

April 2nd 2017

Press Release

Osmosis Investment Management today announced the launch of the Osmosis MoRE World Resource Efficiency Fund – Low Volatility (OWRLVAU ID). The fund is seeded by Första AP-fonden (AP1), a Swedish National Pension Fund, with an allocation of \$250 million. The fund has been set up as an Irish QIAIF Common Contractual Fund, is UCITS compliant and regulated by the Central Bank of Ireland.

The Osmosis MoRE World Resource Efficiency Low Volatility Fund seeks to deliver superior risk-adjusted returns relative to both the MSCI World and MSCI World Minimum Volatility Index by investing in a minimum variance portfolio of resource efficient stocks. The portfolio seeks to deliver alpha through the selection of Resource Efficient companies within the Osmosis Model of Resource Efficiency while simultaneously addressing the concerns that low volatility portfolios have an increased exposure to resource-intensive industries, notably utilities whereby significant non-financial risks are exhibited.

For investors seeking to address environmental concerns within their portfolio, low volatility exposure has, to date, countered other measures being taken to reduce their overall environmental footprint. Additionally, investors do not wish to sacrifice investment return while adopting a sustainable approach. Osmosis, through the integration of its proprietary resource efficiency factor into a systematic portfolio construction process in both regional and style based portfolios, can demonstrate that positive environmental and economic returns are not mutually exclusive. The Osmosis MoRE World Resource Efficiency Low Volatility Fund targets an excess return to the MSCI World Developed Minimum Volatility benchmark of 2% per annum over a market cycle while currently delivering reductions on the ownership of carbon, water and waste relative to the benchmark in excess of 70 percent.

Ben Dear, Co-Founder of Osmosis Investment Management

“The launch of the Osmosis MoRE World Resource Efficiency Low Volatility Fund with the backing of an asset owner like AP1 reinforces the integrity and further validates the Osmosis approach to sustainable investing. We see an increased demand for both style and regionally based portfolios, where the economic return and environmental return is not mutually exclusive. Working with investors globally to integrate our resource efficiency factor into mainstream equity portfolios benefits asset owners, shareholders and society alike. The growth in assets deployed against our resource efficiency thesis over the past twelve months is further testament to the forward-thinking nature of the holders of long-

term capital. There is a growing understanding that the sustainable deployment of capital is a potential source of additional alpha. This in an exciting time for Osmosis and we are delighted to have the support of AP1 as the seed investor in this Fund. With the launch of Osmosis in North America and several client wins in the region we are seeing broader evidence that a shift in asset allocation is underway towards objectively constructed sustainable investment portfolios.”

Mikael Angberg, Chief Investment Officer of AP1

” In every investment AP1 makes, sustainability aspects are important considerations. In our view, efficient use of scarce resources is not only key to addressing global challenges but also contributes to long term returns. We are therefore very pleased to team up with Osmosis, whereby we can combine our low volatility strategy with a resource efficiency overlay. With respect to AP1’s overall portfolio, this investment not only reduces our carbon footprint but also improves water efficiency and waste management while keeping a low volatility profile.”

About Osmosis

Osmosis launched in 2009 and is an award-winning sustainable investment manager headquartered in London.

Government Pension Funds, State Pension Funds, Insurance Companies, Foundations, Endowments, Family Offices and Banks, are amongst our client roster spanning North America, Continental Europe, Nordics and the UK.

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

This press release is issued by Osmosis Investment Management LLP, a London based investment manager regulated in the UK by the FCA.

For All Press Enquiries please contact Ben.Dear@osmosisim.com