

## **[Disclaimer]**

1. This document is an English translation of the Japanese language Delivery Prospectus (hereinafter referred to as the “Prospectus”) of the NEXT FUNDS International Bond FTSE World Government Bond Index (ex Japan Unhedged) Exchange Traded Fund (hereinafter referred to as the “Fund”).

This document is based on the Prospectus of the Fund as of November 18, 2021, except as otherwise indicated herein. There is no guarantee that this document is or will be updated or modified even if an update or modification to the corresponding Japanese language Prospectus occurs.

2. This English translation is not required by law or any regulation.
3. This document is offered for information purpose only and shall not be considered an offer or solicitation for any investment, whether in securities, the Fund, or otherwise.
4. This English translation is not an official translation. In the event of any inconsistencies between this English translation and the official Japanese text of the Prospectus, the Japanese version shall prevail.
5. The accuracy, reliability and timeliness of this translation are not guaranteed. Should any error in translation of this document occur, neither Nomura Asset Management Co., Ltd., nor its translator is liable for the error.
6. The Fund is not registered with any applicable administrative organization other than those applicable to Japan. The Fund is not listed on any exchanges other than those in Japan.
7. A Japanese securities registration statement for the Fund, which is required by Japanese law, is filed with the proper Japanese authorities. That statement should be referred to for detailed information about the Fund.
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Commencement date:

November 18, 2021

Code:2511

NEXT FUNDS

International Bond FTSE World Government Bond Index (ex Japan Unhedged) Exchange Traded  
Fund

NF International Bond (Unhedged) ETF (Nickname)  
Open-ended Investment Trust, Overseas, Bonds, ETF, Index Type  
[Explanatory Booklet on the Investment Trust (Delivery Prospectus)]

Product Classification					Segmentation by Attribute					
Unit Type / Open-ended Investment Trust	Eligible Market	Eligible Investments (Source of Income)	Independent Segment	Supplementary Classification	Eligible Investme nts	Timing of Accountin g Period	Geographical Areas of Investment	Investme nt form	Currenc y Hedge	Index followed
Open-ended Investment Trust	Overseas	Bonds	ETF	Index Type	Multiple Assets (Note)	2 times yearly	Global (exclusive of Japan)	Family fund	None	Others (FTSE World Government Bond index (ex Japan))

(Note) (Bonds Public Bonds, Others (Investment Trust Securities (Bonds Public Bonds)), Flexible Assets Allocation)

\*The “Currency Hedge” column in the above “Segmentation by Attribute” column provides information on whether or not currency risks against Japanese Yen are hedged in the Fund.

Please refer to The Investment Trusts Association, Japan website (<http://www.toushin.or.jp/>) for definitions of product classification and segmentation by attribute above.

**<Management Company>**

**Nomura Asset Management Co., Ltd.** [the party issuing investment instructions for the Fund]

- Registration Number (Financial Instruments Business Operators): Director of the Kanto Local Financial Bureau (Financial instruments firms) No.373
- Date of establishment : December 1, 1959
- Capital : 17.1 billion yen (as of the end of September 2021)
- Total net asset value of investment trust assets under management : 46,981.3 billion yen

(as of August 31, 2021)

<Trustee>

**The Nomura Trust and Banking Co., Ltd.** [the party responsible for custody and management of Fund assets]

-----Please read this document carefully before deciding to subscribe to the NEXT FUNDS International Bond FTSE World Government Bond Index (ex Japan Unhedged) Exchange Traded Fund (“the Fund”) -----

This prospectus is published pursuant to the provisions of Article 13 of the Financial Instruments and Exchange Act (No.25 of 1948).

In connection with the public offering for subscription to the Fund, which is made by way of this prospectus, Nomura Asset Management Co., Ltd. (the Management Company), the Issuer of beneficiary certificates of the Fund, filed a securities registration statement with the Director of the Kanto Local Finance Bureau on November 17, 2021, pursuant to the provisions of Article 5 of the Financial Instruments and Exchange Act. The filing took effect on November 18, 2021.

- The prospectus for the Fund provided for in Article 15, Paragraph 3 of the Financial Instruments and Exchange Act (hereinafter referred to as the “Prospectus Issued upon Request”) is published on the website of the Nomura Asset Management Co., Ltd. The complete text of the basic terms and conditions of the investment trust of the Fund is provided in the Prospectus Issued upon Request.
- When a significant amendment is made to the content of the Fund, we will confirm the intentions of beneficiaries of the Fund in advance under the Act on Investment Trust and Investment Corporations (No.198 of 1951).
- Investment trust assets are separately managed by the Trustee under the Trust Act.
- You can obtain a copy of the Prospectus Issued upon Request from a distributing company. If you request this document, please make a personal record to that effect.
- For information on distributing companies and the net asset value (“NAV”) of the Fund, etc., please contact us as follows:

Reference	: Nomura Asset Management Co., Ltd.
Homepage	: <a href="http://www.nomura-am.co.jp/">http://www.nomura-am.co.jp/</a>
Mobile site	: <a href="http://www.nomura-am.co.jp/mobile/">http://www.nomura-am.co.jp/mobile/</a> (as for NAV, etc.)

## ***Objective and Features of the Fund***

### 1. Objective of the Fund

The Fund aims at investment performance linked to the FTSE World Government Bond Index (ex Japan, unhedged, based on Japanese Yen)\* (hereinafter referred to as the “Benchmark Index”), which means NAV volatility is to correspond with that of the Benchmark Index.

