

PRESS RELEASE

7 JULY 2023

NIKKO ASSET MANAGEMENT CO., LTD.

Nikko AM and Osmosis (Holdings) Limited Enter into Agreement for Strategic Partnership

Non-binding agreement outlines Nikko AM's intention to acquire a minority stake in Osmosis, along with distribution rights, including exclusive distribution rights in Asia-Pacific for Osmosis investment products and strategies

Nikko Asset Management Co., Ltd. ("Nikko AM"), a consolidated subsidiary of Sumitomo Mitsui Trust Holdings, Inc. ("SuMiTrust Holdings") together with Osmosis (Holdings) Limited ("Osmosis") hereby announce that they have entered into a non-binding agreement for a strategic partnership, under which Nikko AM group intends to acquire a minority stake in Osmosis and to be given distribution rights for Osmosis investment products and strategies.

Osmosis, founded in 2009 and headquartered in London, is a research-based, quantitative investment manager focused on delivering better risk-adjusted investment returns with better environmental outcomes. Its investment philosophy is based on the view that companies that are more resource efficient are more likely to outperform their peers over the long term. The Osmosis portfolios overweight resource efficient companies and underweight, or short, inefficient companies as identified by the Osmosis Model of Resource Efficiency.

Nikko AM, like Osmosis, believes a positive environmental impact should not come at the cost of portfolio performance. Nikko AM group launched Japan's first SRI fund in 1999, and continues to expand its Global Sustainable Investment Team, with a team hub in Singapore. The firm is also one of the first Asia-based managers to qualify globally as a signatory to the UK Stewardship Code, recognised by many as the highest global standard of stewardship.

1. Outline of Distribution Rights for Osmosis Investment Products and Strategies

Both companies have entered into a non-binding agreement for Nikko AM group to gain the exclusive distribution rights in the Asia-Pacific region (excluding Australia) and non-exclusive distribution rights elsewhere for Osmosis investment products and strategies, including its flagship Osmosis Resource Efficient Core Equity Strategy. The approach targets excess returns through the identification of Resource Efficiency in listed companies. Osmosis defines Resource Efficiency as the carbon emitted, waste generated, and water consumed, relative to value creation. Resource efficient companies are, therefore, those that most efficiently use limited resources to create economic value.

2. Outline of the Investment in Osmosis

Both companies have entered into a non-binding agreement for Nikko AM group to acquire a minority stake in Osmosis.

Regarding the strategic partnership, Osmosis CEO Ben Dear remarked, “Osmosis is excited to formalise this partnership with Nikko AM which is based on a shared vision of the scale of the opportunity, an alignment of values, and a belief that the capital markets have a pivotal role to play in directing capital towards those companies that are leading the transition to a more sustainable planet. Through Nikko AM’s established distribution networks, we look forward to raising awareness of our unique investment approach, which targets better risk-adjusted returns while significantly reducing the ownership of carbon, water, and waste, in the Asia region.”

Nikko AM President Stefanie Drews commented, “We are delighted to be able to enter into partnership with a company of such exceptional credentials in the sustainable investment space. Osmosis is truly unique, with an innovative approach that has proven itself over the years. In addition, Osmosis makes for a strong cultural fit, and therefore a perfect partner with whom we look to grow together.”

Outline of Osmosis Investment Management

Name	Osmosis Investment Management*
CEO	Ben Dear
Establishment	2009
Headquarters	UK (London)
AUM	USD 14 billion**
Employees	35**
Website	https://www.osmosisim.com/

*Osmosis Investment Management is an asset management company wholly owned by Osmosis (Holdings) Limited.

**As of 30 June 2023

Outline of Nikko Asset Management

Name	Nikko Asset Management Co., Ltd.
President	Stefanie Drews
Executive Chairman	Yutaka Nishida
Establishment	1959
Headquarters	Japan (Tokyo)
AUM	USD209.4 billion*
Employees	929
Website	https://en.nikkoam.com/

*As of 31 March 2023

– ENDS –

About Nikko Asset Management

With US\$209.4 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 March 2023.

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

About Osmosis Investment Management

Osmosis launched in 2009 and is majority-owned by management and employees. The company currently manages over \$14bn* in sustainable assets and is headquartered in London, with a growing global presence. Osmosis believes that targeting better risk-adjusted returns and delivering significant environmental impact do not need to be mutually exclusive endeavours. Through its unique Model of Resource Efficiency, the company has demonstrated that sustainability metrics, if quantifiable and objective in nature, can be applied to mainstream equity portfolios to generate alpha.

