

The Osmosis Sustainable Market Neutral Fund (IE00BF19C821)



DIVERSIFICATION

Independent returns, uncorrelated to market direction and other asset classes

CAPITAL PRESERVATION

Historically resilient to significant market drawdowns

ENVIRONMENTAL IMPACT

Targets tangible reduction in carbon, water and waste intensity

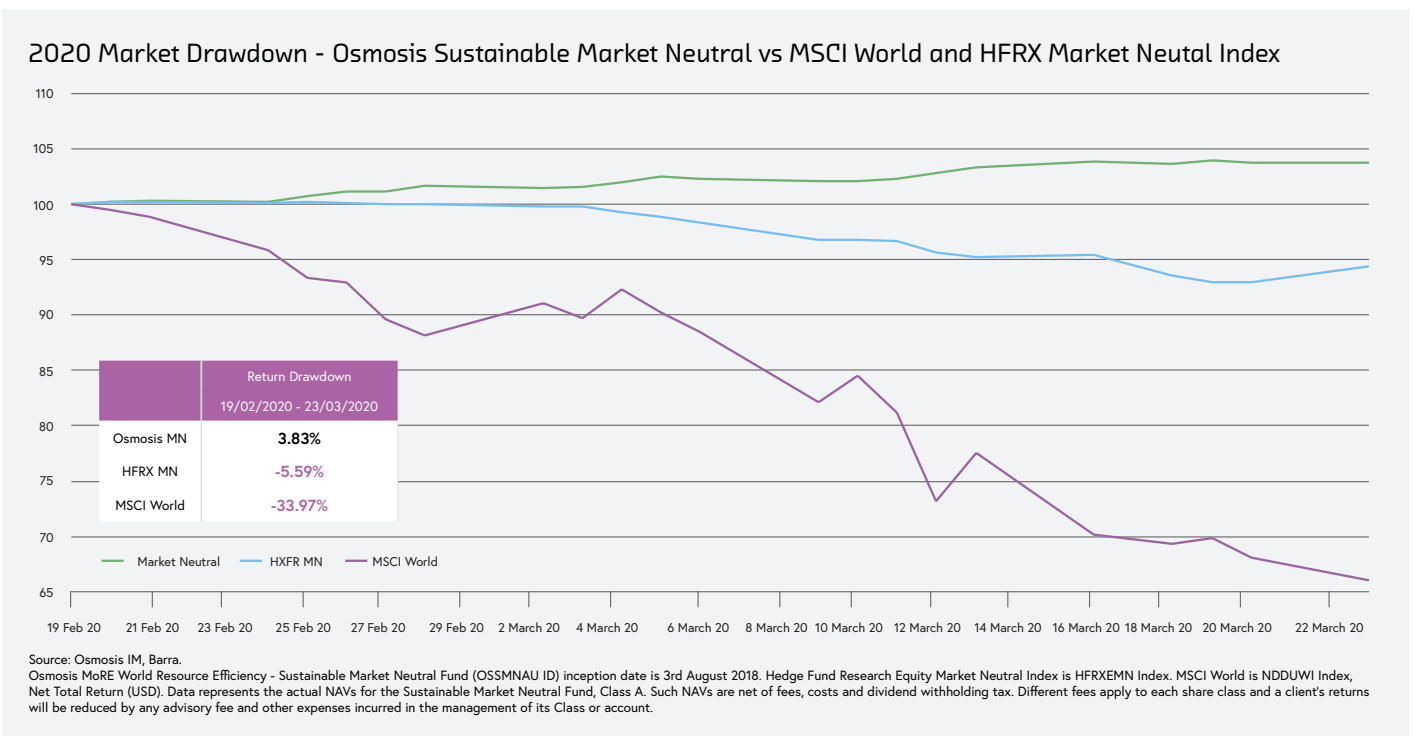
RETURNS

Generated through the identification of Resource Efficient companies

Maintaining Market Neutrality during the COVID-19 Drawdown

The recent market sell-off has been one of the most volatile in trading history. As markets converged, few approaches offered investors truly independent uncorrelated returns. Even strategies designed to protect against such moves have done little to protect capital. Over ten years our proprietary research program has developed, what we believe is a genuine

uncorrelated source of alpha from our Resource Efficiency Factor. As a result, the Osmosis Sustainable Market Neutral Fund has demonstrated strong resilience over the period generating positive, uncorrelated returns both since inception and during the recent market turmoil.



Historical Drawdown Performance since 2008

The Osmosis Market Neutral Fund is designed to target absolute returns over the medium term, generated solely through Resource Efficiency, regardless of market conditions or direction. It looks to generate alpha from both long positions in resource efficient companies and short positions in resource intensive companies, while neutralising style factor, regional and sector exposure.

There can be few better tests of neutrality than the period we have just come through, during which, not only did the Fund demonstrate its lack of correlation to other asset classes, but also generated a positive return. Aware of the statistical limitations of such a short time period, and to further illustrate this lack of correlation, we undertook detailed systematic analysis, using both back tested and live environments, to show the Fund's hypothetical and live performance during all major historical drawdowns dating back to January 2005.

