

Press Release: April 25, 2023

Osmosis Investment Management ranked top for costs and performance by leading Cost Transparency Initiative (CTI) data provider ClearGlass Analytics

- *The London-based Environmental asset manager's Resource Efficient Core Equity Fund was found to be the most competitive Fund in a pool of 80 global active equity funds**
- *Osmosis was the only manager surveyed to have achieved 100% of mandates in best quartiles for both costs and performance over 5 years.*
- *ClearGlass works with over 800 institutional asset owners with AUM exceeding £1.1trn and has obtained and verified Cost Transparency Initiative (CTI) data from over 530 asset managers.*
- *Osmosis's sustainable assets under management have increased by 169% in the year to 31 March 2023 as new client wins propel AUM from \$3.5 to \$9.4 billion*

* ClearGlass collected and compared data from 80 asset managers in Active Equity or Active ESG Equity Funds, for the annual period 2022. Osmosis received the Outcome Variance Analytics in April 2023. Osmosis did not pay to be included in the group of asset managers ClearGlass reviewed, however Osmosis provided compensation to ClearGlass to obtain the Outcome Variance Analytics and report.

Professor Chris Sier, who led the FCA's review of cost transparency in asset management in the United Kingdom, and founder and CEO of ClearGlass said:

"Osmosis is proving that you don't need to charge a premium to provide an ESG product; quite the opposite in fact as they have kept fees spectacularly low whilst delivering best quartile long-term performance when compared to 'vanilla' active equity products. The FCA's original objective with the Cost Transparency Initiative (CTI) was to identify the asset managers delivering the best outcomes for clients and their stakeholders, and to see assets migrate to the strongest providers. The CTI data has shown that the current range of delivered outcomes in costs and performance in most investment strategies to be very wide. Nothing demonstrates the value of the FCA's vision and the CTI programme better than the discovery of a relatively unknown asset manager like Osmosis delivering stellar outcomes in both costs and performance for its clients."

The Osmosis Resource Efficient Core Equity Strategy accounts for over \$8 billion of Osmosis's \$9.4 billion under management. Osmosis attributes the success of the fund to its consistent track record of outperformance relative to the MSCI World, its significant environmental savings and its cost effective and responsible approach which is reflected in the firm's philosophy that to shift capital at scale, sustainable investing should not come at the cost of investment returns. Since its inception (May 2017) to end March 23, the Fund has annualised 0.92% (net) of outperformance and recorded an information ratio of 1.09 while delivering significantly less ownership of Carbon (55%), Water (61%) and Waste (70%) versus the MSCI World. Institutional investment data specialist eVestment* ranks the Fund in the first quartile for performance and in number one position for information ratio in a pool of global large cap core equity managers to 31 December 2022.

*eVestment, provides institutional investment data, analytics and market intelligence covering public and private markets. Osmosis received this ranking for the annual period to end December 2022. Osmosis pays eVestment for their analytics services. All rankings are based on real performance data which is a requirement to be included in these rankings.

Osmosis Founder and CEO Ben Dear said:

“We believe that to drive the structural shift in the economy required to undertake a sustainable transition that asset managers need to not only target and deliver better risk-adjusted returns and measure their sustainable outcomes in an objective way, but also to deliver their investment solutions in a cost-effective and transparent fashion. A key pillar of our firm's philosophy is to make sustainable investment affordable without compromising financial performance. We are delighted to see that the Cost Transparency Initiative (CTI) has independently verified that Osmosis is delivering excellent outcomes from both a performance and pricing perspective. This endorsement validates our firm's mission. As responsible investment managers, we have a duty to work closely with investors to help them navigate complex decisions and implementation challenges when addressing their environmental and fiduciary responsibilities. Ensuring that investors are not overcharged and under-rewarded is an essential part of this.”

Since the firm's launch in 2009 Osmosis have developed significant in-house expertise and a granular understanding of integrating environmental data into portfolio construction. Osmosis employs a quantitative approach that, through a dedicated in-house research function, analyses corporate carbon, water and waste data going back to 2005. The firm's models have demonstrated that those companies that on a sector-relative basis better manage their resources relative to the economic value they create, are likely to outperform their peers in the long term. The research program has been further backed up by independent academic research.