The Osmosis team of quantitative environmental analysts and portfolio managers is singularly focused on delivering three levels of impact. Better risk-adjusted returns, measurable environmental reductions, and an active engagement programme to promote better corporate environmental disclosure.

Osmosis counts Government Pension Funds, State Pension Funds, Insurance Companies, Foundations, Endowments, Family Offices, and Banks amongst their client roster spanning the UK, Europe, the Nordics, North and South America, Asia, and Australia.

www.osmosisim.com

*Assets under management and advisory as of 30 June 2023.

Important Information

This document is prepared by Nikko Asset Management Co., Ltd. and/or its affiliates (**Nikko AM**) and is for distribution only under such circumstances as may be permitted by applicable laws. This document does not constitute personal investment advice or a personal recommendation and it does not consider in any way the objectives, financial situation or needs of any recipients. All recipients are recommended to consult with their independent tax, financial and legal advisers prior to any investment.

This document is for information purposes only and is not intended to be an offer, or a solicitation of an offer, to buy or sell any investments or participate in any trading strategy. Moreover, the information in this document will not affect Nikko AM's investment strategy in any way. The information and opinions in this document have been derived from or reached from sources believed in good faith to be reliable but have not been independently verified. Nikko AM makes no guarantee, representation or warranty, express or implied, and accepts no responsibility or liability for the accuracy or completeness of this document. No reliance should be placed on any assumptions, forecasts, projections, estimates or

prospects contained within this document. This document should not be regarded by recipients as a substitute for the exercise of their own judgment. Opinions stated in this document may change without notice.

In any investment, past performance is neither an indication nor guarantee of future performance and a loss of capital may occur. Estimates of future performance are based on assumptions that may not be realised. Investors should be able to withstand the loss of any principal investment. The mention of individual securities, sectors, regions or countries within this document does not imply a recommendation to buy or sell.

Nikko AM accepts no liability whatsoever for any loss or damage of any kind arising out of the use of all or any part of this document, provided that nothing herein excludes or restricts any liability of Nikko AM under applicable regulatory rules or requirements.

All information contained in this document is solely for the attention and use of the intended recipients. Any use beyond that intended by Nikko AM is strictly prohibited.

Japan: The information contained in this document pertaining specifically to the investment products is not directed at persons in Japan nor is it intended for distribution to persons in Japan. Registration Number: Director of the Kanto Local Finance Bureau (Financial Instruments firms) No. 368 Member Associations: The Investment Trusts Association, Japan/Japan Investment Advisers Association.

United Kingdom: This document is communicated by Nikko Asset Management Europe Ltd, which is authorised and regulated in the United Kingdom by the Financial Conduct Authority (the FCA) (FRN 122084). This document constitutes a financial promotion for the purposes of the Financial Services and Markets Act 2000 (as amended) (FSMA) and the rules of the FCA in the United Kingdom, and is directed at professional clients as defined in the FCA Handbook of Rules and Guidance.

Luxembourg and Germany: This document is communicated by Nikko Asset Management Luxembourg S.A., which is authorised and regulated in the Grand Duchy of Luxembourg by the Commission de Surveillance du Secteur Financier (the CSSF) as a management company authorised under Chapter 15 of the Law of 17 December 2010 (No S00000717) and as an alternative investment fund manager according to the Law of 12 July 2013 (No. A00002630).

United States: This document may not be duplicated, quoted, discussed or otherwise shared without prior consent. Any offering or distribution of a Fund in the United States may only be conducted via a licensed and registered broker-dealer or a duly qualified entity. Nikko Asset Management Americas, Inc. is a United States Registered Investment Adviser.

Singapore: Nikko Asset Management Asia Limited (Co. Reg. No. 198202562H) is regulated by the Monetary Authority of Singapore.

Hong Kong: The contents of this document have not been reviewed by the Securities and Futures Commission or any regulatory authority in Hong Kong. Nikko Asset Management Hong Kong Limited is a licensed corporation in Hong Kong.

New Zealand: Nikko Asset Management New Zealand Limited (Company No. 606057, FSP22562) is the licensed Investment Manager of Nikko AM NZ Investment Scheme, the Nikko AM NZ Wholesale Investment Scheme and the Nikko AM KiwiSaver Scheme. This material is for information purposes only.

Kingdom of Bahrain: The document has not been approved by the Central Bank of Bahrain which takes no responsibility for its contents. No offer to the public to purchase the Strategy will be made in the Kingdom of Bahrain and this document is intended to be read by the addressee only and must not be passed to, issued to, or shown to the public generally.

