

# MiFID II Costs and Charges Disclosure

<b>Alternative investment fund manager (“the AIFM”)</b>	<b>Nomura Asset Management Co., Ltd.</b>
<b>Alternative investment fund (“the AIF”)</b>	<b>NEXT FUNDS Nikkei 225 Exchange Traded Fund</b>
<b>Reporting period (“the year”)</b>	<b>23rd Reporting Period (July 9, 2023 - July 8, 2024)</b>

19<sup>TH</sup> AUGUST 2024

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This document provides clients with important information about costs and charges related to the AIF as stipulated in the Markets in Financial Instruments Directive II (MiFID II). The information is required by law to help clients understand the costs and charges associated with AIF transactions and is not marketing material.

### Charges Summary (based on the year)

Cost Category	Percentage of Investment	Description
(i) Management Fee (Trust Fee)	0.1199%	<ul style="list-style-type: none"> <li>The management fee is the sum of (a) the amount obtained by multiplying the daily total net assets of the Fund by the annual Trust Fee Rate, which shall be not more than 0.1815% (0.165% exclusive of taxes) and; (b) when the Fund lends stocks, an amount equivalent to no more than 44% (40% exclusive of taxes) of the stock lending fees accrued during the year.</li> <li>The Trust Fee Rate is revised twice a year and 0.11077% (0.1007% exclusive of taxes) as of 8<sup>th</sup> July 2024. Please refer to Appendix A for details.</li> </ul>
(ii) Other Expenses and Fees	0.0364%	<ul style="list-style-type: none"> <li>Expenses other than the management fee are to be borne indirectly by investors from trust assets.</li> </ul>
<b>Total</b>	<b>0.1562%</b>	<ul style="list-style-type: none"> <li>Total Expense Ratio</li> </ul>

### (i) Management Fee

Cost Category			Percentage of Investment	Description
One-off Charges			N/A	
Ongoing Charges	Management Fee (Trust Fee)	for the AIFM	0.0868%	• Trust Fee Rates vary according to total net assets. Please refer to Appendix A for details.
		for the Trustee	0.0308%	
	Stock Lending Fee	for the AIFM	0.0019%	• The distribution of the Stock Lending Fee shall be 80% for the Management Company (the AIFM) and 20% for the Trustee.
		for the Trustee	0.0005%	
Transaction Costs			N/A	
Charges related to Ancillary Services			N/A	
Incidental Costs			N/A	
Total			0.1199%	

## (ii) Other Expenses and Fees

Cost Category		Percentage of Investment	Description
One-off Charges		N/A	
Ongoing Charges	Trademark Usage Fee for the Benchmark Index	0.0275%	• A percentage of not more than 0.0275% per year (0.025% exclusive of taxes) of the Fund's total net assets.
	Listing Fee	0.0066%	• The sum of -Additional listing fee: 0.00825% (0.0075% exclusive of taxes) of the amount of increase in value of the total net asset value at the end of the year as compared with the larger of i) the total net asset value at the time of the initial listing; or ii) the largest of the total net asset values at the end of each year from the year of the initial listing and up to the year immediately prior to the fee payment year. -Annual listing fee: Maximum of 0.00825% (0.0075% exclusive of taxes) of the total net assets at year-end.
	Audit Fee	0.0022%	• Audit fee, Tax expense, other expenses, and Brokerage commission vary according to management and other conditions, so details of rates and upper limits cannot be provided ahead of time.
	Tax Expense	N/A	
	Other Expenses	0.0000%	
Transaction Costs	Brokerage Commission	N/A	
Incidental Costs		N/A	
<b>Total</b>		<b>0.0364%</b>	

## Appendix A. The trust fee rate and its distribution

### A.1 The distribution of Trust Fee Rates

The Total Net Assets of the Fund	1 trillion yen or less	More than 1 trillion yen, up to 2 trillion yen	More than 2 trillion yen, up to 4 trillion yen	More than 4 trillion yen, up to 5 trillion yen	More than 5 trillion yen, up to 8 trillion yen	More than 8 trillion yen
Annual Trust Fee Rate	0.1815% (0.165% exclusive of taxes)	0.1595% (0.145% exclusive of taxes)	0.1485% (0.135% exclusive of taxes)	0.110% (0.100% exclusive of taxes)	0.088% (0.080% exclusive of taxes)	0.044% (0.040% exclusive of taxes)
Payee Distribution (Exclusive of Taxes) and Service Details						
<b>&lt;Management Company&gt;</b> Fund operations and investigations related to Fund operations, instructions to trustees, preparation of legal documents, estimating base price, etc.	0.10% per annum	0.095% per annum	0.095% per annum	0.085% per annum	0.07% per annum	0.03% per annum
<b>&lt;Trustee&gt;</b> The storage/management of property of the Fund, execution of instructions from the Management Company, etc.	0.065% per annum	0.05% per annum	0.04% per annum	0.015% per annum	0.01% per annum	0.01% per annum

## A.2 The Trust Fee Rates during the year

		The year		
		From 2023/7/9 To 2023/9/28	From 2023/9/29 To 2024/3/27	From 2024/3/28 To 2024/7/8
Management Fee	For the AIFM	0.09471% (0.0861% exclusive of taxes)	0.08668% (0.0788% exclusive of taxes)	0.08195% (0.0745% exclusive of taxes)
	For the Trustee	0.03454% (0.0314% exclusive of taxes)	0.03047% (0.0277% exclusive of taxes)	0.02882% (0.0262% exclusive of taxes)
	Total	0.12925% (0.1175% exclusive of taxes)	0.11715% (0.1065% exclusive of taxes)	0.11077% (0.1007% exclusive of taxes)

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