Recent additions to the Osmosis client roster include Dutch State Pension Fund PGB, Danish Pension Fund PKA, and the East Sussex Pension Fund in the UK. Osmosis remains majority owned by employees and is backed by the Oxford University Endowment Fund and Capricorn Investment Group's Sustainable Investment Fund.

About Osmosis

Osmosis launched in 2009 and is majority-owned by management and employees. The company currently manages over \$9.4bn* in sustainable assets across 12 investment strategies and is headquartered in London. The company believes that targeting better risk-adjusted returns and delivering significant environmental impacts do not need to be mutually exclusive endeavours. Through their unique Model of Resource Efficiency, the company has demonstrated that sustainability metrics, if quantifiable and objective in nature, can be applied to mainstream equity portfolios to generate alpha.

The Osmosis team of quantitative environmental analysts and portfolio managers is singularly focused on delivering three levels of impact. Better risk-adjusted returns, measurable environmental reductions, and an active engagement programme to promote better corporate environmental disclosure.

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

www.osmosisim.com

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About ClearGlass

ClearGlass Analytics is an independent data company, created to help asset owners assess value for money delivered by their asset managers. ClearGlass collects costs and charges data from asset managers on behalf of asset owners or their advisors to increase transparency across the industry.

The ClearGlass mission is to promote fee transparency in the long-term savings market. We believe that if you have placed your money with a third party to keep it safe or make it grow, then you need to know exactly how you are being charged.

As part of the Cost Transparency Initiative, the FCA set up an independent group to develop a standard framework that can be adopted by asset managers to share costs and charges data with their institutional clients. Dr

Christopher Sier, CEO of ClearGlass, chaired the FCA's group and realised the complexity the industry would face when the templates were released.

For more information, please contact Tim Brown at ClearGlass tim@clearglass.com

Important Information

This document is issued by Osmosis (Holdings) Limited, a London-based investment management group. Osmosis Investment Management UK Ltd ("OIM UK") is an affiliate of Osmosis Investment Management US LLC ("OIM US"). Osmosis Investment Management AUM includes discretionary assets under management of OIM US and OIM UK and assets invested in model programs provided by OIM US and OIM UK.

NO REPRESENTATION IS BEING MADE THAT ANY ACCOUNT WILL OR IS LIKELY TO ACHIEVE PROFIT OR LOSSES SIMILAR TO THOSE SHOWN. The Osmosis Resource Efficient Core Equity Fund is not available for U.S. Investors. A Client's account will be managed by Osmosis based on the strategy, but the actual composition and performance of the account may differ from the Fund due to differences in the timing and prices of trades, and the identity and weightings of securities holdings.

Performance

Net Performance. Net returns are net of fees and in USD unless indicated otherwise. Net returns are net of fees, costs and dividend withholding tax. Different fees may apply to a client's account and a client's returns may be further reduced by the advisory fee and other expenses incurred in the management of its account. Please see the specific performance disclosure under each table for additional details.

**Returns represent the actual returns for the Osmosis Resource Efficient Core Equity Fund, Class A. Net returns are calculated by subtracting the following expenses: actual transaction costs incurred, investment management fees of 0.10%, accruals for professional, administration and custodian fees (TER is 0.21%) 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 the attached performance calculation disclosure language. Past performance is not an indication of future performance.

Benchmarks. The historical index performance results for all benchmark indexes do not reflect the deduction of transaction, custodial, or management fees, the incurrence of which would have the effect of decreasing indicated historical performance results. Indexes are unmanaged and are not available for direct investment. The historical performance results for all indices are provided exclusively for comparison purposes only and may or may not be an appropriate measure to provide general comparative information to assist an individual client or prospective client in determining whether Osmosis performance meets, or continues to meet, his/her investment objective(s). The referenced benchmarks may or may not be appropriate benchmarks against which an observer should compare our returns.

The MSCI World Index captures large and midcap representation across 23 Developed Markets countries. With 1,645 constituents, the index covers approximately 85% of the free float-adjusted market capitalization in each country.

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