Kuwait: This document is not for general circulation to the public in Kuwait. The Strategy has not been licensed for offering in Kuwait by the Kuwaiti Capital Markets Authority or any other relevant Kuwaiti government agency. The offering of the Strategy in Kuwait on the basis a private placement or public offering is, therefore, restricted in accordance with Decree Law No. 7 of 2010 and the bylaws thereto (as amended). No private or public offering of the Strategy is being made in Kuwait, and no agreement relating to the sale of the Strategy will be concluded in Kuwait. No marketing or solicitation or inducement activities are being used to offer or market the Strategy in Kuwait.

Kingdom of Saudi Arabia: This document is communicated by Nikko Asset Management Europe Ltd (Nikko AME), which is authorised and regulated by the Financial Services and Markets Act 2000 (as amended) (FSMA) and the rules of the Financial Conduct Authority (the FCA) in the United Kingdom (the FCA Rules). This document should not be reproduced, redistributed, or sent directly or indirectly to any other party or published in full or in part for any purpose whatsoever without a prior written permission from Nikko AME.

This document does not constitute investment advice or a personal recommendation and does not consider in any way the suitability or appropriateness of the subject matter for the individual circumstances of any recipient. In providing a person with this document, Nikko AME is not treating that person as a client for the purposes of the FCA Rules other than those relating to financial promotion and that person will not therefore benefit from any protections that would be available to such clients.

Nikko AME and its associates and/or its or their officers, directors or employees may have or have had positions or material interests, may at any time make purchases and/or sales as principal or agent, may provide or have provided corporate finance services to issuers or may provide or have provided significant advice or investment services in any investments referred to in this document or in related investments. Relevant confidential information, if any, known within any company in the Nikko AM group or Sumitomo Mitsui Trust Holdings group and not available to Nikko AME because of regulations or internal procedure is not reflected in this document. The investments mentioned in this document may not be eligible for sale in some states or countries, and they may not be suitable for all types of investors.

Oman: The information contained in this document neither constitutes a public offer of securities in the Sultanate of Oman as contemplated by the Commercial companies law of Oman (Royal decree 4/74) or the Capital Markets Law of Oman (Royal Decree 80/98), nor does it constitute an offer to sell, or the solicitation of any offer to buy non-Omani securities in the Sultanate of Oman as contemplated by Article 139 of the Executive Regulations to the Capital Market law (issued by Decision No. 1/2009). This document is not intended to lead to the conclusion of any contract of whatsoever nature within the territory of the Sultanate of Oman.

Qatar (excluding QFC): The Strategies are only being offered to a limited number of investors who are willing and able to conduct an independent investigation of the risks involved in an investment in such Strategies. The document does not constitute an offer to the public and should not be reproduced, redistributed, or sent directly or indirectly to any other party or published in full or in part for any purpose whatsoever without a prior written permission from Nikko Asset Management Europe Ltd (Nikko AME). No transaction will be concluded in your jurisdiction and any inquiries regarding the Strategies should be made to Nikko AME.

United Arab Emirates (excluding DIFC): This document and the information contained herein, do not constitute, and is not intended to constitute, a public offer of securities in the United Arab Emirates and accordingly should not be construed as such. The Strategy is only being offered to a limited number of investors in the UAE who are (a) willing and able to conduct an independent investigation of the risks involved in an investment in such Strategy, and (b) upon their specific request.

The Strategy has not been approved by or licensed or registered with the UAE Central Bank, the Securities and Commodities Authority or any other relevant licensing authorities or governmental agencies in the UAE. This document is for the use of the named addressee only and should not be given or shown to any other person (other than employees, agents or consultants in connection with the addressee's consideration thereof).

No transaction will be concluded in the UAE and any inquiries regarding the Strategy should be made to Nikko Asset Management Europe Ltd.

Republic of Korea: This document is being provided for general information purposes only, and shall not, and under no circumstances is, to be construed as, an offering of financial investment products or services. Nikko AM is not making any representation with respect to the eligibility of any person to acquire any financial investment product or service. The offering and sale of any financial investment product is subject to the applicable regulations of the Republic of Korea. Any interests in a fund or collective investment scheme shall be sold after such fund is registered under the private placement registration regime in accordance with the applicable regulations of the Republic of Korea, and the offering of such registered fund shall be conducted only through a locally licensed distributor.

Comprehensive Risk Information on Mutual Funds: <http://en.nikkoam.com/risk-information-mutual-funds>