

PRESS RELEASE
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NIKKO ASSET MANAGEMENT CO., LTD.

Nikko AM Wins Three Categories in Asia Asset Management's 2021 Best of the Best Awards

Japan: Fund Launch of the Year and ETF Manager of the Year
Singapore: Best Multi-Asset Manager

Nikko Asset Management (Nikko AM) is proud to win three categories at the [Asia Asset Management](#) 2021 Best of the Best Country Awards. In Japan, Nikko AM was recognised for Fund Launch of the Year and ETF Manager of the Year, and in Singapore as Best Multi-Asset Manager. The awards cover the year ending 30 November, 2020, and mark the eighth consecutive year Nikko AM earned an award from Asia Asset Management, The Journal of Investments and Pensions, regarded as one of the most influential publications about the asset management industry in Asia.

Fund Launch of the Year went to the 31 July launch of the Digital Transformation Equity Fund¹, sub-advised by Nikko Asset Management Americas Inc. based on research by New York based ARK Investment Management LLC. With a launch AUM of JPY89.6 billion, a combination of inflows and robust performance drove the fund's AUM to more than quadruple to JPY367.8 billion by the end of the award period on 30 November, making it Japan's second largest publicly offered investment trust launch of the year. The fund, which stands at JPY540 billion as of 22 January, 2021, invests primarily in equities of online shopping, delivery, streaming media, electronic contactless payment and other companies that address society's need for alternatives to in-person contact, which was an ongoing trend accelerated by the pandemic.

Nikko AM's win as ETF Manager of the Year in Japan came for the second consecutive time. During the award period, the firm increased its Japan ETF AUM by 20.9% year-on-year, and expanded its share to 20.1% of all ETFs trading on the Tokyo Stock Exchange. The firm also listed four new ETFs and boosted the quality of information on its website, making it easier to understand and also in Excel format. The popularity of these improved materials has increased clients' trust and attracted inflows.

As Best Multi-Asset Manager in Singapore, Nikko AM employs a holistic approach that emphasises nimbleness for fast and efficient decision making. The key to this is balance and understanding through multiple quantitative and qualitative lenses, integrating the team's own top-down macro views with bottom-up perspectives derived from partner investment teams. An Asian perspective may just be the team's edge, helping to better navigate essential growth opportunities where change is constant. The Multi-Asset team is well-positioned for navigating the crisis of Covid-19 both for its downside protection as well as appropriately re-risking into the liquidity driven turn.

Nikko AM President and Co-CEO Hideo Abe commented, "It is a great honour to be recognised once again by Asia Asset Management. These awards demonstrate the adaptability of our teams during a pandemic to continually produce innovative products suited to clients' needs, the insights needed to strive for returns for our investors, and an unwavering commitment to provide high-quality service."

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 3.045% (2.95% 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\$249.1 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, the firm employs approximately 200** investment professionals, representing approximately 30 nationalities across 11 countries. More than 400 banks, brokers, financial advisors and life insurance companies around the world distribute the company'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 30 September 2020.

** As of 30 September 2020, including employees of Nikko Asset Management and its subsidiaries.