the Managers with the approval of the Trustee. This means that if an application is received and accepted by the Managers by the Dealing Deadline on any Dealing Day, the price will be based on the Value of the Fund for that Dealing Day. If an application is received and accepted by the Managers after the Dealing Deadline on that Dealing Day or on a day not being a Dealing Day, it shall be deemed to be received and accepted by the Managers only on the immediately following Dealing Day. The Issue Price will be determined only on the Business Day following the Dealing Day.

## 10.6 How the number of Units is allotted

The number of Units you will be issued is determined by dividing the gross investment sum paid by you (less the Initial Sales Charge) by the Issue Price per Unit, and then rounding the number of Units to the nearest 2 decimal places (or such other number of decimal places or such other method of rounding as the Managers may from time to time determine with the approval of the Trustee).

The following is an illustration of the number of Units that you will receive based on a hypothetical investment amount of \$1,000\* and a notional Issue Price<sup>8</sup> of \$1.000\*\*:

\$1,000*	-	\$50.00	=	\$950.00	÷	\$1.000**	=	950.00
Gross Initial Investment Sum		Net Investment Sales Charge*** (5.00%)		Issue Sum		Price (i.e. NAV per Unit)		Number of Units
<p>* This sum is used for the purposes of illustration only, and the actual investment sum for a Class may be of a different amount.</p> <p>** The actual Issue Price of a Class will fluctuate according to the NAV of the relevant Class and may be affected by Swing Pricing as described in paragraph 20.10.</p> <p>*** The maximum Initial Sales Charge currently payable is 5.00%.</p> <p>N.B.: All numerical figures used for the purpose of this illustration are hypothetical.</p>								

<sup>5</sup> “**Dealing Day**” in relation to the subscription and realisation of Units of the Fund or any Class, means a Business Day or such other day or days at such intervals as the Managers may from time to time determine with the prior consultation of the Trustee provided that reasonable notice of such determination shall be given by the Managers to all Holders of the Fund or the relevant Class (as the case may be) at such time and in such manner as the Trustee may approve. Notwithstanding the foregoing and in the case where the Fund is a Feeder Fund, the Managers may determine in their sole discretion that it shall not be a Dealing Day on any day where the relevant Underlying Entity which the Fund invests into is not normally traded.

<sup>6</sup> “**Value**” means with reference to any Deposited Property or any part thereof, or with reference to any investment comprised or to be comprised in any Deposited Property, its NAV or its value respectively as determined in accordance with paragraph 20.4.

<sup>7</sup> “**Valuation Point**” means the close of business of the last market relevant to the Fund on a Dealing Day or such other time as the Managers with the prior approval of the Trustee may from time to time determine, and the Trustee shall determine if the Holders should be informed of such change and the Managers shall notify the Holders of such change if required by the Trustee.

<sup>8</sup> You should note that the Issue Price of Units of the Fund may be calculated based on the “swung” prices of the Underlying Funds. Please refer to paragraph 9.3.7 for more information on the swing pricing used by the Underlying Funds.



Where a Unit is to be issued to an applicant resident outside Singapore and additional expenses are incurred which would not have been incurred if such applicant had been resident in Singapore (the “**overseas expense**”), the overseas expense may be deducted out of the investment sum in addition to the Initial Sales Charge.

#### **10.7 Confirmation of purchase**

If your application is successful, a trade confirmation will normally be sent to you within 7 Business Days of the Managers’ receipt of your application.

#### **10.8 Issue of Units**

The Managers have the exclusive right to effect the creation and issue of Units and the acceptance or nonacceptance of applications for purchase of Units are at the absolute discretion of the Managers acting in consultation with the Trustee and in the best interest of the Fund. If your application is rejected by the Managers, the subscription monies will be refunded (without interest) to you or (where applicable) the relevant SRS operator within a reasonable period of time in such manner as the Managers may determine.

No certificates will be issued by the Managers in respect of Units issued.

#### **10.9 Cancellation of Units**

Subject to the provisions of the Deed and to the terms and conditions for cancellation of Units in the application form for Units, you may cancel your subscription for Units in the relevant Class by giving written notice to the Managers through the approved distributor(s) from whom you purchased your Units within 7 calendar days from the date of subscription or purchase of the Units (or such longer period as may be agreed between the Managers and the Trustee or such other period as may be prescribed by the Authority). Any Initial Sales Charge paid by you will be refunded to you. However, you will have to take the risk for any price changes in the NAV of the relevant Class since you purchased the Units. The cancellation proceeds will be paid within 7 Business Days after the relevant Dealing Day on which the cancellation request is received or within such other time as may be permitted by the Authority unless cancellation of Units has been suspended in accordance with the Deed.

#### **10.10 Regular Savings Plan**

The approved distributors of the Managers may in their absolute discretion make available a Regular Savings Plan (“**RSP**”) for any Class. Currently, a RSP is only available in respect of SGD Hedged Class Units.

You may apply for the SGD Hedged Class Units through a RSP upon satisfying the minimum initial investment amount applicable to the SGD Hedged Class Units. The current minimum monthly contribution for the RSP is S\$100.

The monthly contribution for the RSP will be deducted from your bank account or SRS account (as the case may be) on the 10th day of each month (or the next Business Day if that day is not a Business Day). Units will normally be allotted within 2 Business Days after the date on which the monthly contribution is deducted, but this may be exceeded in the case of Units purchased through the Managers’ approved distributors or when Units are purchased using SRS monies.

If the deduction of these contributions is unsuccessful, no investment will be made for that month. No notification relating to the unsuccessful deduction will be sent to you. After 2 consecutive unsuccessful deductions, the RSP will be terminated and no notification of such termination will be sent to you.

You may terminate your participation in the RSP without penalty upon giving not less than 30 days’ prior written notice in writing to the approved distributor(s) from whom you purchased your Units. The Managers reserve the right to terminate the RSP at any time in their absolute discretion by giving at least one month’s notice to the affected Holders.

The Managers shall not assume any liability for any losses arising from the Holders’ payment for the RSP via direct debit transactions.

You should contact the approved distributors of the Managers for further details of how to participate in a RSP.

For the avoidance of any doubt, a RSP is currently not available in respect of the USD Class Units.

## 11. REALISATION OF UNITS

### 11.1 How to sell Units

Holders may realise their Units by submitting a written realisation request in such form and together with such other documents as may be required to the Managers through the approved distributor(s) from whom they had purchased their Units. Institutional investors who had purchased their Units directly from the Managers may realise their Units by submitting a realisation request in such form and together with such other documents as may be required to the Managers.

The Managers may refuse any realisation requests where all relevant documentation has not been submitted or if such realisation would result in non-compliance with the minimum holding and/or the minimum realisation requirement or in any other circumstances agreed with the Trustee and notified to the Holders.

Holders may make an electronic online application for the realisation of Units on or through the website of the Relevant Participating Distributor, or on an application form printed from such website.

### 11.2 Minimum holding and minimum realisation amount

A Holder may not realise only part of his holding of Units without the approval of the Managers and the Trustee if such realisation is less than the minimum realisation amount for the relevant Class, or if due to such realisation, his holding of Units in the relevant Class would be reduced to less than the minimum holding for that Class.

