[Disclaimer]

1. This document is an English translation of the Japanese language Prospectus Issued upon Request (hereinafter referred to as the “Prospectus”) of the NEXT FUNDS MSCI Japan Country ESG Leaders Index Exchange Traded Fund (hereinafter referred to as the “Fund”).
   This document is based on the Prospectus of the Fund as of July 18, 2024, 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 purposes only and does not constitute a recommendation, offer, or solicitation to buy or sell any securities, or to adopt any investment strategy.

4. This English translation is not an official translation. In the event of any inconsistencies between this English translation and the official Japanese original 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, will be 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. The statement should be referred to for the detailed information of the Fund.

8. Neither this document nor any part hereof may be (a) copied or reproduced in any form by any means, or (b) redistributed without the prior written consent of Nomura Asset Management Co., Ltd.

9. Nomura Asset Management Co., Ltd., reserves the right to change, modify, add, or remove any part of this translation at any time for any reason. Such changes, modification, additions or removals may be made without notice.

10. The Net Asset Value of the Fund is subject to fluctuations in the prices of the securities in which the Fund invests. All profits and losses arising from fund management are borne by the investors. 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 Net Asset Value. The investment trust differs from a savings deposit.

11. Trading should be conducted on the investor's own judgement and responsibility. Please fully read the Japanese language Summary Prospectus, Prospectus and other documents distributed before concluding a contract with a financial instruments business operator, etc. with sufficient understanding of the product's attributes, trading mechanism, existence of risk, and sales commissions.

NEXT FUNDS
MSCI Japan Country
ESG Leaders Index Exchange Traded Fund

(Nickname) NF Japan ESG Leaders ETF

Open-ended | Domestic | Multiple Assets | ETF | Index Type

【Explanatory Booklet on the Investment Trust (Prospectus)】

(July 18, 2024)

In connection with offering for subscription to the NEXT FUNDS MSCI Japan Country ESG Leaders Index Exchange Traded 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 July 17, 2024, pursuant to the provisions of Article 5 of the Financial Instruments and Exchange Act (Act No.25 of 1948). The filing took effect on July 18, 2024.

This prospectus is prepared to be published to the investors upon request pursuant to the provisions of Article 13 of the Financial Instruments and Exchange Act.

【Issuer Name】	:	Nomura Asset Management Co., Ltd.
【Title and Name of the Representative】	:	Hiroyasu Koike, CEO and Representative Director
【Address of Registered Headquarters 】	:	2-1 Toyosu 2-chome, Koto-ku, Tokyo, Japan
【Place for Public Inspection】	:	Tokyo Stock Exchange Group, Inc. 2-1 Nihonbashi Kabutocho, Chuo-ku, Tokyo, Japan

Nomura Asset Management

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PART I 【Security Information】

(1)【Fund Name】

NEXT FUNDS MSCI Japan Country ESG Leaders Index Exchange Traded Fund
(hereinafter referred to as the "Fund" and the nickname of the Fund is "NF Japan ESG Leaders ETF")

(2)【Legal Form, etc. of Domestic Investment Trust Beneficiary Certificates】

Open-ended Securities Investment Trust: Beneficial Interests in shares (hereinafter referred to as the "Beneficial Interests in shares")
Initial principal is 2,000 Yen per share.
■Credit Rating■
No credit rating has been assigned or made available by a credit rating company. And no credit rating is or will be assigned or made available by a credit rating company.

All Beneficial Interests in shares of this Fund are governed by the Act on Book-Entry of Corporate Bonds, Shares, etc., (hereinafter referred to as the "Book-Entry Act;" the same applies hereinafter). The attribution of the Beneficial Interests in shares shall be determined based on the statement or recording made on the book-entry transfer account register of the Central Securities Depository set forth under "(11) Central Securities Depository" below and that of a subordinate account management institution of the aforesaid Central Securities Depository (the "Account Management Institution" provided in Article 2 of the Book-Entry Act; including Central Securities Depository, hereinafter referred to as "Central Securities Depository"). The Beneficial Interests in shares determined based on a statement or recording made on the book-entry transfer account register is hereinafter referred to as "Transfer Beneficial Interests in shares." Nomura Asset Management Co., Ltd., as the Management Company of the Fund, does not issue the beneficiary certificates that represent Transfer Beneficial Interests in shares, except in the event of unavoidable circumstances. Furthermore, neither a bearer form nor a registered form is recognized as Transfer Beneficial Interests in shares.

(3)【Total Amount of Issue(Offering)】

Up to 2 Trillion Yen

(4)【Issue (Offering) Price】

The price is the Net Asset Value* as of the acceptance day of creation application.

Please note that creation application completed, that are also accompanied by the completion of all related procedures designated by the respective distributing company which accepts the creation application, by 3 p.m. of the acceptance day of creation application shall be deemed to be accepted on the acceptance day of creation application. Provided that, when the creation applicant is an issuing company etc., of component stocks in the Benchmark Index, the time limit is 2 p.m.

※ "Net Asset Value (hereinafter referred to as the "NAV")" is the amount derived by dividing total net asset value by the total number of Beneficial Interests in shares as of the designated date. The NAV of the Fund is indicated

per 100 shares.

If you have any questions on the NAV of the Fund, please contact the Management Company at the following:

Nomura Asset Management Co., Ltd.
Support Dial: 0120-753104 (toll-free) (in Japan only)
(9 a.m. - 5 p.m. on business days (Japan Standard Time))
Website: https://www.nomura-am.co.jp/

(5)【Application Fee】

The application fee is an amount※ determined independently by the respective distributing company.

※Please contact the distributing company for further information.

(6)【Application Unit】

1 UNIT※ or more, available in multiple, indivisible units of 1 UNIT.

※A "UNIT" is comprised of the number of the Beneficial Interests in shares that, when combined together in a unit, correspond to 1 unit of the actual stocks and actual real estate investment trust portfolio which the Management Company deems will correlate to the Benchmark Index.

1 UNIT is composed of integer multiples of 50,000 shares of the Beneficial Interests, which are to be specified by the Management Company on the acceptance day of creation application.

As a general rule, creation of the Beneficial Interests in shares (additional creation) is limited creation in accordance with the actual stocks and actual real estate investment trust portfolio (hereinafter referred to as the "Designated Securities Portfolio") presented by the Management Company in advance. The Management Company shall present Designated Securities Portfolio according to the number of application UNIT to the distributing company by the two business days before the acceptance day of creation application.

(7)【Application Period】

The application period is from July 18, 2024 to July 16, 2025.

*The application period may be renewed by filing another securities registration statement prior to the expiration date shown above.

(8)【Place for Application】

If you have any questions regarding a place of application (hereinafter referred to as the "Distributing Company"), please contact the Management Company at the following:

Nomura Asset Management Co., Ltd.
Support Dial: 0120-753104 (toll-free) (in Japan only)
(9 a.m. - 5 p.m. on business days (Japan Standard Time))
Website: https://www.nomura-am.co.jp/

(9)【Due Date of Payment】

An investor shall deposit the Designated Securities Portfolio to the safe custody of the Distributing Company no later

than two business days from the acceptance day of creation application. (※)

In the event the market value of the Designated Securities Portfolio is less than the estimated value of the beneficiary interests in shares to be created, the investor shall pay the amount equivalent to such difference to the Distributing Company within a period of two business days from the acceptance day of creation application. In addition to the above, an investor shall pay the application fee and consumption tax, etc. thereon to the Distributing Company no later than two business days from the acceptance day of creation application.

In addition to the above, an investor shall pay the application fee and consumption tax, etc., thereon to the Distributing Company no later than two business days from the acceptance day of creation application.

＊The Distributing Company may specify the details separately. Please contact the Distributing Company for further details.

The stocks and real estate investment trust, etc., corresponding to the aggregate issuing prices of the UNITs subscribed to within the application, as of each acceptance day of creation application, will be deposited by each Distributing Company into the fund account designated by the Trustee on the day the additional trust is made (When money is included in the stocks and the real estate investment trust etc., the Distributing Company shall remit it into the fund account designated by the Trustee via the account designated by the Management Company on the day the additional trust is made.).

(※) In the event an investor is an issuing company of a component stock within the Designated Securities Portfolio, or one of its subsidiaries (meaning a subsidiary defined in Article 2, Item 3 of the Companies Act. The issuing company or its subsidiary is hereinafter referred to as the "Issuing Company, etc."), in principle, the investor shall pay to the Distributing Company in cash (instead of depositing the issuing company's stock) the amount equivalent to the aggregate market value of the issuing company's stock in the Designated Securities Portfolio, as well as, an amount equivalent to the expense required for the acquisition of the issuing company's stock for the trust property (i.e., an amount equivalent to 0.15% of the aggregate market value of such stock), within a period of two business days from the acceptance day of creation application.

(10)【Place for Payment】

An investor shall (i) deposit the Designated Securities Portfolio to the safe custody of the Distributing Company and (ii) pay the amount described in paragraph (9) above regarding the application fee and consumption tax, etc. thereon to the Distributing Company by the payment due date as stipulated in paragraph (9) above. If you have any questions regarding a place of payment, please contact the Management Company at the following:

Nomura Asset Management Co., Ltd.
Support Dial: 0120-753104 (toll-free) (in Japan only)
Reception hours: 9 a.m. - 5 p.m. on business days (Japan Standard Time)
Website: https://www.nomura-am.co.jp/

(11)【Central Securities Depository】

The Central Securities Depository for the Beneficial Interests in shares of the Fund is as follows:

The Japan Securities Depository Center, Inc.

(12)【Other Information】

Not Applicable

PART II 【Fund Information】

I.【Overview of Fund】

1【Features of Fund】

(1)【Purposes and Basic Features of the Fund】

The Fund aims at investment performance tracked to the MSCI Japan Country ESG Leaders Index※ (hereinafter referred to as the "Benchmark Index") (meaning return of NAV corresponds to that of Benchmark Index.).

※ MSCI Japan Country ESG Leaders Index is a stock price index provided by MSCI which consists of companies with high ESG performance and reputation relative to their sector peers in Japanese markets. It is constructed on the basis of MSCI Japan Index, as parent index, by applying a simple and highly transparent Best-in-Class approach※ to aim for high ESC performance.

※ Best-in-Class approach is approach to construct an index with picking up the highest ESG rating companies from each sector within the parent index.

■Reason for selection of the Benchmark Index■

The MSCI Japan Country ESG Leaders Index is expected to provide investment opportunities to a group of companies with high ESG ratings using ESG Evaluation, including ESG ratings, Controversies Score and Business Screening in Index Building Process.

* For more details on the Index, please refer to "***Index Building Process***".

The Fund will be managed with the aim of achieving investment performance linked to an index that uses ESG※ as a major factor in the selection of its constituents (hereinafter referred to as "ESG Index"). For more details, please refer to *"**Investment Policy***".
※ESG is the collective term for Environment, Social, and Governance.

■Maximum Amount of Trust■

The maximum amount of the trust of the Fund is the amount equivalent to 1 Trillion Yen; provided, however, the Management Company may, by mutual agreement with the Trustee, alter the maximum amount stipulated above.

This Fund is classified as a contractual open-ended stock investment trust; however, this Fund is designed with the following characteristics that are different from a typical investment trust:

① Beneficial Interests in shares of this Fund are listed in a Financial Instruments Exchange

It provides secondary market by way of the Financial Instruments Exchange as an alternative cash conversion measure because redemption with cash will not be accepted to maintain incorporation ratio of the Stock and the Real Estate Investment Trust at high level.

※Trading at the Financial Instruments Exchange

Trading can be done at any time at the Financial Instruments Exchange listed below.

The Tokyo Stock Exchange

Trading unit of the Beneficial Interests in shares of this Fund is 1 UNIT or more, available in multiple, indivisible units of 1 UNIT.

Trading fee is specified separately by Type I Financial Instruments Business Operator which accepts the application.

Trading procedure is the same as that of stocks as a whole. Please contact the Type I Financial Instruments Business Operator for further information.

② This Fund is created by Means of Placing the Stock and the Real Estate Investment Trust into a Trust

In principle, the Fund is created by means of placing the stock and the real estate investment trust into a trust. (※).

As a general rule, creation of the Beneficial Interests in shares (additional creation) is limited creation in accordance with the actual stocks and actual real estate investment trust portfolio (hereinafter referred to as the "Designated Securities Portfolio") presented by the Management Company in advance.

Investors create the Beneficial Interests in shares according to the Designated Securities Portfolio. In the event the market value of the Designated Securities Portfolio is less than the estimated value of the beneficiary interests to be created, it shall be created by cash at the amount equivalent to such difference.

(※) The Fund is created by means of placing in trust the securities designated by the Management Company, which shall satisfy all of the following requirements (such stock is hereinafter referred to as the "Trust Eligible Securities"):

1 In principle, stocks and Real Estate Investment Trust (the real estate investment trust which is listed (including equivalent thereto) on the Financial Instruments Exchange in Japan (meaning the Real Estate Investment Trust described in the rules of the Investment Trusts Association, Japan). The same shall apply hereinafter.) that are included or are due to be included in the Benchmark Index;
2 In principle, the proportion of stocks and Real Estate Investment Trust must meet the basic investment policy of the Management Company; and
3 Securities that are described in the Order for Enforcement of the Act on Investment Trusts and Investment Corporations and Regulation for Enforcement of the Act on Investment Trusts and Investment Corporations.

③ Additional creation may be executed only when an application is for more than certain number of shares.

It is to make an additional creation no less than necessary amount to compose the portfolio in order to maintain the investment performance tied to the Benchmark Index.

④ Beneficial Interests in shares are able to redeem with Stocks and Real Estate Investment Trust.

The investor who holds more than a specified number of Beneficial Interests in shares may redeem their Beneficial Interests in shares with the Designated Securities Portfolio existing within the trust properties, which corresponds to such Beneficial Interests in shares.

This aims to encourage the fair-price formation in the Financial Instruments Exchange when there is a difference between the NAV of the Beneficial Interests in shares of the Fund and the market value of the stocks at the Financial Instruments Exchange, by converging such difference through a reasonable intervening resolution.

⑤ Income distribution are paid to the beneficiary decided with the registration.

＜Product Classification＞

This Fund is classified as follows, in accordance with the Guidelines for Product Classification (*Shohin Bunrui ni kannsuru Shishin*) created by the Investment Trusts Association, Japan:

Please note that product classification and segmentation by attributes that apply to this Fund are designated in shade below.

（NEXT FUNDS MSCI Japan Country ESG Leaders Index Exchange Traded Fund）

《Product Classification》

Unit Type/ Open-ended Type	Eligible Market	Eligible Investments（Source of Income）	Independent Segment	Supplementary Classification
Unit Type Open-ended Type	Domestic Overseas Domestic and Overseas	Stocks Bonds REITs Other Assets （　） Multiple Assets	MMF MRF ETF	Index Type Special Type

《Segmentation by Attributes》

Eligible Investments	Timing of Accounting Period	Geographical Areas of Investment	Index Followed
Stocks General Large-cap Small/Mid-cap Bonds General Public Bonds Corporate Bonds Other Debentures Credit Attributes （　　） REITs Other Assets （　） Multiple Assets （Stocks, REIT） Fixed Asset Allocation Type Flexible Assets Allocation Type	1 time yearly 2 times yearly 4 times yearly 6 times yearly（bimonthly） 12 times yearly（monthly） Daily Others （　）	Global Japan North America Europe Asia Oceania Central and South America Africa Middle and Near East（Middle East） Emerging	Nikkei 225 T O P I X Others （MSCI Japan Country ESG Leaders Index）

Please refer to the following information for the definitions of product classification and segmentation by attributes mentioned above.

Please also refer to the website of the Investment Trusts Association, Japan for definitions of product classification and segmentation by attributes mentioned above.

《The Investment Trusts Association, Japan Website》 https://www.toushin.or.jp/

◆The following are the definitions of product classification and segmentation by attributes listed in the Guidelines for Product Classification (*Shohin Bunrui ni kannsuru Shishin*) established by the Investment Trusts Association, Japan (as of January 19, 2023)

＜Definitions of Product Classification＞

［Classification of Unit Type Investment Trust and Open-ended Investment Trust］

(1) Unit Type Investment Trust: A fund in which the money initially offered is placed in a trust as one unit and no additional creation are issued afterwards.

(2) Open-ended Investment Trust: A fund that has a capacity of additional creation and its trust property is managed along with the additional one.

［Classification According to the Eligible Market］

(1) Domestic: A fund that has a prospectus or basic terms and conditions of the investment trust that states the majority of the fund's investment income from its incorporated property is substantially derived from domestic assets.

(2) Overseas: A fund that has a prospectus or basic terms and conditions of the investment trust that states the majority of the fund's investment income from its incorporated property is substantially derived from overseas assets.

(3) Domestic and Overseas: A fund that has a prospectus or basic terms and conditions of the investment trust that states the majority of the fund's investment income from its incorporated property is substantially derived from both domestic and overseas assets.

［Classification According to the Eligible Investments］

(1) Stocks: A fund that has a prospectus or basic terms and conditions of the investment trust that states the majority of the fund's investment income from its incorporated property is substantially derived from stocks.

(2) Bonds: A fund that has a prospectus or basic terms and conditions of the investment trust that states the majority of the fund's investment income from its incorporated property is substantially derived from bonds.

(3) Real Estate Investment Trusts (REITs): A fund that has a prospectus or basic terms and conditions of the investment trust that states the majority of the fund's investment income from its incorporated property is substantially derived from beneficiary certificates of real estate investment trusts and investment securities from real estate investment corporations.

(4) Other Assets: A fund that has a prospectus or basic terms and conditions of the investment trust that states the majority of the fund's investment income from its incorporated property is substantially derived from assets other than those stated within (1) through (3) above. The prospectus or basic terms and conditions of the investment trust may note the names of the specific assets that comprise the majority of the fund's investment income along with its Other Assets.

(5) Multiple Assets: A fund that has a prospectus or basic terms and conditions of the investment trust that states the majority of the fund's investment income from its incorporated property is substantially derived from two or more assets that are listed within (1) through (4) above.

［Independent Segment］

(1) MMF (Money Management Fund): A fund classified as the MMF defined under the "Regulations on Operation of MRF and MMF" (hereinafter referred to as the "MRF, etc., Regulations") (*MRF oyobi MMF no Un-ei ni kansuru Kisoku*)

(2) MRF (Money Reserve Fund): A fund classified as the MRF defined under the MRF, etc., Regulations.

(3) ETF: A fund classified as the Securities Investment Trust, as defined in Items 1 and 2 of Article 12 of the Order for Enforcement of the Act on Investment Trust and Investment Corporations (Cabinet Order No. 480 of 2000) and Listed Securities Investment Trust, as defined in Article 9-4-2 of the Act on Special Measures Concerning Taxation (Act No. 26 of 1957).

［Supplementary Classification］

(1) Index Type: A fund that has a prospectus or basic terms and conditions of the investment trust that states the fund aims at an investment performance tracked to an index.

(2) Special Type: A fund that has a prospectus or basic terms and conditions of the investment trust that states the fund is utilizing special investment structures or investment strategies, which is required to bring to the investors' attention the certain risks that may arise from or be associated with such structures or strategies. In the event a fund falls under the definition of the Conditional Management Type, as stated within the sub-classification of the segmentation by attributes listed below, such sub-classification shall be noted in parentheses in the prospectus or the basic terms and conditions of the investment trust, and in the event that a fund falls under any other items within the sub-classification of the

segmentation by attributes listed below, such sub-classification may be noted in parentheses in the prospectus or the basic terms and conditions of the investment trust.

＜Definition of Segmentation by Attributes＞

［Segmentation by Attributes According to the Eligible Investments］

Stocks

(1) General: A fund of stocks that does not have attributes of Large-cap or Small/Mid-cap as described below.

(2) Large-cap: A fund that has a prospectus or basic terms and conditions of the investment trust that states the fund primarily invests in Large-cap stocks.

(3) Small/Mid-cap: A fund that has a prospectus or basic terms and conditions of the investment trust that states the fund primarily invests in Small/Mid-cap stocks.

Bonds

(1) General: A fund of bonds that does not have attributes of Public Bonds, Corporate Bonds, or Other Debentures as described below.

(2) Public Bonds: A fund that has a prospectus or basic terms and conditions of the investment trust that states the fund primarily invests in government bonds (including local bonds, government guaranteed bonds, government agency securities, and supranational bonds. The same shall apply hereinafter.) issued by the Japanese government or any other country's government.

(3) Corporate Bonds: A fund that has a prospectus or basic terms and conditions of the investment trust that states the fund primarily invests in bonds issued by private companies or corporations.

(4) Other Debentures: A fund that has a prospectus or basic terms and conditions of the investment trust that states the fund primarily invests in any bonds other than public bonds or corporate bonds.

(5) Credit Attributes: In the event any matter related to the credit status of an issuer of bonds is clearly mentioned, in addition to the segmentation by attributes categorized by the nature of the bonds issuer listed above, in a prospectus or basic terms and conditions of the investment trust of a fund, a description related to the issuer's credit status (e.g., high-grade bonds or low-grade bonds) may be mentioned in addition to the segmentation by attributes listed from (1) through (4) above.

REITs: There are no additional categories.

Other assets: The name of the assets in which a fund invests shall be written in a prospectus or the basic terms and conditions of the investment trust.

Multiple Assets: In the event a fund falls under any of the following sub-classifications, such sub-classification may be written in a prospectus or the basic terms and conditions of the investment trust:

(1) Fixed Asset Allocations Type: A fund that has a prospectus or basic terms and conditions of the investment trust that states the fund invests in two or more kinds of assets and the allocation ratio for each asset is fixed. In such cases, the type of invested assets shall be written in the prospectus or the basic terms and conditions of the investment trust.

(2) Flexible Asset Allocation Type: A fund that has a prospectus or basic terms and conditions of the investment trust that states the fund invests in two or more kinds of assets, and (i) it also states the allocation ratio for each asset may change flexibly from time to time or (ii) it does not state the allocation ratio for each asset is fixed. In such cases, the type of invested assets shall be written in the prospectus or investment trust deed. In each case, the type of invested assets shall be written in the prospectus or the basic terms and conditions of the investment trust.

［Segmentation by Attributes According to the Timing of Accounting Period］

(1) 1 Time Yearly: A fund that has a prospectus or basic terms and conditions of the investment trust that states the fund closes its account once a year.

(2) 2 Times Yearly: A fund that has a prospectus or basic terms and conditions of the investment trust that states the fund closes its account twice a year.

(3) 4 Times Yearly: A fund that has a prospectus or basic terms and conditions of the investment trust that states the fund closes its account four times a year.

(4) 6 Times Yearly (Bimonthly): A fund that has a prospectus or basic terms and conditions of the investment trust that states the fund closes its account six times a year.

(5) 12 Times Yearly (Monthly): A fund that has a prospectus or basic terms and conditions of the investment trust that states the fund closes its account twelve times a year (monthly).

(6) Daily: A fund that has a prospectus or basic terms and conditions of the investment trust that states the fund closes its account every day.
(7) Others: Any other fund that does not have the attributes of (1) through (6) above regarding the timing of its accounting period.

［Segmentation by Attributes According to the Geographic Areas of Investment (A Fund May Fall Under Two or More Categories Below)］

(1) Global: A fund that has a prospectus or basic terms and conditions of the investment trust that states the majority of the investment income from the fund portfolio derives from global assets; provided it shall be clearly stated whether or not such global assets include Japanese assets.
(2) Japan: A fund that has a prospectus or basic terms and conditions of the investment trust that states the majority of the investment income from the fund portfolio derives from Japanese assets.
(3) North America: A fund that has a prospectus or basic terms and conditions of the investment trust that states the majority of the investment income from the fund portfolio derives from North American assets.
(4) Europe: A fund that has a prospectus or basic terms and conditions of the investment trust that states the majority of the investment income from the fund portfolio derives from European assets.
(5) Asia: A fund that has a prospectus or basic terms and conditions of the investment trust that states the majority of the investment income from the fund portfolio derives from Asian assets (this does not include Japanese assets).
(6) Oceania: A fund that has a prospectus or basic terms and conditions of the investment trust that states the majority of the investment income from the fund portfolio derives from Oceanian assets.
(7) Central and South America: A fund that has a prospectus or basic terms and conditions of the investment trust that states the majority of the investment income from the fund portfolio derives from Central and South American assets.
(8) Africa: A fund that has a prospectus or basic terms and conditions of the investment trust that states the majority of the investment income from the fund portfolio derives from African assets.
(9) Middle and Near East (Middle East): A fund that has a prospectus or basic terms and conditions of the investment trust that states the majority of the investment income from the fund portfolio derives from Middle and Near Eastern assets.
(10) Emerging: A fund that has a prospectus or basic terms and conditions of the investment trust that states the majority of the investment income from the fund portfolio derives from the assets of the emerging areas (emerging growth countries (areas)).

［Segmentation by Attributes According to the Investment Form］

(1) Family Fund: A fund that has a prospectus or basic terms and conditions of the investment trust that states the fund primarily invests in the mother fund (this does not include a mother fund that only invests in the fund of funds, as defined below).
(2) Fund of Funds: A fund of funds as defined in Article 2 of the "Regulations on Investment of Investment Trust" (*Toushi-shintaku tou no Un-you ni kansuru Kisoku*)

［Segmentation by Attributes According to Currency Hedge］

(1) Currency Hedging: A fund that has a prospectus or basic terms and conditions of the investment trust that states the fund is fully or partially hedged against fluctuations within currency exchange rates.
(2) Without Currency Hedging: A fund that has a prospectus or basic terms and conditions of the investment trust that (i) states the fund is not hedged against fluctuations within currency exchange rates or (ii) does not state the fund is hedged against fluctuations within currency exchange rates.

［Segmentation by Attributes of the Index Type Fund According to the Index Followed］

(1) Nikkei 225
(2) TOPIX
(3) Others: Any Index other than (1) and (2) above.

［Special Type］

(1) Bull/Bear Type: A fund that has a prospectus or basic terms and conditions of the investment trust that states the fund utilizes derivative transactions not for hedging purposes, but as a means of aggressive investment, aiming at investment performance tracked to, or inversely tracked to, a specific index or property (including, track and/or reverse track to a specific multiple).
(2) Conditional Management Type: A fund that has a prospectus or basic terms and conditions of the investment trust that states the fund is investing in structured bonds or other special investment schemes; hence the performance of the fund (including, NAV, termination price and/or income distribution) and the termination date of the trust will be determined

in accordance with the condition(s) which is/are to be fulfilled by a certain number/value of an index, etc.

