

## Nomura Lists New ETF Designed to Track Performance of S&P Balanced Equity and Bond - Conservative JPY Hedged Index (TTM) on TSE

**Tokyo, September 16, 2022**—Nomura Asset Management Co., Ltd. (NAM), the core company within the Investment Management Division of Nomura Group, today announced that it has listed a new ETF designed to track the performance of the S&P Balanced Equity and Bond - Conservative JPY Hedged Index (TTM) on the Tokyo Stock Exchange (TSE). From today, investors can trade the ETF on the TSE through securities dealers and traders in Japan.

Code	Name	Index	Management fee
2863	NEXT FUNDS S&P US Equity and Bond Balance Conservative Index (Yen-Hedged) Exchange Traded Fund	S&P Balanced Equity and Bond - Conservative JPY Hedged Index (TTM)	0.253% annually (0.23%, tax excluded) <sup>1</sup>

This is the first multi-asset ETF in Japan, responding to the high demand from institutional investors for this type of ETF. With a U.S. stock to bond ratio of 25/75, the ETF is also suitable as a bond alternative. The ETF is hedged to mitigate currency risk.

NAM listed its first ETF in Japan in May 1995. The new listing brings ETFs in Nomura's NEXT FUNDS range to a total of 66.

For further details on the ETF, please refer to the link below.

<https://nextfunds.jp/en/lineup/2863/>



† “NEXT FUNDS” is the brand name for the ETF product range of Nomura Asset Management Co., Ltd., representing “Nomura **Ex**change **T**raded **F**unds”.

ends

<sup>1</sup> Management fee is not more than 0.253% annually (0.23%, tax excluded)(0.253% annually (0.23%, tax excluded) as of September 14, 2022).

Nomura is a global financial services group with an integrated network spanning over 30 countries and regions. By connecting markets East & West, Nomura services the needs of individuals, institutions, corporates and governments through its three business divisions: Retail, Wholesale (Global Markets and Investment Banking), and Investment Management. Founded in 1925, the firm is built on a tradition of disciplined entrepreneurship, serving clients with creative solutions and considered thought leadership. For further information about Nomura, visit [www.nomura.com](http://www.nomura.com).

### **Disclaimer of "S&P Balanced Equity and Bond - Conservative JPY Hedged Index (TTM)"**

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### **Disclaimer of Nomura Asset Management**

The contents of this material are based on an English translation of a Japanese announcement made on September 16, 2022 by Nomura Asset Management Co., Ltd. Whilst every effort has been made to translate the Japanese document into English, the accuracy and correctness of this translation are not guaranteed, therefore please refer to the original Japanese document.

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Furthermore, none of the shares of the Fund have been or will be registered under the United States Securities Act of 1933, as amended ("1933 Act"), or under the securities laws of any state or political subdivision of the United States of America or any of its territories, possessions or other areas subject to its jurisdiction including the Commonwealth of Puerto Rico (the "United States"). The Fund has not been and will not be registered under the United States Investment Company Act of 1940, as amended, nor under any other US federal laws.

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### **Disclosures required in Japan**

#### ETF Investment Risks

Since the Fund invests primarily in securities and futures contracts, there is a risk that the market price of such securities or the NAV per unit of the Fund could decline and cause an investment loss due to a decline in the index, a price decline in securities comprising the index, the bankruptcy of a security issuer, or deterioration in the financial conditions of an issuer, in addition to other market factors.

Also, because some securities in the Fund are influenced by exchange rates, the NAV may fall due to fluctuations in the foreign exchange rate. An investor's principal is therefore not guaranteed.

Furthermore, investment trusts are different from deposits and savings.

\*ETF risks are not limited to the above.

Before investing in the Fund, prospective investors should carefully read the summary prospectus and base decisions on their own judgement.

#### ETF Investment Costs

An investor shall bear the following costs when investing in the Fund.

#### Trading Fee:

Trading of the Fund incurs brokerage commission fees set by a Type-1 financial instruments business provider (securities firm) that handles the transaction. These commissions are separate from the actual

transaction value. (Because the commissions charged by each securities firm differ, it is not possible to specify a maximum amount.)

#### Management Fees:

The total management fee is obtained by adding the amount determined in (2) below to the amount determined in (1) below. Management fees are paid from the trust assets, and therefore are charged indirectly according to the period that the ETF is held.

(1) The amount obtained by multiplying the total net assets by a rate determined by the Management Company not to exceed 1.045% annually\* (0.95% exclusive of taxes).

\*The maximum management fee of each ETF is indicated above. For some ETFs, the management fees are calculated based on the Fund's principal.

(2) If the securities belonging to the trust assets have been loaned, an amount no more than 55%\* (50% exclusive of taxes) of the loan fees.\*

\*The highest loan fee of the ETFs is indicated.

#### Other Fees:

ETF-related taxes, expenses necessary for trust administrative procedures (including various expenses necessary for safekeeping of overseas assets), interest on advances provided by the trustee, sales consignment fees incurred when securities included in the fund are traded, audit fees, other expenses (including expenses relating to listing of Beneficiary Interests and fees for the use of trademarks to subject indexes), and consumption taxes on these fees are incurred, when applicable, during the trust period. These expenses are paid from the trust assets and are charged indirectly during the period that the ETF is held. Other expenses will vary according to investment circumstances, and consequently, rates and maximum amounts cannot be specified in advance.

The total amount of the above fees and expenses will vary according to investment duration, so they cannot be specified ahead of time.

For further details, please refer to the "Fund Expense and Taxes" section of the summary prospectus.

#### Notes

Nomura Asset Management Co., Ltd. does not directly handle order requests for the Fund from investors. To invest in the Fund it is necessary to open an account with a nearby Type-1 financial instruments business provider (securities firm) that handles ETFs and make a request to the broker.

Registered Company Name: Nomura Asset Management Co., Ltd.

Registration Number: Director of the Kanto Local Financial Bureau (Financial instruments firms) No. 373

Member Associations: The Investment Trusts Association, Japan; Japan Securities Investment Advisers Association; Type II Financial Instruments Firms Association