The minimum holding and the minimum realisation amount for each Class of Units is set out in the table below.

Class	Minimum holding*	Minimum realisation amount**
SGD Hedged Class	500 Units	500 Units
USD Class	500 Units	500 Units

\* or such other number or value of Units in the relevant Class as the Managers may from time to time determine upon giving prior written notice to the Trustee

\*\* or such other number of Units or amount as may be determined from time to time by the Managers after consultation with the Trustee.

### 11.3 Pricing and Dealing Deadline

The net realisation proceeds are calculated by multiplying the number of Units of the relevant Class to be realised by the realisation price of the Units ("**Realisation Price**"). The Realisation Price per Unit of any Class of the Fund on any Dealing Day will be calculated based on forward pricing and shall be the price per Unit ascertained by the Managers by determining the Value as at the Valuation Point in relation to the relevant Dealing Day of the proportion of the Deposited Property attributable to the relevant Class, and by dividing such Value by the number of Units of that Class in issue or deemed to be in issue as of that Valuation Point, and rounding such amount to the nearest 3 decimal places or such other number of decimal places or such other method of rounding as the Managers may from time to time determine after consulting with the Trustee. The Managers shall be entitled to convert the Realisation Price to any applicable foreign currency at the prevailing rate of exchange. The Managers may, subject to the prior approval of the Trustee, change the method of determining the Realisation Price, and the Trustee shall determine if the Holders should be informed of such changes.

The Dealing Deadline is, in relation to any Dealing Day, currently 5 p.m. (Singapore time) on the said Dealing Day but this may be changed subsequently to any other time of the day by the Managers with the approval of the Trustee. This means that if a realisation request is received and accepted by the Managers by the Dealing Deadline on any Dealing Day, the price will be based on the Value of the Fund for that Dealing Day. If a realisation request is received and accepted by the Managers after the Dealing Deadline on that Dealing Day or on a day not being a Dealing Day, it shall be deemed to be received and accepted by the Managers only on the immediately following Dealing Day. The Realisation Price will be determined only on the Business Day following the Dealing Day.

## 11.4 How realisation proceeds are calculated

The following is an illustration of the realisation proceeds that a Holder will receive based on a realisation of 1,000 Units and a notional Realisation Price<sup>9</sup> of \$1.050\*.

1,000	x	\$1.050	=	\$1,050.00	-	Nil	=	\$1,050.00
Units to be realised		Realisation Price*		Gross realisation proceeds		Realisation Charge**		Net realisation proceeds payable
* The actual Realisation Price of a Class will fluctuate according to the NAV of the relevant Class and may be affected by Swing Pricing as described in paragraph 20.10.								
** There is currently no Realisation Charge imposed.								
N.B.: All numerical figures used for the purpose of this illustration are hypothetical.								

If a Holder is resident outside Singapore, the Managers may deduct from the realisation proceeds, an amount equal to the excess of the expenses actually incurred over the amount of expenses which would have been incurred if the Holder had been resident in Singapore.

## 11.5 Payment of realisation proceeds

**11.5.1** The realisation proceeds will be paid to Holders within 7 Business Days after the relevant Dealing Day on which the realisation request is received or within such other time as may be permitted by the Authority unless realisation of Units has been suspended in accordance with the Deed.-

**11.5.2** In the case of a Holder who has purchased Units with cash, any monies payable to him under the provisions of the Deed in respect of such Units will be paid by cheque sent through the post to his address appearing on the Register or by telegraphic transfer to a nominated bank account.

**11.5.3** In the case of a Holder who has purchased Units with SRS monies, any monies payable to him under the provisions of the Deed in respect of such Units will be paid by transferring the monies to the relevant bank for credit of the Holder's SRS account or otherwise in accordance with the provisions of any applicable laws, regulations or guidelines. Where the Holder's SRS account has been closed, the monies will be paid to him in accordance with paragraph 11.5.2 or otherwise in accordance with any applicable laws, regulations or guidelines.

**11.5.4** Payment of realisation proceeds made in accordance with the provisions of this paragraph 11.5 will be a satisfaction of the monies payable and shall be a good discharge to the Managers or the Trustee (as the case may be).

## 11.6 Limits on Realisations

**11.6.1** The Managers may, with the approval of the Trustee, limit the total number of Units of the Fund or any Class which Holders may realise and which the Managers are entitled to have cancelled pursuant to the Deed (as the case may be) on any Dealing Day to 10% of the total number of Units of the Fund or Class (disregarding any Units of the Fund or Class which have been agreed to be issued), such limitation to be applied pro rata to all Holders of the Fund or Class who have validly requested realisations in relation to their Units of the Fund or Class on such Dealing Day so that the proportion realised of each holding of the Fund or Class so requested to be realised or cancelled pursuant to the Deed is the same for all Holders of the Fund or Class. Any Units of the Fund or Class which, by virtue of the powers conferred on the Managers by this paragraph, are not realised or cancelled (as the case may be) shall be realised or cancelled (subject to any further application of the provisions of this subparagraph) on the next succeeding Dealing Day PROVIDED THAT if on such next succeeding Dealing Day, the total number of Units of the Fund or Class to be cancelled or realised (as the case may be), including those carried forward from any earlier Dealing Day, exceeds such limit, the Managers may further carry forward the requests for realisation or cancellation (as the case may be) in relation to the Fund or Class until such time as the total number of Units of the Fund or Class to be realised or cancelled (as the case may be) on a Dealing Day falls within such limit. If realisation requests in relation to the Fund or Class are carried forward as aforesaid, the

<sup>9</sup> You should note that the Realisation Price of Units of the Fund may be calculated based on the "swung" prices of the Underlying Funds. Please refer to paragraph 9.3.7 for more information on the swing pricing used by the Underlying Funds.

Managers shall give notice to the Holders of the Fund or Class affected thereby within 7 days that such Units have not been realised or cancelled and that (subject as aforesaid) they shall be realised or cancelled on the next succeeding Dealing Day. Requests for realisations which have been carried forward from an earlier Dealing Day shall be dealt with in priority to later requests.

- 11.6.2** If, immediately after any relevant day, the number of Units of the Fund or any Class in issue or deemed to be in issue, having regard to realisations and issues in respect of Units of the Fund or Class falling to be made by reference to that relevant day, would be less than such proportion (not exceeding 90%) as may be determined by the Managers from time to time of the number of Units of the Fund or Class in issue or deemed to be in issue on that relevant day, the Managers may with the approval of the Trustee, with a view to protecting the interests of all Holders of the Fund or Class, elect that the Realisation Price per Unit of the Fund or Class in relation to all (but not some only) of the Units of the Fund or Class falling to be realised by reference to that relevant day shall be the price per Unit of the Fund or Class which, in the opinion of the Managers, reflects a fairer value for the Deposited Property having taken into account the necessity of selling a material proportion of the Investments (as defined in the Deed) as at that time constituting part of the Deposited Property, and by giving notice to the Holders of Units of the Fund or Class affected thereby within 2 Business Days after the relevant day, the Managers may, subject to the Trustee's approval and the provisions of the Code, suspend the realisation of those Units of the Fund or Class for such reasonable period as may be necessary to effect an orderly realisation of Investments. For the purposes of this paragraph the "fairer value" for the Deposited Property shall be determined by the Managers in consultation with an Approved Broker (as defined in the Deed) and upon notification to the Trustee. The "material proportion" of the Investments means such proportion of the Investments which when sold would in the opinion of the Managers in consultation with the Trustee cause the Value of the Deposited Property to be significantly reduced.