\* FTSE World Government Bond Index (ex Japan, unhedged, based on Japanese Yen) is the bond index operated by FTSE Fixed Income LLC to measure the total investment profits of the government bonds of the major countries in the world as weight-averaged by the market capitalization in each market (the index which is not hedged and based on Japanese Yen).

### 2. Features of the Fund

#### ■ Main subject of investment

- Foreign public and corporate bonds are to be the substantial and main subject of investment\*.
- The Fund may use derivatives, such as the bond futures, and foreign exchange forward transactions, to keep the investment performance effectively linked to the Benchmark Index.

\* The “substantial and main subject of investment” means the main subject of investment to which investment was made through a “foreign bonds mother fund”. The Fund may invest into foreign public and corporate bonds directly.

#### ■ Investment Policy

(i) The Fund is investing in foreign public and corporate bonds as the substantial and main subject of investment, and the Fund aims at investment performance linked to the Benchmark Index.

(ii) The Management Company decides the investment ratio of the mother fund, taking efficiency, etc., into consideration.

(iii) For the purpose of targeting investment performance effectively linked to the Benchmark Index, the Management Company may primarily use derivatives, such as the bond futures, and foreign exchange forward transactions, for purposes beyond hedging, to realize gains and losses that are equivalent to those that arise as a result of holding assets that are subjects of investment, or to decrease the foreign exchange rate fluctuation risk, etc.

(iv) In principle, the Fund does not hedge for the foreign exchange rate applicable to foreign currency denominated assets that are substantially incorporated into the Fund.

#### ■ Copyright, etc., for the FTSE World Government Bond Index (ex Japan, unhedged, based on Japanese Yen)

The NEXT FUNDS International Bond FTSE World Government Bond Index (ex Japan Unhedged) Exchange Traded Fund (the “Fund”) is not in any way sponsored, endorsed, sold

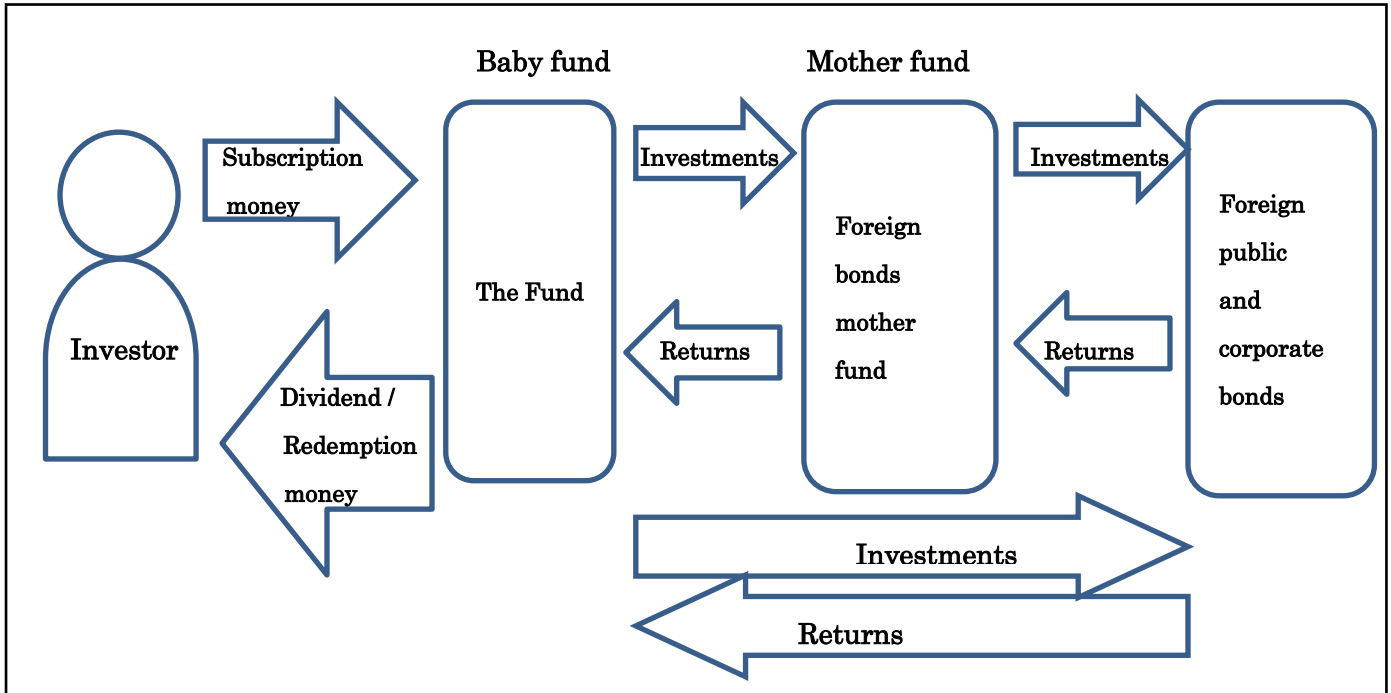
or promoted by FTSE Fixed Income LLC (“FTSE”) or the London Stock Exchange Group companies (“LSEG”) (together the “Licensor Parties”) and none of the Licensor Parties make any claim, prediction, warranty or representation whatsoever, expressly or impliedly, either as to (i) the results to be obtained from the use of the FTSE World Government Bond Index (ex Japan, based on Japanese Yen) (the “Index”) (upon which the Fund is based), (ii) the figure at which the Index is said to stand at any particular time on any particular day or otherwise, or (iii) the suitability of the Index for the purpose to which it is being put in connection with the Fund.

