

PRESS RELEASE

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NIKKO ASSET MANAGEMENT CO., LTD.

Nikko AM Wins Five Awards from The Asset

ESG Fund Manager of the Year – Japan

Equity Fund Manager of the Year – Asia

Best ETF Provider – Asia, Best ETF Provider – Japan, Best ETF Provider – Singapore

Nikko Asset Management Co., Ltd. (Nikko AM) was chosen as the winner in five categories of The Asset Triple A Sustainable Investing Awards for Institutional Investor, ETF, and Asset Servicing Providers 2024, including ESG Fund Manager of the Year – Japan, Equity Fund Manager of the Year – Asia, as well as Best ETF Provider – Asia, Best ETF Provider – Japan and Best ETF Provider – Singapore. The Asset, an influential industry publication about the asset management industry in Asia, selected the winners for each category looking at the period of 1 January to 31 December 2023 across all Asia-Pacific markets, including the Middle East.

This was the first time The Asset chose Nikko AM as ESG Fund Manager of the Year – Japan. The award went to Masayuki Teraguchi, Head of Investment Technology Fund Management Department and his team for Japanese Equity Human Capital Empowerment Strategy^{1,2}. The award recognises “fund managers who lead the industry in ESG using investment strategies and methodologies to produce products and solutions that will service the ESG requirements of their investor clients.”

Teraguchi commented, “The strategy supports companies that sustainably increase shareholder value through effective and proactive investment in people, supporting economic growth cycles. In addition, we aim to contribute to investors through superior performance while elucidating the link between sustainability and shareholder value. We are delighted that these points are becoming more deeply understood.”

For Equity Fund Manager of the Year – Asia, The Asset chose Nikko AM Asia ex-Japan Equity Senior Portfolio Manager Grace Yan for her excellent and consistent performance in managing Nikko AM Asian Small Mid Equity Fund¹. When making its decision for this category, The Asset chose fund managers who have consistently generated outperformance not only during the award period but over the past five years.

Yan remarked, “I am honoured to receive this award from The Asset. In Asia ex-Japan, there is a plethora of undervalued small and mid-cap companies, with limited sell-side coverage. This presents an opportunity for active managers, like us, who dedicate time to uncovering these hidden gems.”

For the exchange traded fund (ETF) awards, The Asset looked at the scope of candidates’ ETF business, flagship and other ETFs and supporting services, leadership, ETF and business performance, partnerships, client engagement and

¹ The strategy is not available as a UCITS fund.

² The fund is not authorised by the Securities and Futures Commission and is not available to retail investors in Hong Kong.

other new initiatives. Nikko AM was chosen as Best ETF Provider in three categories: Japan, Singapore and Asia, demonstrating the firm's definitive regional prominence and consistent quality across multiple markets in Asia.

Nikko AM won Best ETF Provider - Japan for a fifth consecutive year, managing 36 ETFs and holding a 19.62% share of all ETFs on the Tokyo Stock Exchange (TSE) as of 31 December 2023. During the award period, the Japan ETF Team listed three new ETFs, including the first^{1,2} in its new series called "Listed Tracers", which "trace" or follow rules-based investing with a low-cost, non-active approach. The team also listed two ETFs^{1,2} tracking the S&P500 index: one ETF leveraged two times, and the other is inverse. With the changes to Japan's NISA (individual investing tax savings scheme), the team arranged so that 31 of the ETFs are eligible for Japan's NISA Growth Investment Quota, and four are eligible for the Tsumitate (Instalment) Allocation Quota.

Nikko AM was awarded Best ETF Provider - Singapore for the third year in a row, managing eight ETFs and growing its ETF assets under management to reach the #1 position on the SGX (based on ETF market capitalisation) as of August 2023. The firm's Singapore flagship ETF surpassed the SGD1 billion milestone.

This was the first time Nikko AM was named Best ETF Provider – Asia. During the award period, the firm carried out cross-border collaborations, developed innovative products and contributed to growing Nikko AM's ETF business and boosting awareness of ETFs in general.

Senior Corporate Officer and Global Head of Products & Solutions Hiroshi Yokoyama added, "I would like to congratulate all of our ETF colleagues for their international teamwork, such as support of brokers and promoting our ETFs at conferences in Tokyo, Singapore, Hong Kong and even Thailand. These achievements reflect our identity as a global asset manager built on Asian DNA".

For the background and decision-making process of the awards please visit the award website. <https://www.theasset.com/awards-single/asset-servicing-investor-fund-management>

Past performance of the managers or funds is not necessarily indicative of its future performance.

– ENDS –

Invested principal is not guaranteed, and the investor may incur a loss when the market transaction price or the fund's base value (NAV) fall below the invested principal amount. All gains and losses stemming from management of the fund are attributed to the investor (beneficiary). This fund is different from bank deposits.

Different investment trusts invest in different asset classes, markets, and countries, and contain different investment restrictions, so the details of their risks differ accordingly.

Outline of Fees, etc.