## **12. EXCHANGE OF UNITS WITHIN GROUP TRUST**

- 12.1** The Managers may, at their discretion and on such terms and conditions as they may impose (including the levying of fees or charges), on the application of a Holder, effect the exchange of Units for units of any other Group Trust<sup>10</sup> (referred to as "units") and on notification by the managers of a Group Trust of an application by the holder of units in that Group Trust, exchange such units for Units.
- 12.2** The following provisions will apply to such an exchange:
- 12.2.1** the exchange of Units for units is exercised by a Holder giving to the Managers through the approved distributor(s) from whom the Holder had purchased the Units a notice in such form as the relevant approved distributor may from time to time require and accompanied by a duly completed and executed application form for the subscription of units in the relevant Group Trust. Institutional investors who had purchased their Units directly from the Managers may exchange their Units by submitting a notice in such form as the Managers may from time to time require and accompanied by a duly completed and executed application form for the subscription of units in the relevant Group Trust;
- 12.2.2** the exchange of Units for units specified in the relevant notice (the "**Exchange Notice**") will be made on the Common Exchange Dealing Day on which the Exchange Notice is received by the Managers up to 5.00 p.m. Singapore time on such Common Exchange Dealing Day. If an Exchange Notice is received by the Managers after 5.00 p.m. Singapore time on a Common Exchange Dealing Day or on a day that is not a Common Exchange Dealing Day, the Exchange Notice will be treated as having been received before 5.00 p.m. Singapore time on the next Common Exchange Dealing Day. For this purpose, "**Common Exchange Dealing Day**" is a day which is both a Dealing Day in relation to Units and a dealing day (as defined in the relevant trust deed) in relation to units of the Group Trust;
- 12.2.3** no Units shall be exchanged during any period when the right of Holders to require the realisation of Units is suspended pursuant to the Deed or when the issue of units in the relevant Group Trust is suspended pursuant to the suspension provisions set out in the trust deed of that Group Trust or on any Common Exchange Dealing Day on which the number of Units that can be realised by any Holder is limited pursuant to the Deed;

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<sup>10</sup> "**Group Trust**" means such collective investment scheme which the Managers may at their discretion from time to time allow the exchange of Units into or units from pursuant to paragraph 12. The list of Group Trusts may vary from time to time and is available from the Managers upon request.

- 12.2.4** a Holder is not entitled, without the consent of the Managers, to withdraw an Exchange Notice;
  - 12.2.5** any exchange of Units for units will be effected subject to any requirements or restrictions applicable to the realisation of Units and the issue of units, including without limitation, any minimum holding requirement, any minimum initial investment sum or minimum subsequent investment sum requirement;
  - 12.2.6** each Unit to be exchanged shall be valued at not less than the Realisation Price per Unit and each Unit to be issued shall be valued at not more than the Issue Price per Unit;
  - 12.2.7** an exchange of Units for units will be effected by the Holder realising his Units. The net proceeds of this realisation will then be utilised (subject to the discretion of the manager of the Group Trust to reject any applications for units) to subscribe for units of the relevant Group Trust at the prevailing issue price of the units of the relevant Group Trust;
  - 12.2.8** an exchange of units for Units will be effected by the managers of that Group Trust realising the units of that Group Trust and paying the net proceeds of the realised units to the Managers. The Managers will then issue Units at the prevailing Issue Price;
  - 12.2.9** the Managers are entitled to impose an Exchange Fee, as described under paragraph 8.1 of this Prospectus;
  - 12.2.10** the Trustee shall have no responsibility or liability to ensure that the provisions of the trust deed constituting the Group Trust relating to issue, realisation or exchange of units are complied with;
  - 12.2.11** the Managers may, at their discretion, reject any Exchange Notice; and
  - 12.2.12** no exchange is permitted between Units and units that are denominated in different currencies.
- 12.3** For the avoidance of doubt, any fee or charge (including any portion thereof) which the Managers are entitled to charge or retain pursuant to this paragraph 12 may generally or in any particular case be waived by the Managers at their sole discretion.

### **13. OBTAINING PRICES OF UNITS**

The Issue Price and Realisation Price of the Units will be available on the Business Day following each Dealing Day.

You may check such prices on the Managers' website at <http://www.nikkoam.com.sg>.

### **14. SUSPENSION OF DEALINGS**

- 14.1** Subject to the provisions of the Code, the Managers may at any time, with the approval of the Trustee, suspend the issue of Units, the right of Holders to require the realisation of Units and/or the valuation of Units and/or the Deposited Property of the Fund or any Class in the following circumstances:
- 14.1.1** during any period when the Recognised Stock Exchange (as defined in the Deed) on which any Authorised Investments forming part of the Deposited Property for the time being are listed or dealt in is closed (otherwise than for ordinary holidays) or during which dealings are restricted or suspended;
  - 14.1.2** during any period when there exists any state of affairs which, in the opinion of the Managers or the Trustee, as the case may be, might seriously prejudice the interest of the Holders of the Fund or the relevant Class as a whole or of the Deposited Property;
  - 14.1.3** any breakdown in the means of communication normally employed in determining the price of any of such Authorised Investments or the current price on any Recognised Stock Exchange or when for any reason the prices of any of such Authorised Investments cannot be promptly and accurately ascertained;
  - 14.1.4** any period when remittance of money which will or may be involved in the realisation of such Authorised Investments or in the payment for such Authorised Investments cannot, in the opinion of the Managers or the Trustee, as the case may be, be carried out at normal rates of exchange;



- 14.1.5** any period when the fair value of a material portion of the assets of the Fund cannot be determined and for the purposes of this paragraph, “fair value” of an asset of the Fund is the price that the Fund would reasonably expect to receive upon the sale of the asset;
- 14.1.6** during any period when dealings in the units or shares of any Underlying Fund are restricted or suspended;
- 14.1.7** the period of 48 hours (or any longer period that the Managers and the Trustee agree) prior to the date of any meeting (or adjourned meeting) of Holders of the Fund or the relevant Class convened in accordance with the provisions of the Deed;
- 14.1.8** any period pursuant to an order or direction by the Authority;
- 14.1.9** during any period when the Managers or the Trustee is unable to conduct their/its business activities or their/its ability to conduct their/its business activities is substantially impaired, as a direct or indirect result of local or foreign government restrictions, the imposition of emergency procedures, civil disorder, acts or threatened acts of terrorism, war, strikes, pestilence, natural disaster or other acts of God; or
- 14.1.10** during such circumstances as may be required under the provisions of the Code, and payment for any Units of the Fund or the relevant Class realised before the commencement of any such suspension but for which payment has not been made before the commencement thereof may, if the Managers and the Trustee so agree, be deferred until immediately after the end of such suspension. Such suspension shall take effect forthwith upon the declaration in writing thereof to the Trustee by the Managers and subject to the provisions of the Code, shall terminate as soon as practicable when the condition giving rise to the suspension shall have ceased to exist and no other conditions under which suspension is authorised under this paragraph 14.1 shall exist upon the declaration in writing thereof by the Managers, and in any event, within 21 days of the commencement of the suspension. The period of suspension may be extended if the Managers satisfy the Trustee that it is in the best interest of the Holders of the dealing in Units to remain suspended. Such extension is subject to weekly review by the Trustee.