None of the Licensor Parties have provided or will provide any financial or investment advice or recommendation in relation to the Index to Nomura Asset Management Co., Ltd. or to its clients. The Index is calculated by FTSE or its agent. None of the Licensor Parties shall be (a) liable (whether in negligence or otherwise) to any person for any error in the Indices or (b) under any obligation to advise any person of any error therein.

All rights in the Indices vest in FTSE. “FTSE®” is a trade mark of LSEG and is used by FTSE under license.

Management described above may not be achieved depending on funding trends, market trends, etc.

- The Fund is managed on a family fund method, a method where investment is made through a mother fund.



■ Investment Restrictions

Investment ratio in stocks	The Fund does not directly invest in stocks. Investment into stocks is only allowed when convertible bonds are converted into shares. The investment amount in shares must be not larger than 5 % of the NAV of the trust property.
Investment ratio in assets denominated in foreign currencies	There is no restriction on the substantial investment ratio in foreign currency denominated assets.
Use of derivatives	Use of derivatives is not restricted to hedging purposes.

■ Distribution Policy

- Dividends are due on the 7<sup>th</sup> of March and September of each year.
- As a general rule, the full amount of dividends and other income\* arising from the trust assets are distributed after deduction of expenses. However, the amount of dividends that is payable may in some circumstances amount to zero. Even if any profits are realized from the sale and purchase of individual bonds, no dividends shall be paid.

\* “Full amount of dividends and other income” includes interest income and other proceeds.

\* There is no suggestion or guarantee regarding the payment or the amount of future dividends.

**Investment Risks**

1. Factors that contribute to NAV volatility

The NAV of the Fund is subject to fluctuations in the prices of the securities, etc., in which the Fund invests. **All profits and losses arising from fund management are borne by the investors. Any principal invested in the Fund by investors is therefore not guaranteed. Investors may incur a loss and the value of their investment principal may fall below par as the result of a decline in the NAV. The investment trust differs from a savings deposit.**

Bond Price Fluctuation Risk	Bond (such as public and corporate bonds) prices can fluctuate due to fluctuations in market interest rates, fluctuations in the credibility of the bond issuers, etc., which may affect the NAV of the Fund since the Fund invests in these bonds.
Exchange Rate Fluctuation Risk	The Fund may be influenced by exchange rate fluctuations since the Fund, as a general rule, does not hedge for the foreign exchange rate fluctuation risk applicable to assets denominated in foreign currencies incorporated in the trust assets.

\* The factors that contribute to fluctuations in the NAV are not limited to those mentioned above.

<<Primary Factors for Discrepancies between the Benchmark Index and NAV>>

The Fund aims at an investment performance for NAV volatility linked to that of the Benchmark Index; however, in managing the investment assets, we cannot guarantee that movements will be identical to those of the Benchmark Index primarily for the following reasons.

- (i) There is a difference between individual holdings' incorporated ratio in the Fund and the component proportion of component holdings in the Benchmark Index.
- (ii) When portfolio adjustments are made, there may be a price spread between the sale price of individual holdings and the appraised value of the Benchmark Index.
- (iii) There might be a disparity between (a) the timing of capital flow due to an additional issue or partial cancellation of the Fund, etc., and (b) the time of the individual holdings, etc., are actually traded in accordance with the said capital flow.
- (iv) There may be a disparity between the appraised value of certain holding in the Fund and that of the same holding in the Benchmark Index.
- (v) There is a difference between (a) the exchange rate used for appraising the value of assets denominated in foreign currencies of the Fund, and (b) the exchange rate used for calculating the Benchmark Index.
- (vi) The futures transactions to be made are different from those targeting the Benchmark Index.
- (vii) The Fund bears certain costs, such as trust fees.

\* The factors that contribute to the discrepancy between the Benchmark Index and NAV are not limited to those listed above.



\* The above also applies to the case where investment is made through a mother fund.

## 2. Additional Considerations

The provisions in Article 37-6 of the Financial Instruments and Exchange Act (“cooling off” provisions) are not applicable to subscriptions to the Fund.

- Management based upon the investment policy may not be achieved depending on funding trends, market trends, etc., or unexpected circumstances.
- The interest/liquidation payment from the issuers of the securities which are incorporated into the Fund may be delayed.
- Transactions pertaining to the Fund, such as an investment in securities and contracts related to such fund, may default because of the bankruptcy, or other similar event, occurring to a counterparty.
- NAV of the Fund and the Benchmark Index may differ because of costs and other factors. It is not guaranteed that the Fund’s investment performance will track or exceed the Benchmark Index.
- The NAV of the Fund may be influenced in the event that transactions of securities are made in a mother fund which the Fund invests in, due to changes in the capital in its baby fund.
- The market price of the Fund is based upon supply and demand, as calculated through competitive buying and selling on the exchange. Therefore, market price may differ from the NAV itself.
- Please be aware that the Fund will be delisted and the trust will be terminated if the number of units of beneficial interest falls below 500,000 for 20 successive business days.