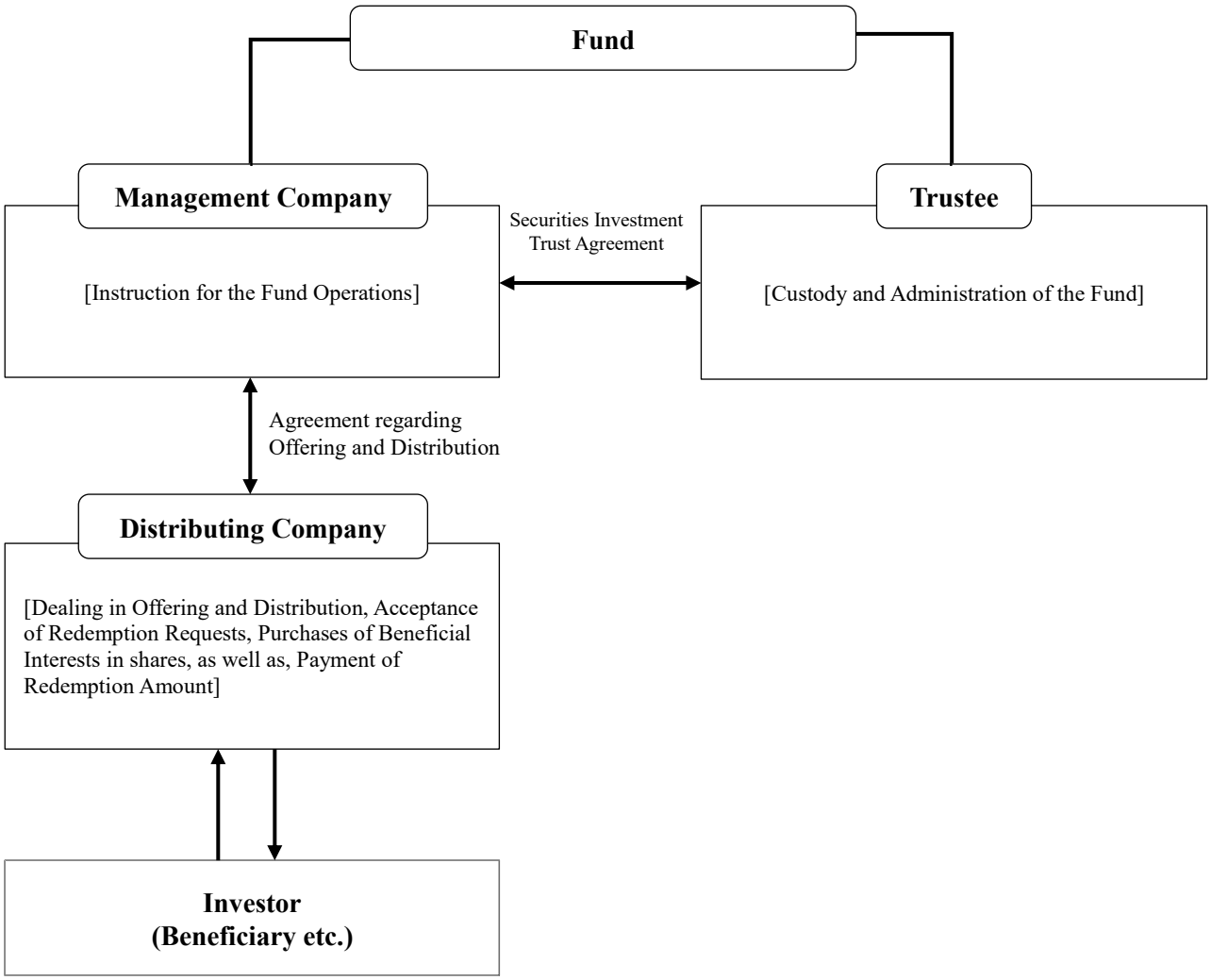
(3) Long-Short Type/Absolute Return Target Type: A fund that has a prospectus or basic terms and conditions of the investment trust that states the fund seeks to generate an absolute return regardless of the direction of a specific market, or that the fund seeks to generate a positive return by utilizing the long-short strategy.

(4) Other Type: A fund that has a prospectus or basic terms and conditions of the investment trust that states the fund utilizes a special investment strategy or scheme other than (1) through (3) above.

(2)【Fund History】

July 15, 2021	Execution of the Fund's trust agreement, Fund's inception date, and commencement of Fund's management.
July 16, 2021	Listing of the Fund's beneficial interest on the Tokyo Stock Exchange.

(3)【Fund Scheme】



Fund	NEXT FUNDS MSCI Japan Country ESG Leaders Index Exchange Traded Fund
Management Company (Trustor)	Nomura Asset Management Co., Ltd.
Trustee Company (Trustee)	Mitsubishi UFJ Trust and Banking Corporation （Re-trustee：The Master Trust Bank of Japan, Ltd.）

■ Profile of the Management Company (as of the end of May 2024) ■

・Corporate Name

Nomura Asset Management Co., Ltd.

・Capital Amount

17,180 million Yen

・History

December 1, 1959	Established as Nomura Securities Investment Trust Co., Ltd.
October 1, 1997	Merged with Nomura Investment Management Co., Ltd., an investment management company, and changed the corporate name to "Nomura Asset Management Co., Ltd. (*Nomura Asset Management Toushin Kabushiki Kaisha*)"
November 1, 2000	Renamed to "Nomura Asset Management Co., Ltd. (*Nomura Asset Management Kabushiki Kaisha*)"

・Major Shareholders

Name	Address	Number of Shares Held	Holding Ratio
Nomura Holdings, Inc	1-13-1, Nihonbashi, Chuo-ku, Tokyo, Japan	5,150,693	100%

2【Investment Policy】

(1)【Investment Policy】

① The Fund is investing only in stocks and real estate investment trust* (hereinafter referred to as "REIT") that are included or are due to be included in the MSCI Japan Country ESG Leaders Index. The goal of the Fund is to manage it so that the proportion of the individual stocks and REIT in the trust properties are held in a proportion that corresponds to the proportion of these individual stocks and REIT within the Benchmark Index calculated with the formula of the Benchmark Index. Additionally, the trust aims at an investment performance tracked to the Benchmark Index.

*The REIT which is listed (including equivalent thereto) on the Financial Instruments Exchange in Japan (meaning the REIT set forth in rules of the Investment Trusts Association, Japan).

■Stocks incorporated into the Fund■

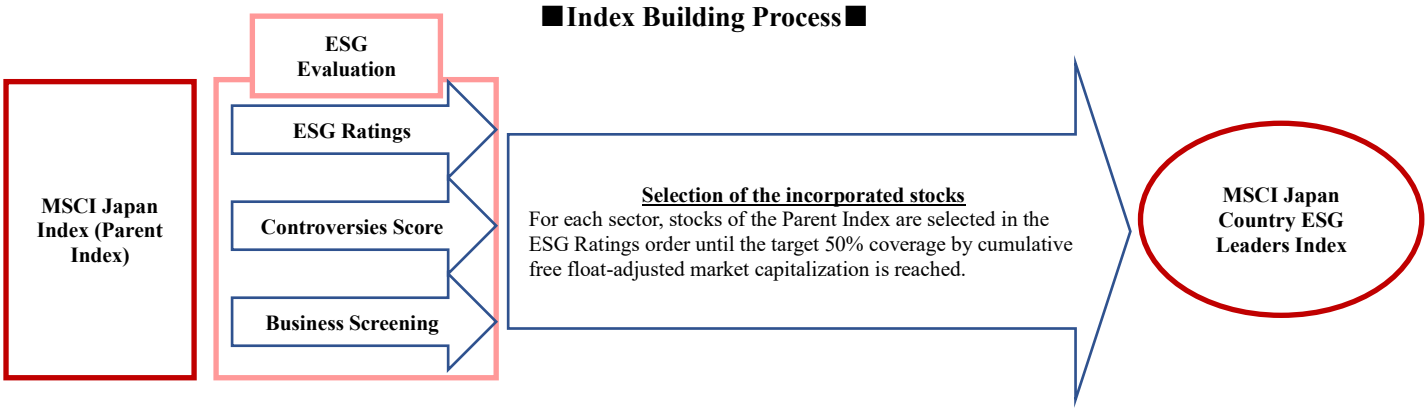
The Fund invests only in stocks that are included and are due to be included in the Benchmark Index, and all the stocks comprising the Benchmark Index are selected based on its methodology with particular emphasis on their ESG characteristics.

* Please refer to "***Investment Risks***" for the restrictive factors and risks involved in aiming to achieve investment performance linked to ESG Index.

■Stewardship Policy■

Through stewardship activities, including proxy voting and constructive engagement, Nomura Asset Management Co., Ltd. encourages the management of investee companies to manage ESG risks, pursue business opportunities, and disclose information in accordance with relevant international initiatives.

■Index Building Process■



ESG Ratings	Controversies Score	Business Screening
Use the **ESG Ratings** (MSCI ESG Ratings) to select companies that manage their ESG risks and opportunities well. As a rule, companies are required to have an MSCI ESG Rating of "BB" or above. *"AAA" is the highest rating on a seven point scale from AAA to CCC.	Use the **Controversies Score** (MSCI ESG Controversies Score) to identify companies that are involved in very serious controversies involving the environmental, social, or governance impact of their operations and/or products and services. As a rule, companies are required to have an MSCI ESG Controversies Score of "3" or above. *On a scale of 0 to 10, "0" is the most severe controversy.	**Business Screening** (MSCI Business Involvement Screening) identifies companies that are involved in the following business activities and excluded from the Index. Controversial Activities: Controversial Weapons, Nuclear Weapons, Civilian Firearms, Tobacco, Alcohol, Conventional Weapons, Gambling, Nuclear Power, Fossil Fuel Extraction, or Thermal Coal Power

●Themes on MSCI ESG Ratings

	Themes
Environment (E)	Climate Change
	Natural Capital
	Pollution & Waste
	Env. Opportunities※
Social (S)	Human Capital
	Product Liability
	Stakeholder Opposition
	Social Opportunities※
Governance (G)	Corporate Governance
	Corporate Behavior

※ Opportunities in the Environment (E) and Social (S) sectors (e.g., (E) Renewable Energy, (S) Access to Finance, etc.)

●Categories in MSCI ESG Controversies

Category
Environment
Human rights & community
Labor rights & supply chain
Customers
Governance

* There are a total of 28 indicators in the above categories.

* There are a total of 33 ESG Key Issues on the above themes.

(Source) Prepared by Nomura Asset Management Co., Ltd. based on data from MSCI.

* The above information is current as of July 17, 2024 and is subject to change.

② In the following cases, the Management Company may instruct to adjust the components of the trust properties in order to meet the investment policy described above ①:

- the calculation method of the Benchmark Index is changed or the change is published;
- the component proportion ratio of individual stocks and REIT within the Benchmark Index is revised due to change of included stocks and REIT or capital transfer within the Benchmark Index, or the revision is published;
- any additional trust or redemption of this trust is made; or
- necessary to ensure the track to the Benchmark Index.

③ Stocks that are indicated for investment are stocks that are issued by corporations and included, or are due to be included, in the Benchmark Index among stocks listed (including to be listed) on the Financial Instruments Exchange or registered (including to be registered) in the Registry of Over-the-Counter Traded Securities. However, this indication is not necessary for stocks that are acquired through allotments to stockholders. REIT that are indicated for investment are REIT that are issued by investment corporations and included, or are due to be included, in the Benchmark Index among REIT listed (including to be listed) on the Financial Instruments Exchange or registered (including to be registered) in the Registry of Over-the-Counter Traded Securities. However, this indication is not necessary for REIT etc., that are acquired through allotments to investors. Stocks and REIT excluded from the Benchmark Index shall be sold promptly considering market trends etc., in general, but it could not be sold promptly depending on liquidity of the relevant stocks and REIT.

④ Notwithstanding the above ①, with the purpose of achieving identical profits and losses, as those achieved from the investment in stocks and REIT included within the Benchmark Index, or stocks and REIT that are due to be included within the Benchmark Index, the Fund may make complementary purchases of futures transaction of the Benchmark Index or other stock price index in Japan to maintain performance tracking the Benchmark Index.

⑤ Non-stock ratio (investment ratio in properties other than stocks) is generally not more than 50% of total amount of the trust property.

Management in accordance with the investment policy described above may not be possible due to funding trends or market trends.

■Copyright etc., in MSCI Japan Country ESG Leaders Index■

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(2)【Investment Assets】

Investment Assets are stocks and REIT that are included, are due to be included, in the Benchmark Index among stocks and REIT listed on the Financial Instruments Exchange in Japan.

① Types of Assets as Investment Assets (Terms and Conditions of the Trust)

The types of assets as investment assets under this trust shall be those listed below:

1. Specified Assets (meaning “the Specified Assets” defined in Article 2, paragraph 1, of the Act on Investment Trusts and Investment Corporations; the same applies hereinafter.)
   (a) Securities
   (b) Rights pertaining to Derivative Transactions (meaning those provided in Article 2, paragraph 20 of the Financial Instruments and Exchange Act, and limited to those provided in Article 19, paragraph 2, item 5 hereof)
   (c) Promissory Notes (excluding those falls under the category of item (a) hereof)
   (d) Monetary Claims (excluding those falls under the category of item (a) and (c) hereof)
2. Assets other than Specified Assets listed below:
   (a) Bills of Exchange

②Scope of Investment Instructions (Terms and Conditions of the Trust)

(i) The Management Company shall indicate to invest the trust property in stocks and REIT.

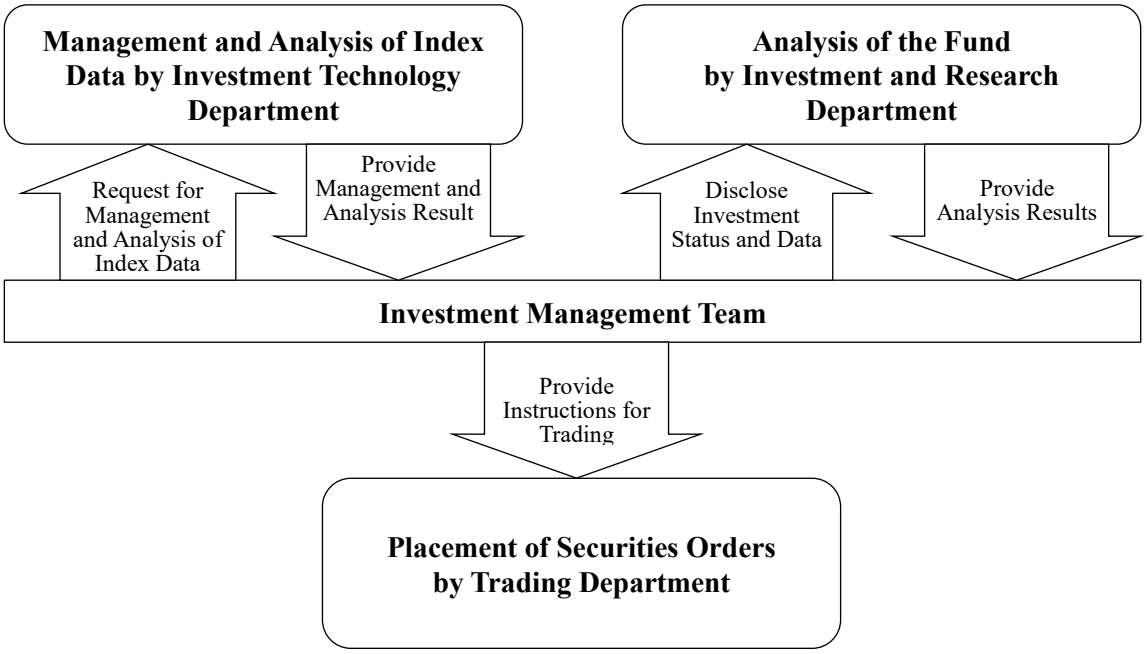
(ii) The Management Company may give instructions to manage the money belonging to the trust property as follows, until investing

in the stocks and REIT in accordance with investment policy provided separately when this trust agreement will be cancelled and the trust will be terminated to aim at investment performance tied to the Benchmark Index (meaning the status that volatility of the NAV corresponds to that ot the Benchmark Index):

1. Deposits;
2. Specified Cash Trusts (excluding those to be indicated by beneficiary certificates of beneficiary securities issuing trusts prescribed in the Trust Act (provided in Article 2, paragraph 1, item 14 of the Financial Instruments and Exchange Act.);
3. Call Loans;
4. Negotiable Instruments traded on the Discount Market;
5. Stock Price Index Futures targeting the Benchmark Index or other stock price indexes in Japan (meaning those related to stock price index among those described in Article28, paragraph8, item3 (b) of Financial Instruments and Exchange Act.).

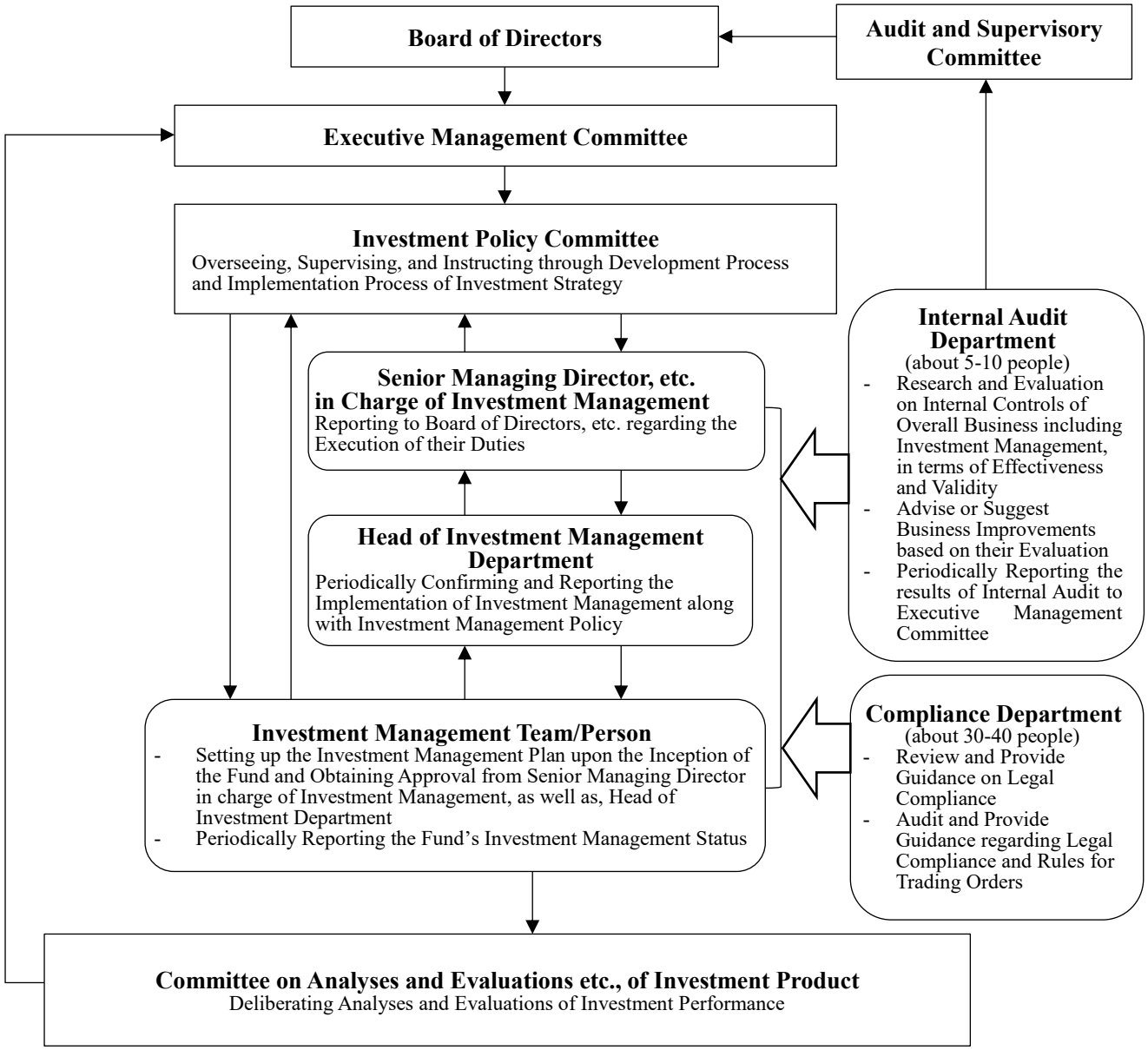
(3)【Organization and Framework of Investment Management】

Organization and Framework of Fund's Investment Management are as follows:



The Management Company has established internal regulations regarding its fund management operations, including regulations regarding the fund managers, as well as, regulations or guidelines regarding, for example, swap transactions, credit risk management, debt financing, foreign exchange forward transactions, and credit transactions.

The organizations that supervise the internal controls and decision making of the investment trusts (including this Fund) within the management system of the Management Company are as follows:



≪Management Company's System of Control Over the corporations Involved with the Fund (This Does Not Include the Distributing Company) ≫

The Management Company verifies the value of net assets held by the Trustee (or Trustee Company of the Trustee) on a daily basis and its account balances on a monthly basis. In addition, the Management Company periodically receives from the Trustee the audit report prepared by an auditor of the Trustee (or trustee company of the Trustee) with respect to the assurance of effective internal controls of the entrusted business of the Trustee (or trustee company of the Trustee).

In the event that the Management Company outsources the investment operations, the Management Company usually examines and confirms with the third party that entered the agreement to perform the outsourced investment operations whether each daily transaction made by the third party is in accordance with the investment guidelines. Further, the Management Company requires all third parties involved in outsourcing to submit compliance reports so as to receive periodic reports regarding the internal management of the third parties involved in the outsourcing. Furthermore, the Management

Company examines and evaluates the internal management and compliance system of the third parties and periodically reports these examinations and evaluations to the product committee of the Management Company.

Organization and framework of the Fund's investment management may be subject to change in the future.

(4)【Distribution Policy】

Distribution shall generally be paid in accordance with the following policy at the time of each settlement.

① As a general rule, the full amount of dividends and other income generated from the trust property after deduction of expense shall be distributed. The amount of the distribution may be zero.

② If profits are gained from the sales and purchase, no distribution shall be paid.

③ There are no restrictions on operation of retained earnings and it shall be operated in the same manner as the principal based on the Management Company's decision.

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

(5)【Investment Restrictions】

① The Investment Policy 2. Operation Procedures (3) Investment Restrictions (Terms and Conditions of the Trust)

- There are no restrictions on investment ratio in stocks.
- Investment ratio in assets denominated in foreign currencies is not more than 10% of Total Net Asset Value of the trust property.
- With respect to derivative transactions, the Fund may make complementary purchases of futures transaction of the Benchmark Index or other stock price index in Japan only before commencement of investment in stocks and REIT in accordance with the investment policy described above, or with the purpose of achieving identical profits and losses, as those achieved from the investment in stocks and REIT included within the Benchmark Index. Furthermore, the Fund uses the derivatives to realize gains and losses that are equivalent to those that arise as a result of holding assets that are subjects of investments.
- Foreign forward exchange transaction may be used only for hedging purpose.
- Derivative transactions etc. (meaning derivative transactions etc., provided in rules of the Investment Trusts Association, Japan), may not be used when the value of which calculated with a reasonable method provided in said rules ends will exceed Total Net Asset Value of the trust property.
- The ratio of stock exposure, bond exposure, and derivative transactions exposure to a person provided in rules of the Investment Trusts Association, Japan, to the Total Net Asset Value of the trust property will not more than 10% respectively, or 20% in total. If such ratio exceeds said percentage, the Management Company shall make adjustments so that such ratio is within said percentage in accordance with said rules.

② Instruction and Scope for Lending of Stocks (Terms and Conditions of the Trust)

(i) In order to contribute to the efficient management of the trust property, the Management Company may give instructions to lend stocks and REIT that belong to the trust property to the extent provided in the following items;

1. Regarding stocks, so long as the total market value of the lent stocks at the time of lending does not exceed the total market value of stocks held under the trust property.
2. Regarding REIT, so long as the total market value of the lent REIT at the time of lending does not exceed the total market value of REIT held under the trust property.

(ii) In the event the maximum value described in the items of the preceding paragraph will be exceeded, the Management Company shall promptly take actions to cancel such lending contract whose value is equivalent to the value of such exceeds.

(iii) The Management Company may instruct to accept collateral when it deems necessary upon lending stocks and REIT.

③ Investment Restrictions in Securities Denominated in Foreign Currencies under Special Situations (Terms and Conditions of the Trust)

Investment in securities denominated in foreign currencies may be restricted when deeming it particularly necessary due to a reason with respect to balance of international payments of Japan etc.

④ Instructions on Foreign Forward Exchange Transaction (Terms and Conditions of the Trust)

(i) The Management Company may instruct on reservation transaction of buying and selling of foreign exchange regarding assets denominated in foreign currencies comprised of trust property for hedging exchange on the assets.

(ii) The Management Company shall instruct on provision or acceptance of collateral when it finds necessary for reservation transaction of buying and selling of foreign exchange.

⑤ Restriction on Investment in stocks issued by a single juridical person (Article 9 of Act on Investment Trusts and Investment Corporations)

The Management Company may not instruct the Trustee to acquire stocks issued by a single juridical person through the use of the trust property if the number referred to in item (i) below will exceed the number referred to in item (ii) below as a result of that acquisition:

(i) The total number of voting rights pertaining to the stocks held by all of the Fund managed under instructions from the Management Company in which the Management Company is giving instructions on the relevant investment.

(ii) The number obtained by multiplying the total number of voting rights pertaining to the stocks by the rate of fifty-hundredths (50/100).

3【Investment Risks】

≪Factors that Contribute to NAV Volatility≫

The NAV of the Fund is subject to fluctuations in the prices of the securities 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.

[Stock Price Fluctuation Risk]

NAV of the Fund may be influenced by stock price fluctuations since the Fund invests in stocks.

[REIT Price Fluctuation Risk]

REIT price may be fluctuated due to the status of holding real estate, fluctuations in market interest rates, trend of real estate market or stock market etc. NAV of the Fund may be influenced by REIT price fluctuations since the Fund invests in REIT.

[Risk Related to ESG Investments]

The NAV fluctuations of the Fund may vary widely from the fluctuations of the entire stock market since the Fund aims at investment performance linked to the ESG Index.

※The factors that contribute to fluctuations in NAV of the Fund 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 return tracked 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:

①Individual stocks' incorporated ratio in the Fund cannot be made completely the same as the component proportion

of component stocks in the Benchmark Index.

②The Fund may incur market impact or bear costs such as brokerage commission, etc., due to the trading or capital transfer of individual stocks, such as when portfolio adjustments are made due to changes of the component stocks in the Benchmark Index, partial redemption of actual stocks or any other causes.

③When cash remains as part of the trust property as a result of additional creation partially made by cash, dividends or distribution obtained from individual incorporated stocks or REIT, or rights handling, etc.

④There may be a price spread between the sale price and the appraised value of the object stocks.

⑤When futures transactions are made, there may be a disparity between the prices of the futures and the Benchmark Index.

⑥The Fund bears certain costs, such as trust fees.