## **15. PERFORMANCE OF THE FUND**

### **15.1 Past performance of the Fund**

As the Fund has not been launched at the date of this Prospectus, a track record of at least one year is not available in respect of the Classes of Units of the Fund.

The performance of the Fund will be measured against a composite benchmark of 50% MSCI All Country World Index (Net Total Return) and 50% Bloomberg Global Aggregate Total Return Index Value Hedged to US dollar.

### **15.2 Past Performance of the Underlying Funds**

The class of the Wellington Global Impact Bond Fund which the Fund will be investing in is a newly established class. As such, a track record of at least 1 year for the class is not available as at the date of registration of this Prospectus.

Performance of the Wellington Global Impact Fund as at 30 June 2021 is shown in the table below:

	Return over 1 year	Return over 3 years (A.C.R.)	Return over 5 years (A.C.R.)	Return since Inception (A.C.R.)
Wellington Management Funds (Ireland) Plc – Wellington Global Impact Fund USD T Acc Unhedged* Inception date: 7 December 2017	53.02 %	19.04 %	N.A.	16.71 %

“A.C.R.” means Average Annual Compounded Return

\* Calculated on a NAV-NAV basis, and based on the assumption that all dividends and distributions, if any, are reinvested, and taking into account any subscription fee and realisation fee made on subscriptions or redemption of shares in the Wellington Management Funds (Ireland) Plc – Wellington Global Impact Fund USD T Acc Unhedged where applicable.

Until the track record of the Fund is available, you may refer to the past performance of the class of one of the Underlying Funds, the Wellington Global Impact Fund, which the Fund invests substantially into, the USD T Acc Unhedged class, as set out in the table above.

**You should note that past performance of the Underlying Funds is not necessarily indicative of its future performance or the future performance of the Fund.**

### **15.3 Expense ratio**

The expense ratio for the Fund is not available as it has not been launched as at the date of registration of this Prospectus.

### **15.4 Turnover ratio**

The turnover ratio for the Fund is not available as it has not been launched as at the date of registration of this Prospectus.

The turnover ratio of an Underlying Fund (calculated based on the lesser of purchases or sales of underlying investments of the Underlying Fund expressed as a percentage of daily average NAV of the Underlying Fund) for the financial year ended 31 December 2020, is 0.55% in respect of the Wellington Global Impact Fund and 0.63% in respect of the Wellington Global Impact Bond Fund.

## **16. SOFT DOLLAR COMMISSIONS/ ARRANGEMENTS**

**16.1** In their management of the Fund, the Managers currently do not receive or enter into any soft dollar commissions or arrangements.

**16.2** In the selection of broker-dealers and other counterparties and in the execution of transactions in portfolio securities for the Underlying Funds, the Underlying Fund Investment Manager seeks 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 Underlying Fund Investment Manager. Subject always to the requirement of most favourable price, best execution and applicable laws, the Underlying Fund Investment Manager may pay a higher commission than might be otherwise available in consideration of such brokerage and research services which assist the Underlying Fund Investment Manager in providing investment services to Wellington Management Funds (Ireland) Plc, provided that the Underlying Fund 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 Underlying Fund Investment Manager's services to the Underlying Funds or to its other clients. Disclosure of the fact that soft commissions have been paid in respect of the Underlying Funds will be set forth in Wellington Management Funds (Ireland) Plc's semi-annual and annual accounts.

## **17. CONFLICTS OF INTEREST**

**17.1** The Managers are part of a financial group, and the Managers and their affiliates provide the full suite of financial services to clients, and act simultaneously for a number and range of clients with various interests, requirements and positions.

**17.2** Other than the Fund, the Managers are also the managers of other collective investment schemes including but not limited to:

- (a) Nikko AM Shenton Japan Fund
- (b) Nikko AM Shenton Thrift Fund
- (c) Nikko AM Shenton Income Fund
- (d) Nikko AM Shenton Asia Pacific Fund
- (e) Nikko AM Global Green Bond Fund
- (f) Nikko AM Shenton Emerging Enterprise Discovery Fund

- (g) Nikko AM Shenton Global Opportunities Fund
- (h) Nikko AM Shenton Horizon Investment Funds
- (i) Nikko AM Shenton Eight Portfolios
- (j) Nikko AM Asia Investment Funds
- (k) Nikko AM Shenton Short Term Bond Funds
- (l) ABF Singapore Bond Index Fund
- (m) The Solidarity Fund
- (n) Nikko AM Singapore STI ETF
- (o) Nikko AM Japan Dividend Equity Fund
- (p) Nikko AM Asia High Yield Bond Fund
- (q) MSIG Asian Bond Fund
- (r) Nikko AM Global Multi Asset Conservative Fund
- (s) Nikko AM Asia Healthcare Fund
- (t) Nikko AM China Onshore Fund Series
- (u) Nikko AM ASEAN Equity Fund
- (v) Nikko AM All China Equity Fund
- (w) NikkoAM-StraitsTrading Asia ex Japan REIT ETF
- (x) Nikko AM Asia Limited Investment Fund Series
- (y) Nikko AM SGD Investment Grade Corporate Bond ETF
- (z) NikkoAM-ICBCSG China Bond ETF
- (aa) Nikko AM Dynamic Bond Fund

**17.3** The Managers may from time to time have to deal with competing or conflicting interests arising from such other funds managed by the Managers. For example, the Managers may make a purchase or sale decision on behalf of some or all of the other funds managed by the Managers without making the same decision on behalf of the Fund, as a decision whether or not to make the same investment or sale for the Fund depends on factors such as the cash availability and portfolio balance of the Fund. However, the Managers will use their reasonable endeavours at all times to act fairly and in the interests of the Fund. In particular, after taking into account the availability of cash and the relevant investment guidelines of the other funds managed by the Managers and the Fund, the Managers will endeavour to ensure that securities bought and sold will be allocated proportionately as far as possible among the other funds managed by the Managers and the Fund. The Managers may also transact on the Fund's behalf with its affiliates. The Managers intend to deal with any conflicts of interests in a manner consistent with any applicable guidelines which may be issued from time to time by the Investment Management Association of Singapore. In respect of voting rights where the Managers may face a conflict between its own interest and that of the Holders of the Fund, the Managers shall cause such voting rights to be exercised in consultation with the Trustee.

**17.4** The Managers are of the view that they are not in a position of conflict in managing their other funds as these funds and the Fund have different investment universes and investment restrictions. To the extent that there are overlapping investment objectives, the Managers will, as far as practicable, endeavour to have the same securities holdings for such overlapping areas with such securities allocated on a pro-rata basis among the relevant funds. The Managers will conduct all transactions with or for the Fund at arm's length. Subject to the investment guidelines of the Fund, the Fund may also invest in other funds managed by the Managers and/or its affiliates.