## 3. Risk Management System

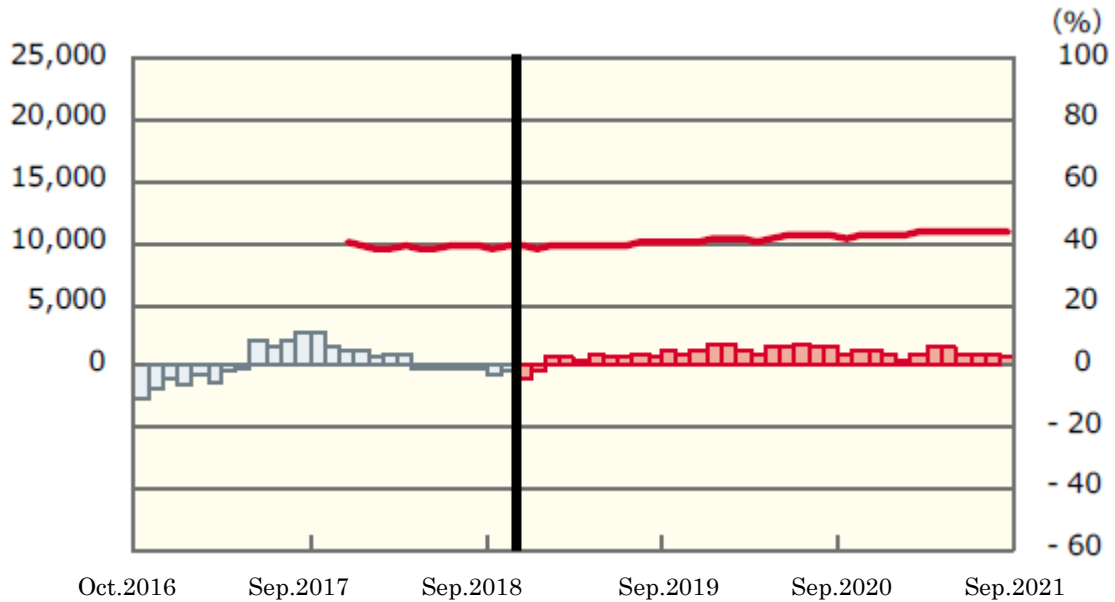
The Management Company examines Fund performance and oversees management risks by having established a committee to take charge of these matters.

- Examination of the Fund performance  
The committee reports and deliberates on the results of periodic examinations (analysis/evaluation) of the investment trust’s trust asset performance results.
- Administration of management risk  
The committee identifies and manages management risk and, based on its findings, provides guidance to the appropriate divisional management and any other relevant sections regarding rectification measures for appropriate administration.

4. Risk Quantitative Comparison (end of October 2016 to the end of September 2021, per month)

< The Fund's annual return and the change of dividend re-investment net asset value >

-  The Fund's annual return (Right Axis)
-  Benchmark Index annual return (Right Axis)
-  Dividend re-investment net asset value (Left Axis)

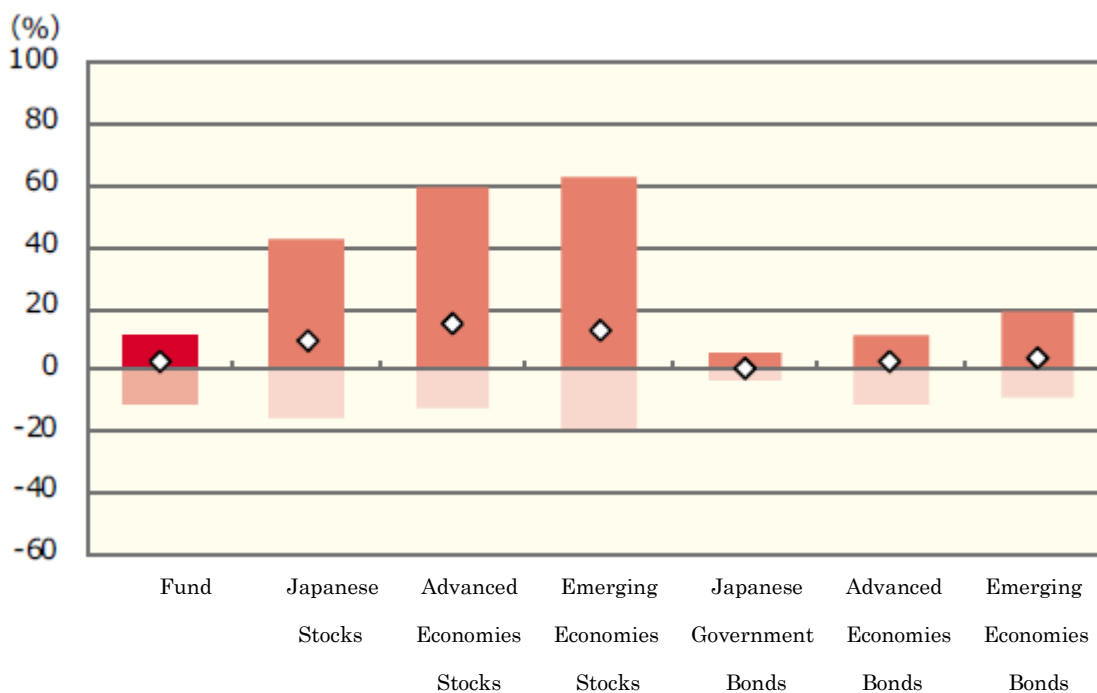


\* The dividend re-investment net asset value is calculated by deeming the dividend, as determined before the application of income taxes, to be re-invested. The dividend re-investment net asset value is set by indexing the original principal as 10,000 (per 100 units), and is displayed from the end of the month that includes the inception date.