※The factors that contribute to the discrepancy between the Benchmark Index and NAV of the Fund are not limited to those listed above.

≪Additional Considerations≫

◆The provisions stipulated in Article 37-6 of the Financial Instruments and Exchange Act (so-called "cooling off") are not applicable to transaction of the Fund.

◆There are risks that trading cannot be done at the price expected with the market condition or trading amount is restricted because of temporal decline in liquidity of the incorporation property if fund for redemption is to be raised in a short time to deal with a large number of redemptions or market condition is suddenly changed in major markets. Due to these risks, there are possibilities with adverse effect on the NAV, suspension of acceptance of application for conversion into cash, or payment delay of converted cash, etc.

◆Management based upon the investment policy may not be achieved depending on funding trends, market trends, etc., or unexpected circumstances.

◆The interest/termination amount 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 a 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.

◆Some REIT which the Fund invests in may have low liquidity. Investment in such REIT may more likely to be restricted than that in high liquidity stocks etc.

◆It may have impact on REIT price and dividends when laws and regulations on REIT (tax, accounting etc.) will be amended, or regulations regarding real estate will be changed.

◆The market price of the Fund is determined based upon supply and demand, as calculated through competitive buying and selling on the exchange. Therefore, market price of the Fund may differ from the NAV itself.

◆Please note that the Fund will be terminated due to delisting when the number of the beneficial interests in shares are less than 500,000 shares for twenty consecutive business days.

≪Risk Management System of the Management Company≫

Committee Related to Risk Management

◆**Examination of the Fund Performance**

The committee reports and deliberates on the results of periodic examinations (analysis/evaluation) of the investment trust's asset performance results.

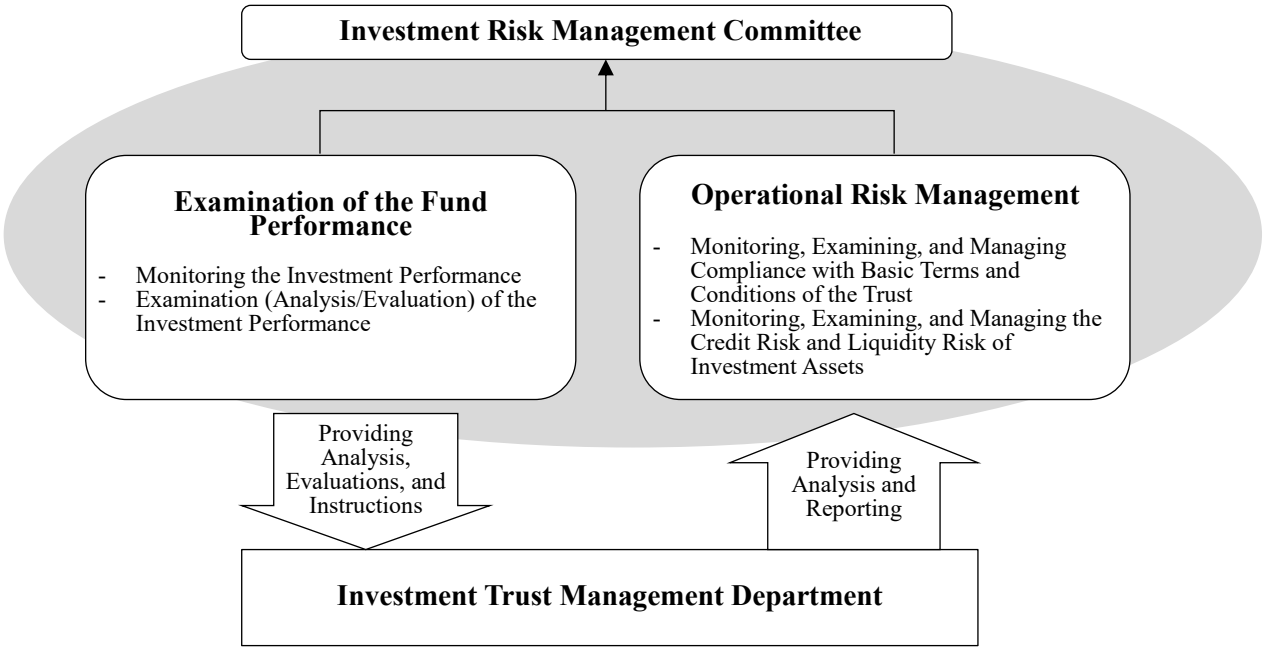
◆**Administration of Operational Risk**

The committee identifies and manages operational risk and based on its findings, provides guidance to the appropriate divisional management and any other relevant sections regarding corrective measures for appropriate administration.

※Liquidity risk management

The committee establishes rules on liquidity risk management, monitors liquidity risk of incorporated assets of the Fund, and formulates and inspects the contingency plan. The committee on risk management supervises proper performance and structure of liquidity risk management.

Diagram of Risk Management System



※The investment risk management system described above may be subject to change in the future.

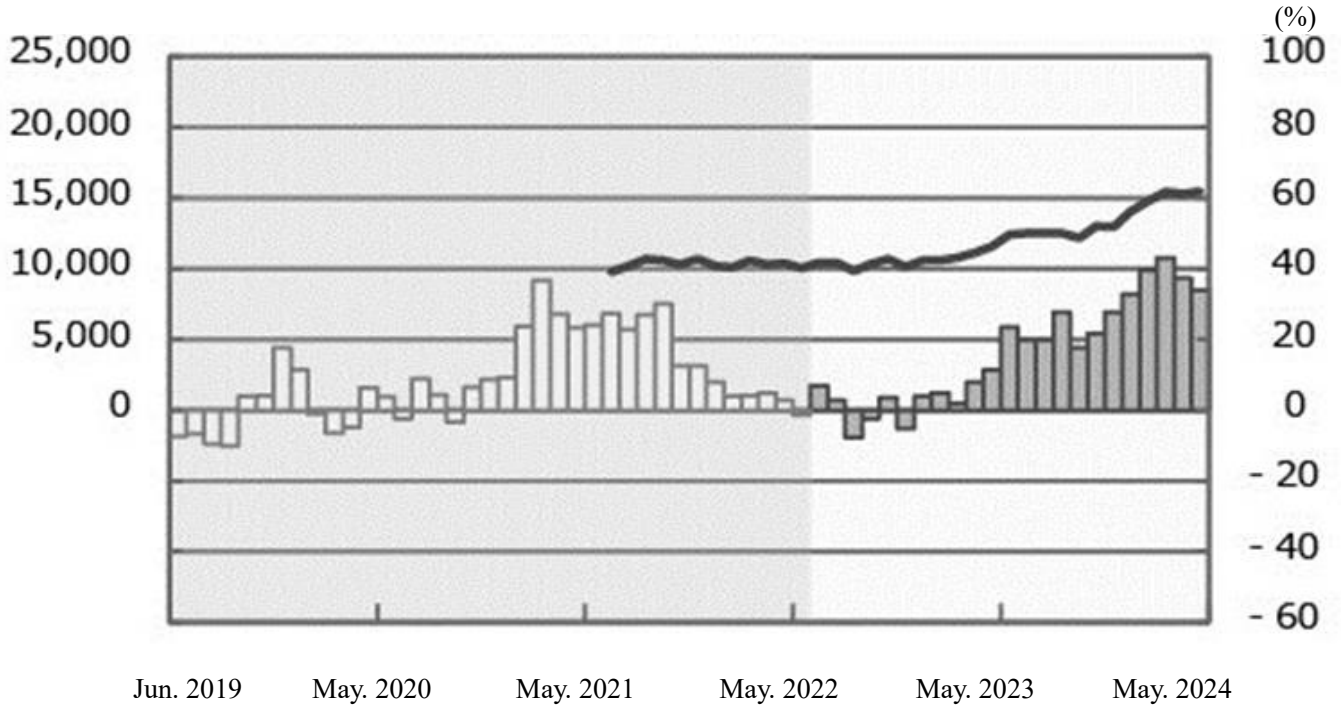
Risk Quantitative Comparison (from the end of June 2019 to the end of May 2024, per month.)

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

Fund annual return (Right Axis)

Distribution re-investment net asset value (Left Axis)

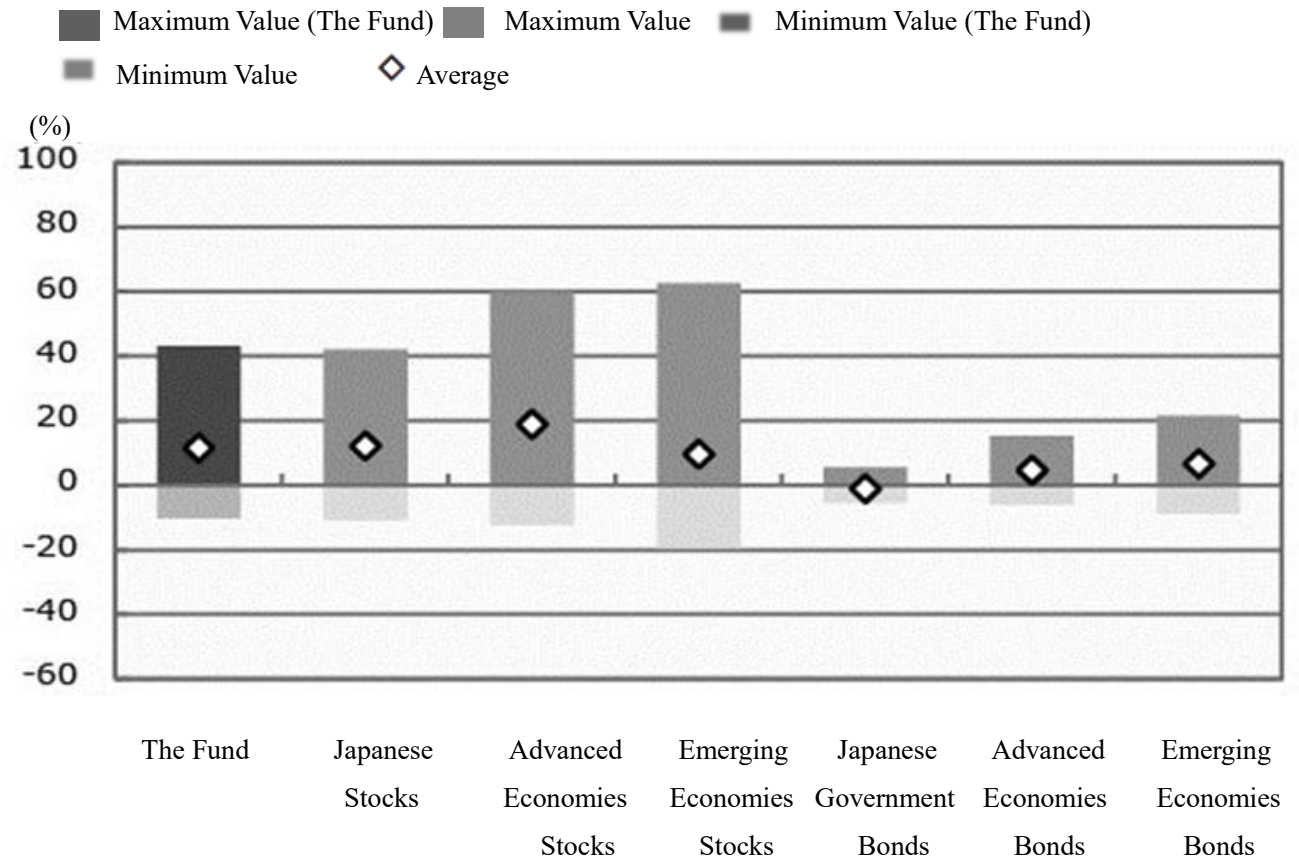
Benchmark Index annual return (Right Axis)



* The distribution re-investment net asset value is calculated by deeming that the distribution before income taxes is re-invested. The distribution re-investment net asset value is set by indexing the initial principal (per 100 shares) as 10,000 and displayed from the end of the month than includes Inception Date.

* The annual return displays the return in a single year at the end of each month for the five years from June 2019 to May 2024. Provided that, Benchmark Index annual return is displayed until June 2022.

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



	The Fund	Japanese Stocks	Advanced Economies Stocks	Emerging Economies Stocks	Japanese Government Bonds	Advanced Economies Bonds	Emerging Economies Bonds
Maximum Value (%)	**43.2**	42.1	59.8	62.7	5.4	15.3	21.5
Minimum Value (%)	**△10.2**	△10.8	△12.4	△19.4	△5.5	△6.1	△8.8
Average (%)	**11.6**	12.1	19.0	9.5	△1.0	4.7	6.6

* Not all asset classes are the subject of the 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 June 2019 to May 2024. Provided that, the Fund annual return before Inception Date is calculated with Benchmark Index annual return.

* The above numbers may not apply as of the accounting date.

* The Fund return is derived from the distribution re-investment net asset value.

* The distribution re-investment net asset value may occasionally differ from the actual basis price due to the distribution being deemed re-invested before the application of income taxes.

<The index of the major asset class>
○Japanese Stocks: TOPIX Total Return Index
○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■

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○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 Fiduciary Research & Consulting Co., Ltd. Furthermore, Nomura Fiduciary Research & Consulting 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.

The United States J.P. Morgan Securities LLC (here referred to as "JPMSLLC" and "Index sponsors" for the sake of convenience) does not support, warrant or promote the sale of securities, financial instruments, and transactions concerning the Index (here, referred to as the "Products" for the sake of convenience). The Index sponsors do not make any representation, warranty, conveyance or suggestion regarding the promotion of an investment in securities, any financial commodity, or, especially, the Products, or regarding whether or not interlocking with the Index in investment opportunities in the financial market, or intention to its, can be promoted. The Index sponsors are not liable for any management, marketing, or trading regarding the Products. The Index is calculated based on information which is considered to be trustworthy, but the completeness, accuracy, and information accompanying the Index is not guaranteed. The Index is property of the Index sponsors, and any property rights to the Index shall belong exclusively to the Index sponsors.

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

4【Fees, Charges, and Taxes】

(1)【Application Fee】

Application fee shall be set independently by the Distributing Company*.
* Please contact the Distributing Company for further information. When you want to know the Distributing Company, please direct your call to “Support Dial”.

The creation fee is collected at the time of creation to the Fund and is in consideration for the office procedures related to the creation of the Fund.

(2)【Redemption Fee】

Upon the redemption of the Beneficial Interest in shares of the beneficiary, the Distributing Company may charge the beneficiary an amount equivalent to the commission, determined independently by the Distributing Company, as well as, the consumption tax, etc. on such commission.

Upon the purchase of the Beneficial Interest in shares of the beneficiary, the Distributing Company may charge the beneficiary an amount equivalent to the commission, determined independently by the Distributing Company, as well as, the consumption tax, etc. on such commission.

Please contact the Distributing Company for further information. When you want to know the Distributing Company, please direct your call to “Support Dial”.

The redemption commission is collected at the time of the Fund redemption, in consideration for the office procedures related to the redemption of the Fund.

(3)【Trust Fees and Charges】

The total amount of the trust fee is the sum of the amount calculated by the method stated in ① below and the amount calculated by the method stated in ② below.

①The amount obtained by multiplying the daily total net assets of the Fund by the annual trust fee rate.

Annual Trust Fee Rate	No more than 0.132% (0.12% exclusive of taxes) (0.132% (0.12% exclusive of taxes) as of July 17, 2024)

Distribution of annual trust fee rate is as follows.

The Payee Distribution (Exclusive of Taxes) and the Service Details	
<Management Company> Fund operations and investigations related to Fund operations, instructions to trustees, preparation of legal documents, estimating base price, etc.	0.10% per annum
<Trustee> The storage/management of property of the Fund, execution of instructions from the Management Company, etc.	0.02% per annum

*The distribution above is calculated using the annual trust fee rate as of July 17, 2024.

②When the Fund lends stocks and REIT compose the trust property, an amount obtained from no more than 44% (40% exclusive of taxes) of the rental fee.

The distribution between the Management Company and the Trustee shall be 80% for the Management Company and 20% for the Trustee.

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 every last day of any calculation period or the termination date of the trust.

*The price of REIT which the Fund invests in is calculated according to supply and demand status in market. Accordingly, expenses regarding it are not indicated.

(4)【Other Fees and Charges】

① Taxes relating to the Fund, various expenses required in trust administration and interest etc., on advances made by the Trustee, shall be borne by the beneficiaries and paid from the trust property. In addition, the expenses pertaining to the listing of the Fund and Fees for the Use of Trademarks on the Benchmark Index (including similar trademarks) (hereinafter referred to as the "Trademark Fees"), as well as, the amount equivalent to the consumption tax, and other taxes and fees thereon shall be borne by the beneficiaries and may be paid from the trust property. The Management Company is responsible for the amount that is not paid out of the trust property.

◆Trademark Fees pertaining to the Benchmark Index (as of July 17, 2024)

A percentage of 0.033% (0.03% exclusive of taxes) of the Fund's Total Net Asset Value.

◆Expenses pertaining to Listing of the Fund (as of July 17, 2024)

・Additional listing fee: 0.00825% (0.0075% exclusive of taxes) of the amount of the Total Net Asset Value at the time of newly listing, or the amount of increase upon the additional listing in value of the Total Net Asset Value at the end of the year as compared with the larger of the largest of the Total Net Asset values at the end of each year from the year of the newly 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.

② Brokerage commission on transactions in portfolio securities related to the Fund, the amount equivalent to the consumption tax and other taxes and fees on such brokerage commission, and costs for futures transactions, etc., costs for maintenance etc., of assets denominated in foreign currencies, related to the Fund, are paid from the trust property.

③ Costs paid to auditors for Fund audits, as well as, the amount equivalent to the consumption tax and other taxes and fees on such costs are paid from the trust property upon the payment of the annual trust fee.

* These expenses and fees vary according to management and other conditions, so details of rates and upper limits cannot be provided ahead of time.

(5) 【Taxation】

① Taxation on Individual Beneficiaries

● Upon Sales of Beneficial Interests in shares

On sales profits (capital gains), a tax rate of 20.315% (National Tax (Income Tax and Special Reconstruction Income Tax): 15.315%; Local Tax: 5%) shall apply in a separate self-assessment taxation. If a specified account

with tax withheld is chosen, taxes will be withheld at a tax rate of 20.315%.

● Upon Receipt of Income Distribution

On distribution, taxes will be withheld at a tax rate of 20.315% (National Tax: 15.315%; Local Tax: 5%). Either separate self-assessment taxation or comprehensive taxation can be chosen by the final tax return.

● Upon Redemption of Beneficial Interests in shares with Actual Stocks and Actual REIT

Upon the redemption of Beneficial Interests in shares for actual stocks and actual REIT, the same taxation as described in "Upon Sales of Beneficial Interests in shares" above shall apply as such a redemption is deemed to be a sale of Beneficial Interests in shares.

● Upon Termination

On termination profits (capital gains), a tax rate of 20.315% (National Tax: 15.315%; Local Tax: 5%) shall apply in a separate self-assessment taxation. If a specified account with tax withheld is chosen, taxes will be withheld at a tax rate of 20.315%.

※The termination profits (capital gains), as taxable object, is calculated with deducting creation expenses (including subscription fees (with taxes)) and transfer expenses from the value of the Beneficial Interests in shares at the time of termination.

≪Aggregation of Profits and Losses≫

Aggregation of profits and losses within the following incomes and losses is allowed. As for the dividend income of listed stocks, etc., it should be limited to the instances where separate self-assessment taxation is chosen.

《Interest Income》	《Capital Gains Income, etc. Related to Listed Stocks, etc.》 (*2)	《Dividend Income》
・Interest on specified bonds (*1) ・Income distribution of publicly offered bond investment trusts	・Capital Gains ・Capital Losses of specified bonds, publicly offered bond investment trusts, listed stocks, publicly offered stock investment trusts	・Dividends of listed stocks ・Income distribution of publicly offered stock investment trusts

(*1) "Specified Bonds" shall be specific bonds such as government bonds, local bonds, foreign government bonds, publicly offered bonds, listed bonds, and bonds issued before December 31, 2015 (excluding bonds issued by a family company).

(*2) Regarding capital gains income, etc., related to stocks, etc., these are classified into categories of (i) the capital gains income, etc., related to listed stocks and (ii) the capital gains income, etc., related to other stocks, etc., which are subject to different taxation that is applied separately. Therefore, the aggregation of profits and losses between these categories is, in principle, not allowed.

* 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 an indefinite term. Aggregation of profits and losses with dividend income and capital gains income accrued in a different type of account is not allowed. In order to be eligible for NISA, certain conditions, such as the requirement that the NISA account be opened with an eligible distributing company and financial products that meet the requirements of tax laws be purchased by an investor, must be met.

Investors need to make sure whether or not dividends can be received as tax-exempt, as this may depend on the payment method of receiving dividends. Please confirm this with the distributing company for further details.

② Taxation of Corporate Beneficiaries

- Upon Sales of Beneficial Interests in shares

  The difference between the purchase price and the selling price of Beneficial Interests in shares is aggregated with other corporate income for taxation, which is the same procedure used for the sale of usual stocks.

- Upon Receipt of Income Distribution

  With respect to distribution, taxes will be withheld※ at a tax rate of 15.315% (National Tax: 15.315%). Local Tax will not be withheld.

  ※Withholding taxes will be deducted from the amount of corporation tax in accordance with the holding period.

- Upon Redemption of Beneficial Interests in shares with Actual Stocks and Actual REIT

  Upon the redemption of Beneficial Interests in shares for actual stocks and actual REIT, the same taxation as described in "Upon Sales of Beneficial Interests in shares" above shall apply as such redemption is deemed to be a sale of Beneficial Interests in shares.

- Upon Termination

  With respect to corporate investors, a surplus over the amount of principal at the time of termination in accordance with the tax laws is subject to withholding tax (dividend income).

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

*Taxes on receipt of distribution may be different from indications above in the event that foreign tax exemption system is adopted due to investment in assets denominated in foreign currencies.

*The above information is based on information current as of the end of May, 2024 and its contents may be changed in the event that tax laws are revised.

5【Status of Investment Management】

The following is the management status of the Fund as of May 31, 2024. The Investment Ratio is the ratio of an asset's market value to the total net assets of the Fund.

(1)【Status of Investment】

Type of Assets	Country/Region	Total Market Value (Yen)	Investment Ratio (%)
Stocks	Japan	2,431,508,210	98.43
Cash, Deposits, Other Assets (after deduction of liabilities)	-	38,671,634	1.56
Total (Total Net Assets)		2,470,179,844	100.00

Status of Other Investments

※The Fund utilizes futures transaction as other investment as follows. Market value is assessed by the clearing price presented by a major exchange or the closing price of a stock exchange on the accessible closest day to the last day of the calculation period.

Type of Assets	Position	Country/Region	Total Market Value (Yen)	Investment Ratio (%)
Stock Price Index Futures	Long Position	Japan	33,264,000	1.34

(2)【Investment Assets】

①【Major Components of Investment Securities】

No.	Country /Region	Type	Name	Sector	Number of Securities	Book Value per Unit (Yen)	Book Value (Yen)	Valuation per Unit (Yen)	Valuation (Yen)	Investment Ratio (%)
1	Japan	Stock	TOYOTA MOTOR CORPORATION	Transportation Equipment	75,300	3,521.35	265,158,200	3,401.00	256,095,300	10.36
2	Japan	Stock	SONY GROUP CORPORATION	Electric Appliances	8,900	12,530.00	111,517,000	12,895.00	114,765,500	4.64
3	Japan	Stock	TOKYO ELECTRON LIMITED	Electric Appliances	3,300	33,530.00	110,649,000	33,630.00	110,979,000	4.49
4	Japan	Stock	HITACHI, LTD.	Electric Appliances	6,600	13,372.65	88,259,500	16,145.00	106,557,000	4.31
5	Japan	Stock	SUMITOMO MITSUI FINANCIAL GROUP, INC.	Banks	8,900	8,536.00	75,970,400	10,290.00	91,581,000	3.70
6	Japan	Stock	RECRUIT HOLDINGS CO., LTD.	Services	10,500	6,163.48	64,716,600	7,948.00	83,454,000	3.37
7	Japan	Stock	SHIN-ETSU CHEMICAL CO., LTD.	Chemicals	12,800	6,126.85	78,423,800	5,855.00	74,944,000	3.03
8	Japan	Stock	DAIICHI SANKYO COMPANY, LIMITED	Pharmaceutical	13,100	4,636.00	60,731,600	5,578.00	73,071,800	2.95
9	Japan	Stock	TOKIO MARINE HOLDINGS, INC.	Insurance	13,300	4,673.68	62,160,000	5,429.00	72,205,700	2.92
10	Japan	Stock	SOFTBANK GROUP CORP.	Information & Communication	7,300	9,042.00	66,006,600	9,042.00	66,006,600	2.67
11	Japan	Stock	ITOCHU CORPORATION	Wholesale Trade	8,400	6,504.00	54,633,600	7,410.00	62,244,000	2.51
12	Japan	Stock	MIZUHO FINANCIAL GROUP, INC.	Banks	17,100	2,943.59	50,335,400	3,214.00	54,959,400	2.22

13	Japan	Stock	FAST RETAILING CO., LTD.	Retail Trade	1,200	40,520.00	48,624,000	40,210.00	48,252,000	1.95
14	Japan	Stock	HOYA CORPORATION	Precision Instruments	2,500	17,320.00	43,300,000	19,060.00	47,650,000	1.92
15	Japan	Stock	KDDI CORPORATION	Information & Communication	10,600	4,252.00	45,071,200	4,337.00	45,972,200	1.86
16	Japan	Stock	DAIKIN INDUSTRIES, LTD.	Machinery	1,900	19,215.00	36,508,500	22,945.00	43,595,500	1.76
17	Japan	Stock	SOFTBANK CORP.	Information & Communication	20,300	1,818.00	36,905,400	1,887.50	38,316,250	1.55
18	Japan	Stock	ORIENTAL LAND CO., LTD.	Services	7,700	4,546.00	35,004,200	4,387.00	33,779,900	1.36
19	Japan	Stock	RENESAS ELECTRONICS CORPORATION	Electric Appliances	10,600	2,406.67	25,510,800	2,936.00	31,121,600	1.25
20	Japan	Stock	MARUBENI CORPORATION	Wholesale Trade	10,100	2,597.50	26,234,750	3,060.00	30,906,000	1.25
21	Japan	Stock	KOMATSU LTD.	Machinery	6,600	4,356.69	28,754,200	4,597.00	30,340,200	1.22
22	Japan	Stock	FANUC CORPORATION	Electric Appliances	6,800	4,266.97	29,015,400	4,399.00	29,913,200	1.21
23	Japan	Stock	ADVANTEST CORPORATION	Electric Appliances	5,400	5,484.00	29,613,600	5,313.00	28,690,200	1.16
24	Japan	Stock	FUJIFILM HOLDINGS CORPORATION	Chemicals	8,000	3,333.11	26,664,900	3,579.00	28,632,000	1.15
25	Japan	Stock	FUJITSU LIMITED	Electric Appliances	12,500	2,446.56	30,582,050	2,268.50	28,356,250	1.14
26	Japan	Stock	BRIDGESTONE CORPORATION	Rubber Products	4,100	6,695.60	27,452,000	6,840.00	28,044,000	1.13
27	Japan	Stock	ORIX CORPORATION	Other Financing Business	8,200	3,111.00	25,510,200	3,419.00	28,035,800	1.13
28	Japan	Stock	MITSUI FUDOSAN CO., LTD.	Real Estate	19,000	1,569.81	29,826,500	1,440.50	27,369,500	1.10
29	Japan	Stock	PANASONIC HOLDINGS CORPORATION	Electric Appliances	16,600	1,360.47	22,583,900	1,383.50	22,966,100	0.92
30	Japan	Stock	CHUGAI PHARMACEUTICAL CO., LTD.	Pharmaceutical	4,800	4,781.00	22,948,800	4,781.00	22,948,800	0.92

Investment Ratio for each Type and Sector

Type	Domestic /Overseas	Sector	Investment Ratio (%)
Stock	Domestic	Mining	0.65
		Construction	1.61
		Foods	1.80
		Textiles and Apparels	0.31
		Chemicals	7.92
		Pharmaceutical	5.18
		Oil and Coal Products	0.67
		Rubber Products	1.13
		Glass and Ceramics Products	0.15
		Iron and Steel	0.39
		Nonferrous Metals	0.37
		Machinery	4.01
		Electric Appliances	23.12
		Transportation Equipment	10.75
		Precision Instruments	2.20
		Other Products	0.38

		Electric Power and Gas	0.74
		Land Transportation	1.20
		Marine Transportation	0.66
		Air Transportation	0.13
		Information & Communication	7.44
		Wholesale Trade	3.77
		Retail Trade	3.38
		Banks	6.91
		Securities and Commodities Futures	0.47
		Insurance	4.17
		Other Financing Business	1.13
		Real Estate	1.96
		Services	5.69
Total			98.43

②【Components of Real Estate Investments】

Not Applicable.

