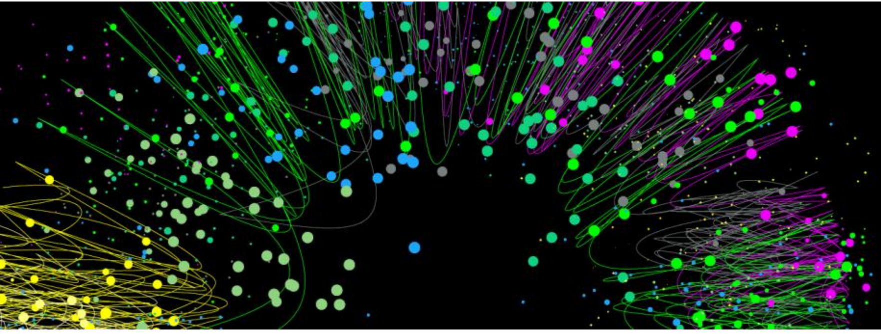


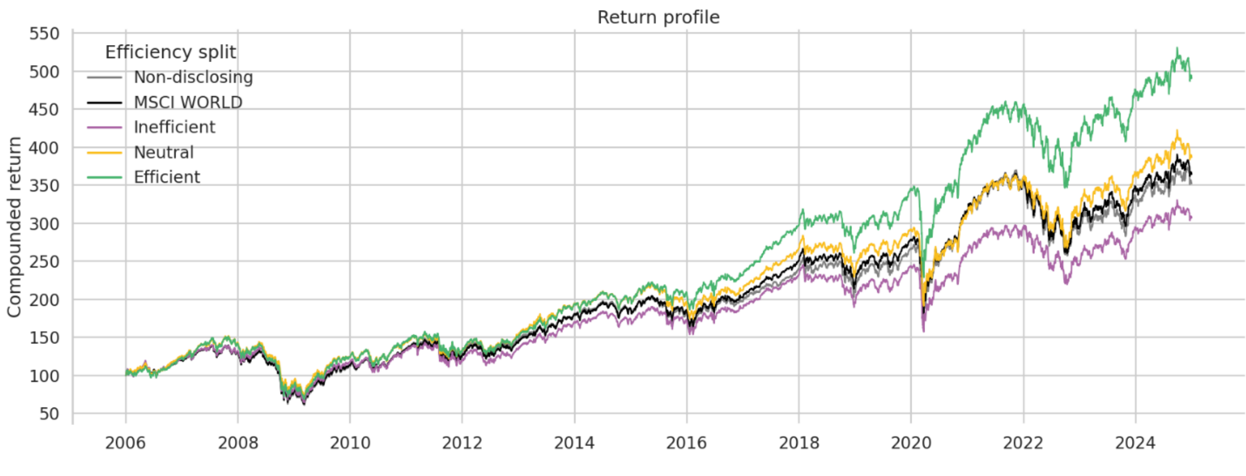
What is Resource Efficiency?

Resource Efficiency is the effective use of scarce resources to generate greater economic value with decreased environmental impact. It is a sustainability metric that goes beyond mere environmental performance and reflects a company's operational discipline, strategic foresight, and financial resilience.

At Osmosis, Resource Efficiency is defined quantitatively as the amount of carbon emitted, water withdrawn, and waste generated relative to the economic value a company creates. This holistic metric captures the environmental intensity of a company's operations and serves as a proxy for quality and future resilience. We integrate this metric through our proprietary Model of Resource Efficiency (MoRE) to identify companies that are outperforming peers in sustainable value creation. For our flagship Core Equity Transition range, these efficient companies are overweighted in our investment portfolios, while their inefficient peers are underweighted or held at neutral.