\* The annual return displays the return in a single year at the end of each month for the five years from October 2016 to September 2021. However, the Benchmark Index annual return is only displayed up through November 2018.

<Comparison of return between the Fund and the major asset class>

Maximum Value (Fund)    
  Maximum Value    
  Minimum Value (Fund)  
 Minimum Value    
  Average



	The Fund	Japanese Stocks	Advanced Economies Stocks	Emerging Economies Stocks	Japanese Government Bonds	Advanced Economies Bonds	Emerging Economies Bonds
Maximum Value (%)	<b>10.8</b>	42.1	59.8	62.7	5.4	11.4	19.3
Minimum Value (%)	<b>△11.3</b>	△16.0	△12.4	△19.4	△4.0	△11.4	△9.4
Average (%)	<b>2.6</b>	9.5	14.4	13.2	0.3	2.7	3.8

\* Not all asset classes are the subject of Fund investment.

\* The above graph displays the Maximum Value, the Minimum Value and the Average of the annual return at the end of each month for the five years from October 2016 to September 2021. However, prior to the inception date, the annual return of the Fund was calculated by using the Benchmark Index of the Fund.

\* The above numbers may not apply as of the account closing day.

\* The Fund uses the return of the dividend re-investment net asset value.

# The dividend re-investment net asset value may occasionally differ from the actual net asset value

due to the dividend being deemed re-invested before the application of income taxes.

<The index of the major asset class>

- Japanese Stocks: Tokyo Stock Price Index(TOPIX) (including dividend)
- Advanced Economies Stocks: MSCI-KOKUSAI Index (including dividend, based on Japanese Yen)
- Emerging Economies Stocks: MSCI Emerging Markets Index (including dividend, based on Japanese Yen)
- Japanese Government Bonds: NOMURA-BPI JGB
- Advanced Economies Bonds: FTSE World Government Bond Index (excluding Japan, unhedged, based on Japanese Yen )
- Emerging Economies Bonds: JP Morgan Government Bond Index - Emerging Markets Global Diversified (based on Japanese Yen )

■ Copyright, etc., for the Index of the Major Asset Class ■

○Tokyo Stock Price Index (TOPIX) (including dividend) …Tokyo Stock Price Index (TOPIX) (including dividend) is the intellectual property of Tokyo Stock Exchange, Inc., and all rights regarding the index, such as the calculation of the index and the disclosure and accessibility of the index value, etc., are retained by Tokyo Stock Exchange, Inc. Furthermore, this product is not provided, guaranteed, or sold by Tokyo Stock Exchange, Inc., and Tokyo Stock Exchange, Inc. has no responsibility for any damages caused by any issue or sale by the Fund.

○MSCI-KOKUSAI Index (including dividend, based on Japanese Yen), MSCI Emerging Markets Index (including dividend, based on Japanese Yen)…MSCI-KOKUSAI Index (including dividend, based on Japanese Yen) and MSCI Emerging Markets Index (including dividend, based on Japanese Yen) are the indexes developed by MSCI. Copyright, intellectual property rights, and all other rights to these indexes belong to MSCI. In addition, MSCI also retains the right to change the contents and to suspend the disclosure of these indexes.

○NOMURA-BPI JGB…The intellectual property rights concerning NOMURA-BPI JGB belong to Nomura Securities Co., Ltd. Furthermore, Nomura Securities Co., Ltd., does not guarantee the accuracy, integrity, credibility, or usefulness of the Nomura-BPI JGB, and takes no responsibility for the business activities and services provided by Nomura Asset Management Co., Ltd. when using the NOMURA-BPI JGB.

○FTSE World Government Bond Index (excluding Japan, unhedged, based on Japanese Yen )…“FTSE World Government Bond Index (excluding Japan, unhedged, based on Japanese Yen )” is the bond index operated by FTSE Fixed Income LLC for the bond index comprised of the total investment profits of the government bonds of the major countries in the world, excluding Japan, as weight-averaged by the market capitalization in each market, and FTSE World Government Bond Index (excluding Japan, unhedged, based on Japanese Yen) is the intellectual property of FTSE Fixed Income LLC, and all rights regarding the index are retained by FTSE Fixed Income LLC.

○JP Morgan Government Bond Index -Emerging Markets Global Diversified (based on Japanese

Yen )...The information provided here regarding the “JP Morgan Government Bond Index -Emerging Markets Global Diversified (based on Japanese Yen )” (here, for the sake of convenience, referred to as the “Index”.) (said information includes the Index level, but is not limited thereto) is used only for informative purposes, and is not intended as a solicitation for the sale and purchase of Financial Instruments, nor does it officially confirm certain sales and purchase, nor does it define the value and price of certain products related to the Index. Also, the Index does not legally constitute accounting advice regarding investment strategy and tax. The market price, data and other information included here are considered accurate, but JPMorgan Chase & Co., and its subsidiary company (hereinafter referred to as “JPM”) do not guarantee completeness and accuracy. The information included here may sometimes be changed without notice. Past performance does not suggest future return. With respect to the financial instruments of the issuers included in this document, JPM and its employees may possess both long and short positions, may perform sales and purchases, may perform market-making, and may also possibly be a subscriber of issuers, placement agencies, advisers, and lenders.