- 17.5** The Trustee is presently also offering registrar services to the Fund while the Custodian (which is a party related to the Trustee) is presently also providing fund administration and valuation services to the Fund. These services are provided on an arm's length basis and the fees for these services are permitted to be paid out of the Deposited Property under the provisions of the Deed.
- 17.6** The Managers and the Trustee will conduct all transactions with or for the Fund on an arm's length basis.
- 17.7** The Managers or their affiliates (together the "**Parties**") are or may be involved in other financial, investment and professional activities (including but not limited to providing discretionary investment management or investment advisory services to other clients) which may on occasion cause conflicts of interest with the management of the Fund. Notwithstanding paragraph 17.4 above, the Parties will be free, in their absolute discretion, to make recommendations to others, or effect transactions on behalf of themselves or for others which may be the same as or different from those effected for the Fund, and to do so prior to, at the same time as, or after effecting such transactions. The Parties shall not be obliged to purchase, retain or sell for the Fund any security which the Parties may purchase, retain or sell on behalf of themselves or for others, or which the Parties may recommend to others to purchase, retain or sell. Furthermore, the Parties shall be free to purchase, sell, deal in or compete for the same financial instruments as the Fund or to take positions opposite to the positions of the Fund, on behalf of themselves or for others, or to recommend others to take positions opposite to the position of the Fund. Each of the Parties will ensure that the performance of their respective duties will not be impaired by any such involvement. If a conflict of interest does arise, the Parties will endeavour to ensure that it is resolved fairly and in the interest of the Holders.
- 17.8** Associates of the Trustee (the "**Trustee's Associates**") may be engaged to provide financial, banking and brokerage services to the Fund. Such services where provided, will be on an arm's length basis and the Trustee's Associates shall not be liable to account to any person for any profits or benefits made or derived by them in connection with any such services. If there is a conflict of interest, the Trustee will endeavour to resolve such conflict quickly and in the interest of the Holders in an equitable manner.
- 17.9** The Managers or the Trustee may acquire, own, hold, dispose or otherwise deal with Units as though they were not a party to the Deed. If any conflict of interest arises as a result of such dealing, the Managers and the Trustee, following consultation with the other, will resolve such conflict in a just and equitable manner as they shall deem fit. Such dealings, where entered into, will be on an arm's length basis.

## **18. REPORTS**

- 18.1** The financial year-end for the Fund is 30 June. Holders may obtain electronic copies of the annual accounts of the Fund, reports of the auditors on the annual accounts of the Fund and the annual reports of the Fund for the relevant financial year (collectively, the "**Reports**") from the Managers' website at [www.nikkoam.com.sg](http://www.nikkoam.com.sg). The Reports will be made available on the Managers' website within three (3) months of the financial year-end of the Fund and will remain on the Managers' website for at least 12 months from the date of posting on the Managers' website. Printed copies of the Reports are not sent to Holders. However, Holders who would like to receive printed copies of the Reports may submit the relevant request to the Managers or the relevant distributor.
- 18.2** Holders may obtain electronic copies of the semi-annual report and semi-annual accounts of the Fund (collectively, the "**Semi-Annual Reports**") from the Managers' website at [www.nikkoam.com.sg](http://www.nikkoam.com.sg). The Semi-Annual Reports will be made available on the Managers' website within two (2) months of the end of the period covered by the relevant report and accounts and will remain on the Managers' website for at least 12 months from the date of posting on the Managers' website. Printed copies of the Semi-Annual Reports are not sent to Holders. However, Holders who would like to receive printed copies of the Semi-Annual Reports may submit the relevant request to the Managers or the relevant distributor.

## **19. QUERIES AND COMPLAINTS**

You should contact the distributor from whom you purchased your Units if you have any queries regarding your investment in the Fund. You may also contact the Managers at 1800 535 8025.

## **20. OTHER MATERIAL INFORMATION**

- 20.1** You should note that upon the Fund being terminated in accordance with the Deed, and unless a Holder of Units redeems or exchanges his/her Units in accordance with the provisions of the Deed prior to the effective date of the termination of the Fund (or such other date as the Managers and the Trustee may deem appropriate), the Managers may at their discretion (in consultation with the Trustee) automatically exchange

such Holder's Units to units/shares of any collective investment scheme that is authorised pursuant to section 286 of the SFA or recognised pursuant to section 287 of the SFA and that is managed by the Managers or any other entity in the Nikko AM group (the "**New Scheme**"), whether such New Scheme is constituted in Singapore or elsewhere and whether the units/shares of such New Scheme are denominated in the same currency as the currency of denomination of the Units being automatically exchanged or otherwise. The Holders shall not be liable for any Initial Sales Charge, Exchange Fee, Realisation Charge or other fees, charges or expenses (whether incurred by the Managers or otherwise) pursuant to such automatic exchange. Please refer to the Deed for more information.

**20.2** You should refer to the Deed before investing in the Fund. The Deed is a legal document which sets out the rights, responsibilities and obligations of the Managers, Trustee and Holders. You may wish to inspect a copy of the Deed at the business address of the Managers indicated in paragraph 1.3 above. If you have any doubt regarding the contents of this Prospectus, you should contact the Managers at the telephone number provided in paragraph 19 above, or consult your solicitor, financial adviser or other professional adviser.

**20.3** The Fund currently does not intend to carry out securities lending or repurchase transactions but may in the future do so, in accordance with the applicable provisions of the Code and the Deed. The Underlying Funds may enter into securities lending and repurchase agreements within the meaning of Regulation (EU/2015/2365) on transparency of securities financing transactions and of reuse.

#### **20.4** Valuation

**20.4.1** Save as otherwise expressly provided in the Deed, and subject always to the requirements of the Code, for the purpose of determining the Value of any Deposited Property or any part thereof or any Investment (as defined in the Deed) comprised or to be comprised therein by the Managers or other agents on behalf of the Managers:-

- (a) the Value shall be determined as at each Valuation Point in respect of the relevant Dealing Day;
- (b) the Value of any Unquoted Investment (as defined in the Deed) shall be the initial value thereof ascertained as hereinafter provided or the value thereof as assessed on the latest revaluation thereof made in accordance with the following provisions:-
  - (i) the initial value of such Unquoted Investment shall be the amount expended out of the Deposited Property in the acquisition thereof (including in each case the amount of the stamp duties, commissions and other expenses incurred in the acquisition thereof and the vesting thereof in the Trustee for the purposes of the Fund); and
  - (ii) the Managers may at any time with the approval of the Trustee and shall at such times or at such intervals as the Trustee may request cause a revaluation to be made of any Unquoted Investment by an Approved Valuer (as defined in the Deed) approved by the Trustee as qualified to value such Unquoted Investment;
- (c) the Value of any Quoted Investment (as defined in the Deed) shall be calculated, as the case may be, by reference to the price appearing to the Managers to be the official closing price, the last known transacted price or the last transacted price or if there is no such official closing price, last known transacted price or last transacted price and if bid and offer quotations are made or other appropriate closing prices determined by the Managers in consultation with the Trustee in relation to that Investment;
- (d) cash, deposits and similar property shall be valued (by an Approved Valuer) at their face value (together with accrued interest) unless in the opinion of the Managers (after consultation with the Trustee), any adjustment should be made;
- (e) units in any unit trust or shares or participations in open-ended mutual funds shall be valued at the latest available NAV per unit or share or participation as valued by the issuer thereof;
- (f) futures contracts shall be valued:-
  - (i) in the case of a futures contract for the sale of the subject matter thereof, the amount equal to the contract value less the sum of the amount required to close the contract and the amount spent by the Fund to enter into the contract; and