③【Major Components of Other Investments】

The Fund utilizes futures transaction as other investment as follows. Market value is assessed by the clearing price presented by a major exchange or the closing price of a stock exchange on the accessible closest day to the last day of the calculation period.

Type	Exchange	Name	Long Position／Short Position	Number	Currency	Book Value (Yen)	Valuation (Yen)	Investment Ratio (%)
Stock Price Index Futures	Osaka Exchange, Inc.	mini-TOPIX Futures (Contract month: June, 2024)	Long Position	12	JPY	31,512,000	33,264,000	1.34

(3)【Actual Performance】

①【Changes in Net Assets】

The following illustrates the changes in net assets and in quoted prices at the financial instruments exchange (i) at the end of May, 2024, (ii) at the end of each month during the year leading up to the date of (i), and (iii) at the end of each calculation period.

	Total Net Asset Value (Mil. Yen)		Net Asset Value per Share (Yen)		Quoted Price at Tokyo Stock Exchange (Yen)
	(excluding distribution)	(including distribution)	(excluding distribution)	(including distribution)	
1st Calculation Period (As of October 20, 2021)	1,381	1,391	2,087.6200	2,103.6200	2,086

2nd Calculation Period (As of April 20, 2022)	1,737	1,759	2,015.6600	2,041.6600	2,010
3rd Calculation Period (As of October 20, 2022)	1,774	1,794	1,949.1100	1,972.1100	1,950
4th Calculation Period (As of April 20, 2023)	1,892	1,916	2,079.3700	2,105.3700	2,081
5th Calculation Period (As of October 20, 2023)	2,076	2,097	2,283.0400	2,306.0400	2,269
6th Calculation Period (As of April 20, 2024)	2,326	2,347	2,701.9100	2,726.9100	2,701
As of the end of May 2023	1,988	—	2,184.4500	—	2,185
As of the end of June 2023	2,019	—	2,347.6100	—	2,340
As of the end of July 2023	2,153	—	2,367.0900	—	2,356
As of the end of August 2023	2,153	—	2,367.8500	—	2,365
As of the end of September 2023	2,155	—	2,369.9100	—	2,373
As of the end of October 2023	2,068	—	2,274.5000	—	2,260
As of the end of November 2023	2,212	—	2,432.1500	—	—
As of the end of December 2023	2,207	—	2,426.4500	—	2,425
As of the end of January 2024	2,267	—	2,634.0500	—	2,635
As of the end of February 2024	2,380	—	2,764.5400	—	2,769
As of the end of March 2024	2,487	—	2,889.5000	—	2,896
As of the end of April 2024	2,438	—	2,832.2200	—	2,817
As of the end of May 2024	2,470	—	2,869.2000	—	2,873

※ If the accounting date is not a business day, it shows the quoted price as of the preceding business day.

②【Historical Records of Distribution】

	Calculation Period	Distribution per Share
1st Calculation Period	July 15, 2021 - October 20, 2021	16.0000 Yen
2nd Calculation Period	October 21, 2021 – April 20, 2022	26.0000 Yen
3rd Calculation Period	April 21, 2022 – October 20, 2022	23.0000 Yen
4th Calculation Period	October 21, 2022 – April 20, 2023	26.0000 Yen
5th Calculation Period	April 21, 2023 – October 20, 2023	23.0000 Yen
6th Calculation Period	October 21, 2023 – April 20, 2024	25.0000 Yen

③【Historical Records of Return Ratio】

	Calculation Period	Return Ratio
1st Calculation Period	July 15, 2021 - October 20, 2021	5.2%
2nd Calculation Period	October 21, 2021 – April 20, 2022	△2.2%
3rd Calculation Period	April 21, 2022 – October 20, 2022	△2.2%
4th Calculation Period	October 21, 2022 – April 20, 2023	8.0%
5th Calculation Period	April 21, 2023 – October 20, 2023	10.9%

6th Calculation Period	October 21, 2023 – April 20, 2024	19.4%

※Return ratio for each calculation period is derived (i) by deducting the amount of the Net Asset Value (excluding distribution) as of the end of the immediately preceding calculation period (hereinafter referred to as "NAV as of the End of Preceding Period") from the amount of the Net Asset Value (including distribution) as of the end of the relevant calculation period, then (ii) by dividing the amount obtained by (i) by the amount of NAV as of the End of Preceding Period, and lastly (iii) by multiplying the amount obtained by (ii) and 100. Each return ratio shown above is rounded to the nearest tenth.

(4)【Historical Records of Creations and Redemptions】

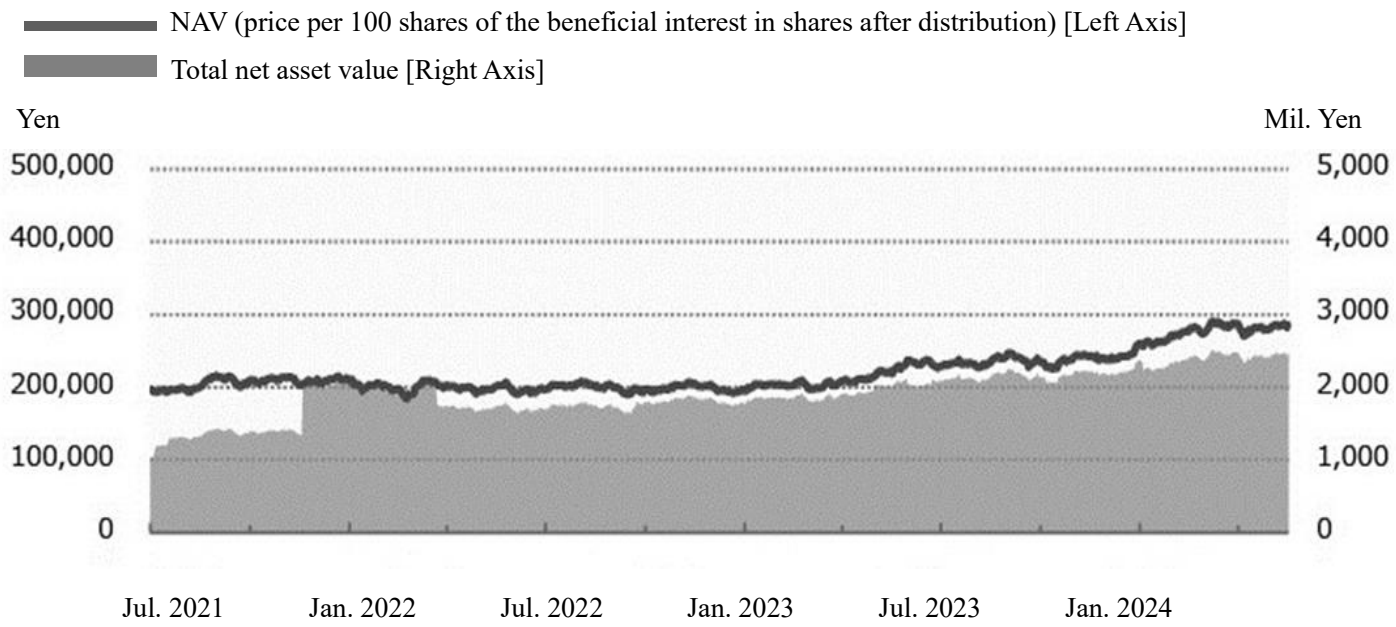
	Calculation Period	Number of Shares Created	Number of Shares Redeemed	Number of Outstanding Shares
1st Calculation Period	July 15, 2021 - October 20, 2021	661,700	—	661,700
2nd Calculation Period	October 21, 2021 - April 20, 2022	349,400	149,232	861,868
3rd Calculation Period	April 21, 2022 – October 20, 2022	48,300	—	910,168
4th Calculation Period	October 21, 2022 – April 20, 2023	—	—	910,168
5th Calculation Period	April 21, 2023 – October 20, 2023	49,400	49,938	909,630
6th Calculation Period	October 21, 2023 – April 20, 2024	—	48,700	860,930

※There are no historical records of creations and redemptions conducted outside of Japan.

(Reference Information)

Historical Performance (As of May 31, 2024)

Changes in NAV/Net Assets (per day: since inception date)



Distribution Paid (per 100 shares, before tax)

April 2024	2,500 Yen
October 2023	2,300 Yen
April 2023	2,600 Yen
October 2022	2,300 Yen
April 2022	2,600 Yen
Cumulative since inception date	13,900 Yen

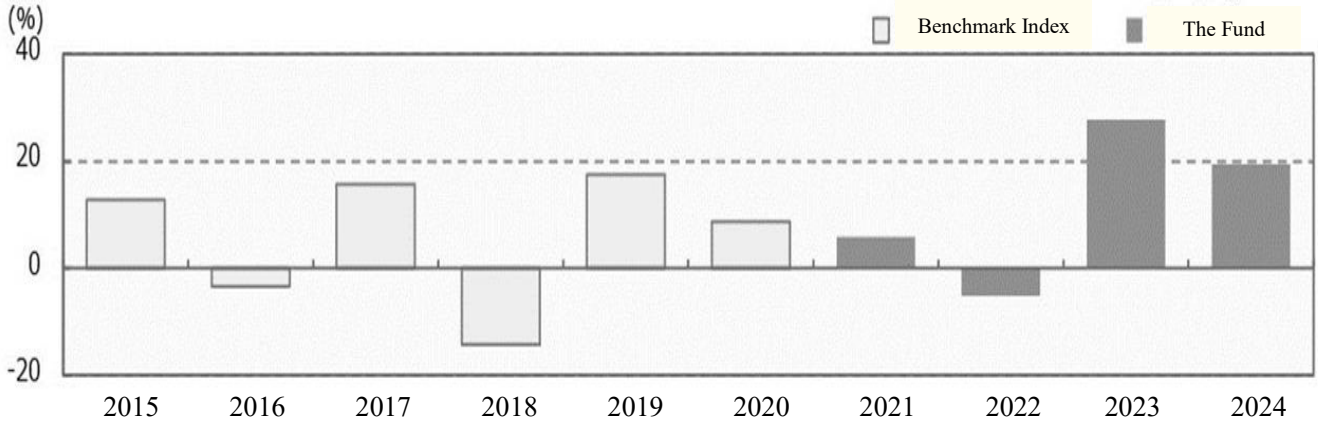
Status of Major Assets

Top 10 component shares

	Company	Sector	% of NAV
1	TOYOTA MOTOR CORPORATION	Transportation Equipment	10.4
2	SONY GROUP CORPORATION	Electric Appliances	4.6
3	TOKYO ELECTRON LIMITED	Electric Appliances	4.5
4	HITACHI, LTD.	Electric Appliances	4.3
5	SUMITOMO MITSUI FINANCIAL GROUP, INC.	Banks	3.7
6	RECRUIT HOLDINGS CO., LTD.	Services	3.4
7	SHIN-ETSU CHEMICAL CO., LTD.	Chemicals	3.0
8	DAIICHI SANKYO COMPANY, LIMITED	Pharmaceutical	3.0
9	TOKIO MARINE HOLDINGS, INC.	Insurance	2.9
10	SOFTBANK GROUP CORP.	Information & Communication	2.7

Past Annual Returns

(based on the calendar year)



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

-The figure for 2015 to 2020 shows the Benchmark Index annual return rate. (Source: MSCI)

-The figure for 2021 shows the Fund return rate from the Inception Date (July 15, 2021) to the end of this year.

-The figure for 2024 shows the Fund return rate from the beginning of this year to the base date.

●The performance data shown above represents historical performance, which is not a guarantee of future investment results.

●Information on the Benchmark Index is for reference only and is not the Fund investment performance.

●The Fund's investment performance may be disclosed on the Management Company's website.

II.【Administration and Operation】

1【Procedures, etc. for Application and Distribution】

(1) Public Offerings for the Beneficial Interests in shares

Public offerings for the Beneficial Interests in shares are made each business day during the application period.

(2) Cut-off Time of Application

Creation application of the Beneficial Interests in shares completed by 3 p.m. on the acceptance day of creation application, that are also accompanied by the completion of all related procedures designated by the respective Distributing Company, shall be deemed to be accepted on this day. Provided that, when the creation applicant is an Issuing Company, etc. of component stocks in the Benchmark Index, the time limit is 2 p.m.

(3) Application Blackout Period (Basic Terms and Conditions)

The Management Company shall suspend any creation application for the beneficial interests in shares with respect to the creation application on the following days and periods; provided, however, the Management Company may accept the creation application for the beneficial interests in shares on the following days and periods (except for the item 5 below) if the Management Company determines that the impact of such creation applicatoin on the trust property is minimal in view of the condition of the trust property, funding trends, market trends, etc.

1. For a period of two business days, beginning from one business day prior to the ex-dividend date, ex-distribution date or ex-right date of any component stocks in the Benchmark Index.
2. For a period of six business days, beginning from five business days prior to the stock name switching day or stock unit number switching day of any component stocks in the Benchmark Index.
3. For a period of three business days, beginning from three business days prior to the last day of calculation period specified in Article 36 on the Basic Terms and Conditions (provided, however, if the last day of calculation period is a holiday (meaning not a business day), the period shall be four business days, beginning from four business days prior to the last day of calculation period).
4. For a period of four business days, beginning from three business days prior to the date of trust termination when this trust agreement will be cancelled and the trust will be terminated.
5. In addition to the items above, any time the Management Company determines that unavoidable circumstances occur that prevent it from making investments in accordance with the investment policies which is separately provided.

※Information on Application Blackout Period can also be provided via support dial.

(4) Creation Unit

Creation unit shall be 1 UNIT or more, available in multiple, indivisible units of 1 UNIT.

A "UNIT" is comprised of shares of the Beneficial Interest in shares that, when combined together in a Unit, correspond to one unit of the actual stock and actual REIT portfolio which the Management Company deems will correlate to the Benchmark Index.

The number of shares of the Beneficial Interest in shares in one UNIT * shall be integer multiples of 50,000 of the Beneficial Interests in shares, with the multiplier for the 50,000 of the Beneficial Interests in shares to be specified by the Management Company on the acceptance day of creation application.

* This number of shares shall be specified separately by the Management Company based on the number of

shares required for a creation of the Beneficial Interests in shares for the individual stocks and REIT, the number of which shall be an integer multiple of a basic trading unit in a Financial Instruments Exchange or the Authorized Financial Instruments Firms Association (regarding stocks and REIT traded on the Over-the-Counter Securities Market) ("Exchange Trading Unit"), that comprise one unit of the actual portfolio (to be announced every day, in principle) whose proportion of the individual stocks and REIT corresponds to the component proportion of the individual stocks and REIT in the trust properties, and which the Management Company deems will correlate to the Benchmark Index.

(5) Creation Price

Creation price of the Beneficial Interests in shares is the NAV as of the acceptance day of creation application.

(6) Application Procedures

・As a general rule, creation of the Beneficial Interests in shares (additional creation) is limited to the creation in accordance with the actual stocks and actual REIT portfolio (hereinafter referred to as the "Designated Securities Portfolio") presented by the Management Company in advance.

・The Management Company shall present Designated Securities Portfolio according to the number of application UNIT to the distributing company by the two business days before the acceptance day of creation application.

・The creation applicant shall make a deposit of the Designated Securities Portfolio, in the appropriate amount based upon the number of UNIT applied for creation, to the safe custody of the Distributing Company within a period of two business days from the acceptance day of creation application.

・In the event a creation applicant is an issuing company of a component stock within the Designated Securities Portfolio, or one of its subsidiaries (meaning a subsidiary defined in Article 2, Item 3 of the Companies Act. The issuing company or its subsidiary is hereinafter referred to as the "Issuing Company, etc."), in principle, the creation applicant shall pay to the Distributing Company in cash (instead of depositing the issuing company's stock) the amount equivalent to the aggregate market value of the issuing company's stock in the Designated Securities Portfolio, as well as, an amount equivalent to the expense required for the acquisition of the issuing company's stock for the trust property (i.e., an amount equivalent to 0.15% of the aggregate market value of such stock), within a period of two business days from the acceptance day of creation application.

・When the creation applicant is an Issuing Company of component stocks in the Benchmark Index, the distributing company which accepts the creation application (including any case where the distributing company applies for creation for its own account if the distributing company is a Issuing Company of component stocks in the Benchmark Index.) shall, at the time of intermediating the creation application, notify the Management Company to the effect.

In the event the notification described above is not made at the time of intermediating the creation application, and this results in damages to the trust property or others, the distributing company which accepts the creation application shall be liable for the damage.

・If the market value of the Designated Securities Portfolio is less than the estimated value of the beneficiary interests in shares to be created, the creation applicant shall pay the Distributing Company the amount corresponding to the difference within a period of two business days from the acceptance day of creation application.

※The Distributing Company may specify the details separately. Please contact the Distributing Company for further details.

(7) Suspension and Cancellation of Acceptance of Application

In the event of a suspension of trading and foreign exchange trading on the Financial Instruments Exchange (meaning the Financial Instruments Exchange described in Article 2, paragraph 16, of the Financial Instruments and Exchange Act and the Foreign Financial Instruments Market described in Article 2, paragraph 8, item 3, (b), of the Financial Instruments and Exchange Act. The Financial Instruments Exchange may be mentioned as merely the "Exchange". The market in which sell and purchase of securities or transactions provided in Article 28, paragraph 8, item 3 or 5, of the Financial Instruments and Exchange Act are conducted, or the person who opens such market among the Financial Instruments Exchange may be mentioned as the "Stock Exchange") etc., of a suspension of settlement functions, or of any other unavoidable circumstances, the Management Company may suspend the acceptance of any creation application of the Beneficial Interests in shares or cancel creation application already accepted, in accordance with the terms and conditions of the trust.

(8) Clearing Framework on Creation Application

When the distributing company applies to the Financial Instruments Clearing Organization* (meaning Financial Instruments Clearing Organization provided in Article 2, paragraph 29, of the Financial Instruments and Exchange Act and hereinafter referred to as the "Clearing Organization") for owing a debt on the delivery of the Designated Securities Portfolio to the Management Company etc., and the Clearing Organization owes the debt, payment procedure regarding creation application is performed between the Clearing Organization and the authorized participant through the Central Securities Depository in accordance with the business rules of the Clearing Organization.

＊The Financial Instruments Clearing Organization to be specified is Japan Securities Clearing Corporation.

(9) Reference for Application Procedures etc.

If you have any questions on application (distribution) procedures etc., for the Fund, please contact to the following reference.

Nomura Asset Management Co., Ltd.
Support Dial: 0120-753104 (toll-free) (in Japan only)
Opening Hours: 9 a.m. - 5 p.m. on business days (Japan Standard Time)
Website: https://www.nomura-am.co.jp/

2【Redemption Procedures, etc.】

(1) Request for Redemption

A Beneficiary may not apply for a partial redemption by cash of the trust during the term of this trust with respect to the Beneficial Interests in shares attributable to the beneficiary (excluding the Beneficial Interests in shares acquired by the beneficiary based on the "Dissenting Beneficiaries' Right to Demand Purchase of Their Beneficial Interest in shares" provided in hereafter.).

(2) Redemption of the Beneficial Interests in shares

A beneficiary may request the Management Company to redeem their own beneficial interests in shares, whose number of shares is an integer multiple of a certain number of shares, for the stocks corresponding to their share and REIT of the beneficial interests in shares in the trust properties (hereinafter referred to as the "Redemption").

(3) Cut-off Time of Redemption

Request for Redemption that is completed by 3 p.m. of the acceptance day of the request shall be deemed to be accepted on that day. Provided that, when the beneficiary who requests for the Redemption is an issuing company etc., of component stocks in the Benchmark Index, the time limit is 2 p.m.

(4) Application Blackout Period (Basic Terms and Conditions)

The Management Company will, in principle, suspend the application for Redemption with respect to the application for Redemption on the following days and period; provided, however, the Management Company may, even on the following days and period (except for the day or period provided in item 5 below), accept the application for Redemption if the Management Company determines that the impact of such creation/redemption on the trust properties is minimal in view of the condition of the trust properties, funding trends, market trends, etc.

1. One business day prior to the ex-dividend date, ex-distribution date or ex-right date of any component stocks in the Benchmark Index.
2. For a period of seven business days, beginning from five business days prior to the stock name switching day or stock unit number switching day of any component stocks in the Benchmark Index.
3. For a period of three business days, beginning from three business days prior to the last day of calculation period specified in Article 36 on the Basic Terms and Conditions (provided, however, if the last day of calculation period is a holiday (meaning not a business day), the period shall be four business days, beginning from four business days prior to the last day of calculation period).
4. For a period of four business days, beginning from three business days prior to the date of trust termination when this trust agreement will be cancelled and the trust will be terminated.
5. In addition to the items above, any time the Management Company determines that unavoidable circumstances occur that prevent it from making investments in accordance with the investment policies provided separately.

※Information on Application Blackout Period can also be provided via support dial.

(5) Redemption Unit

Redemption is performed with not less than 50,000 shares and the multiplier of 50,000 shares. (The number of shares as a calculation basis may be changed due to price increase in the Benchmark Index etc.)

The unit of Redemption shall be the number of shares specified by the Management Company based on the number of shares required to redeem beneficial interests in shares for the individual stocks and REIT, the number of which shall be an integer multiple of the Exchange Trading Unit, that comprise one share of the actual portfolio whose proportion of the individual stocks and REIT corresponds to the component proportion of the individual stocks and REIT in the trust properties, and which the Management Company deems will correlate to the Benchmark Index (hereinafter referred to as "Minimum Redemption Shares").

(6) Redemption Price

Redemption price of the Beneficial Interests in shares is the NAV as of the acceptance day of Redemption request.

(7) Redemption Procedures

・The beneficiary shall make a request for the Redemption to the distributing company with Transfer Beneficial

Interests in shares.

- In the case where the beneficiary who requests for the Redemption is an issuing company of component stocks in the Benchmark Index, etc., the distributing company who accepts the request for the Redemption from the beneficiary (including the case where the distributing company is an issuing company of component stocks in the Benchmark Index, etc., and the distributing company requests for the Redemption by proprietary trading.) shall inform the Management Company to that effect upon intermediating the request for the Redemption. In the event the notification is not made at the time of intermediating the application for Redemption, which causes damage to the trust property or otherwise, the distributing company that intermediated the request for Redemption shall be liable for the damage.

(8) The Name and Calculation of the Number of Stocks and REITs to be Delivered upon the Redemption

The name and number of individual stocks and REIT a beneficiary can obtain through the Redemption shall be determined with the number of stocks and REIT calculated based on the NAV as of the acceptance day of redemption request, with such number being an integer multiple of the Exchange Trading Unit (hereinafter referred to as the "Trading Lot").In principle, the above calculation shall be made in accordance with the following method:

I. Calculate the estimated total market value of stocks and REIT within the Redemption Shares of the trust properties as of the acceptance day of redemption request;

II. Calculate the number of stocks and REIT for each individual stock by multiplying the estimated total market value calculated at I above by the component proportion of the market value of such individual stocks in the Fund, and then divide such amount by the market value of each individual share;

III. Adjust the number of stocks and REIT for each individual stock calculated at II above into the integer multiple of the Trading Lot by rounding off to the nearest Trading Lot (the portfolio comprised of the individual stocks adjusted for the number of stocks shall be referred to as "Provisional Redemption Basket");

IV. Calculate the total market value of the Provisional Redemption Basket by multiplying each individual stock comprising the components of the Provisional Redemption Basket calculated at III above by the market value of each such individual stock;

V. Deem the Provisional Redemption Basket as the portfolio to be redeemed (hereinafter referred to as the "Redemption Basket") in the event that the total market value of the Provisional Redemption Basket calculated at IV above is lower than the estimated total market value of shares and REIT with respect to the Redemption calculated at I above. However, if the total market value of the Provisional Redemption Basket calculated at IV above is larger than the estimated total market value of shares and REIT with respect to the Redemption calculated at I above, the Provisional Redemption Basket is to be adjusted as follows:

(i) Reduce the Trading Lot by one by removing the individual stock whose rounded-up amount (which shall be the amount calculated by multiplying the number of stocks rounded up and the market price of such individual stock; hereinafter referred to as the "Rounded-up Amount") was the largest in the round-off process at III above, from the previous Provisional Redemption Basket and deem the same as the new Provisional Redemption Basket;

(ii) Deem the new Provisional Redemption Basket as the Redemption Basket in the event the total market value of the new Provisional Redemption Basket is lower than the estimated total market value of the Redemption Shares calculated at I above. However, in the event the total market value of the new Provisional Redemption Basket is larger than the estimated total market value of the Redemption Shares calculated at I above, reduce the Trading Lot by one by removing the individual stock and REIT whose Rounded-up Amount was the next largest in the round-off process at III above, from the new Provisional

Redemption Basket and deem the same as the newest Provisional Redemption Basket; and

(iii) Repeat the process of (ii) above until the Redemption Basket is determined.