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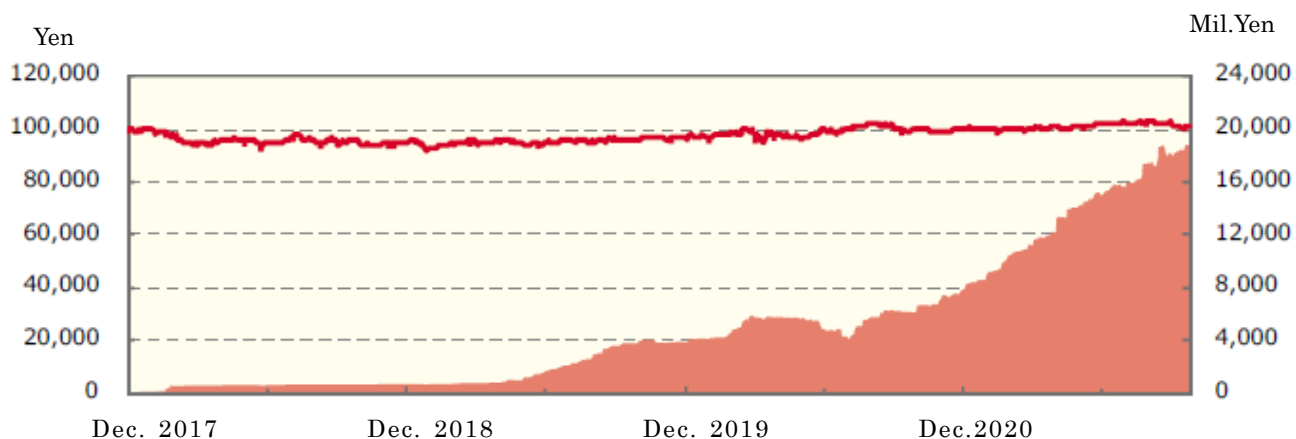
JPMSLLC is an NASD, NYSE and SIPC member. JP Morgan is name that is used when JP Morgan Chase Bank, NA, JPSI, J.P. Morgan Securities PLC., or companies affiliated with these companies conduct investment banking business.

(Source: Nomura Research Institute, Ltd., FTSE Fixed Income LLC, etc.)

### Historical Performance (As of September 30, 2021)

#### 1. Changes in NAV/Net Assets (per day, since inception)

- NAV (price per 100 units of the beneficial interest after dividend) [Left Axis]
- Total net asset value [Right Axis]



#### 2. Dividends Paid (per 100 units, before tax)

September 2021	1,140 Yen
March 2021	900 Yen
September 2020	1,150 Yen
March 2020	930 Yen
September 2019	690 Yen
Cumulative since inception	7,670 Yen

#### 3. Status of Major Assets

##### Substantial Investment Ratio of the Component Bonds (Top 10)

	Name	Type	% of NAV
1	US TREASURY N/B	Government Bond	2.8
2	US TREASURY BOND	Government Bond	1.4
3	US TREASURY BOND	Government Bond	1.4
4	US TREASURY N/B	Government Bond	1.2
5	US TREASURY N/B	Government Bond	1.2
6	US TREASURY BOND	Government Bond	1.1
7	US TREASURY N/B	Government Bond	1.0
8	US TREASURY N/B	Government Bond	1.0
9	US TREASURY N/B	Government Bond	1.0
10	SPANISH GOVERNMENT	Government Bond	0.9

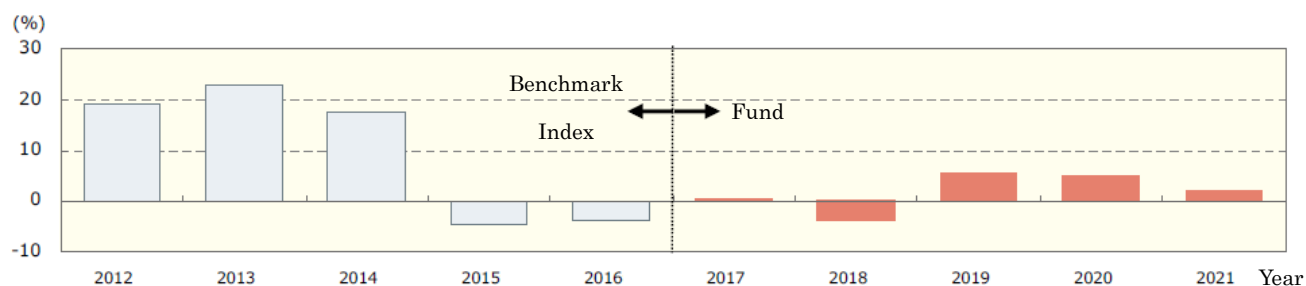
### Substantial Investment Ratio of the Country/Region (Top 5)

	Country/Region (by currency)	% of NAV
1	United States of America	45.9
2	Italian Republic	10.1
3	French Republic	9.4
4	Federal Republic of Germany	6.6
5	Kingdom of Spain	6.4

\* The above is a classification of countries/regions by the currency of incorporated brands. Also, the above is provided based on an issuing country regarding Euro.

