

PRESS RELEASE
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NIKKO ASSET MANAGEMENT CO., LTD.

Nikko AM Wins Three Awards from The Asset *Asset Management Company of the Year, Japan Best ETF Provider, Japan and Best ETF Provider, Singapore*

Nikko Asset Management (Nikko AM) won a trio of awards as part of [The Asset Triple A Sustainable Investing Awards 2022](#). On 14 July, Nikko AM was recognised as both Best ETF Provider, Japan and Best ETF Provider, Singapore, and followed up on 25 July with Asset Management Company of the Year, Japan. [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 2021 across Asia-Pacific and the Middle East.

This marks the first time Nikko AM was chosen as Asset Management Company of the Year, Japan. The category evaluates asset managers based on their comprehensive platform servicing the needs of institutional, corporate and retail clients, as well as performance, innovation, ESG integration and other factors. Nikko AM's Japan investment trust assets under management (AUM) grew 8.5% year on year in yen terms, driven by in-house investment teams in Tokyo, Singapore, Hong Kong, Edinburgh, London, New York and Auckland, together with external managers, to meet the needs of Japanese and global clients. The firm also launched new products, including the fund with the third largest launch AUM in Japan ever^{1,2}, along with funds with ESG elements such as companies involved in the production, transport, storage and use of hydrogen², and companies contributing to China decarbonization². In corporate sustainability Nikko AM set a target to have at least 30% of managerial roles held by women by 2030, and revamped its environmental policy. On the distribution front, the firm conducted events for institutional investors and retail distributors, and relaunched its Japan retail website.

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, performance, partnerships, client engagement and other new initiatives. Nikko AM claims the spot of Best ETF Provider, Japan for a third consecutive year, growing Japan ETF AUM by 13.1% year on year, holding a 20% share of all ETFs on the Tokyo Stock Exchange as of 31 December 2021. During the award period, the firm leveraged its strength as a global asset manager as teams in Japan and Singapore collaborated to make a number of Singapore ETFs available to investors in Japan, and then collaborated with Japanese distributors to promote them.

Nikko AM also took home Best ETF Provider, Singapore for the first time, growing its Singapore ETF AUM by almost 11% year on year. In addition to the above collaboration with Nikko AM in Japan, the Singapore team also registered its first ETF in Korea, tapping into new markets. The firm also laid the groundwork for a new ETF with partner Straits Trading Company and developed a new index with MSCI.³ Nikko AM also established a dedicated ETF sales team in Singapore to help bridge the gap between key stakeholders (retail and institutional investors, ETF distributors, market makers etc.) and the firm's suite of ETF products, and conducted over 60 webinars and seminars to educate investors on Nikko AM ETFs and ETFs in general.

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>

¹ Global Exponential Innovation Fund, AUM JPY286.06 billion on launch date of 26 April, third largest ever according to QUICK Money World, 26 April.

² These funds are not authorised by the Hong Kong Securities and Futures Commission, and hence are not available to Hong Kong retail investors. These funds are not registered for sale in Singapore.

³ The ETF went on to list in Singapore in January 2022, after the award period.

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

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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\$243.2 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 25 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 2022.

** Including employees of Nikko Asset Management and its subsidiaries as of 31 March 2022.

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