The results were as follows:

Backtested
 Live data

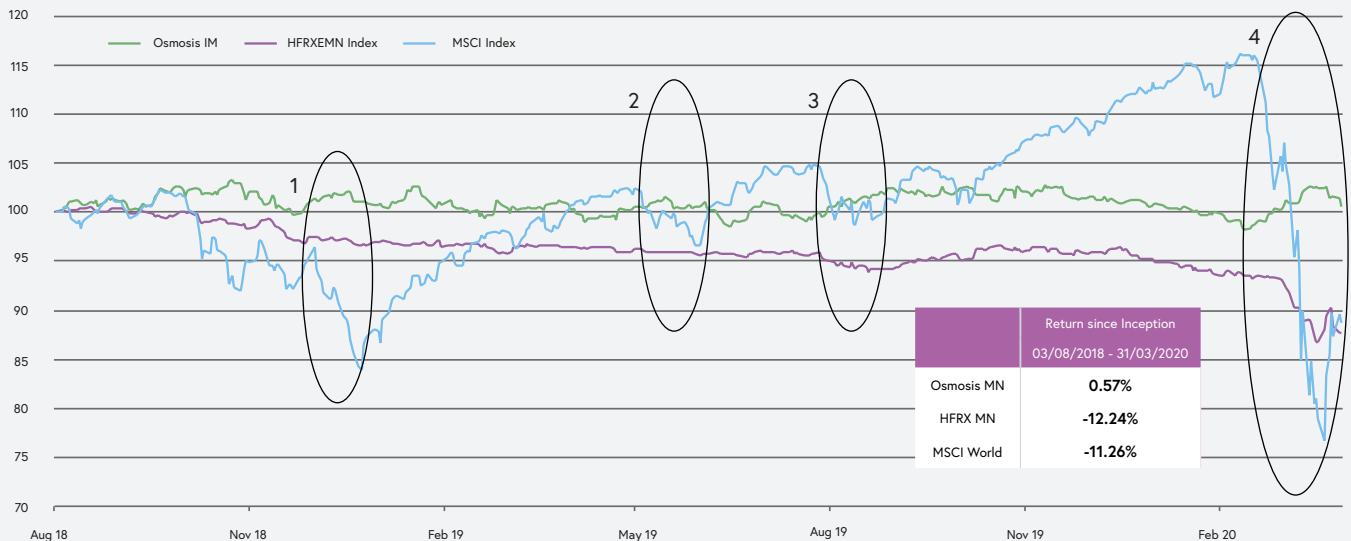
| MSCI World Equity Index Drawdowns | | | Osmosis Sustainable Market Neutral | | Chart 2 |
|-----------------------------------|------------|---------|------------------------------------|----------------|------------|
| Start | End | Return | Return | Outperformance | Annotation |
| 19/05/2008 | 09/03/2009 | -55.12% | 5.37% | 60.48% | |
| 07/07/2011 | 04/10/2011 | -20.14% | 9.41% | 29.54% | |
| 03/11/2015 | 11/02/2016 | -14.10% | 4.93% | 19.03% | |
| 21/09/2018 | 25/12/2018 | -18.06% | -1.34% | 16.72% | 1 |
| 30/04/2019 | 03/06/2019 | -5.82% | 0.22% | 6.04% | 2 |
| 24/07/2019 | 15/08/2019 | -5.94% | 1.42% | 7.36% | 3 |
| 19/02/2020 | 23/03/2020 | -33.97% | 3.83% | 37.79% | 4 |

Source: Osmosis IM, Bloomberg, Barra, LLC's analytics and data were used in the preparation of this report. Copyright 2015 BARRA, LLC. All Rights Reserved.

Returns until 3 August 2018 represent simulated backtested trading. There are limitations to simulated returns: please see the attached disclosure language. Backtested returns are gross of dividends and taxes. Gross returns are gross of fees and a client's returns will be reduced by the advisory fee and other expenses incurred in the management of its account. Live returns are net of fees (Class A/ Early bird reflect performance after estimated management fees and expenses). Past performance is not an indication of future performance

The Fund's uncorrelated returns are further illustrated in its live, since inception performance chart, where the market drawdowns above have been circled. While Resource Efficiency should be viewed as a medium-term investment signal, the Market Neutral Fund has, since inception, delivered positive returns, net of all fees, outperforming both its peer group (HFRX MN) and global equities (MSCI World).

Osmosis Sustainable Market Neutral - Inception to end March 2020



Source: Osmosis IM, Barra.