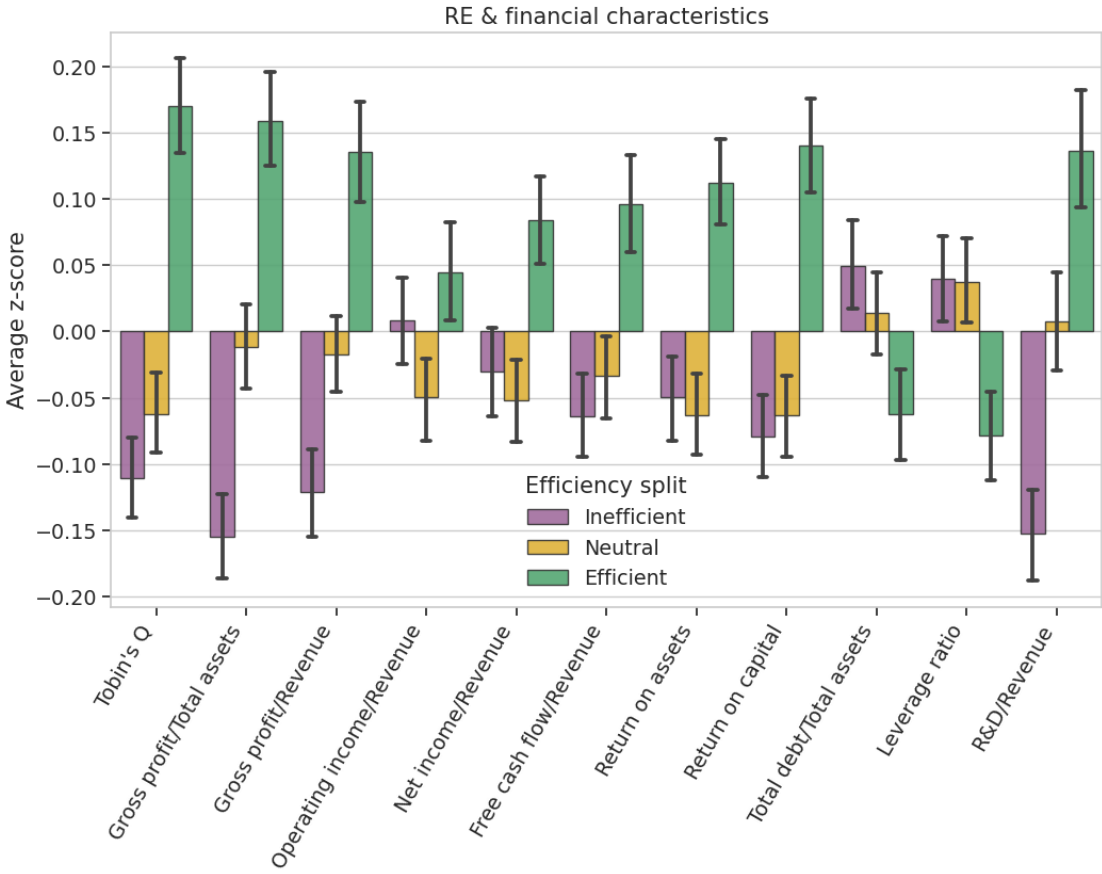
Resource Efficiency has a strong economic rationale. Resource Efficiency is one of many operational issues that requires the focus of management, and we believe Resource Efficient companies serve as a proxy for management quality. Empirical evidence from Osmosis shows that these companies exhibit stronger profitability, lower leverage, and better cash flow generation over time - making Resource Efficiency an independent and statistically significant driver of excess returns, or alpha. These traits enable them to reinvest during downturns when competitors cannot, reinforcing their competitive advantage.

Resource Efficient companies outperform their inefficient peers



We analyse gross compounded returns with dividends reinvested of companies in the MSCI World (excluding financials & tobacco) during the time period from 31/12/2005 to 31/12/2024. This graph *shows the return profiles of companies that are split into four groups: the most Resource Efficient companies (top third in green), the least Resource Efficient companies (bottom third in purple), the neutral companies (middle third in yellow), and the non-disclosing companies (grey) for which we have inadequate Resource Efficiency data. We also show the performance of the MSCI World Index (excluding financials & tobacco). All portfolios are equal-weighted with sector weights forced to be proportional to the benchmark. No representation is being made that an Osmosis strategy will achieve the Efficient performance shown. Source: Osmosis IM, MSCI, Bloomberg, S&P, FactSet. Past performance is not an indication of future performance.*