VI. In principle, the name and number of stocks that comprise the Redemption Basket calculated in V above shall be the name and number of stocks (including number of REIT) to be delivered upon the Redemption.

In the event there are multiple beneficiaries who apply for the Redemption, resulting in the total number of shares of a specific individual stock to be redeemed become larger than the number of shares of that specific individual stock in the Fund's possession, due to an error in the round-off process, etc., the Redemption Basket may be adjusted by, for example, reducing by a Trading Lot of the individual stock from the Redemption Basket.

* The individual stocks and REIT to be delivered for the Redemption shall not necessarily be all name of stocks and REIT in the Benchmark Index. The proportion of the individual stocks and REIT to be delivered for the Redemption shall not necessarily be the same as the proportion of these individual stocks and REIT in the Benchmark Index.

(9) Fixation of the Number of Beneficial Interests in shares to be Redeemed

- In the event the beneficiary requests an Redemption of their own Transfer Beneficial Interests in shares and the number of shares is an integer multiple of Minimum Redemption Shares, and the Management Company accepts the request, the Management Company shall calculate the number of individual shares and REIT the beneficiary can acquire by exchanging the Beneficial Interests in shares whose number of shares was offered by the beneficiary, and shall fix the number of Beneficial Interests in shares required for the Redemption (In this case, where there are any fractions less than one share, they shall be rounded up; hereinafter referred to as "Required Redemption Shares").
- The Management Company shall give instructions to the Trustee to make a Redemption of the Required Redemption Shares of the Beneficial Interests in shares for the stocks and REIT, the number of which shall be an integer multiple of the Exchange Trading Unit, that comprise the trust property; provided however that if the beneficiary who requested the Redemption is an Issuing Company, etc. of a component stock in the Benchmark Index, the Management Company shall give instructions to make a Redemption of the Beneficial Interests in shares whose number of shares is equivalent to the number calculated by deducting the total market value of the individual stocks of such issuing company from the Required Redemption Shares for the stock, the number of which shall be an integer multiple of the Exchange Trading Unit (excluding the stock of such issuing company). The total market value of individual stocks in this case shall be the amount calculated by multiplying the closing price (an equivalent price as the closing price when the closing price is not available, or a final price or an price reasonably calculated equivalent as a final price regarding the stocks traded on the Over-the-Counter Securities Market) at the Financial Instruments Exchange of the stocks as of the calculation date of the NAV on the acceptance day of redemption request, by the number of stocks calculated pursuant to the previous section: Name and Calculation of the Number of Stocks to be delivered to the Redemption.

(10) Delivery of Stocks and REITs upon Redemption, etc.

In principle, upon delivery of the redeemed stocks and redeemed REITs to the beneficiary, on and after the three business days from the acceptance day of the redemption request, the beneficiary's increased number of stock and REIT shall be stated or recorded within the account of the Central Securities Depository, etc.

(11) Suspension and Cancellation of Acceptance of Redemption Request

- In the event of a suspension of trading or foreign exchange trading on the Financial Instruments Exchange etc., of a suspension of settlement functions, or of any other unavoidable circumstances, the Management Company may suspend the acceptance of a Redemption request or cancel a Redemption request already accepted in accordance with the terms and conditions of the trust.
- When the acceptance of a Redemption request is discontinued, the beneficiary may withdraw the Redemption request which was made before the discontinuation of the request's acceptance. Provided, however, if the beneficiary does not withdraw the Redemption request, such request is deemed to be accepted on the first calculation date of the NAV after the discontinuation is cancelled, to be calculated in accordance with the provisions of Terms and Conditions of the Trust.

(12) Clearing Framework on Redemption

When the distributing company applies to the Clearing Organization for owing a debt on the delivery of the Transfer Beneficial Interests in shares to the Management Company and the Clearing Organization owes the debt, delivery procedure regarding Redemption is performed between the Clearing Organization and the authorized participant through the Central Securities Depository in accordance with the business rules of the Clearing Organization.

(13) Purchase of Beneficial Interests in shares (Purchase Request System)

When receiving an application from a beneficiary, the Distributing Company shall purchase the Beneficial Interests in shares in the cases described in the following items; provided however that applications covered in Item 2 below shall be made two business days prior to the termination date of the trust:

1 Transfer Beneficial Interests in shares of less than the Exchange Trading Unit arise as a result of Redemption.

2 If delisted in all Financial Instruments Exchanges where the Beneficial Interests in shares were listed.

The purchase price of the Beneficial Interests in shares shall be the NAV on the day the application for purchase is accepted. In the event of suspension of trading or foreign exchange trading at the Financial Instruments Exchange etc., of suspension of settlement functions, or of any other unavoidable circumstances, the Distributing Company may, based on discussions with the Management Company, suspend purchase of Beneficial Interests in shares and may cancel previously-accepted applications for the purchase of the Beneficial Interests in shares in accordance with the terms and conditions of the trust. If the purchase of Beneficial Interests in shares is suspended, a beneficiary may withdraw the application for purchase for the day made prior to the suspension of purchase. If, however, a beneficiary does not withdraw the application for purchase, the purchase price of the Beneficial Interests in shares shall be calculated in a manner that the application for purchase is accepted on the first calculation date of the NAV after the removal of suspension for purchase.

(14) Reference for Redemption Procedures etc.

If you have any questions on Redemption procedures etc., for the Fund, please contact to the following reference.

Nomura Asset Management Co., Ltd.
Support Dial: 0120-753104 (toll-free) (in Japan only)
Opening Hours: 9 a.m. - 5 p.m. on business days (Japan Standard Time)
Website: https://www.nomura-am.co.jp/

3【Overview of Asset Management, etc.】

(1) 【Valuation of Assets】

<Calculation Method of NAV >

NAV is the amount per share being calculated by dividing (a) the amount calculated by deducting the value of total liabilities from the value of total assets derived by assessing the value of assets belonging to the trust property (excluding substitute securities for cash collateral) using market value or partially by amortized cost method in accordance with the respective laws and the rules of the Investment Trusts Association, Japan (hereinafter referred to as the "Total Net Asset Value") by (b) the total number of Beneficial Interests in shares issued as of the calculation date.

It is presented as the value of 100 shares for the Fund.

The main investment objects of the Fund will be evaluated with the following manner.

Investment Object	Valuation Method
Stocks	In principle, evaluated with the closing price at the Financial Instruments Exchange as of the calculation day of the NAV.
REIT	In principle, evaluated with the closing price at the Financial Instruments Exchange as of the calculation day of the NAV.
Assets Denominated in Foreign Currencies	In principle, converted into Yen with Telegraphic Transfer Middle Rate as of the calculation day of the NAV.

※In principle, the previous day of the calculation day of the NAV when it is traded in foreign countries.

Regarding the NAV of the Fund, please contact the Management Company at the following:

Nomura Asset Management Co., Ltd.

Support Dial: 0120-753104 (toll-free) (in Japan only)

(9 a.m. - 5 p.m. on business days (Japan Standard Time))

Website: https://www.nomura-am.co.jp/

<Accounting for Additional Trust>

(i) The amount corresponding to the additional trust shall be derived by multiplying the number of Beneficial Interests in shares corresponding to the additional trust by the amount of the NAV as of one business day prior to the date the additional trust is created, and adding the equivalent amount to the Expenses described in "1 Procedures, etc. for Application and Distribution" above.

(ii) With regard to the amount corresponding to the additional trust, the difference between the amount corresponding to the additional trust and the amount corresponding to the principal shall be accounted for as the difference due to the additional trust.

<Accounting for Redemption of Beneficial Interests in shares for Securities>

In exchanging Beneficial Interests in shares for stocks and REIT, the difference between (i) the amount obtained by multiplying the number of the Required Redemption Shares (when the beneficiary requesting the Redemption is an Issuing Company of a component stock in the Benchmark Index, etc., and the Beneficial Interests in shares are returned to it, the number of said Beneficial Interests in shares is to be deducted) by the amount of the NAV as of the acceptance day of

redemption request and (ii) the amount corresponding to the principal, shall be accounted for as the difference due to redeem (redemption).

(2) 【Custody】

The attribution of the Beneficial Interests in shares of the Fund shall be determined based on the statement or recording made on the book-entry transfer account register of the Central Securities Depository, etc., and the beneficiary certificates shall not be issued. Therefore, the section discussing custody of the beneficiary certificate does not apply.

(3) 【Trust Period】

Unlimited (Inception Date: July 15, 2021)

(4) 【Calculation Period】

From April 21 of each year to October 20 of the same year, and from October 21 of the same year to April 20 of the following year, and the end date of the final calculation period shall be the last date of the trust term at the time the trust is terminated in accordance with the provisions of the Terms and Conditions of the Trust.

(5) 【Other Information】

(a) Early Termination of the Fund

(i) The Management Company may cancel this trust agreement and terminate the trust during term of this trust by mutual agreement with the Trustee when it recognizes that cancelling this trust agreement is for the benefit of the beneficiaries or an avoidable circumstance occurs. In this case, the Management Company shall notify the regulatory authorities in advance of its intent for cancellation.

(ii) The Management Company may cancel this trust agreement and terminate the trust by mutual agreement with the Trustee when the number of the beneficial interests in shares are less than 500,000 shares twenty consecutive business days due to redeem a part of the trust property for the beneficial interests in shares after the day three years have passed from the inception date, the beneficial interests in shares which were listed are delisted from all Financial Instruments Exchange, or the Benchmark Index itself is terminated. In this case, the Management Company shall notify the Regulatory authorities in advance of its intent for early termination. When the beneficial interests in shares are delisted from all Financial Instruments Exchange, the Management Company shall commence the procedure to terminate the trust on the day of delisting.

(b) Termination of the Trust Term

(i) The Management Company shall adapt a written resolution (hereinafter referred to as “Written Resolution”) regarding the matters “(a) Early Termination of the Fund (i)” above. In this case, the Management Company shall provide for the items, such as the day of the Written Resolution and a reason of cancellation of the trust agreement, and send a notice hereof in writing presenting the items to any known beneficiaries regarding this trust agreement two weeks prior to the day of the resolution.

(ii) Beneficiaries (excluding the Management Company and the Trustee as a beneficiary of the beneficial interests in

shares of this trust when it contained in the trust property of this trust.) shall hold voting rights in accordance with the number of beneficial interests in shares they hold and may exercise it in adoption of the Written Resolution described in (i) above. When any known beneficiary does not exercise his/her voting rights, he/she shall be deemed to have agreed to adopt the Written Resolution.

(iii) The Written Resolution described in (i) above shall be adopted by a more than two-thirds majority of the voting rights of all beneficiaries who may exercise voting rights.

(iv) When the Management Company has made a proposal with respect to cancellation of the trust agreement, the provisions of (i) through (iii) above shall not apply to cases where all of the beneficiaries have manifested their consent to the proposal in writing or by means of an electromagnetic record.

(v) When receiving an order to cancel the trust agreement from regulatory authorities, the Management Company shall comply with such order, cancel this trust agreement and terminate the trust.

(vi) In the event the Management Company is subject to cancellation of their registration by regulatory authorities, is dissolved, or suspends its operations, the Management Company shall cancel this trust agreement and terminate this trust. Provided that, if regulatory authorities issue an order that the operations of the Management Company relating to this trust agreement be substituted by another investment trust management company, this trust shall continue between the investment trust management company and the Trustee, with the exception of case when the Written Resolution described in "(c) Amendments to the Terms and Conditions of the Trust" below is rejected.

(c) Amendments to the Terms and Conditions of the Trust

(i) The Management Company may amend the terms and conditions of the trust or consolidate this trust and other trust (meaning a Consolidation of Investment Trusts Managed under Instructions from the Settlor set forth in Article 16, paragraph 2 of Act on Investment Trusts and Investment Corporations.) by mutual agreement with the Trustee when it finds necessary for the benefit of the beneficiaries or an avoidable circumstance occurs. In this case, the Management Company shall notify the regulatory authorities in advance of its intent for amendment or consolidation and its details. The terms and conditions of the trust may not amend except by means of procedures provided in this Article.

(ii) The Management Company shall adapt a Written Resolution regarding the matters described in (i) above (in the case of amendment described in (i) above, limited to cases where the amendment is material. In the case of consolidation described in the preceding paragraph, excluding cases where the consolidation has only a minor influence on beneficiaries' interests. Hereinafter collectively referred to as "Material Changes to the Basic Terms and Conditions, etc."). In this case, the Management Company shall provide for the items, such as the day of the Written Resolution and details of the Material Changes to the Basic Terms and Conditions, etc., and send a notice hereof in writing presenting the items to any known beneficiaries regarding this trust agreement two weeks prior to the day of the resolution.

(iii) Beneficiaries (excluding the Management Company and the Trustee as a beneficiary of the beneficial interests in shares of this trust when it contained in the trust property of this trust.) shall hold voting rights in accordance with the number of beneficial interests in shares they hold and may exercise it in adoption of the Written Resolution described in (ii) above. When any known beneficiary does not exercise his/her voting rights, he/she shall be deemed to have agreed to adopt the Written Resolution.

(iv) The Written Resolution described in (ii) above shall be adopted by a more than two-thirds majority of the voting rights of all beneficiaries who may exercise voting rights.

(v) The Written Resolution shall also be effective against all benefiriaries of this trust.

(vi) When the Management Company has made a proposal with respect to the Material Changes to the Basic Terms and

Conditions, etc., the provisions of (ii) through (v) above shall not apply to cases where all of the beneficiaries regarding the terms and contditoins of the trust have manifested their consent to the proposal in writing or by means of an electromagnetic record.

(vii) Notwithstanding the provisions of (i) through (vi) above, even when the Written Resolution for a consolidation is adopted in this trust, the consolidation may not be implemented when the Written Resolution is not adopted in other trust(s) regarding the consolidation.

(d) Public Notification

Any public notification made by the Management Company for the beneficiaries shall be posted online on the website below by means of electronic public notification:

https://www.nomura-am.co.jp/

If public notice by means of electronic public notice cannot be made due to an accident or any other unavoidable circumstance, public notification shall be given in Nihon Keizai Shimbun.

(e) Right to Demand Purchase by Objectors

Cancellation of the trust agreement or Material Changes to the Basic Terms and Conditions, etc., of the Fund are to be made, a beneficiary who has dissented to the cancellation or the Material Changes to the Basic Terms and Conditions, etc., being made in the adoption of a Written Resolution is entitled to demand that the Trustee purchase his/her beneficial interests in shares from out of the trust property. Details and procedures of the demands for the purchase shall be stated in the documents described in "(b) Termination of the Trust Term (i)" or "(c) Amendments to the Terms and Conditions of the Trust (ii)" above.

(f) Listing on Financial Instruments Exchange

With respect to the beneficial interests in shares of this trust, the Management Company shall apply for a listing on the Financial Instruments Exchange (the Financial Instruments Exchange described in Article 2, paragraph 16, of the Financial Instruments and Exchange Act). Such beneficial interests in shares of this trust will be listed on the Financial Instruments Exchange after the approval of the Financial Instruments Exchange according to the regulations and rules promulgated by the Financial Instruments Exchange.

When the beneficial interests in shares of this trust are listed, the Management Company shall comply with the rules and regulations promulgated by the Financial Instruments Exchange described above, and shall follow any directions, such as delisting, or suspension of sales purchase transactions, imposed on beneficial interests in shares by a Financial Instruments Exchange as per its regulations and rules.

(g) Withholding of Registration, etc. and Recording etc. of Trust Property

(i) With regard to trust property that can be registered or recorded, the registration or recording of trust shall be made; provided however, that the registration or recording of trust may be withheld if the Trustee approves.

(ii) Notwithstanding the provision of (i) above, register or record of trust shall be made if the Management Company or Trustee deems it necessary to do so for the protection of beneficiaries.

(iii) With regard to trust property for which a statement or recording to belong to the trust property can be made, such statement or recording shall be made, and concurrently, such trust property shall be segregated by clarifying the accounting thereof. However, the property may simply be segregated by clarifying the accounting thereof, if the Trustee approves.

(iv) Movables (excluding monies) may be segregated in the manner whereby they can be distinguished from each other on sight or by clarifying the accounting thereof.

(h) Instructions to Sell Stock

The Management Company may give instructions to sell stocks and REIT that belong to the trust property.

(i) Instructions for Reinvestment

The Management Company may give instructions to reinvest sales proceeds of stocks and REIT described in the preceding article, liquidating dividend from stocks, dividends from stocks and distribution from REIT, and other income.

(j) Advance of Money by Trustee

When there is an issuance of new shares, share allotment or allotment to investors with respect to stocks and REIT that belong to the trust property, the Trustee may advance funds if requested by the Management Company.

If estimates of amounts of liquidating dividend from stocks, dividends from stocks and distribution from REIT, or any other receivables that are related to the stocks that belong to the trust property, can be made before the date of termination of this trust, the Trustee may advance these amounts to be incorporated in the trust property.

With regard to the settlement of advances and interest, the Trustee and the Management Company shall discuss and decide how to treat such settlement and interest as they arise.

(k) Transfer and Succession of the Management Company

(i) The Management Company may transfer all or part of its business, and in conjunction with this transfer, may transfer the business concerning this trust agreement.

(ii) The Management Company may make its business to be succeeded due to the company split, and in conjunction with this transfer, may its business concerning this trust agreement to be succeeded.

(l) Resignation or Removal of the Trustee

(i) The Trustee may, with the consent of the Management Company, resign from its duties. In the event the Trustee breaches its duty and causes significant damage to the trust property, or any other critical situation arises, the Management Company or a beneficiary may apply to the court to have the Trustee removed. If the Trustee resigns, or the court has removed the Trustee, the Management Company shall select a new Trustee pursuant to "(c) Amendments to the Terms and Conditions of the Trust" above. A beneficiary may not remove the Trustee except the case described above.

(ii) In the event the Management Company cannot select a new Trustee, the Management Company shall cancel this trust agreement and terminate this trust.

(m) Splits and Re-splits of Beneficial Interests in shares, Content of Beneficial Interests in shares on Different Trust Date/Time

The Management Company shall split the Beneficial Interests in shares as of the date of conclusion of the trust agreement equally to the initial number of shares at creation. If additional trusts are made, then the Management Company shall split the Beneficial Interests in shares attributable to the additional trusts equally into the number of additional shares.

No variance arises as a result of differences in trust dates/time with respect to the Beneficial Interests in shares of this trust.

(n) Doubts Concerning Trust Agreement

In the event any doubt arises regarding the interpretation of the terms and conditions of this trust, the Management Company and the Trustee shall solve the doubt based on mutual discussion.

(o) Restrictions on Request for Disclosure of Other Beneficiaries' Name etc.

A beneficiary of this trust may not request the Trustee or the Management Company to disclose the following items:

1. Personal name or entity name, and address of other beneficiaries
2. Details of other beneficiaries' beneficial interests in shares

(p) Renewal Procedures of Agreements with Related Corporations

"Agreement regarding Offering and Distribution" executed between the Management Company and the Distributing Company shall be automatically renewed on an annual basis, in principle, unless either party expresses a different intent to the other party at least three months prior to the then-current expiry date of such agreement.

When the Management Company entrusts another party with the authority to give instructions on the investment, "Agreement regarding Entrustment of the Authority to Give Instructions on the Investment" executed between the Management Company and the entrustee shall be automatically renewed on an annual basis, in principle, unless either party notify the other party of not renewing the agreement in writing at least three months prior to the then-current expiry date of such agreement. The agreement will terminate on the day of termination of the Fund.

4【Rights, etc., of Beneficiaries】

Primary rights that Beneficiaries have are as follows:

① Claims for Income Distribution and Registration

■Payment of Income Distribution■

A person whose name and address are registered at the Trustee as of the last day of calculation period shall be treated as the beneficiary as of the last day of the calculation period ("Registered Beneficiary"), and the income distribution shall be paid to the Registered Beneficiary. The Trustee may conclude the trust agreement with a person who the Trustee finds appropreate, such as other security trust company etc., and entrust the registration affairs to the person.

Beneficiaries shall, in principle, request the registration described above through a member of the Financial Instruments Exchange on which the beneficial interests in shares of this trust are listed (such member shall be limited to Account Management Institution; the same applies hereinafter). In this case, such member may charge the amount equivalent to the commission that the Account Management Institution set by their own and the Consumption Tax, etc. on the commission. Provided, however, that securities finance companies, etc. may perform the registration described above directly with the Trustee.

Registration procedures are as follows.

(i) The beneficial interests in shares must be identified by making a statement or recording of its number of shares on the book-entry transfer account register of the member in the number of shares stated or recorded on the book-entry transfer account register.

(ii) The member shall notify the Trustee of the personal name or entity name, and address of the beneficiary described in (i) above related to the member, and of the matters prescribed by the Trustee in writing by the end of the calculation period. When the contents of the report have changed, the member shall notify the Trustee of the change based on the request by the beneficiary in accordance with the method prescribed by the member.

(iii) The member shall report the Central Securities Depository the matters of beneficiary described in (i) above related to the member as of the end of the calculation period, which matters are prescribed by the Central Securities Depository (if the member is not an Account Management Institution, through its superior institution), and the Central Securities Depository shall notify the Trustee to that effect.

The payment of income distribution described above shall be, in principle, made at the day specified by the Management Company, which falls within forty days from the end of every calculation period, by paying the income distribution by wire transfer to the savings account specified in advance by the Registered Beneficiary. If the Registered Beneficiary separately enters into an agreement regarding the treatment of income distribution with a member of the Financial Instruments Exchange, the income distribution amount shall be paid pursuant to such agreement.

■Expiration of Claims for Income Distribution■

In the event that there is an outstanding payable balance of income distribution after five years have passed from the first payment date, the Trustee shall pay such outstanding amount to the Management Company.

After the payment of the income distribution have been made to the Management Company, the Trustee shall not be held liable for the payment of the said amount to the Registered Beneficiary.

In the event that a beneficiary has not claim any payment of income distribution for five years after the first payment date, the beneficiary shall lose the right to claim such payment, and the paid amount from the Trustee shall be attributed to the Management Company.

② Claims for Termination Amount

■Payment of Termination Amount■

The termination shall be done by paying the amount equivalent to the Total Net Asset Value of trust property upon termination of trust to the beneficialies stated or recorded in the book-entry transfer account register of the Central Securities Depository, etc., as of the day the trust is terminated (hereinafter, the "Beneficialies at Termination").

The amount to be paid to the Beneficialies at Termination shall be the amount derived by multiplying the NAV upon termination of trust (meaning the amount derived by dividing Total Net Asset Value by the total number of beneficial interests in shares upon termination of trust; hefeinafter "Termination Amount"), by the number of beneficial interests in shares that belongs to each Beneficialies at Termination. The amount of the principal of beneficial interests in shares per share under the tax laws in this case shall be the amount derived by deviding the trusted amount of money by the number of beneficial interests in shares upon termination of trust.

The Termination Amount shall be paid to the beneficiaries stated or recorded in the book-entry transfer account register of the Central Securities Depository, etc., as of the day the trust is terminated from the Trustee or a member etc., on the day specified by the Management Company within forty days from the day the trust is terminated in general.

■Expiration of Claims for Termination Amount■

In the event that there is an outstanding payable balance of Termination Amount due to termination of the trust after ten years have passed from the first payment date, the Trustee shall pay such outstanding amount to the Management Company.

After the payment of the Termination Amount has been made to the Management Company, the Trustee shall not be held liable for the payment of the said amount to the Registered Beneficiary.

In the event that a beneficiary has not claim any payment of Termination Amount due to termination of the trust for ten years after the first payment date, the beneficiary shall lose the right to claim such payment, and the paid amount from the Trustee shall be attributed to the Management Company.

※Beneficiaries may request a redemption regarding their Beneficial Interests in shares. Please refer to "2 【Redemption Procedures, etc.】" above for details.

Ⅲ.【Financial Information of Fund】

NEXT FUNDS MSCI Japan Country ESG Leaders Index Exchange Traded Fund

(1) The Financial Statements of the Fund are prepared in accordance with the Ordinance on Terminology, Forms and Preparation Methods of Financial Statements (Ministry of Finance Ordinance No. 59 of 1963; hereinafter referred to as "Financial Statements Regulation") and, pursuant to the provisions of Article 2-2 of the Financial Statements Regulation, the Ordinance on Accounting of Investment Trust Property (Cabinet Office Ordinance No. 133 of 2000) (hereinafter referred to as "Investment Trust Assets Accounting Ordinance"). The Financial Statements are stated in Japanese Yen.

(2) Pursuant to Article 193-2, Paragraph 1 of the Financial Instruments and Exchange Act, the Fund's Financial Statements for the 6th calculation period (from October 21, 2023 to April 20, 2024) have been audited by Ernst & Young ShinNihon LLC.

Independent Auditor's Report

July 2, 2024

To:

The Board of Directors

Nomura Asset Management Co., Ltd.

Ernst & Young ShinNihon LLC

Tokyo Office, Japan

Designated Limited Liability Partner Engagement Partner	Certificated Public Accountant	Toshiro Kuwata

Audit Opinion

Opinion to provide audit certification pursuant to Article 193-2, Paragraph 1 of the Financial Instruments and Exchange Act, we have audited the financial statements listed in the "Financial Information of Fund," which comprise the balance sheet, the statement of profits and losses and retained earnings and the related notes, and the supplementary schedules for the NEXT FUNDS MSCI Japan Country ESG Leaders Index Exchange Traded Fund for the calculation period from October 21, 2023 to April 20, 2024.

In our opinion, the financial statements referred to above present fairly, in all material respects, the status of trust properties as of April 20, 2024 and the status of profits and losses for the calculation period ending April 20, 2024, of the NEXT FUNDS MSCI Japan Country ESG Leaders Index Exchange Traded Fund, in accordance with accounting principles generally accepted in Japan.

Basis for Audit Opinion

We conducted our audit in accordance with auditing standards generally accepted in Japan. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements Section of our report. We are independent of Nomura Asset Management Co., Ltd. And the Fund, in accordance with the ethical requirements that are relevant to our audit of the financial statements in Japan, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

Other information is information, apart from the financial statements and the auditor's report on them, that is contained in an entity's annual securities report and securities registration statement (including amended securities registration statement). Management, or those charged with governance, is responsible for preparing and disclosing other information. Other information is not included in the scope of our opinion on the financial statements and we do not provide our opinion on other information. Our responsibilities in financial statement audit, having read the other information, are to consider whether there is a material inconsistency between the other information and the financial statements or the auditor's knowledge obtained in the audit, and to pay attention to whether there is an indication that other information appears to be materially misstated other than such material inconsistency. When we become aware that other information appears to be materially misstated during our audit, we shall report the fact. There is no matter for us to report on other information.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in Japan, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Fund's ability to continue as a going concern and disclosing, as required by accounting principles generally accepted in Japan, matters related to going concern.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with auditing standards generally accepted in Japan, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.
- In making those risk assessments, we consider internal controls relevant to the audit in order to design audit procedures that are appropriate under the circumstances, while the purpose of the audit of the financial statements is not expressing an opinion on the effectiveness of the Fund's internal controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation in accordance with accounting principles generally accepted in Japan.