- (ii) in the case of a futures contract for the purchase of the subject matter thereof, the amount equal to the amount required to close the contract less the sum of the contract value and the amount spent by the Fund to enter into the contract;
- (g) gold (to the extent permitted by the Code) shall be valued by reference to the mean of the bid and offered prices in the spot gold market in Singapore at the time of calculation; and
- (h) any other property forming part of the Authorised Investments (as defined in the Deed) shall be valued (by an Approved Valuer) at such time or times as the Managers and the Trustee shall from time to time agree;

PROVIDED THAT if the quotations referred to in sub-paragraphs (c), (e) and (g) above are not available or if the Value of the Authorised Investment determined in the manner described in sub-paragraphs (b) to (h) above, in the opinion of the Managers do not represent a fair value of the Authorised Investment, then the value of such Authorised Investment shall be any fair value as the Managers may determine with due care and in good faith and with the consent of the Trustee and in determining such fair value, the Managers may rely on quotations for the Investment on any Recognised Stock Exchange or telephone market or any certified valuation by an Approved Broker or an Approved Valuer. The method of calculation of the Value of any Investment may be changed to the extent permitted by the Authority and with the Trustee's prior approval, and the Trustee shall determine if the Holders should be informed of such change and the Managers shall notify the Holders of such change if so required by the Trustee.

**20.4.2** The Managers shall not, subject to the provisions of the Code, incur any liability by reason of the fact that a price reasonably believed by them to be the last sale price or other appropriate closing price may be found not to be such Provided That such liability shall not have arisen out of the negligence or wilful acts or omissions of the Managers, and the Trustee shall not assume any liability in accepting the opinion of the Managers in any case.

**20.4.3** In calculating the Value of the Deposited Property or any part thereof:-

- (a) subject to clause 9.6 of the Deed, every Unit agreed to be issued by the Managers before the relevant Valuation Point shall be deemed to be in issue and the Deposited Property shall be deemed to include not only property in the possession of the Trustee but also the value of any cash or other property to be received by the Trustee in respect of Units so agreed to be issued after deducting therefrom or providing thereout the Initial Sales Charge or any fee in connection with the exchange of Units (as the case may be) and the amount of any adjustments authorised by the Deed and (in the case of Units issued against the transfer of Authorised Investments) any amounts payable pursuant to clause 10 of the Deed;
- (b) where Investments have been agreed to be sold or purchased but such sale or purchase has not been completed, such Investments shall be excluded or included and the net sale or gross purchase consideration included or excluded (as the case may require) as if such sale or purchase had been duly completed;
- (c) where in consequence of any notice or request in writing given pursuant to clauses 13 or 14 of the Deed a reduction of the Fund by the cancellation of Units is to be effected but such reduction has not been completed those Units shall be deemed not to be in issue and any amount payable in cash and the Value of any Investments to be transferred out of the Deposited Property pursuant to such reduction shall be deducted from the Value of the Deposited Property;
- (d) there shall be deducted any amounts not provided for above which are payable out of the Deposited Property pursuant to clause 5 of the Deed, including but not limited to, the aggregate amount for the time being outstanding of any borrowings effected pursuant to clause 21 of the Deed together with the amount of any interest and expenses thereon accrued pursuant to clause 21.5 of the Deed remaining unpaid and the amount of any Management Fee (which shall be deducted in accordance with paragraph 20.4.4 below if the Management Fee differs between the Classes) accrued pursuant to clause 35 of the Deed, any fees payable to the Trustee accrued pursuant to clause 36 of the Deed, the Realisation Charge (if any), the registrar's agent's fees, the securities transactions fee, the inception fee of the Trustee and any other expenses accrued but remaining unpaid attributable to the Deposited Property;

- (e) there shall be adjusted such amount as the Managers estimate will become payable or recoverable in respect of taxation related to Income (as defined in the Deed) up to the Valuation Point;
- (f) where the current price of an Investment is quoted “ex” any dividend (including stock dividend), interest or other rights to which the Fund is entitled but such dividend, interest, property or cash to which such rights relates has not been received and is not otherwise taken into account, the amount of such dividend, interest, property or cash shall be included;
- (g) an amount equal to the expenses incurred by the Managers and the Trustee in establishing and terminating the Fund and/or any Class and referred to in clauses 5.6(r) and 5.6(s) of the Deed less the amount thereof which has previously been or is then to be written off shall be included;
- (h) subject to clause 21 of the Deed and the Authorised Funds Investment Guidelines (as defined in the Deed), any Value (whether of an Investment or cash) otherwise than in USD and any amounts to be deducted otherwise than in USD shall be translated into USD at the rate (whether official or otherwise) which the Managers, after consulting the Trustee or in accordance with a method approved by the Trustee, deem appropriate in all the circumstances having regard, *inter alia*, to any premium or discount which may be relevant and to the costs of exchange;
- (i) there shall be deducted the amount in respect of tax, if any, on net capital gains realised during a current Accounting Period (as defined in the Deed) prior to the valuation being made as in the estimate of the Managers will become payable which is attributable to the Fund; and
- (j) there shall be added the amount of tax, if any, on capital gains estimated to be recoverable and not received which is attributable to the Fund.

**20.4.4** In respect of paragraph 20.4.3 above, the Value of the proportion of the Deposited Property attributable to each Class shall be calculated by apportioning the Value of the Deposited Property (obtained in accordance with paragraphs 20.4.1 and 20.4.3 above provided that no deduction or addition shall be made in respect of expenses, charges or other amounts which are not common to all the Classes) between the Classes and then deducting from or adding to the value of the proportion of the Deposited Property for each Class any expense, charge or other amount attributable to such Class (including, but not limited to, the Management Fee if it differs between the Classes). For the avoidance of doubt, where any expense, charge or amount payable out of or payable into the Deposited Property pursuant to the Deed is attributable only to a particular Class, such amount shall only be deducted from or added to the value of the Deposited Property which is attributable to that Class and shall not affect the calculation of the Value of the Deposited Property attributable to the other Classes.

## **20.5** Valuation policy and performance measurement standards of the Managers

Valuations shall be done on every Dealing Day. There will not be a suspension of valuation by reason of an exchange holiday. In such cases, the last available security prices shall continue to be applied for valuation purposes.

Notwithstanding the foregoing, the Managers’ pricing committee will subject to the provisions of the Code and the conditions set out in paragraph 14 of this Prospectus retain the discretion to suspend valuation if deemed necessary. The Managers’ pricing committee is responsible for considering and arriving at a consensus decision to address any pricing disputes or valuation methodology that requires ad hoc decision due to market situation. Subject to the provisions of the Code, the Managers may request for approval to suspend the valuation and dealing of the Fund if the fair value of a material portion of the Fund’s assets cannot be determined.