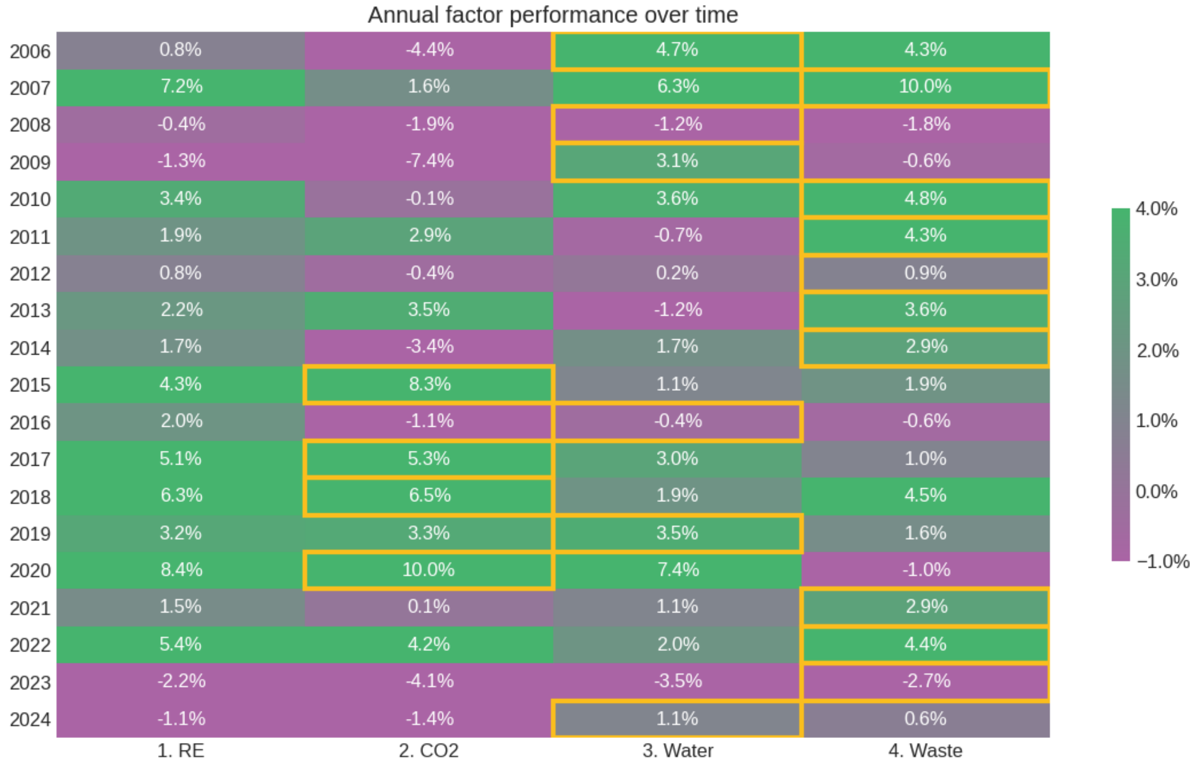
Desirable Financial Characteristics shared by Resource Efficient Companies



We analysed the financial metrics of companies in the MSCI World (excluding financials & tobacco) that report sufficient environmental data to assess their Resource Efficiency. Companies are split into three groups: the most Resource Efficient companies (top third in every sector in green), the least Resource Efficient companies (bottom third in every sector in purple), and the neutral companies (middle third in every sector in yellow). To address cause and effect, companies are grouped using their Resource Efficiency score from the year preceding financial reporting (*t-1*), while financial characteristics are measured in the subsequent year (*t*). Z-scores are calculated to show the standard deviations that a company's financial metric is away from the yearly sector mean. The height of the bars shows the average z-score across all companies. The error bars at the top of the columns represent the 95% confidence interval of the mean. The sample period for the analysis ranges from 31/12/2005 to 31/12/2024. Source: Osmosis IM, MSCI, FactSet.

Moreover, our research shows Resource Efficiency captures the intangible value of environmental resilience. Climate risks and environmental externalities are poorly priced by markets due to their long-term and irregular nature. Companies that proactively reduce environmental impact not only lower future liabilities (e.g., carbon taxes, water scarcity, waste regulation) but can also benefit from reduced cost of capital and enhanced brand equity. This positions them well for the transition to a greener economy.

Importantly, Osmosis advocates for a comprehensive approach that includes all three metrics - not just carbon alone. Different components of the Resource Efficiency factor perform best at different points in time. By combining all three, the Resource Efficiency metric delivers a more stable and predictive investment signal than any single metric.



Note: The row values are defined as the long-short annual excess return of the Efficient portfolio over the Inefficient portfolio each year for a given environmental metric (RE, Carbon, Water, Waste). We analysed gross compounded returns with dividends reinvested of companies in the MSCI World (excluding financials & tobacco) during the time period from 31/12/2005 to 31/12/2024. All portfolios are equal-weighted with sector weights forced to be proportional to the benchmark. Source: Osmosis IM, MSCI, Bloomberg, S&P, FactSet. Past performance is not an indication of future performance.

In essence, Resource Efficiency is not just about sustainability - it is a forward-looking indicator of business quality and risk-adjusted performance. The Resource Efficiency factor sits at the heart of Osmosis' portfolio construction, targeting better risk-adjusted returns whilst providing significant environmental impact. Since inception, our flagship Core Equity Strategy has made an average reduction of 52% in carbon emissions, 68% in water usage, and 62% in waste generation compared to its MSCI World benchmark (May 2017 to end April 2025).

Important Information

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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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