We communicate with management regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal controls that we identify during our audit.
We also provide management with a statement that we have complied with the ethical requirements regarding independence that are relevant to our audit of the financial statements in Japan, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, measures to remove disincentives or safeguards to reduce disincentives to an acceptable level.

Conflicts of Interest
We have no interest in Nomura Asset Management Co., Ltd. or the Fund which should be disclosed in accordance with the Certified Public Accountants Act.

(Note) 1. The original version of the Independent Auditor's Report is retained by us separately.
2. XBRL data is not audited.

1【Financial Statements】

(1)【Balance Sheet】

(Unit:JPY)

	5th Fiscal Year (As of October 20, 2023)	6th Fiscal Year (As of April 20, 2024)
Assets		
Current assets		
Call loans	35,281,032	34,174,943
Stocks	2,037,458,140	2,288,289,220
Investment Securities	4,630,800	4,260,800
Accrued dividends	19,986,810	21,045,594
Accrued interest	-	146
Customer margin deposits	4,242,640	3,255,198
Total current assets	2,101,599,422	2,351,025,901
Total assets	2,101,599,422	2,351,025,901
Liabilities		
Current liabilities		
Derivatives valuation account	1,503,940	1,122,070
Accounts payable	784,080	402,509
Unpaid income distribution	20,921,490	21,523,250
Trustee fee payable	228,755	250,901
Invest trust management fee payable	1,143,706	1,254,442
Accrued interest expenses	14	-
Other accrued expenses	292,218	319,570
Total current liabilities	24,874,203	24,872,742
Total liabilities	24,874,203	24,872,742
Net assets		
Principal and other		
Principal	1,819,260,000	1,721,860,000
Surplus		
Surplus (deficit) at the end of period（△）	257,465,219	604,293,159
(Reserve for distribution)	550,390	632,837
Total principal and other	2,076,725,219	2,326,153,159
Total net assets	2,076,725,219	2,326,153,159
Total liabilities and net assets	2,101,599,422	2,351,025,901

(2)【Statement of Income and Retained Earnings】

(Unit:JPY)

	5th Fiscal Year From April 21, 2023 to October 20, 2023	6th Fiscal Year From October 21, 2023 to April 21, 2024
Operating revenue		
Dividends	23,203,370	23,640,309
Interest income	-	2,265
Profit and loss on buying and selling of	181,873,874	369,939,202

securities and other		
Profit and loss on trading of derivatives	3,106,540	4,644,611
Other revenue	5,615	2,926
Total operating revenue	208,189,399	398,229,313
Operating expenses		
Interest expenses	8,793	1,732
Trustee fee	228,755	250,901
Investment trust management fee	1,143,706	1,254,442
Other expenses	465,219	532,728
Total operating expenses	1,846,473	2,039,803
Operating profit (loss) （△）	206,342,926	396,189,510
Ordinary profit (loss) （△）	206,342,926	396,189,510
Profit (loss) （△）	206,342,926	396,189,510
Distribution of profit from partial redemption or Distribution of loss from partial redemption	-	-
Surplus (deficit) at beginning of period （△）	72,235,631	257,465,219
Increase in surplus or decrease in deficit	16,518,372	-
Increase in surplus or decrease in deficit from additional creation for period	16,518,372	-
Decrease in surplus or increase in deficit	16,710,220	27,838,320
Decrease in surplus or increase in deficit from partial redemption	16,710,220	27,838,320
Distribution	20,921,490	21,523,250
Surplus (deficit) at the end of period （△）	257,465,219	604,293,159

(3)【Notes to Financial Statements】

（Notes regarding Significant Accounting Policy）

1. Basis and methods of valuation for the assets under management	- Stocks Stocks are valued at market value, in principle. Market value is assessed by the closing price of a stock exchange on the last day of the calculation period for the listed stocks (or the closing price of a stock exchange on the closest day to the last day of the calculation period, if there is no closing price on the last day of the calculation period). - Investment Securities Investment Securities are valued at market value, in principle. Market value is assessed by the closing price of a stock exchange on the last day of the calculation period for the listed stocks (or the closing price of a stock exchange on the closest day to the last day of the calculation period, if there is no closing price on the last day of the calculation period). - Futures Trading Market value is assessed by the clearing price presented by an exchange on the last day of the calculation period.
2. Basis of recording expenses and income	- Dividends In principle, the amount of fixed dividends or expected dividends is recorded on ex-dividend date basis. With respect to investment trust beneficiary certificates, in principle, the amount of income distribution is recorded on ex-distribution date basis. - Profits and losses on trading of securities. Recorded on trade date basis. - Profits and losses on trading of derivatives. Recorded on trade date basis.
3.Supplementary explanations	The market value of financial instruments is calculated based on certain

regarding the matters concerning the market value of financial instruments	assumptions, and therefore the calculated value may vary if calculation of the value is made based on different assumptions. In addition, the contract amount of derivative transactions is just a notional contract amount or notional principal amount and therefore such amount does not directly indicate the maximum market risk of such derivative transaction.
4.Others	The calculation period of the Fund is from October 21, 2023 to April 20, 2024, in accordance with the provisions of the basic terms and conditions of the investment trust.

（Notes regarding the Significant accounting estimates）

Not applicable.

（Notes to the Balance Sheet）

5th Fiscal Year As of October 20, 2023	6th Fiscal Year As of April 20, 2024
1. Total number of Beneficial Interests in shares as of the last day of calculation period 909,630 shares	1. Total number of Beneficial Interests in shares as of the last day of calculation period 860,930 shares
2. Amount of the Net asset per unit as of last day of calculation period Net asset per share 2,283.04 yen (Net asset per 100 shares) (228,304 yen)	2. Amount of the Net asset per unit as of last day of calculation period Net asset per share 2,701.91 yen (Net asset per 100 shares) (270,191 yen)

（Notes to the Statement of Profit and Loss and Retained Earnings）

5th Fiscal Year
From April 21, 2023
to October 20, 2023

1.Process for calculation of distribution

Item		
Dividends and other income for the period	A	23,200,192 yen
Reserve for distribution	B	109,368 yen
Total dividends and other income	C=A+B	23,309,560 yen
Miscellaneous expenses	D	1,837,680 yen
Possible amount of income distribution	E=C-D	21,471,880 yen
Income distribution	F	20,921,490 yen
Carry forward (Reserve for distribution)	G=E-F	550,390 yen
Number of shares	H	909,630 shares
Distribution (per 100 shares)	I=F/H×100	2,300 yen

2.Other expenses

343,692 yen out of other expenses is trademark license fee for the target index.

6th Fiscal Year
From October 21, 2023
to April 20, 2024

1.Process for calculation of distribution

Item		
Dividends and other income for the period	A	23,643,768 yen
Reserve for distribution	B	550,390 yen
Total dividends and other income	C=A+B	24,194,158 yen
Miscellaneous expenses	D	2,038,071 yen
Possible amount of income distribution	E=C-D	22,156,087 yen
Income distribution	F	21,523,250 yen
Carry forward (Reserve for distribution)	G=E-F	632,837 yen
Number of shares	H	860,930 shares
Distribution (per 100 shares)	I=F/H×100	2,500 yen

2.Other expenses

379,312 yen out of other expenses is trademark license fee for the target index.

（Notes Regarding Financial Instruments）

(1) Matters concerning the State of Financial Instruments

5th Fiscal Year From April 21, 2023 to October 20, 2023	6th Fiscal Year From October 21, 2023 to April 20, 2024
1. Policy on Handling of Financial Instruments The Fund is a Security Investment Trust as defined in Article 2, Paragraph 4 of the Act on Investment Trusts and Investment Corporations, and aims to manage the Fund by investing in financial instruments such as securities in accordance with the basic investment policy set forth in the basic terms and condition of the investment trust.	1. Policy on Handling of Financial Instruments Same as on the left
2. Details of Financial Instruments and Risk Involved in Financial Instruments The types of financial instruments invested in by the Fund consist of monetary claims and monetary debts, including securities, derivative transactions and call loans. The details of the financial instruments invested in by the Fund are stated in the sub-section “2 Matters concerning Securities” of the “Miscellaneous” Section below. The financial instruments invested in by the Fund are exposed to the market risks, such as price fluctuation risks, credit risks, and liquidity risks. The Fund carries out stock index futures transactions for the purpose of contributing to the efficient management of trust assets belonging to the Fund. The above derivative transactions are exposed to the risk of price fluctuations related to the targeting stock index.	2. Details of Financial Instruments and Risk Involved in Financial Instruments Same as on the left
3. Risk Management System for Financial Instruments The Investment Risk Management Committee, a committee independent from the management department, is established to examine the Fund’s performance and to manage investment risk. ○Market Risk Management To manage the market risk, the Management Company is constantly monitoring and analyzing the status of asset allocation, to ensure the investment of the trust property is in compliance with the investment policy set forth in the basic terms and conditions of the investment trust. ○Credit Risk Management To manage the credit risk, the Management Company is constantly gathering and analyzing financial information of the issuers of securities and counterparties of transactions, and is also complying with internal restrictions on the incorporation of securities, which may be applied based on credit ratings. ○Liquidity Risk Management To manage the liquidity risk, the Management Company is monitoring market liquidity status, as necessary, and is managing the trading volume and incorporation ratio of each security.	3. Risk Management System for Financial Instruments Same as on the left

(2) Matters concerning the Market Value, etc. of Financial Instruments

5th Fiscal Year As of October 20, 2023	6th Fiscal Year As of April 20, 2024
1. Amount Recorded on Balance Sheet, Market Value, and the Difference between Them Amounts are recorded on the balance sheet based on their market values. Therefore, there is no difference	1. Amount Recorded on Balance Sheet, Market Value, and the Difference between Them Same as on the left

between them. 2. Method of Calculation of Market Value Stocks As stated in “Notes Regarding Significant Accounting Policy” Section above. Investment Securities As stated in “Notes Regarding Significant Accounting Policy” Section above. Derivatives Evaluation Account As stated in the sub-section “3 Matters concerning Derivative Transactions” of the “Miscellaneous” Section below. Monetary Claims and Monetary Debts Including Call Loans The market value is determined as the book value because these accounts will be settled in a short period of time and the book value of these accounts approximates their market value.	2. Method of Calculation of Market Value Stocks Same as on the left

（Notes regarding transactions with related parties）

5th Fiscal Year From April 21, 2023 to October 20, 2023	6th Fiscal Year From October 21, 2023 to April 20, 2024
There is no applicable item, since no transactions with related parties are made under terms and conditions different from the general and practical terms of certain transactions (which may be determined by taking market prices and/or other fair prices for such transactions into account).	Same as on the left

（Miscellaneous）

1 Changes in principal

5th Fiscal Year From April 21, 2023 to October 20, 2023		6th Fiscal Year From October 21, 2023 to April 20, 2024	
Amount of Principal at the beginning of the calculation period	1,820,336,000 yen	Amount of Principal at the beginning of the calculation period	1,819,260,000 yen
Amount of Principal of Additional Trust created during the calculation period	98,800,000 yen	Amount of Principal of Additional Trust created during the calculation period	0 yen
Amount of Principal redeemed during the calculation period	99,876,000 yen	Amount of Principal redeemed during the calculation period	97,400,000 yen

2 Matters concerning Securities

Trading Securities

Type	5th Fiscal Year From April 21, 2023 to October 20, 2023	6th Fiscal Year From October 21, 2023 to April 20, 2024
	Unrealized gains or losses included in the profits and losses of the calculation period (yen)	Unrealized gains or losses included in the profits and losses of the calculation period (yen)
Stocks	155,270,309	354,813,965
Investment Securities	△569,100	△97,600
Total	154,701,209	354,716,365

3 Matters concerning Derivative Transactions

Contracted Amount etc., Market Value and Profit and Loss of Derivative Transactions

Type	5th Fiscal Year (as of October 20, 2023)				6th Fiscal Year (as of April 20, 2024)			
	Contracted Amount etc.(Yen)		Market Value (Yen)	Profit and Loss (Yen)	Contracted Amount etc.(Yen)		Market Value (Yen)	Profit and Loss (Yen)
		Over one year				Over one year		
Market Trading								
Stock Price Index Futures								
Long Position	35,267,290	—	33,765,000	△1,503,940	32,632,750	—	31,512,000	△1,122,070
Total	35,267,290	—	33,765,000	△1,503,940	32,632,750	—	31,512,000	△1,122,070

(Note) Method of Calculation of Market Value

1 Futures Trading

Domestic Futures Trading

Market value is assessed by the clearing price presented by an exchange on the last day of the calculation period.

※The hedge accounting does not apply to the above trading.

(4)【Annexed Detailed Schedules】

I. Schedule of Securities

(1) Stocks (as of April 20, 2024)

(Unit:JPY)

Type	Currency	Name	Number of Shares	Valuation		Remarks
				Unit Price	Amount	
Stock	JPY	INPEX CORPORATION	6,900	2,409.00	16,622,100	
		SHIMIZU CORPORATION	3,700	889.90	3,292,630	
		DAIWA HOUSE INDUSTRY CO., LTD.	4,200	4,220.00	17,724,000	
		SEKISUI HOUSE, LTD.	4,200	3,350.00	14,070,000	
		MEIJI HOLDINGS CO., LTD.	1,700	3,435.00	5,839,500	
		SUNTORY BEVERAGE & FOOD LIMITED	1,000	5,018.00	5,018,000	
		KIKKOMAN CORPORATION	4,800	1,861.00	8,932,800	
		AJINOMOTO CO., INC.	3,300	5,372.00	17,727,600	
		NISSIN FOODS HOLDINGS CO., LTD.	1,400	4,065.00	5,691,000	
		TORAY INDUSTRIES, INC.	9,800	714.70	7,004,060	
		ASAHI KASEI CORPORATION	8,900	1,095.00	9,745,500	
		SHIN-ETSU CHEMICAL CO.,LTD.	12,700	6,129.00	77,838,300	
		MITSUI CHEMICALS, INC	1,200	4,410.00	5,292,000	
		MITSUBISHI CHEMICAL GROUP CORPORATION	9,000	898.80	8,089,200	

		SEKISUI CHEMICAL CO., LTD.	2,700	2,223.50	6,003,450	
		KAO CORPORATION	3,300	6,273.00	20,700,900	
		FUJIFILM HOLDINGS CORPORATION	7,900	3,330.00	26,307,000	
		SHISEIDO COMPANY, LIMITED	2,800	4,057.00	11,359,600	
		NITTO DENKO CORPORATION	1,000	13,755.00	13,755,000	
		UNICHARM CORPORATION	2,800	4,424.00	12,387,200	
		KYOWA KIRIN CO.,LTD.	1,900	2,609.00	4,957,100	
		ASTELLAS PHARMA INC.	12,800	1,480.50	18,950,400	
		SHIONOGI & CO., LTD.	1,700	7,114.00	12,093,800	
		EISAI CO., LTD.	1,800	5,901.00	10,621,800	
		ONO PHARMACEUTICAL CO.,LTD.	2,600	2,238.00	5,818,800	
		DAIICHI SANKYO COMPANY, LIMITED	13,100	4,636.00	60,731,600	
		ENEOS HOLDINGS, INC.	20,300	720.10	14,618,030	
		BRIDGESTONE CORPORATION	4,000	6,692.00	26,768,000	
		TOTO LTD.	1,000	4,199.00	4,199,000	
		JFE HOLDINGS, INC.	4,100	2,348.00	9,626,800	
		SUMITOMO METAL MINING CO., LTD.	1,700	5,127.00	8,715,900	
		KOMATSU LTD.	6,500	4,353.00	28,294,500	
		HITACHI CONSTRUCTION MACHINERY CO., LTD.	800	4,484.00	3,587,200	
		KUBOTA CORPORATION	7,100	2,390.50	16,972,550	
		DAIKIN INDUSTRIES, LTD.	1,900	19,215.00	36,508,500	
		DAIFUKU CO., LTD.	2,100	3,165.00	6,646,500	
		IBIDEN CO., LTD.	800	5,931.00	4,744,800	
		BROTHER INDUSTRIES,LTD.	1,600	2,792.00	4,467,200	
		HITACHI,LTD.	6,500	13,330.00	86,645,000	
		FUJI ELECTRIC CO.,LTD.	900	9,741.00	8,766,900	
		YASKAWA ELECTRIC CORPORATION	1,700	5,980.00	10,166,000	
		OMRON CORPORATION	1,200	5,012.00	6,014,400	
		NEC CORPORATION	1,700	10,780.00	18,326,000	
		FUJITSU LIMITED	12,400	2,448.00	30,355,200	
		RENESAS ELECTRONICS CORPORATION	10,400	2,396.50	24,923,600	
		SEIKO EPSON CORPORATION	2,000	2,629.50	5,259,000	
		PANASONIC HOLDINGS CORPORATION	15,600	1,359.00	21,200,400	

		SHARP CORPORATION	1,800	788.70	1,419,660	
		SONY GROUP CORPORATION	8,900	12,530.00	111,517,000	
		TDK CORPORATION	2,700	7,078.00	19,110,600	
		HIROSE ELECTRIC CO., LTD.	200	15,800.00	3,160,000	
		YOKOGAWA ELECTRIC CORPORATION	1,600	3,380.00	5,408,000	
		AZBIL CORPORATION	800	4,179.00	3,343,200	
		ADVANTEST CORPORATION	5,400	5,484.00	29,613,600	
		SYSMEX CORPORATION	3,600	2,322.00	8,359,200	
		FANUC CORPORATION	6,700	4,265.00	28,575,500	
		RICOH COMPANY,LTD.	3,900	1,354.50	5,282,550	
		TOKYO ELECTRON LIMITED	3,300	33,530.00	110,649,000	
		TOYOTA MOTOR CORPORATION	74,900	3,522.00	263,797,800	
		YAMAHA MOTOR CO., LTD.	6,300	1,379.50	8,690,850	
		SHIMADZU CORPORATION	1,700	4,104.00	6,976,800	
		HOYA CORPORATION	2,500	17,320.00	43,300,000	
		YAMAHA CORPORATION	900	3,172.00	2,854,800	
		NINTENDO CO., LTD.	7,300	7,455.00	54,421,500	
		TOKYO GAS CO., LTD.	2,600	3,758.00	9,770,800	
		OSAKA GAS CO., LTD.	2,600	3,219.00	8,369,400	
		TOBU RAILWAY CO., LTD.	1,300	3,213.00	4,176,900	
		TOKYU CORPORATION	3,500	1,866.00	6,531,000	
		WEST JAPAN RAILWAY COMPANY	3,100	2,961.00	9,179,100	
		HANKYU HANSHIN HOLDINGS, INC.	1,600	4,093.00	6,548,800	
		YAMATO HOLDINGS CO.,LTD.	1,900	1,997.50	3,795,250	
		SG HOLDINGS CO., LTD.	2,300	1,780.50	4,095,150	
		NIPPON EXPRESS HOLDINGS, INC.	500	7,866.00	3,933,000	
		ANA HOLDINGS INC.	1,100	2,958.00	3,253,800	
		TIS INC.	1,600	3,211.00	5,137,600	
		NOMURA RESEARCH INSTITUTE, LTD.	2,700	3,884.00	10,486,800	
		LY CORPORATION	18,900	347.50	6,567,750	
		KDDI CORPORATION	10,600	4,252.00	45,071,200	
		SOFTBANK CORP.	20,300	1,818.00	36,905,400	
		NTT DATA GROUP CORPORATION	4,500	2,247.00	10,111,500	

		SCSK CORPORATION	1,100	2,696.00	2,965,600	
		ITOCHU CORPORATION	8,400	6,504.00	54,633,600	
		MARUBENI CORPORATION	10,100	2,597.50	26,234,750	
		MATSUKIYOCOCOKARA & CO.	2,400	2,228.50	5,348,400	
		ZOZO,INC.	1,000	3,314.00	3,314,000	
		AEON CO., LTD.	4,600	3,231.00	14,862,600	
		FAST RETAILING CO., LTD.	1,200	40,520.00	48,624,000	
		SUMITOMO MITSUI TRUST HOLDINGS, INC.	4,600	3,173.00	14,595,800	
		SUMITOMO MITSUI FINANCIAL GROUP,INC.	9,000	8,536.00	76,824,000	
		MIZUHO FINANCIAL GROUP,INC.	17,000	2,942.00	50,014,000	
		DAIWA SECURITIES GROUP INC.	9,400	1,080.50	10,156,700	
		SOMPO HOLDINGS, INC.	6,300	3,021.00	19,032,300	
		MS&AD INSURANCE GROUP HOLDINGS, INC.	9,100	2,679.00	24,378,900	
		TOKIO MARINE HOLDINGS,INC.	12,700	4,638.00	58,902,600	
		T&D HOLDINGS, INC.	3,500	2,457.50	8,601,250	
		ORIX CORPORATION	8,300	3,111.00	25,821,300	
		HULIC CO., LTD.	2,700	1,437.00	3,879,900	
		NOMURA REAL ESTATE HOLDINGS,INC.	800	4,061.00	3,248,800	
		MITSUI FUDOSAN CO., LTD.	18,900	1,570.50	29,682,450	
		MITSUBISHI ESTATE COMPANY, LIMITED	7,900	2,798.00	22,104,200	
		ORIENTAL LAND CO.,LTD.	7,700	4,546.00	35,004,200	
		RAKUTEN GROUP,INC.	10,600	743.90	7,885,340	
		RECRUIT HOLDINGS CO., LTD.	10,200	6,111.00	62,332,200	
		SECOM CO.,LTD.	1,500	10,700.00	16,050,000	
	Sub Total	Number of companies invested in：104 Ratio of total market value to total amount of trust properties：98.4%			2,288,289,220 100.0%	
Total					2,288,289,220	

(Note1) The ratio shown on the left side indicates the ratio of total market value of the invested stocks to the amount of the net asset of the trust properties, and the ratio shown on the right side indicates the ratio of the aggregate amount written in each cell listed under the “Amount” column to the amount listed in the “Total” column.

(2) Securities other than stocks (As of April 20, 2024)

(Unit:JPY)

Type	Currency	Name	Total Face Value	Valuation	Remarks
Investment Securities	JPY	Investment Security of Nippon Prologis REIT, Inc.	16	4,260,800	
	Sub Total	Number of companies invested in：1 Ratio of total market value to total amount of trust properties：0.2%	16	4,260,800 100.0%	
Total				4,260,800	

(Note1) The number of investment trust beneficiary certificates, investment securities and mother fund beneficiary certificates described in column for "Total Face Value" displays the number of securities.

(Note2) The ratio shown on the left side indicates the ratio of total market value of the invested stocks to the amount of the net asset of the trust properties, and the ratio shown on the right side indicates the ratio of the aggregate amount written in each cell listed under the "Amount" column to the amount listed in the "Total" column.

II. Contracted Value of Derivative Transactions and Forward Exchange Transaction and Market Value Status

Omitted, as it is presented as a note in the financial statements.

2【Current Status of Fund】

【Calculation of Net Assets】

	As of May 31, 2024
I　Total assets	2,675,303,783 yen
II　Total liabilities	205,123,939 yen
III　Net assets（I－II）	2,470,179,844 yen
IV　Number of outstanding shares	860,930 shares
V　Net assets per share（III／IV）	2,869.20 yen

IV.【Overview of Operational Procedures related to Domestic Investment Trust Beneficiary Certificates】

(1) Procedures for Registration of Title Transfer of Beneficiary Certificates

Not Applicable.

The attribution of the Beneficial Interests in shares of the Fund is determined based on the statement or recording made on the book-entry transfer account register of the Central Securities Depository, etc., and the Management Company shall not issue beneficiary certificates representing the Transfer Beneficial Interests in shares, except in cases where the designation from the competent minister as the Central Securities Depository that handles the Beneficial Interests in shares of this trust is cancelled, or in cases where the designation is no longer in effect, by the rules of Book-Entry Act, and also in each case where there is no party to succeed the Book-Entry Transfer Business of the Central Securities Depository, or when unavoidable circumstances occur.

Furthermore, the Beneficiaries shall not request a change from bearer beneficiary certificates to registered beneficiary certificates, a change from registered beneficiary certificates to bearer beneficiary certificates, or a reissuance of beneficiary certificates, except in cases where the Management Company issues beneficiary certificates due to unavoidable circumstances.

(2) Special Privileges for the Beneficiaries

Not Applicable.

(3) Procedures for Transfer of the Beneficial Interests in shares

①When transferring a Beneficial Interests in shares it owns, a beneficiary must apply for book-entry transfer to the Central Securities Depository, etc. associated with the book-entry transfer account register, which is where the Beneficial Interests in shares subject to the transfer is stated or recorded.

②In the case where an application for book-entry transfer described in ① above is made, the Central Securities Depository, etc. described in ① above must state or record on the book-entry transfer account register maintained, the decrease in the number of Beneficial Interests in shares owned by the transferor due to the transfer and the increase in the number of Beneficial Interests in shares owned by the transferee. In the cases where the Central Securities Depository, etc. described in ① above is not the party that opened the receiving book-entry transfer account, it must notify the Central Securities Depository, etc. that opened the receiving book-entry transfer account of the transferee (including the superior institution of the said Central Securities Depository etc.) in accordance with the provisions of the Book-Entry Act.

③The Management Company may, with respect to the book-entry transfer provided described in ① above, have dates or periods of book-entry suspension in cases where, for example, the Central Securities Depository, etc., associated with the book-entry transfer account register, on which the Beneficial Interests in shares of the beneficiary to be transferred are stated or recorded, differs from the Central Securities Depository, etc. that opened the receiving transfer account of the transferee and when the Management Company deems it necessary to do so or determines that there is an unavoidable circumstance.

(4) Perfection of Transfer of Beneficial Interests in shares

Any transfer of the Beneficial Interests in shares cannot be asserted duly to the Management Company or the Trustee, unless based on the statement or recording on the book-entry transfer account register.

(5) Re-split of Beneficial Interests in shares

The Management Company may, based on discussions with the Trustee, re-split the Beneficial Interests in shares equally as of an agreed-upon date.

(6) Handling of Beneficial Interests in shares Stated or Recorded on Pledge Section

Payment of income distribution, acceptance of redemption request, delivery of redeemed stocks and redeemed REITs, and payment of termination amount, etc. relating to the Beneficial Interests in shares stated or recorded on the pledge

section of the book-entry transfer account register of the Central Securities Depository, etc. shall be handled pursuant to the basic terms and conditions of the investment trust, as well as, by the Civil Code and other relevant laws and regulations.