The Managers collate and maintain portfolio and series data in the performance systems on a periodic basis and generate performance results to meet reporting requirements. Time-weighted rate of return (TWRR) methodology is adopted for portfolio returns calculation.

## **20.6** Hard-to-value or illiquid assets

If the most recent available price for a security invested into by the Fund exceeds one month for reasons of non-availability of prices from regular market sources and/or counterparties, an appropriate liquidity reserve

shall be applied on the last available price in accordance with the Managers' pricing and valuation policy. The adjusted price shall be approved by the Managers' pricing committee prior to application.

## **20.7** Compulsory realisation of Units

**20.7.1** The Managers have the right (in consultation with the Trustee) to compulsorily realise any holdings of Units in the Fund held by:

- (a) any Holder:
  - (i) whose subscription for or holding of Units, in the opinion of the Managers, is or may be in breach of any applicable law or regulation in any jurisdiction; or
  - (ii) where such realisation is, in the opinion of the Managers, necessary or desirable for the compliance by the Managers or the Fund with any applicable law or regulation in any jurisdiction (including any regulatory exemption conditions); or
- (b) any Holder whose holdings of Units, in the opinion of the Managers:
  - (i) may cause the Fund to lose its authorised or registered status with any regulatory authority in any jurisdiction; or
  - (ii) may cause the offer of the Units of the Fund, the Fund, this Prospectus, the Deed, the Managers or the Trustee to become subject to any authorisation, recognition, approval or registration requirements under any law or regulation in any other jurisdiction; or
- (c) any Holder whose holdings of Units, in the opinion of the Managers:
  - (i) may cause a detrimental effect on the tax status of the Fund in any jurisdiction or on the tax status of the Holders of the Fund; or
  - (ii) may result in the Fund or other Holders of the Fund suffering any other legal or pecuniary or administrative disadvantage which the Fund or the Holders might otherwise not have incurred or suffered; or
- (d) any Holder who fails any anti-money laundering, anti-terrorist financing or know-your-client checks, or where any information and/or documentary evidence requested by the Managers and/or the Trustee for the purposes of any anti-money laundering, anti-terrorist financing or know-your-client checks cannot be obtained from the Holder, or the Holder has failed to provide the same, in a timely manner; or
- (e) any Holder, where information (including but not limited to information regarding tax status, identity or residency), self-certifications or documents as may be requested by the Managers and/or the Trustee pursuant to any laws, regulations, guidelines, directives or contractual obligations with other jurisdictions' authorities (including, without limitation, the FATCA (as defined in the Important Information section of this Prospectus) and/or any Singapore laws, regulations, guidelines and directives implemented as part of any inter-governmental agreement entered into between the United States and Singapore in connection with the FATCA) cannot be obtained from the Holder, or the Holder has failed to provide the same, in a timely manner; or
- (f) any Holder who does not consent, or withdraws his consent, for the Managers or the Trustee to collect, use and/or disclose information or data relating to the Holder, where such information or data is necessary for, or reasonably required by, the Managers, the Trustee, their respective related corporations and/or other service providers to perform their respective services and/or duties to or in respect of (i) the Fund and/or (ii) the Holder in relation to his holdings of Units in the Fund.

**20.7.2** If the Managers and/or the Trustee are required to account to any duly empowered fiscal authority of Singapore or elsewhere for any income or other taxes, charges or assessments whatsoever on the value of any Units held by a Holder, the Managers (in consultation with the Trustee) shall be entitled to compulsorily realise such number of Units held by that Holder as may be necessary to discharge the liability arising. The Managers and/or the Trustee (as the case may be) shall be entitled to apply the proceeds of such realisation in payment, reimbursement and/or set-off against the liability.



**20.7.3** Any compulsory realisation under paragraphs 20.7.1 or 20.7.2 may be carried out by the Managers on any Dealing Day after giving prior written notice to the relevant Holder, and shall be carried out in accordance with, and at the Realisation Price determined under, the relevant provisions of the Deed.

**20.7.4** The Managers, the Trustee and their respective delegates, agents or Associates (as defined in the Deed) shall not be liable for any loss (whether direct or consequential and including, without limitation, loss of profit or interest) or damage suffered by any Holder or any party arising out of or caused in whole or in part by any actions which are taken by the Managers, the Trustee and/or any of their respective delegates, agents or Associates under paragraphs 20.7.1, 20.7.2 or 20.7.3.

## **20.8** Liquidity risk management

The Managers have established liquidity risk management policies which enable the Managers to identify, monitor, and manage the liquidity risk of the Fund. Such policies, combined with the liquidity management tools available, seek to achieve fair treatment of Holders, and safeguard the interests of remaining Holders against the redemption behaviour of other investors and mitigate against systemic risk.

The Managers' liquidity risk management policies take into account the Fund's liquidity terms, asset class, liquidity tools and regulatory requirements.

The liquidity risk management tools available to manage liquidity risk include the following:

- (a) subject to the provisions of the Deed, the Trustee shall at any time as the Managers may from time to time request, make and vary arrangements for the borrowing for the account of the Fund provided that the investment guidelines and limits on borrowings in the Authorised Funds Investment Guidelines (as defined in the Deed) and (if applicable) the CPF Investment Guidelines (as defined in the Deed), are complied with;
- (b) subject to the provisions of the Code, the Managers may, with the approval of the Trustee, suspend the realisation of Units of the Fund or any Class in accordance with paragraph 14 of this Prospectus. During any such suspension period for the Fund or the relevant Class, Holders of the Fund or Class may not be able to realise their Units or payment for any Unit of the Fund or the relevant Class realised before the commencement of such suspension but for which payment has not been made before the commencement of the suspension may, if the Managers and the Trustee so agree, be deferred until immediately after the end of such suspension; and
- (c) The Managers may, with the approval of the Trustee, limit the total number of Units of the Fund or any Class which Holders may realise on any Dealing Day to 10% of the total number of Units of the Fund or Class then in issue, such limitation to be applied proportionately to all Holders of the Fund or Class who have validly requested realisations in relation to their Units of the Fund or Class on such Dealing Day. In such circumstances, the realisation of your Units may be delayed or the amount of the realisation proceeds that Holders will receive for their Units (upon application of Swing Pricing as described in paragraph 20.10 of this Prospectus) will be affected.

## **20.9** Change in Investment Policy

The Managers in their discretion may from time to time with the prior written approval of the Trustee and upon giving not less than one month's (or such other period as may be agreed between the Managers and the Trustee) prior written notice to the Holders change the investment policy of the Fund from investing as a Feeder Fund in the Underlying Funds to investing substantially all of the relevant Deposited Property in such other underlying entity or underlying entities as the Managers may determine, provided that the investment objective of the Fund remains substantially the same. The circumstances under which such investment policy may be changed include, without limitation, the liquidation, termination, dissolution, amalgamation, merger, consolidation or reconstruction of the Underlying Funds or where the Managers having identified another underlying entity or underlying entities that more appropriately fit the investment objective of the Fund. Where any change in the investment policy of the Fund goes beyond investing in such other underlying entity or underlying entities having substantially the same investment objective as the Fund, such change will be subject to the prior approval from the relevant authorities (if required) and the approval of the Holders by Extraordinary Resolution (as defined in the Deed). The Managers may in their discretion (with the prior written approval of the Trustee and upon giving not less than one month's (or such other period as may be agreed between the between the Managers and the Trustee) prior written notice to the Holders) change the investment policy of the Fund from investing as a Feeder Fund investing

in the Underlying Funds to investing directly in investments so long as the investment objective of the Fund remains substantially the same.