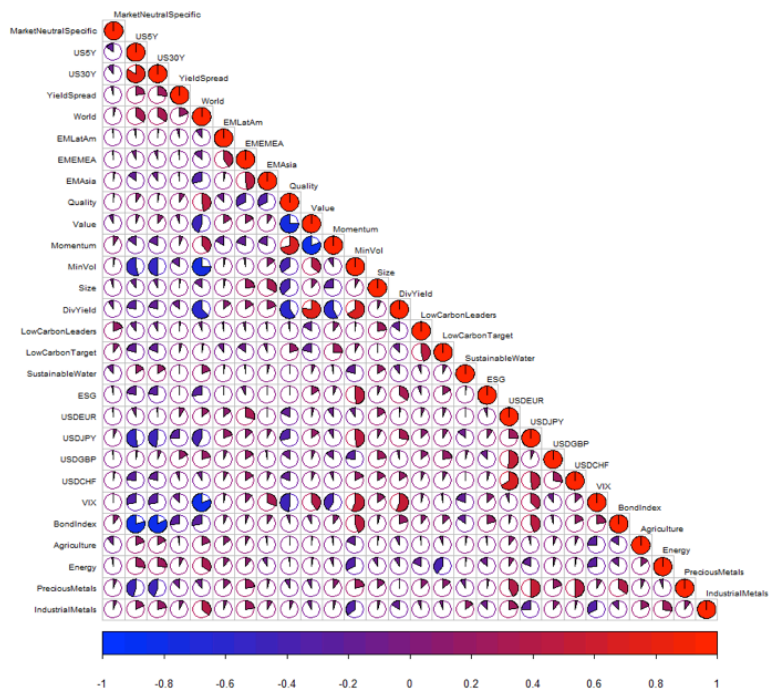
Osmosis MoRE World Resource Efficiency - Sustainable Market Neutral Fund (OSSMNAU ID) strategy inception date is 3rd August 2018. Hedge Fund Research Equity Market Neutral Index is HFRXEMN Index. MSCI World is NDDUWI Index, Net Total Return (USD). Data represent the actual NAVs for the Sustainable Market Neutral Fund, Class A. Such NAVs are net of fees, costs and dividend withholding tax. Different fees apply to each share class and a client's returns will be reduced by the advisory fee and other expenses incurred in the management of its account. Please see disclaimer.

Osmosis Resource Efficiency Factor Score - an Uncorrelated Source of Alpha

In 2014, an independent academic study by Cardiff University found that "There is strong evidence that resource efficiency is positively associated with higher subsequent value – significant at the 1% level". Additionally, our exhaustive in-house statistical studies have found no significant correlation with any other investment variable, further evidencing Resource Efficiency as an uncorrelated source of alpha.

A univariate analysis of correlations

We used a univariate correlation analysis against a comprehensive list of explanatory variables to substantiate Resource Efficiency as an uncorrelated, independent investment signal. The only noteworthy correlation showing up is between the Osmosis Market Neutral specific return (first column) and the active return on the MSCI Low Carbon Leaders index (row 15), a correlation of 20%. This is per se not surprising and one would expect our resource efficiency model to share commonalities with low-carbon strategies. The other variables show very little or negative correlations with the specific return, implying the independence of the signal.

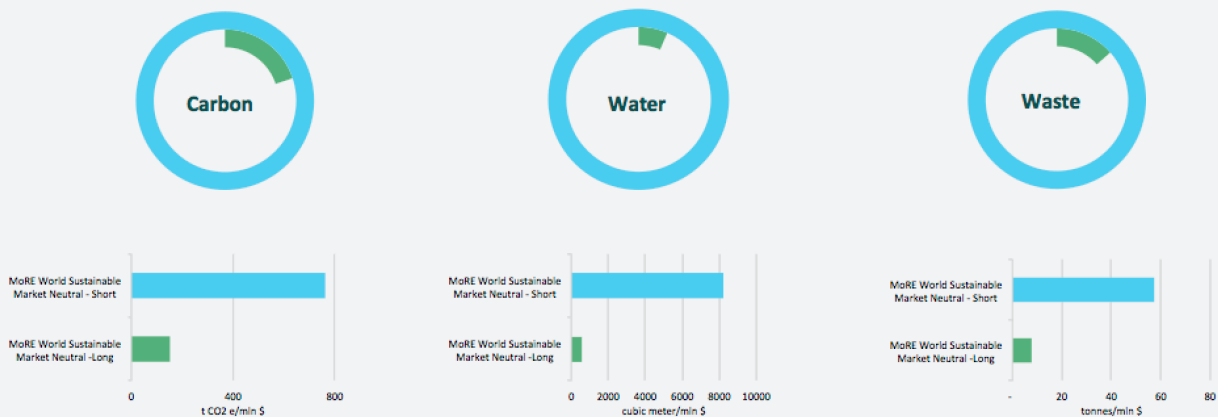


Environmental footprint

By identifying and prioritising the allocation of capital to the World's most resource efficient companies, while restricting capital to resource intensive companies, Osmosis is helping to facilitate the transition to a more sustainable future. The Market Neutral Fund targets a specific reduction in carbon, water and waste, without excluding entire sectors.

MoRE World Sustainable Market Neutral - Long

MoRE World Sustainable Market Neutral - Short



Source: Osmosis IM, Bloomberg, MSCI. Data as at end March 2020.

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Simulated returns shown are presented in US dollars and include the reinvestment of dividends and other account earnings. Performance figures presented do not reflect the deduction of investment advisory fees. A client's returns will be reduced by the advisory fee and other expenses incurred in the management of its account. For example, the deduction of a 1% advisory fee over a 10-year period would reduce a 10% gross return to an 8.9% net return. The performance is not net of any custodial fees, if applicable, and does not reflect the impact of taxes.

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