PART III 【Information about Investment Trust Management Company, etc.】

I. 【Overview of Investment Trust Management Company, etc.】

1【Overview of Investment Trust Management Company, etc.】

(1) The Amount of Capital

As of the end of May 2024: 17,180 Million Yen

Total number of shares issued by the company: 20,000,000 shares

Total number of shares issued: 5,150,693 shares

Major changes in capital over the past five years: Not Applicable.

(2) The Organization of the Company

(a) Company's Decision-Making Organization

The Management Company is a Company with Audit and Supervisory Committee and has Shareholders' Meetings, a Board of Directors, Representative Director, and an Audit and Supervisory Committee for its organizational structure. The authority associated with each of these components is as follows:

Shareholders' Meeting

The Shareholders' Meeting consists of shareholders and is authorized to elect or dismiss directors and accounting auditors, to approve dividends from a surplus, and to approve amendments to the articles of incorporation, mergers, and other important matters.

Board of Directors

The Board of Directors is composed of Directors and is authorized to make decisions regarding the company's business. The Board of Directors appoint Representative Director(s), etc., and supervise the execution of the Directors' duties.

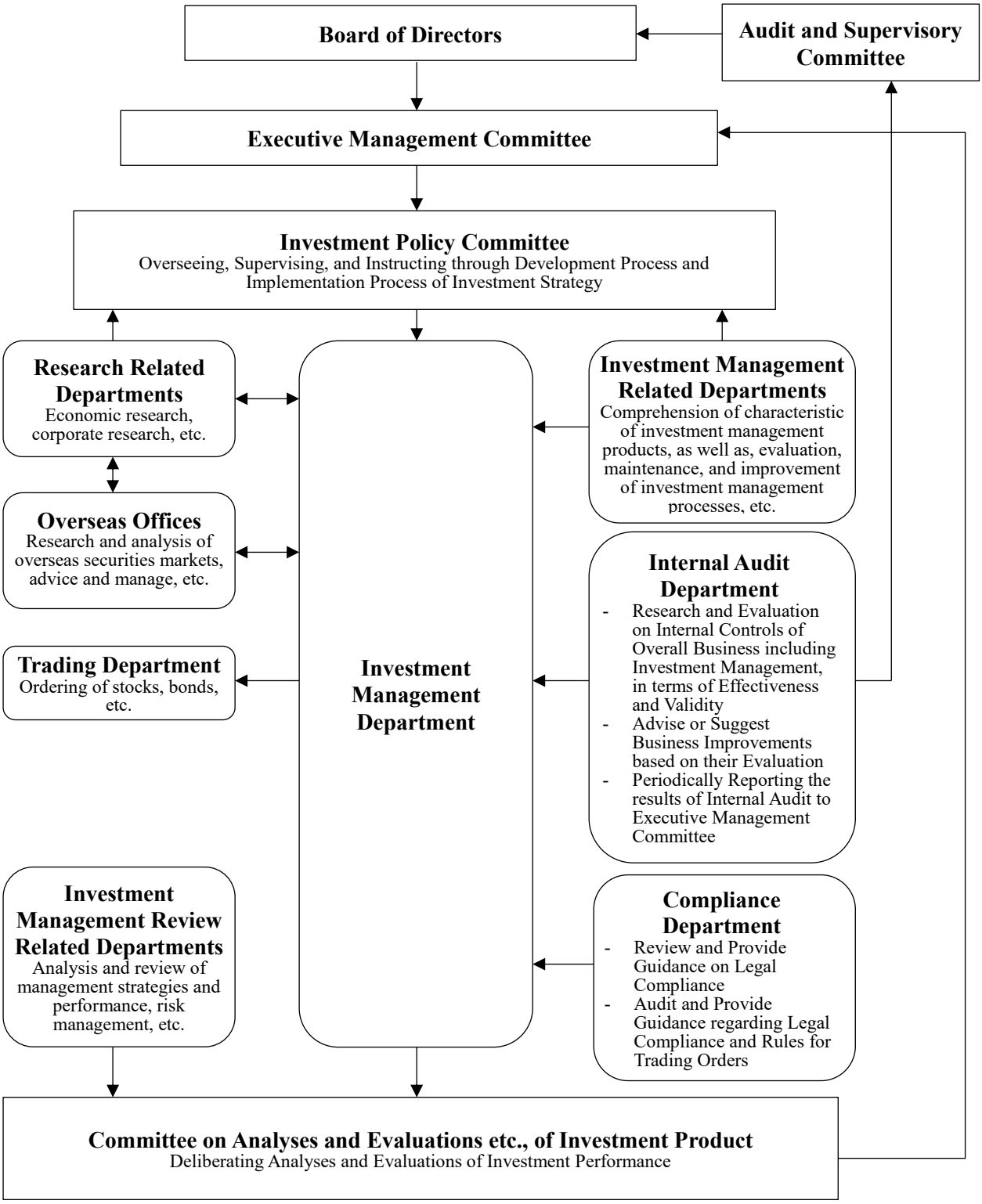
Representative Director and Executive Director

Each Executive Director, including the Representative Director, shall perform the execution of the operation of the company's business. The Representative Director shall represent the company. In addition, decisions on certain matters delegated by the Board of Directors are made by the Executive Management Committee, which consists of the Executive Directors, including the Representative Director. Our company introduced the Executive Officer System and the members of the Executive Management Committee include Executive Officers (Senior Managing Directors).

Audit and Supervisory Committee

The Audit and Supervisory Committee shall consist of three or more Directors, the Audit and Supervisory Committee Members (provided the majority of them shall be Outside Directors), and shall audit the legality and appropriateness of the Directors' execution of their duties. Additionally, it shall make decisions on the content of proposals submitted at the Shareholders' Meeting regarding the appointment, dismissal, and non-reappointment of the Accounting Auditors and on their opinion regarding the appointment, dismissal, resignation and remunerations of Directors, other than Directors who are Audit and Supervisory Committee Members.

(b) Management System for Investment Trust



2【Description of Business and Overview of Operation】

The trustor, a Settlor Company of an Investment Trust, as defined in the "Act on Investment Trusts and Investment Corporations," creates securities investment trusts, as well as, manages them (investment management business) as a Financial Instruments Business Operator, as defined in the "Financial Instruments and Exchange Act." Additionally, the trustor contributes to a part of the Type II Financial Instruments Business and Investment Advisory Business, as defined in the "Financial Instruments and Exchange Act."

As of April 30, 2024, the securities investment trusts managed by the trustor are as follows (except for the mother fund):

Type	Number of Units	Total Net Asset Value (Millions of Yen)
Open-type stock investment trust	991	54,548,885
Unit-type stock investment trust	169	632,591
Open-type bond investment trust	14	6,920,406
Unit-type bond investment trust	443	844,414
Total	1,617	62,946,296

3【Financial Information of Investment Trust Management Company, etc.】

1. The financial statements of Nomura Asset Management Co., Ltd. (hereinafter referred to as the “Management Company”) have been prepared based on the "Cabinet Office Order on Financial Instruments Business" (Cabinet Office Order No. 52, August 6, 2007), in accordance with the provisions of the "Regulation on Terminology, Forms and Preparation of Financial Statements" (Ministry of Finance Order No. 59, 1963, hereinafter referred to as "Regulations for Financial Statements") and Article 2 of the same regulation.

2. Amounts recorded in the financial statements have been rounded down to the nearest million in yen.

3. Pursuant to Article 193-2, Paragraph 1 of the Financial Instruments and Exchange Act, the Management Company received an audit of the financial statements for the fiscal year (from April 1, 2023 to March 31, 2024) by Ernst & Young ShinNihon LLC.

Independent Auditor's Report

June 7, 2024

To:
The Board of Directors
Nomura Asset Management Co., Ltd.

Ernst & Young ShinNihon LLC
Tokyo Office, Japan

Designated Limited Liability Partner Engagement Partner	Certified Public Accountant	Hisashi Yuhara
Designated Engagement Partner	Certified Public Accountant	Shintaro Mizunaga

Audit Opinion

To provide audit certification pursuant to Article 193-2, Paragraph 1 of the Financial Instruments and Exchange Act, we have audited the accompanying financial statements listed in the "Financial Information of Investment Trust Management Company, etc.," which comprise the balance sheet, the statement of income, the statement of changes in equity, significant accounting policies, and other notes to the financial statements of Nomura Asset Management Co., Ltd. (the "Company") applicable to the 65th fiscal year from April 1, 2023 to March 31, 2024.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Company as of March 31, 2024 and the results of operations of the Company applicable to the fiscal year that ended on March 31, 2024, in accordance with accounting principles generally accepted in Japan.

Basis for Audit Opinion

We conducted our audit in accordance with auditing standards generally accepted in Japan. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements Section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in Japan, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other information

Other information is information, apart from the financial statements and the auditor's report on them, that is contained in an entity's annual securities report and securities registration statement (including amended securities registration statement). We did not do any work on other information because we identified that there

is no other information.

Responsibilities of Management and Audit Committee for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in Japan, and for such internal controls as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern and disclosing, as required by accounting principles generally accepted in Japan, matters related to going concern.

The Audit and Supervisory Committee is responsible for overseeing the execution of the Directors' duties upon the development and operation of the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance as to whether the financial statements, as a whole, are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of those that relied on the information within these financial statements.

As part of an audit in accordance with auditing standards generally accepted in Japan, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.
- In making those risk assessments, we consider internal controls relevant to the audit in order to design audit procedures that are appropriate under the circumstances, while the purpose of the audit of the financial statements is not expressing an opinion on the effectiveness of the Company's internal controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation in accordance with accounting principles generally accepted in Japan.

We communicate with the Audit Committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal controls that we

identify during our audit.

We provide the Audit Committee with a statement that we have complied with the ethical requirements regarding independence that are relevant to our audit of the financial statements in Japan, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, measures to remove disincentives or safeguards to reduce disincentives to an acceptable level.

Conflicts of Interest

We have no interest in the Company which should be disclosed in accordance with the Certified Public Accountants Act.

(Notes) 1. The original version of the Independent Auditor's Report is stored by us separately.
2. XBRL data is not included in the scope of the audit.

（1）【Balance Sheet】

		Previous Fiscal Year (March 31, 2023)		Current Fiscal Year (March 31, 2024)	
Division	Note No.	Amount (Millions of Yen)		Amount (Millions of Yen)	
(Assets)					
Current assets					
Cash and cash equivalents			1,865		7,405
Money held in trust			42,108		44,745
Securities			21,900		-
Advance payments			11		7
Prepaid expenses			775		852
Accounts receivable			1,775		1,023
Accrued investment trust management fees			26,116		31,788
Accrued investment advisory fees			3,780		5,989
Short-term loans receivable			1,001		757
Refund of income taxes etc. receivable			2,083		-
Other current assets			84		169
Allowance for doubtful accounts			△15		△18
Total current assets			101,486		92,719
Fixed assets					
Tangible fixed assets			1,335		945
Building	※2	906		595	
Furniture and fixtures	※2	428		350	
Intangible fixed assets			5,563		5,658
Software		5,562		5,658	
Other fixed assets		0		0	
Investments and other			16,336		17,314
Investment securities		1,793		1,813	
Investment in subsidiaries and affiliates		10,025		9,535	
Long-term guarantee deposits		520		519	
Long-term prepaid expenses		10		10	
Prepaid pension cost		1,553		1,875	
Deferred tax assets		2,340		2,651	
Other		92		908	
Total fixed assets			23,235		23,918
Total assets			124,722		116,638

		Previous Fiscal Year (March 31, 2023)		Current Fiscal Year (March 31, 2024)	
Division	Note No.	Amount (Millions of Yen)		Amount (Millions of Yen)	
(Liabilities)					
Current liabilities					
Short-term loans payable to subsidiaries and Affiliates			-		13,700
Deposit Received			124		123
Accounts payable			17,378		11,404
Investment trust income distribution payable		0		1	
Investment trust redemptions payable		57		39	
Accrued commission payable		8,409		10,312	
Accounts payable to subsidiaries and Affiliates		8,911		1,052	
Accrued expenses	※1		9,682		12,507
Accrued income taxes			1,024		8,095
Accrued consumption taxes			500		1,590
Deferred income			22		15
Accrued bonuses			3,635		4,543
Other current liabilities			46		24
Total current liabilities			32,414		52,005
Long-term liabilities					
Reserve for retirement benefits			2,940		2,759
Reserve for loss on distribution of income and redemption after expiration			595		602
Asset retirement obligations			1,123		1,123
Total long-term liabilities			4,659		4,484
Total liabilities			37,074		56,490
(Net assets)					
Shareholder's equity			87,419		59,820
Common stock			17,180		17,180
Capital surplus			13,729		13,729
Capital reserve		11,729		11,729	
Other capital surplus		2,000		2,000	
Earned surplus			56,509		28,910
Earned surplus reserve		685		685	
Other earned surplus		55,823		28,225	
General reserve		24,606		-	
Earned surplus brought forward		31,217		28,225	
Valuation and translation adjustments			229		327
Net unrealized gain on investments			229		327
Total net assets			87,648		60,147
Total liabilities and net assets			124,722		116,638

(2)【Statement of Income】

		Previous Fiscal Year (from April 1, 2022 to March 31, 2023)		Current Fiscal Year (from April 1, 2023 to March 31, 2024)	
Division	Note No.	Amount (Millions of Yen)		Amount (Millions of Yen)	
Operating revenue					
Investment trust management fees			113,491		124,722
Investment advisory fees			18,198		21,188
Other operating revenue			331		291
Total operating revenue			132,021		146,202
Operating expenses					
Commissions			38,684		43,258
Advertising expenses			1,187		1,054
Public notice fees			0		0
Research expenses			29,050		33,107
Research expenses		6,045		6,797	
Research outsourcing expenses		23,004		26,310	
Data processing outsourcing fee			1,363		1,377
Operating miscellaneous expenses			3,302		3,670
Communication expenses		89		92	
Print expenses		903		820	
Association fee		83		85	
Sundry expenses		2,225		2,671	
Total operating expenses			73,587		82,468
General and administrative expenses					
Salaries			11,316		13,068
Remuneration for directors		226		259	
Salaries and allowances		7,752		7,985	
Bonuses		3,337		4,822	
Entertainment expenses			78		87
Donations expenses			115		117
Travel and Transportation expenses			283		323
Taxes and dues			963		990
Rent expenses on real estates			1,232		1,235
Retirement benefit expenses			829		893
Depreciation of noncurrent assets			2,409		2,292
Sundry expenses			12,439		12,483
Total general and administrative expenses			29,669		31,491
Operating income			28,763		32,242

		Previous Fiscal Year (from April 1, 2022 to March 31, 2023)		Current Fiscal Year (from April 1, 2023 to March 31, 2024)	
Division	Note No.	Amount (Millions of Yen)		Amount (Millions of Yen)	
Non-operating income					
Dividends	※1	7,645		7,054	
Interest income		45		48	
Net foreign currency translation gain		49		146	
Other		637		625	
Total non-operating income			8,377		7,875
Non-operating expenses					
Interest expenses		-		123	
Loss on investments in money held in trust		1,736		782	
Provision of reserve for loss on distribution of income and redemption after expiration		10		14	
Other		8		47	
Total non-operating expenses			1,755		967
Ordinary income			35,385		39,149
Special profits					
Gain on sales of investment securities		10		-	
Gain on equity remuneration		46		28	
Total special profits			57		28
Special losses					
Loss on sales of investment securities		16		5	
Loss on valuation of stocks of subsidiaries and affiliates		-		490	
Loss on retirement of noncurrent assets	※2	52		31	
Total special losses			69		527
Income before income taxes			35,374		38,651
Income taxes-current			8,890		10,821
Income taxes-deferred			419		△354
Net income			26,064		28,183

(3)【Statements of Changes in Equity】

Previous Fiscal Year (from April 1, 2022 to March 31, 2023)

(Millions of Yen)

	Shareholder's equity								
		Capital reserve			Earned surplus				
						Other earned surplus			
	Common stock	Additional paid-in capital	Other capital surplus	Total capital reserve	Earned surplus reserve	General reserve	Earned surplus brought forward	Total earned surplus	Total shareholder's equity
Balance at beginning of year	17,180	11,729	2,000	13,729	685	24,606	30,030	55,322	86,232
Change in the term									
Dividends of surplus							△24,877	△24,877	△24,877
Net income							26,064	26,064	26,064
Change in the term apart from shareholder's equity (Net)									
Total change in the term	—	—	—	—	—	—	1,186	1,186	1,186
Balance at the end of year	17,180	11,729	2,000	13,729	685	24,606	31,217	56,509	87,419

(Millions of Yen)

	Valuation and translation adjustments		Total net assets
	Net unrealized gain on investments	Total valuation and translation adjustments	
Balance at beginning of year	174	174	86,407
Change in the term			
Dividends of surplus			△24,877
Net income			26,064
Change in the term apart from shareholder's equity (Net)	54	54	54

Total change in the term	54	54	1,240
Balance at the end of year	229	229	87,648

Current Fiscal Year (from April 1, 2023 to March 31, 2024)

(Millions of Yen)

	Shareholder's equity								
		Capital reserve			Earned surplus				
						Other earned surplus			
	Common stock	Additional paid-in capital	Other capital surplus	Total capital reserve	Earned surplus reserve	General reserve	Earned surplus brought forward	Total earned surplus	Total shareholder's equity
Balance at beginning of year	17,180	11,729	2,000	13,729	685	24,606	31,217	56,509	87,419
Change in the term									
Dividends of surplus							△55,782	△55,782	△55,782
Net income							28,183	28,183	28,183
Reversal of general reserve						△24,606	24,606	-	-
Change in the term apart from shareholder's equity (Net)									
Total change in the term	—	—	—	—	—	△24,606	△2,991	△27,598	△27,598
Balance at the end of year	17,180	11,729	2,000	13,729	685	-	28,225	28,910	59,820

(Millions of Yen)

	Valuation and translation adjustments		Total net assets
	Net unrealized gain on investments	Total valuation and translation adjustments	
Balance at beginning of year	229	229	87,648
Change in the term			
Dividends of surplus			△55,782
Net income			28,183
Reversal of general reserve			—

Change in the term apart from shareholder's equity (Net)	97	97	97
Total change in the term	97	97	△27,500
Balance at the end of year	327	327	60,147

[Significant Accounting Policies]

1. Basis and methods of valuation for financial instruments	(1) Stocks of subsidiaries and affiliates …Recorded at cost using the moving average method (2) Other securities Other securities than Shares etc., without market price… Recorded at market value (The cost of sale is calculated using the moving average method and all differences in valuation are recognized directly into net assets.) Shares etc., without market price… Recorded at cost using the moving average method
2. Basis and method of valuation for money held in trust	Recorded at market value
3. Basis and method of valuation for derivative transactions	Recorded at market value
4. Basis for translation of foreign currency assets and liabilities into Japanese currency	Foreign currency monetary claims and debts are translated into Japanese yen in accordance with the spot exchange rate on the closing date. Exchange differences are treated as profit or loss.
5. Depreciation and amortization Methods of Fixed Assets	(1) Depreciation of tangible fixed assets Tangible fixed assets are depreciated by the declining-balance method, except for buildings (excluding equipment attached to the buildings) acquired on or after April 1, 1998 and equipment attached to the buildings and structures acquired on or after April 1, 2016, which are depreciated by the straight-line method. Major useful lives are as follows. Buildings 6 years Equipment attached to the buildings 6～15 years Furniture and Fixtures 4～15 years (2) Amortization of intangible assets, investments and other assets Intangible assets, investments and other assets are amortized over their estimated useful lives primarily on the straight-line method. The useful lives of the software for in-house use are based on the straight-line method based on the period of its internal availability (five years).
6. Basis of Allowances	(1) Allowance for doubtful accounts General claims are assessed at the historical default rate of uncollected accounts, and specific claims, such as those with doubtful accounts, are assessed individually for collectability and estimated uncollectible amounts are recorded. (2) Accrued bonuses To provide for bonus payments, accrual is recorded at the estimated amount to be paid as future bonuses. (3) Reserve for retirement benefits Allowance for retirement benefits is provided for future payments of retirement benefits to employees at an estimated amount based on the retirement benefit obligation and the estimated value of the pension plan assets at the end of this fiscal year. ① Method for attributing the estimated future payment for

	retirement benefits The benefit formula method is used for attributing the estimated future payments to the amount of allowance for retirement benefits to the end of this fiscal year. ② Method for dealing with Actuarial Differences and Prior Service Costs Any actuarial differences arising from the defined-benefit corporate pension plan are amortized, from the following fiscal year when the differences arose, by the straight-line method over a period within the average remaining years of service of the eligible employees, while those differences arising from the lump-sum payment plan are fully expensed in the following fiscal year when the differences arose. Prior service costs arising from the lump-sum payment plan and defined-benefit corporate pension plan are amortized by the straight-line method over a period within the average remaining years of service of the eligible employees from the fiscal year when they were incurred. (4) Reserve for loss on distribution of income and termination after expiration of the statute of limitations To provide for investment trust income distribution and investment trust termination amount recognized as revenue due to the expiry of the statute of limitations, the estimated amount of payments in the future is recorded, based on actual payments.
7. Basis for recognition of revenues and expenses	The Company earns investment trust management fees and investment advisory fees from asset management services. These may include success fees. ① Investment trust management fees The investment trust management fee is recognized as a certain percentage of the daily total net assets based on the basic terms and conditions of the investment trust, and the vested fee is received by the investment trust mainly four times a year or twice a year. The fees are recognized as income over the investment trust management period based on the assumption that the performance obligations are satisfied over the period. ② Investment advisory fees Investment advisory fees are recognized as a percentage of the total net assets during the contract period based on the investment advisory agreement, and vested fees are received mainly four times a year or twice a year by the advisory account. The fees are recognized as income over the investment period of the advisory account based on the assumption that performance obligations will be satisfied over the period. ③ Success fees Success fees are recognized as a percentage of excess investment profits above a specific benchmark or other performance target of the underlying investment trust or advisory account. The fees are recognized as income when the right to receive the success fees is vested.

［Notes related to accounting estimates］

Not applicable.

[Change in accounting principle]

Not applicable.

［Unapplied Accounting Standards]

Not applicable.

[Notes]

◇ Notes Related to Balance Sheet

At the End of Previous Fiscal Year (March 31, 2023)	At the End of Current Fiscal Year (March 31, 2024)
※1.Assets and Liabilities in connection with Subsidiaries and Affiliates Items included in each account title, other than those listed separately, are as follows: Accrued expenses 1,350 Million Yen ※2. Accumulated Depreciation deducted from Tangible Fixed Assets Buildings 901 Million Yen Furniture and fixtures 657 Total 1,559	※1. Assets and Liabilities in connection with Subsidiaries and Affiliates Items included in each account title, other than those listed separately, are as follows: Accrued expenses 1,939 Million Yen ※2. Accumulated Depreciation deducted from Tangible Fixed Assets Buildings 1,214 Million Yen Furniture and fixtures 733 Total 1,948

◇ Notes Related to Statement of Income

Previous Fiscal Year (from April 1, 2022 to March 31, 2023)	Current Fiscal Year (from April 1, 2023 to March 31, 2024)
※1. Notes relating to Subsidiaries and Affiliates Items related to subsidiaries and affiliates, other than those listed separately, are as follows: Dividends 7,634 Million Yen ※2. Loss on retirement of fixed assets Buildings 0 Million Yen Furniture and fixtures 0 Software 52 Total 52	※1. Notes relating to Subsidiaries and Affiliates Items related to subsidiaries and affiliates, other than those listed separately, are as follows: Dividends 7,050 Million Yen ※2. Loss on retirement of fixed assets Buildings - Million Yen Furniture and fixtures 0 Software 30 Total 31

◇ Notes Related to Statements of Changes in Equity

Previous Fiscal Year (from April 1, 2022 to March 31, 2023)

1. Matters Related to the Type and Number of Shares Issued

Type of shares	Number of shares at the beginning of the previous fiscal year	Increase in the number of shares during the previous fiscal year	Number of shares decreased in the previous fiscal year	Number of shares at the end of the previous fiscal year
Common stock (shares)	5,150,693	—	—	5,150,693

2. Matters Related to Dividends of Surplus

(1) In Cases Where the Dividend Property is Cash, the Total Amount of Such Cash

The Board of Directors, on May 18, 2022, resolved the following:

Matters Related to Dividends on Common Stock

Total amount of Dividends	24,877 Million Yen
Source of Dividends	Earned Surplus
Dividends per Share	4,830 Yen
Base Date	March 31, 2022
Effective Date	June 30, 2022

(2) Dividends with its Base Date in the Current Fiscal Year, but with an Effective Date of the dividends in the Following Fiscal Year

The Board of Directors, on May 23, 2023, resolved the following:

Matters Related to Dividends on Common Stock

Total amount of Dividends	55,782 Million Yen
Source of Dividends	Earned Surplus
Dividends per Share	10,830 Yen
Base Date	March 31, 2023
Effective Date	June 30, 2023

Current Fiscal Year (from April 1, 2023 to March 31, 2024)

1. Matters Related to the Type and Number of Shares Issued

Type of shares	Number of shares at the beginning of the current fiscal year	Increase in the number of shares during the current fiscal year	Number of shares decreased in the current fiscal year	Number of shares at the end of the current fiscal year
Common stock (shares)	5,150,693	—	—	5,150,693

2. Matters Related to Dividends of Surplus

(1) In Cases Where the Dividend Property is cash, the Total Amount of Such Cash

The Board of Directors, on May 23, 2023, resolved the following:

Matters Related to Dividends on Common Stock

Total Amount of Dividends	55,782 Million Yen
Source of Dividends	Earned Surplus
Dividends per Share	10,830 Yen
Base Date	March 31, 2023
Effective Date	June 30, 2023

(2) Dividends with a Base Date in the Current Fiscal Year, but with an Effective Date of the dividends in the Following Fiscal Year

The Board of Directors, on May 16, 2024, resolved the following:

Matters Related to Dividends on Common Stock

Total Amount of Dividends	28,174 Million Yen
Source of Dividends	Earned Surplus
Dividends per Share	5,470 Yen
Base Date	March 31, 2024
Effective Date	June 28, 2024

◇ Matters concerning Financial Instruments

Previous Fiscal Year（From April 1, 2022 to March 31, 2023）

1. Matters Related to the Status of Financial Instruments

(1) Policy on Management of Financial Instruments

The Management Company conducts investment trust management as its business and holds the investment trusts through Specified Trust of Money other than Money Trust for the purpose of maintaining the quality and liquidity of investment trusts managed by the Management Company. It is the Management Company's policy that derivative transactions being conducted through Specified Trust of Money other than Money Trust will be conducted not for speculative purposes, but only for the purpose of mitigating the foreign exchange risk and price fluctuation risk in connection with investment trusts, and therefore such derivative transactions will only be conducted within the balance of the created investment trusts managed by the Management Company.

It is also the policy to invest surplus funds of the Management Company only in financial assets with a higher degree of safety, including negotiable certificates of deposit, and to raise funds by short-term loans from Nomura Holdings, Inc., a Parent Company of the Management Company, and other financial institutions.

