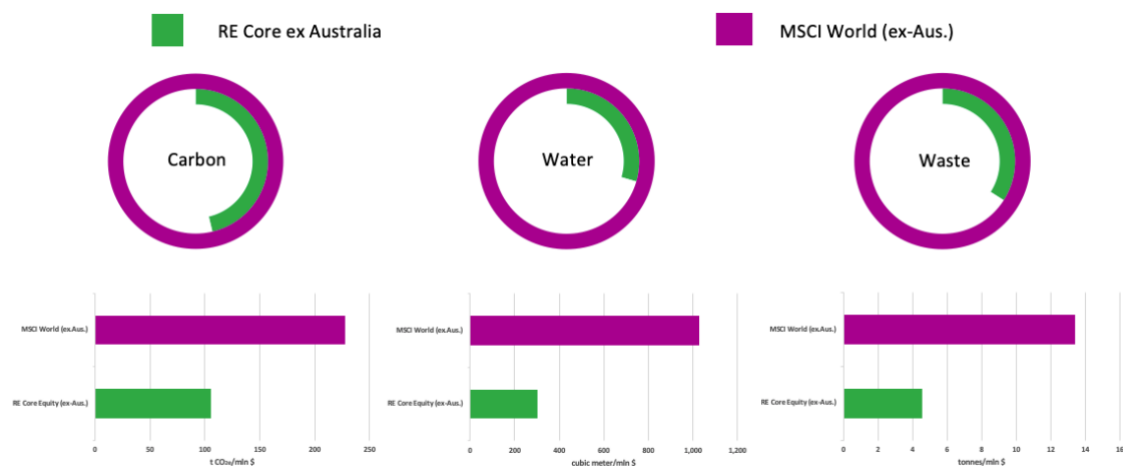


Press Release

11 December 2020

Osmosis Investment Management and Commonwealth Superannuation Corporation (CSC) launch Resource Efficient Equity Strategy for Australian Pension Market

- Portfolio developed through collaboration and is based on historical investment performance that evidences the ability to mitigate environmental risks and simultaneously target a better risk-adjusted return
- Portfolio is 60% more resource efficient than the MSCI World (ex-Aus) benchmark; delivering significant reductions in relative ownership of Carbon, Water and Waste



Source: Osmosis IM, MSCI, Data as at end Sept 2020

- Developed as a core equity replacement product, the portfolio replicates the style and risk exposures of the benchmark while maximising the sustainable, Resource Efficiency exposure within an ex-ante 70bps tracking error target

Sustainable asset manager, Osmosis Investment Management, has today announced a partnership with Australia's Commonwealth Superannuation Corporation (CSC), which will see the launch of a Resource Efficient Core Equity Portfolio (ex-Aus). CSC have over \$50bn AUD in assets under management, with over 700,000 members.



Alison Tarditi, Chief Investment Officer, CSC

"CSC seeks to manage all of the investment risks in our portfolio to ensure the robustness and sustainability of our customers' retirement incomes. This includes the mitigation of natural-resource misuse by companies. To implement this, we have appointed Osmosis because they have a robust, effective and objective methodology for discerning and reducing such risks to deliver robust financial returns and promote efficient use of energy, water and scarce resources."

The Osmosis Resource Efficient Core Equity (ex-Aus) strategy targets maximum exposure to the Osmosis proprietary Resource Efficiency Factor within a 70 bps ex-ante tracking error while replicating the style, industry, currency and risk exposures of the benchmark. The Osmosis Resource Efficiency factor is derived from an objectively driven research program and is the only approach that focuses on reducing portfolio ownership of three key environmental metrics, Carbon, Water and Waste while targeting better risk-adjusted returns than the parent index.

Modelled on the Osmosis Resource Efficient Core Equity Fund, which launched in 2017, the strategy allows investors to target an uncorrelated source of sustainable alpha from their core equity exposure while greatly reducing their environmental footprint. The portfolio will be aligned with CSC's exclusion policy and in line with Osmosis' ethical exclusion list, which includes tobacco and all companies that are in breach of the UN Global Compact Principles.

Ben Dear, CEO, Osmosis Investment Management

"CSC is our first Australian client and joins a growing roster of forward-thinking investors who are addressing the issues of environmental risk in their portfolios, while simultaneously targeting a better risk-adjusted return, to meet the long-term funding requirements of their customers. Announcing this partnership with CSC further underscores our firm's investment philosophy and thesis, that economic and environmental returns need not be mutually exclusive, and that resource efficient firms outperform their same sector peers. We look forward to working closely with CSC and in particular thank the investment and operational team for managing this process through to conclusion in the midst of the pandemic."



About Osmosis

Osmosis launched in 2009 and is a sustainable asset management business headquartered in London with firmwide assets under management of ~\$1.85bn as at 11 December 2020. Government Pension Funds, State Pension Funds, Insurance Companies, Foundations, Endowments, Family Offices and Banks, are amongst its client roster spanning North America, Continental Europe, Nordics the UK and Australia

The Osmosis Model of Resource Efficiency (MoRE) is a proprietary investment database developed and maintained by the team at Osmosis. The MoRE model allows Osmosis to create an objective, sustainable, alpha generating investment factor, through the identification across thirty-two economic sectors of global large cap companies which are generating more revenue whilst consuming less resource than their sector peers. Their systematic investment strategies and funds target an improved risk-return profile whilst delivering significantly reduced environmental footprints to their relative benchmarks. www.osmosisim.com

This document is issued by Osmosis (Holdings) Limited, a London based investment management group.

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