Investors must bear the following expenses:

Fee charged directly at the time of purchase and redemption

Purchase Application Fees:	Up to 3.85% (3.5% before tax)
Redemption fee:	Up to 1.1% (1.0% before tax)
Amount Retained in Trust Assets:	Up to 0.6%

Fees and expenses charged indirectly through the trust assets (i.e. paid by the Fund)

Trust Fees:	Up to 2.339% (2.24% before tax) Some funds charge a performance fee based on investment performance, etc.
Other Expenses:	Brokerage commission with respect to securities held in the portfolio, audit fees, interest on borrowing and advances, fees related to securities lending, etc.

* The rate or maximum amounts applicable to other fees and expenses cannot be disclosed in advance because the actual amount will vary depending on the state of the assets managed.

* The total amount of fees above will vary depending on the length of investment period and other factors. Therefore, we cannot give a specific total.

* For more detail, please refer to the investment trust explanatory document (prospectus distributed in advance of purchase).

Disclaimer

- Fees, etc. listed are the highest rates among those charged to the investment trusts managed by Nikko Asset Management (as of the day this content was created).
- The risk information and fees, etc. disclosed above are those typical for a general investment trust. Actual fees will vary for each specific investment trust. For more detail, please refer to the investment trust explanatory document (prospectus distributed in advance of purchase).

Other matters to consider

- These materials were prepared for the purpose of providing information on investment trusts offered by Nikko AM.
- Unlike bank deposits or insurance policies, investment trusts are not protected by the Deposit Insurance Corporation or the Insurance Policyholders Protection Corporations. Nor are investment trusts protected by the Investor Protection Funds when purchased at banks or other registered financial institutions.
- Any profit or loss derived from management of investment trusts belongs to all the beneficiaries. When purchasing to investment trusts, the distributor will provide you with an investment trust explanatory document (or prospectus distributed in advance of application) beforehand, so please be sure to verify the details and make your own decision whether or not to invest.

Important Information on Investment Advisory Agreements and Discretionary Investment Agreements

The investments effected under discretionary investment agreements and advice rendered under investment advisory agreements covers primarily equities, bonds and/or other securities whose price fluctuates (subject also to exchange-rate fluctuation risk if denominated in foreign currencies). Accordingly, the estimated value of client assets under management fluctuates and may fall below the principal investment.

The main risks pertaining to investment advisory agreements and discretionary investment agreements are 1) price fluctuation risk, 2) liquidity risk, 3) credit risk, 4) exchange-rate fluctuation risk, 5) country risk, 6) derivative risk, 7) risk unique to alternative strategies.

Information on Fees and Charges Payable by Clients

- **Investment Advisory and Other Service Fees:** In consideration of the investment advisory agreement or discretionary investment agreement, the maximum investment advisory fee chargeable will be set by multiplying the outstanding balance of invested assets (an initial investment amount of at least 500 million yen is required) by 3.3% (3.0% net of tax) per annum, depending on the contract period. Certain agreements may include conditions charging a performance fee in addition to the fixed service fee.
- **Other Expenses:** Other expenses that may be incurred include brokerage commissions on securities included in portfolios.

If investment trusts are included under a discretionary investment agreement, the following expenses may be incurred: trust fees charged to administer the investment trust, an exit charge, service fees upon subscription and redemption, brokerage commissions on transactions in portfolio securities, securities custody fees, administrative expenses, audit expenses, fund establishment related expenses, interest on loan borrowings, stock borrowing expenses, etc.

Important Information to Note

- As the performance fee and Other Expenses will change depending on the investment strategies and/or investment status, the rates or maximum amounts applicable thereto cannot be indicated in advance.
- The risks, fees and charges described above vary according to the details of specific agreements and other factors. Before entering into an agreement, please read the delivered prospectus carefully.

About Nikko Asset Management

With US\$228.6 billion* under management, Nikko Asset Management is one of Asia's largest asset managers, providing high-conviction, active fund management across a range of equity, fixed income, multi-asset and alternative strategies. In addition, its complementary range of passive strategies covers more than 20 indices and includes some of Asia's leading exchange-traded funds (ETFs).

Headquartered in Asia since 1959, Nikko Asset Management and its subsidiaries employ personnel representing around 30 nationalities, including approximately 200 investment professionals**. The firm has a presence through subsidiaries or affiliates in a total of 11 countries and regions. More than 400 banks, brokers, financial advisors and life insurance companies around the world distribute the firm's products.

The investment teams benefit from a unique global perspective complemented by the firm's historic Asian DNA, striving to deliver consistent excellence in performance. The firm also prides itself on its progressive, solution-driven approach, which has led to many innovative funds launched for its clients.

For more information about Nikko Asset Management and to access its investment insights, please visit the firm's [homepage](#).

* Consolidated assets under management and sub-advisory of Nikko Asset Management and its subsidiaries as of 31 December 2023.

** Including employees of Nikko Asset Management and its subsidiaries as of 31 December 2023.

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