### 4. Past Annual Returns

(based on the calendar year)



-The annual rates of return are calculated with dividends reinvested (before tax).

-Figures from 2012 to 2016 are for the annual rates of return for the Benchmark Index.

-The figure for 2017 shows the return rate of the Fund, from the inception date (December 7, 2017) to the end of the year.

-The figure for 2021 shows the return rate of the Fund from the beginning of the year to the base date.

- The performance data shown above represents historical performance, which is not a guarantee of future investment results.
- The information of the Benchmark Index is just for reference, and does not refer to historical performance of the Fund.
- The Fund's investment performance may be disclosed on the Management Company's website.

***Procedures, Fees, and Other Items***

1. Subscription Memorandum

Subscription Units	10,000 units or more, available in multiple, indivisible units of 10,000 units each
Subscription Price	The amount of the NAV as of the next business day after the subscription application day multiplied by a percentage not more than 100.05% (but as of November 17, 2021, a percentage of 100.03%). (The NAV of the Fund is indicated per 100 units)
Payment of cash	In principle, please pay the distributing company where the subscription application is made, by the day the distributing company designates.
Initial Principal	1,000 yen per 1 unit
Redemption Units	10,000 units or more, available in multiple, indivisible units of 10,000 units each
Redemption Price	The amount obtained by subtracting the amount to be retained in trust assets from the NAV of the next business day after the redemption application day.
Receipt of the cash	In principle, cash will be paid beginning from the fifth business day from the redemption application day at the distributing company where the application was accepted.
Business Hours for Subscription / Redemption	Applications for subscription and redemption that are completed by 3:30 p.m. are deemed to have been accepted on that day.
Subscription Period	From November 18, 2021 to November 30, 2022 *The subscription period can be renewed by filing another securities registration statement prior to the expiration date shown above.
Restrictions on Redemption	Redemption of large amounts may be restricted.
Non-acceptance Days for Subscription/Redemption	In principle, applications for subscription/redemption will be suspended on the following days/period: <Subscription> -The subscription application day, if said subscription application day or the next business day after such subscription application day, is the same date as a holiday in a foreign country*, as specified below. -For a period of three business days, beginning from four business days prior to each accounting day of the Fund. However, if the accounting day is a holiday (meaning not a business day), the



	<p>period shall be four business days, beginning from five business days prior to the accounting day.</p> <p>-In addition to the period above, any time the Management Company determines that unavoidable circumstances occur that prevent it from making investments in accordance with the investment policies.</p> <p>&lt;Redemption&gt;</p> <p>-The redemption application day, if said redemption application day or the next business day after such redemption application day, is the same date as a holiday in a foreign country*, as specified below.</p> <p>-For a period of three business days, beginning from four business days prior to each accounting day of the Fund. However, if the accounting day is a holiday (meaning not a business day), the period shall be four business days, beginning from five business days prior to the accounting day.</p> <p>-In addition to the period above, any time the Management Company determines that unavoidable circumstances occur that prevent it from making investments in accordance with the investment policies.</p> <p>*“A holiday in a foreign country” is a day that falls under any of the following items below.</p> <ul style="list-style-type: none"> <li>-Non-business days of the London Stock Exchange or banks in London.</li> <li>- Non-business days of the New York Stock Exchange or banks in New York.</li> </ul> <p>*Notwithstanding the provisions above, applications for subscription/ redemption may be accepted on or during the days referred to above if the Management Company determines that the impact of such subscription/ redemption on the trust assets is minimal in view of the condition of the trust assets, funding trends, market trends, etc.</p>
<p>Suspension or Cancellation of Subscription/Redemption</p>	<p>The Management Company may suspend acceptance of applications for subscription/redemption, or cancel applications for subscription/redemption that have already been accepted, in the event that trading on a financial instruments exchange is suspended or if any other circumstances beyond their control</p>

	<p>develops. If the number of units, calculated by subtracting the number of redemption units from the number of subscription units, exceeds the outstanding number of the units of the Fund before the acceptance of a subscription application (including the number of units coming from subscription/redemption applications one business day prior to the day of acceptance of such subscription application but has yet to be counted to the trust assets), the Management Company may suspend acceptance of subscription applications or cancel prior acceptances.</p>
Trust Term	Unlimited (inception date: December 7, 2017)
Listed Market	Tokyo Stock Exchange
Early Termination	<p>Early termination shall be carried out if the number of units of beneficial interests falls below 500,000 for 20 successive business days, if the Fund is delisted from all the financial instruments exchanges on which the Fund has been listed, or if the Benchmark Index is discontinued.</p> <p>If the Fund is delisted from all the financial instruments exchanges on which the Fund has been listed, the Management Company will begin the necessary steps for early termination on the day of the latest delisting day. In addition, early termination may be carried in any other situation where circumstances beyond the Management Company's control develop.</p>
Accounting Day	On the 7 <sup>th</sup> of March and September of each year.
Income Distribution	Dividends are due two times a year on the date of each closing of account.
Maximum Amount of Trust	1 trillion yen
Public Notification	<p>Public notifications shall principally be posted online at the website below:</p> <p>URL: <a href="http://www.nomura-am.co.jp/">http://www.nomura-am.co.jp/</a></p>
Investment Reports	No investment report is made.