## 20.10 Swing Pricing

The Fund is single priced and the NAV of the Fund may fall as a result of, amongst others, the transaction costs (such as broker commissions, custody transaction costs, stamp duties or sales taxes) incurred in the purchase and/or sale of its Authorised Investments caused by subscriptions, realisations, switches and/or exchanges of Units in the Fund and the spread between the buying and selling prices of such Authorised Investments. This effect is known as “dilution”.

To protect the interest of Holders, the Managers shall, in consultation with the Trustee, have the discretion to apply a technique known as “dilution adjustment” or “swing pricing” (“**Swing Pricing**”) in certain circumstances which the Managers deem appropriate. Swing Pricing involves making upwards or downwards adjustments in the calculation of the NAV per Unit of the Fund or Class on a particular Dealing Day so that such transaction costs and dealing spreads in respect of the Authorised Investments are, as far as practicable, passed on to the investors who are subscribing, realising, switching and/or exchanging Units on that Dealing Day.

Typically, the NAV is adjusted if the net subscription or realisation (including switches and/or exchanges) on a particular Dealing Day reaches or exceeds a certain percentage (the “**Swing Threshold**”) of the size of the Fund as of such relevant Dealing Day. The NAV will swing upwards for a net subscription and downwards for a net realisation. In relation to the application of Swing Pricing to Classes of Units in the Fund, the NAV of each Class will be calculated separately but any adjustment will, in percentage terms, affect the NAV of each Class in an equal manner.

The need to apply Swing Pricing will depend upon various factors, including but not limited to (i) the amount of subscriptions and/or realisations (including switches and/or exchanges) of Units on that Dealing Day, (ii) the impact of any transaction costs incurred in the purchase and/or sale of Authorised Investments of the Fund, (iii) the spread between the buying and selling prices of Authorised Investments of the Fund and (iv) market conditions such as situations of financial turmoil provided that, any adjustments made by the Managers shall be on a fair and equitable basis and with a view to protecting the interests of Holders.

Please note that applying Swing Pricing when the Swing Threshold is reached or exceeded, only reduces the effect of dilution and does not eliminate it entirely. Where the net subscription or realisation is below the Swing Threshold, no Swing Pricing will be applied and dilution will not be reduced.

The swing pricing policy for the Fund will be subject to regular review and may change from time to time. Accordingly, you should note that our decision to apply Swing Pricing and the level of adjustment made to the NAV per unit of the Fund in particular circumstances may not result in the same decision in similar circumstances arising in the future.

Holders and potential investors into the Fund should also take note of the following:

- (a) the Fund’s performance will be calculated based on the NAV of the Fund after the Swing Pricing adjustment has been applied and therefore the returns of the Fund may be influenced by the level of subscription and/or realisation activity;
- (b) Swing Pricing could increase the variability of the returns of the Fund since the returns are calculated based on the adjusted NAV per Unit; and
- (c) the fees and charges applicable to the Fund (including fees based on the NAV of the Fund) will be based on the NAV before the Swing Pricing adjustment is applied.

In the usual course of business, to minimise the impact to the variability of the return of the Fund, the application of Swing Pricing will be triggered mechanically and on a consistent basis and applied only when the net transaction reaches or exceeds the Swing Threshold.

The Swing Threshold will be set with the objective of protecting the Holders’ interest while minimising impact to the variability of the Fund’s return by ensuring that the NAV per Unit is not adjusted where the dilution impact on the Fund is, in the opinion of the Managers, not significant, and may be varied by the Managers in its discretion.

The amount of adjustment at any future point in time may vary depending on inter alia market conditions, but will under normal circumstances not exceed 2% of the NAV per Unit of the Fund or Class on the relevant Dealing Day (the “**Maximum Adjustment**”). The Managers reserve the right to apply an adjustment of an amount not exceeding the Maximum Adjustment on the relevant Dealing Day where it deems appropriate and has the discretion to vary the amount of adjustment up to the Maximum Adjustment, in consultation with the Trustee, from time to time without giving notice to the relevant Holders.

Subject to the Deed and the applicable laws and regulations, the Managers may, in exceptional circumstances (including but not limited to volatile market conditions, market turmoil and illiquidity in the market, extraordinary market circumstances or significant unexpected changes in general market conditions) and in consultation with the Trustee temporarily apply an adjustment beyond the Maximum Adjustment on the relevant Dealing Day if, in its opinion, it is in the best interest of investors to do so. In such cases, if so required by the Authority and/or the Trustee, the Managers shall give notice to the relevant investors as soon as practicable in such manner as the Managers and Trustee may agree.

#### **20.11** Taxation of the Fund

The Managers intend to apply to the Authority for the Fund to be approved under the Enhanced-Tier Fund Tax Incentive Scheme (the “**ETF Scheme**”) pursuant to Section 13X of the Income Tax Act, Chapter 134 of Singapore. Subject to obtaining the Authority’s approval and complying with certain conditions, as a fund approved under the ETF Scheme, the Fund will enjoy tax exemption on Specified Income (as defined in the Income Tax (Exemption of Income of Prescribed Persons Arising from Funds Managed by Fund Manager in Singapore) Regulations 2010 (the “**Regulations**”)) derived by the Fund from Designated Investments (as defined in the Regulations). The list of Designated Investments and Specified Income is updated from time to time by the Authority.

As a fund approved under the ETF Scheme, distributions made by the Fund out of tax-exempt income should also be exempt from Singapore income tax in the hands of the Holders.

The Managers will endeavour to conduct the affairs of the Fund in such a way that it will satisfy the qualifying conditions for the ETF Scheme. Notwithstanding the foregoing, there is no assurance that the Managers will, on an on-going basis, be able to ensure that the Fund will always satisfy all the qualifying conditions for the ETF Scheme. Upon any such disqualification, the Fund will be exposed to Singapore tax on its income and gains, wholly or partially as the case may be, at the prevailing corporate tax rate. Nonetheless, the Fund may still enjoy the tax exemption under the ETF Scheme in any subsequent period if it is able to satisfy the requisite qualifying conditions in such subsequent period.



**NIKKO ASSET MANAGEMENT ASIA LIMITED**  
**BOARD OF DIRECTORS**

Signed:

Signed:

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Seet Oon Hui Eleanor  
Director

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Kiyotaka Ryu  
Director  
(signed by Seet Oon Hui Eleanor for and on behalf of  
Kiyotaka Ryu)

Signed:

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Hiroki Tsujimura  
Director  
(Signed by Seet Oon Hui Eleanor for and on behalf of  
Hiroki Tsujimura)

**Prospectus of Nikko AM Impact Investing Multi Asset Fund**