## 2. Fund Expense and Taxes

### ■ Fund Expenses

Expenses to be borne directly by investors			
Subscription Commission	Set independently by the distributing company (Please contact the distributing company for further information) The Subscription Commission is received in consideration of the office procedures related to Fund subscription, etc., at the time of the subscription of the Fund.		
Other Expenses	Subscription Price uses the amount of the NAV multiplied by a percentage not more than 100.05% (but as of November 17, 2021, a percentage of 100.03%). Therefore, in the event of subscription, the amount obtained by multiplying the NAV by a percentage not more than 0.05% (but as of November 17, 2021, a percentage of <b>0.03%</b> ), and from this amount determining the per unit amount, which in turn will be multiplied by the number of subscription units, shall be paid.		
Amount to be Retained in Trust Assets	In the event of redemption, the amount obtained by multiplying the NAV by a percentage not more than 0.05% (but as of November 17, 2021, a percentage of <b>0.03%</b> ), and from this amount determining the per unit amount, which in turn will be multiplied by the number of redemption units, shall be paid.		
Redemption Commission	Set independently by the distributing company (Please contact the distributing company for further information) The Redemption Commission is received in consideration of the office procedures related to Fund redemption, etc., at the time of the redemption of the Fund.		
Expenses to be borne indirectly by investors from trust assets			
Management Fee (Trust Fee)	Total amount of the Trust Fee is <b><u>the sum of the following two items:</u></b> (i)The amount obtained by multiplying the daily total net assets of the Fund by Annual Trust Fee Rate The distribution of the Trust Fee Rate is as follows:		
	Annual Trust Fee Rate	No larger than 0.132% (0.12% exclusive of taxes) <b><u>(0.132% (0.12% exclusive of taxes)</u></b> as of November 17, 2021)	
	The payee distribution (exclusive of	<Management Company> Fund operations,	0.10%

	<p>taxes) and the service details</p>	<p>investigations related to Fund operations, instructions to trustees, preparation of legal documents, etc., estimating base price, etc.</p>	
		<p>&lt;Trustee&gt; The storage/management of property of the Fund, execution of instructions from the Management Company, etc.</p>	<p>0.02%</p>
<p>*The distribution above is calculated using the annual Trust Fee Rate as of November 17, 2021.</p> <p>(ii)When the Fund lends securities, the amount obtained by subtracting the cost required when the business in relation to such rental is designated to a third party from the amount obtained from no more than 44% of the rental fee which accrues on a daily basis (40% exclusive of taxes). The distribution shall be 80% for the Management Company and 20% for the Trustee.</p> <p>The Trust Fee of the Fund is summed up daily, and reflected within the NAV of the Fund. Also, the total amount of the Trust Fee is paid from the Fund on (a) every last day of any accounting period or (b) the termination date of the trust.</p>			
<p>Other Expenses and Fees</p>	<ul style="list-style-type: none"> <li>◆ Annual fees for use of trademarks pertaining to the Benchmark Index (as of November 17, 2021) 0.02% per year of the Fund’s total net asset value.</li> <li>◆ Expenses pertaining to listing of the Fund (as of November 17, 2021) -Additional listing fee: 0.00825% (0.0075% exclusive of taxes) of the amount of increase in value of the Fund’s total net asset value at the time of any additional listing 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</li> </ul>		

values at the end of each subsequent year 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.

The fee listed above and any consumption and other tax are to be borne by investors and can be paid out of the Fund. Amounts not paid out of the Fund are to be borne by the Management Company.

Other expenses and fees are as follows:

- Brokerage commission on transactions in portfolio securities
- Expenses for maintaining custody of assets denominated in foreign currency.
- Administrative expenses for lending securities
- Costs paid to auditors for Fund audits
- Tax related to the Fund, etc.

These expenses and fees above are paid out of the Fund when they are incurred. These expenses and fees vary according to management and other conditions, so details of rates and upper limits cannot be provided ahead of time.

■ Tax Treatment

- Tax Treatment is applied at the times listed below.
- The following chart represents tax rates on individual investors at the time of tax withholding.  
The tax rate may differ according to the taxation method, etc.

Time	Items	Tax
Receipt of distribution	Income tax, special reconstruction income tax, and local tax	Taxed as dividend income 20.315% of income distributions
Sales, redemptions (cancellations), and liquidations	Income tax, special reconstruction income tax, and local tax	Taxed as capital gains 20.315% of the profit on sales, redemptions (cancellations), and liquidations

\*The foregoing descriptions are as of the end of September 2021. Therefore, the tax rates may change in the event that tax laws are revised.

\*If you choose the Japanese version of the Individual Savings Account (known as “NISA”):

“NISA” is the (Nippon) Individual Savings Account, a tax exemption structure pertaining to a listed stock or a publicly offered stock investment trust, etc. If you choose to use the NISA structure, income gains and capital gains from newly purchased ETFs, etc., for investments of up to a specified amount each year, will be tax exempt for a specified term. In order to be eligible for NISA, certain conditions, such as the requirement that the NISA account be opened by an investor with an eligible distributing company, must be met. Investors should make sure whether or not dividends can be received tax-exempt, as this may depend on the dividend payment method. Please confirm this with the distributing company for further details.

\*In the event foreign tax credit is applied by the investment to assets denominated in foreign currency, tax treatment at the time of receipt of the distribution may differ from the percentage listed above.

\*The aforementioned descriptions do not apply to Japanese corporations.

\*We recommend that investors consult a tax or similar specialist for details of tax treatment.