(2) Details of Financial Instruments, their Related Risks and the Risk Management System

Most of the investment trusts held through the Specified Trust of Money other than Money Trust are duly hedged through derivative transactions, including forward exchange contracts, stock index futures and bond futures, although such investment trusts are exposed to the foreign exchange risk and price fluctuation risk. Stocks held by the Management Company, as a cross-shareholding or for the purpose of maintaining business relationships, are exposed to the price fluctuation risk. The finance department is in charge of the management of securities, investment securities, and money trust that the Management Company holds, and is regularly monitoring the market value and the financial conditions of the issuers and reports the results to management.

The finance department and the investment department are in charge of execution and management of the derivative transactions. Credit risk of the counterparty of derivative transactions is hardly recognized because the Management Company conducts derivative transactions only with financial institutions with a high credit rating. The finance department provides a financial report, including details of the derivative transactions, to the executive management committee on a monthly basis.

Credit risk associated with the accrued investment trust management fee, which consists of operating receivables for the Management Company, is also hardly recognized, because such management fee is the outstanding balance of management fees to be paid from the trust properties to the Management Company under the basic terms and conditions of the investment trust, and the trust properties are separately managed by the Trustee. The accrued investment advisory fee, which also consists of operating receivables for the Management Company, is the outstanding balance of fees payable to the Management Company under the investment advisory agreement. In cases where the accrued investment advisory fee is paid from the trust properties, the credit risk associated with such a fee is hardly recognized because trust properties are separately managed by the Trustee. On the other hand, in cases where the accrued investment advisory fee is paid directly from a client of the Management Company, such fee is exposed to the credit risk of the client. However, in such cases, the Management Company effectively manages the settlement date and unsettled balances depending on the respective client's credibility status, to ensure the mitigation of our clients' credit risk and early recognition of our clients' credit uncertainty (if any).

2. Matters Related to the Market Value of Financial Instruments

The following is the recorded value on the balance sheet, market values, and the differences between them as of March 31, 2023.

(Millions of Yen)

	Amount Recorded on the Balance Sheet	Market Value	Difference
(1) Money held in trust	42,108	42,108	-
Total assets	42,108	42,108	-
(2) Others (derivative transactions)	46	46	-
Total liabilities	46	46	-

Note 1: Cash and Deposit, Accrued investment trust management fee, Accrued investment advisory fee, Securities, Short-term loans receivable, Accounts payable, Expenses payable, Income taxes payable and Consumption taxes payable are omitted because these accounts will be settled in a short period of time and the market value of these accounts approximates their book value.

Note 2: Investment securities and shares of affiliated companies are not included in the table above, since they are shares, etc. with no market price and investments in partnerships, etc. The recorded value of such financial investments on the balance sheet are as follows.

Segment	Previous fiscal year (Millions of Yen)
Shares, etc. with no market price (※)	10,261
Investments in partnerships, etc.	1,557
Total	11,819

(※) Shares, etc. with no market price include unlisted stocks.

Note 3: The scheduled amount of terminations after the recorded date of financial statements for monetary claims and securities that have a maturity date

(Millions of Yen)

	Within 1 Year	More than 1 Year and Within 5 Years	More than 5 Years and Within 10 Years	Over 10 Years
Deposit	1,865	-	-	-
Money held in trust	42,108	-	-	-
Accrued investment trust management fees	26,116	-	-	-
Accrued investment advisory fee	3,780	-	-	-
Securities and Investment Securities				
Other securities	21,900	-	-	-
Short-term loans receivable	1,001			
Total	96,772	-	-	-

3. Notes on the breakdowns by level of market values of financial instruments

The market values of financial instruments are classified into the following three levels according to the observability and significance of the inputs used to calculate the market values.

The market values of Level 1: the market value calculated by the (unadjusted) market price in an active market of the same assets or liabilities

The market values of Level 2: the market value calculated using directly or indirectly observable inputs other than used for Level 1

The market values of Level 3: the market value calculated using significant unobservable inputs

If multiple inputs that have a significant impact on the calculation of market value are used, the market value is classified at the lowest priority level for the calculation of market value among the levels to which the inputs belong.

Division	Amounts recorded on balance sheet (Millions of Yen)			
	Level 1	Level 2	Level 3	Total
Money held in trust (Purpose of investment and others)	-	42,108	-	42,108
Total assets	-	42,108	-	42,108
Derivative transactions (Currency-related)	-	46	-	46
Total liabilities	-	46	-	46

Note: Explanation of valuation techniques and inputs used to calculate market value

Money Held in Trust

The trust properties mainly consist of investment trusts, derivative transactions, and other assets (including, call loans and Customers' margin, etc.).

With regard to the market values of the financial instruments constituting the trust properties, (i) the market value of the investment trust is determined based on net asset value, (ii) the market value of listed derivative transactions is determined based upon the market price at the stock exchanges, (iii) the market value of forward exchange transaction is determined based on forward exchange rates, and (iv) the market value of OTC derivative transactions is determined based on the prices provided by the correspondent financial institution. In addition, for the other assets, the market value is represented by their recorded values because these assets are usually settled in a short period of time and their market value is nearly equal to the recorded book value. It is classified as the market values of Level 2 based on level of the constituent.

Derivative Transactions

Market value is determined based on the prices provided by the correspondent financial institution and classified as the market values of Level 2.

Current Fiscal Year（From April 1, 2023 to March 31, 2024）

1. Matters Related to the Status of Financial Instruments

(1) Policy on Management of Financial Instruments

The Management Company conducts investment trust management as its business and holds the investment trusts through Specified Trust of Money other than Money Trust for the purpose of maintaining the quality and liquidity of investment trusts managed by the Management Company. It is the Management Company's policy that derivative transactions being conducted through Specified Trust of Money other than Money Trust will be conducted not for speculative purposes, but only for the purpose of mitigating the foreign exchange risk and price fluctuation risk in connection with investment trusts, and therefore such derivative transactions will only be conducted within the balance of the created investment trusts managed by the Management Company.

It is also the policy to invest surplus funds of the Management Company only in financial assets with a higher degree of safety, including negotiable certificates of deposit, and to raise funds by short-term loans from Nomura Holdings, Inc., a Parent Company of the Management Company, and other financial institutions.

(2) Details of Financial Instruments, their Related Risks and the Risk Management System

Most of the investment trusts held through the Specified Trust of Money other than Money Trust are duly hedged through derivative transactions, including forward exchange contracts, stock index futures and bond futures, although such investment trusts are exposed to the foreign exchange risk and price fluctuation risk. Stocks held by the Management Company, as a cross-shareholding or for the purpose of maintaining business relationships, are exposed to the price fluctuation risk. The finance department is in charge of the management of securities, investment securities, and money trust that the Management Company holds, and is regularly monitoring the market value and the financial conditions of the issuers and reports the results to management.

The finance department and the investment department are in charge of execution and management of the derivative transactions. Credit risk of the counterparty of derivative transactions is hardly recognized because the Management Company conducts derivative transactions only with financial institutions with a high credit rating. The finance department provides a financial report, including details of the derivative transactions, to the executive management committee on a monthly basis.

Credit risk associated with the accrued investment trust management fee, which consists of operating receivables for the Management Company, is also hardly recognized, because such management fee is the outstanding balance of management fees to be paid from the trust properties to the Management Company under the basic terms and conditions of the investment trust, and the trust properties are separately managed by the Trustee. The accrued investment advisory fee, which also consists of operating receivables for the Management Company, is the outstanding balance of fees payable to the Management Company under the investment advisory agreement. In cases where the accrued investment advisory fee is paid from the trust properties, the credit risk associated with such a fee is hardly recognized because trust properties are separately managed by the Trustee. On the other hand, in cases where the accrued investment advisory fee is paid directly from a client of the Management Company, such fee is exposed to the credit risk of the client. However, in such cases, the Management Company effectively manages the settlement date and unsettled balances depending on the respective client's credibility status, to ensure the mitigation of our clients' credit risk and early recognition of our clients' credit uncertainty (if any).

2. Matters Related to the Market Value of Financial Instruments

The following is the recorded value on the balance sheet, market values, and the differences between them as of March 31, 2024.

(Millions of Yen)

	Amount Recorded on the Balance Sheet	Market Value	Difference
(1) Money held in trust	44,745	44,745	-
Total assets	44,745	44,745	-
(2) Others (derivative transactions)	24	24	-
Total liabilities	24	24	-

Note 1: Cash and Deposit, Accrued investment trust management fee, Accrued investment advisory fee, Short-term loans receivable, Short-term loans payable, Accounts payable, Expenses payable, Income taxes payable and Consumption taxes payable are omitted because these accounts will be settled in a short period of time and the market value of these accounts approximates their book value.

Note 2: Investment securities and shares of affiliated companies are not included in the table above, since they are shares, etc. with no market price and investments in partnerships, etc. The recorded value of such financial investments on the balance sheet are as follows.

Segment	Current fiscal year (Millions of Yen)
Shares, etc. with no market price (※)	9,710
Investments in partnerships, etc.	1,638
Total	11,348

(※) 1 Shares, etc. with no market price include unlisted stocks.
2 An impairment loss of 490 Million Yen was recorded for unlisted stocks during the previous fiscal year.

Note 3: The scheduled amount of terminations after the recorded date of financial statements for monetary claims and securities that have a maturity date

(Millions of Yen)

	Within 1 Year	More than 1 Year and Within 5 Years	More than 5 Years and Within 10 Years	Over 10 Years
Deposit	7,405	-	-	-
Money held in trust	44,745	-	-	-
Accrued investment trust management fees	31,788	-	-	-
Accrued investment advisory fee	5,989	-	-	-
Short-term loans receivable	757	-	-	-
Total	90,685	-	-	-

3. Notes on the breakdowns by level of market values of financial instruments

The market values of financial instruments are classified into the following three levels according to the observability and significance of the inputs used to calculate the market values.

The market values of Level 1: the market value calculated by the (unadjusted) market price in an active market of the same assets or liabilities

The market values of Level 2: the market value calculated using directly or indirectly observable inputs other than used for Level 1

The market values of Level 3: the market value calculated using significant unobservable inputs

If multiple inputs that have a significant impact on the calculation of market value are used, the market value is classified at the lowest priority level for the calculation of market value among the levels to which the inputs belong.

Division	Amounts recorded on balance sheet (Millions of Yen)			
	Level 1	Level 2	Level 3	Total
Money held in trust (Purpose of investment and others)	-	44,745	-	44,745
Total assets	-	44,745	-	44,745
Derivative transactions (Currency-related)	-	24	-	24
Total liabilities	-	24	-	24

Note: Explanation of valuation techniques and inputs used to calculate market value

Money Held in Trust

The trust properties mainly consist of investment trusts, derivative transactions, and other assets (including, call loans and Customers' margin, etc.).

With regard to the market values of the financial instruments constituting the trust properties, (i) the market value of the investment trust is determined based on net asset value, (ii) the market value of listed derivative transactions is determined based upon the market price at the stock exchanges, (iii) the market value of forward exchange transaction is determined based on forward exchange rates, and (iv) the market value of OTC derivative transactions is determined based on the prices provided by the correspondent financial institution. In addition, for the other assets, the market value is represented by their recorded values because these assets are usually settled in a short period of time and their market value is nearly equal to the recorded book value. It is classified as the market values of Level 2 based on level of the constituent.

Derivative Transactions

Market value is determined based on the prices provided by the correspondent financial institution and classified as the market values of Level 2.

◇ Matters concerning Securities

Previous Fiscal Year （From April 1, 2022 to March 31, 2023）

1. Trading Securities (As of March 31, 2023)

Not applicable.

2. Held-to-Maturity Bonds (As of March 31, 2023)

Not applicable.

3. Stocks of Subsidiaries and Affiliated Companies (As of March 31, 2023)

The amount recorded on the balance sheet of stocks of subsidiaries and affiliated companies that it is difficult to get its market value.

Division	Previous Fiscal Year (Millions of Yen)
Stocks of Subsidiaries	9,919
Stocks of Affiliated Companies	106

4. Other Securities (As of March 31, 2023)

Division	Amount Recorded on the Balance Sheet (Millions of Yen)	Acquisition Cost (Millions of Yen)	Difference (Millions of Yen)
Items for which the Amount recorded on the balance sheet exceeds the acquisition cost			
Stocks	-	-	-
Subtotal	-	-	-
Items for which the Amount recorded on the balance sheet does not exceed the acquisition cost			
Negotiable certificates of deposit	21,900	21,900	-
Subtotal	21,900	21,900	-
Total	21,900	21,900	-

※Shares, etc. with no market price (235 million yen recorded on the balance sheet) and investments in partnership, etc. (1,557 million yen recorded on the balance sheet) are not listed.

5. Other Securities Sold During the Fiscal Year (From April 1, 2022 to March 31, 2023)

Division	Sales Amount (Millions of Yen)	Total Amount of Profit (Millions of Yen)	Total Amount of Loss (Millions of Yen)
Shares	66	-	16
Total	66	-	16

Current Fiscal Year（From April 1, 2023 to March 31, 2024）

1. Trading Securities (As of March 31, 2024)

Not applicable.

2. Held-to-Maturity Bonds (As of March 31, 2024)

Not applicable.

3. Stocks of Subsidiaries and Affiliated Companies (As of March 31, 2024)

The amount recorded on the balance sheet of shares, etc. with no market price.

Division	Current Fiscal Year (Millions of Yen)
Stocks of Subsidiaries	9,428
Stocks of Affiliated Companies	106

4. Other Securities (As of March 31, 2024)

Not applicable.

※Unlisted stocks etc., (174 million yen recorded on the balance sheet) and investments in partnership etc., (1,638 million yen recorded on the balance sheet) are not listed because those falls under the Shares, etc. with no market price.

5. Other Securities Sold During the Fiscal Year (From April 1, 2023 to March 31, 2024)

Division	Sales Amount (Millions of Yen)	Total Amount of Profit (Millions of Yen)	Total Amount of Loss (Millions of Yen)
Shares	36	-	5
Total	36	-	5

◇ Matters concerning Derivative Transactions

1. Matters Related to Derivative transactions which hedge accounting does not apply to.

(1) Currency-Related

Previous Fiscal Year（From April 1, 2022 to March 31, 2023）

Division	Types of trade	Contract value (Millions of Yen)	Amount more than one year out of contracted value (Millions of Yen)	Market value (Millions of Yen)	Profit or loss from valuation (Millions of Yen)
Trade other than market trading	Forward exchange transaction Short position USD	952	-	△46	△46

Current Fiscal Year（From April 1, 2023 to March 31, 2024）

Division	Types of trade	Contract value (Millions of Yen)	Amount more than one year out of contracted value (Millions of Yen)	Market value (Millions of Yen)	Profit or loss from valuation (Millions of Yen)
Trade other than market trading	Forward exchange transaction Short position USD	730	-	△24	△24

◇ Matters concerning Retirement Benefits

Previous Fiscal Year（From April 1, 2022 to March 31, 2023）

1. Overview of adopted retirement benefits plan

The Company adopted a defined-benefit corporate pension plan and a lump-sum retirement payment plan, as the defined benefit pension plan, and also adopted a defined-contribution pension plan as the defined contribution plan.

2. Defined benefit plan

(1) Adjustment sheet of the difference between the beginning balance and the ending balance of the company's projected benefit obligation

Beginning balance of projected benefit obligation	21,967	Million Yen
Service cost	853	
Interest cost	188	
Amount of actuarial difference accrued	△1,476	
Amount of paid retirement benefits	△1,133	
Other	△83	
Ending balance of projected benefit obligation	20,314	

(2) Adjustment sheet of the difference between the beginning balance and the ending balance of the pension assets

Beginning balance of pension assets	19,687	Million Yen
Expected return on assets	462	
Amount of actuarial difference accrued	△716	
Contributions from the employer	819	
Amount of paid retirement benefits	△874	
Ending balance of pension assets	19,378	

(3) Adjustment sheet of the relationship between (i) the ending balances of the projected benefit obligation and the pension assets, and (ii) the amount of accrued retirement benefits and prepaid pension costs recorded on the balance sheet

Projected benefit obligation of reserve-type plan	17,386	Million Yen
Pension assets	△19,378	
	△1,991	
Projected benefit obligation of non-reserve-type plan	2,927	
Unreserved projected benefit obligation	935	
Unrecognized amount of actuarial difference	398	
Unrecognized amount of past service cost	53	
Net liabilities recorded on balance sheet	1,387	
Accrued retirement benefit	2,940	
Prepaid pension cost	△1,553	
Net liabilities recorded on balance sheet	1,387	

(4) Detailed retirement benefit cost

Service cost	853	Million Yen
Interest cost	188	

Expected return on assets	△462
Amount of actuarial difference recorded as cost on the balance sheet	127
Amount of past service cost recorded as cost on the balance sheet	△52
Retirement benefit cost regarding defined benefit pension plan	653

(5) Matters related to pension assets

① Major components included in the pension assets

The ratio of the amount of each major component included in the pension assets to the total pension assets is as follows:

Bonds	34%
Stocks	27%
Life insurance general account	11%
Life insurance special account	7%
Other	21%
Total	100%

② Setting method of expected long-term rate of return

To determine an expected long-term rate of return for pension assets, current and expected future allocation of pension assets and the current and expected long-term rate of return for the various assets included in the pension assets, are taken into consideration.

(6) Matters related to the basis of actuarial calculation

Major basis of actuarial calculation as of the end of the current fiscal year

Discount rate applied to the defined-benefit corporate pension plan	1.4%
Discount rate applied to the lump-sum retirement payment plan	1.1%
Expected long-term rate of return	2.35%

3. Defined contribution plan

Required amount of contribution to the company's defined contribution plan is 202 Million Yen.

Current Fiscal Year（From April 1, 2023 to March 31, 2024）

1. Overview of adopted retirement benefits plan

The Company adopted a defined-benefit corporate pension plan and a lump-sum retirement payment plan, as the defined benefit pension plan, and also adopted a defined-contribution pension plan as the defined contribution plan.

2. Defined benefit plan

(1) Adjustment sheet of the difference between the beginning balance and the ending balance of the company's projected benefit obligation

	Million Yen
Beginning balance of projected benefit obligation	20,314
Service cost	802
Interest cost	275
Amount of actuarial difference accrued	△1,024
Amount of paid retirement benefits	△1,150
Other	△11
Ending balance of projected benefit obligation	19,205

(2) Adjustment sheet of the difference between the beginning balance and the ending

balance of the pension assets

	19,378	
Beginning balance of pension assets		Million Yen
Expected return on assets	455	
Amount of actuarial difference accrued	1,415	
Contributions from the employer	848	
Amount of paid retirement benefits	△850	
Ending balance of pension assets	21,247	

(3) Adjustment sheet of the relationship between (i) the ending balances of the projected benefit obligation and the pension assets, and (ii) the amount of accrued retirement benefits and prepaid pension costs recorded on the balance sheet

	16,431	
Projected benefit obligation of reserve-type plan		Million Yen
Pension assets	△21,247	
	△4,815	
Projected benefit obligation of non-reserve-type plan	2,774	
Unreserved projected benefit obligation	△2,041	
Unrecognized amount of actuarial difference	2,923	
Unrecognized amount of past service cost	1	
Net liabilities recorded on balance sheet	883	
Accrued retirement benefit	2,759	
Prepaid pension cost	△1,875	
Net liabilities recorded on balance sheet	883	

(4) Detailed retirement benefit cost

Service cost	802	Million Yen
Interest cost	275	
Expected return on assets	△455	
Amount of actuarial difference recorded as cost on the balance sheet	86	
Amount of past service cost recorded as cost on the balance sheet	△52	
Retirement benefit cost regarding defined benefit pension plan	655	

(5) Matters related to pension assets

① Major components included in the pension assets

The ratio of the amount of each major component included in the pension assets to the total pension assets is as follows:

Bonds	31%
Stocks	32%
Life insurance general account	9%
Life insurance special account	7%
Other	21%
Total	100%

② Setting method of expected long-term rate of return

To determine an expected long-term rate of return for pension assets, current and expected future allocation of pension assets and the current and expected long-term rate of return for the various assets included in the pension assets, are taken into consideration.

(6) Matters related to the basis of actuarial calculation

Major basis of actuarial calculation as of the end of the current fiscal year

Discount rate applied to the defined-benefit corporate pension plan	1.8%
Discount rate applied to the lump-sum retirement payment plan	1.3%
Expected long-term rate of return	2.35%

3. Defined contribution plan

Required amount of contribution to the company's defined contribution plan is 206 Million Yen.

◇ Tax Effect Accounting

1. Details of major components of deferred tax assets and deferred tax liabilities by their origins

As of the End of Previous Fiscal Year (March 31, 2023)		As of the End of Current Fiscal Year (March 31, 2024)	
1. Details of major components of deferred tax assets and deferred tax liabilities by their origins		1. Details of major components of deferred tax assets and deferred tax liabilities by their origins	
Deferred tax assets	Millions of Yen	Deferred tax assets	Millions of Yen
Provision for bonuses	1,138	Provision for bonuses	1,422
Reserve for retirement benefits	911	Reserve for retirement benefits	855
Loss on valuation of stocks of affiliated companies	1,010	Loss on valuation of stocks of affiliated companies	1,162
Accrued enterprise taxes	227	Accrued enterprise taxes	360
Loss on valuation of investment securities	11	Loss on valuation of investment securities	11
Excess depreciation	331	Excess depreciation	323
Reserve for loss income distribution and redemption after extinctive prescription	184	Reserve for loss income distribution and redemption after extinctive prescription	186
Loss on sales of stocks of affiliated companies	505	Loss on sales of stocks of affiliated companies	505
Loss on valuation of golf club membership	78	Loss on valuation of golf club membership	79
Asset retirement obligation	348	Asset retirement obligation	348
Social insurance premium payable	85	Social insurance premium payable	116
Other	44	Other	50
Deferred tax assets subtotal	4,878	Deferred tax assets subtotal	5,422
Valuation allowance	△1,696	Valuation allowance	△1,848
Total deferred tax assets	3,181	Total deferred tax assets	3,573
Deferred tax liabilities		Deferred tax liabilities	
Retirement costs on asset retirement obligations	△171	Retirement costs on asset retirement obligations	△109
Gain on valuation of stocks of affiliated companies	△84	Gain on valuation of stocks of affiliated companies	△85
Unrealized gain on other securities	△102	Unrealized gain on other securities	△146
Prepaid pension cost	△481	Prepaid pension cost	△581
Total deferred tax liabilities	△840	Total deferred tax liabilities	△922
Net deferred tax assets	2,340	Net deferred tax assets	2,651
2. Details of major components which caused discrepancy between the normal statutory income tax rate and the effective income tax rate after adoption of tax-effective accounting		2. Details of major components which caused discrepancy between the normal statutory income tax rate and the effective income tax rate after adoption of tax-effective accounting	
Effective statutory tax rate	31.0%	Effective statutory tax rate	31.0%
(Adjustment)		(Adjustment)	
Items not permanently recorded as losses in the statement of income, including social expenses	0.3%	Items not permanently recorded as losses in the statement of income, including social expenses	0.2%
Items not permanently recorded as taxable income in the statement of income, including dividends	△6.4%	Items not permanently recorded as taxable income in the statement of income, including dividends	△5.4%
Taxation of tax haven subsidiaries	2.1%	Taxation of tax haven subsidiaries	1.2%
Foreign tax credit	△0.6%	Foreign tax credit	△0.3%
Foreign withholding tax levied on dividends received from foreign subsidiaries	0.7%	Foreign withholding tax levied on dividends received from foreign subsidiaries	0.5%
Other	△0.8%	Other	△0.2%
Effective tax rate after adoption of tax-		Effective tax rate after adoption of tax-	

effect accounting	26.3%	effect accounting	27.0%

2. Accounting for corporate tax, local corporate tax and relevant tax effect accounting

The Company applies the group tax sharing system. Additionally, the Company performs the accounting and disclosure for corporate tax, local corporate tax and relevant tax effect accounting in accordance with the ”Practical Solution on the Accounting and Disclosure Under the Group Tax Sharing System” (ASBJ PITF No. 42 August 12, 2021).

◇Notes Related to Asset retirement obligations

Asset retirement obligations recorded on balance sheet

1. Overview of the asset retirement obligations

Obligations for restoring the head office of the Management Company to its original state due to the real estate lease agreement.

2. Calculation method of the asset retirement obligations

The asset retirement obligations are calculated based on that the estimated period of use is the relevant real estate lease contract period, and that the discount rate is 0.0%.

3. Changes of the total amount of asset retirement obligations

(Millions of Yen)

	Previous Fiscal Year From April 1, 2022 To March 31, 2023	Current Fiscal Year From April 1, 2023 To March 31, 2024
Balance at the beginning of the year	1,123	1,123
Adjustment due to increase in acquisition of Tangible fixed assets	-	-
Adjustment due to decrease with performance of asset retirement obligation	-	–
Balance at the end of the year	1,123	1,123

◇Notes Related to Revenue Recognition

1. Information that breaks down the revenue generated from the contracts with a customer

Previous Fiscal Year（From April 1, 2022 to March 31, 2023）

Division	Previous Fiscal Year（From April 1, 2022 to March 31, 2023）
Investment trust management fees	113,491 Million Yen
Investment advisory fees	17,245 Million Yen
Success fees (※)	952 Million Yen
Other operating revenue	331 Million Yen
Total	132,021 Million Yen

(※) Success fees are included in investment trust management fees or Investment advisory fees in the statement of income.

Current Fiscal Year（From April 1, 2023 to March 31, 2024）

Division	Current Fiscal Year（From April 1, 2023 to March 31, 2024）
Investment trust management fees	124,707 Million Yen
Investment advisory fees	19,131 Million Yen
Success fees (※)	2,071 Million Yen
Other operating revenue	291 Million Yen
Total	146,202 Million Yen

(※) Success fees are included in investment trust management fees or Investment advisory fees in the statement of income.

2. Information that forms the basis for understanding the revenue generated from the contracts with a customer

As stated in [Significant Accounting Policies] 7, Basis for recognition of revenues and expenses.

3. Information on the relationship between fulfillment of performance obligations under contracts with customers and cash flows arising from such contracts, and the amount and timing of income expected to be recognized after the last day of the current fiscal year from contracts with customers existing at the end of the current fiscal year

It is omitted due to less importance of its nature.

◇ Segment Information

Previous Fiscal Year（From April 1, 2022 to March 31, 2023）

1. Segment Information

Disclosures on segment information is omitted since the Company is an operator of an investment management business comprising a single segment.

2. Related Information

(1) Information for Each Product or Service

Information for each product or service is omitted since the Company classifies the segment for each product or service in the same manner as it classifies the components of operating revenue indicated on the Company's profit and loss statement.

(2) Information for Each Region

① Revenue

Detailed information on regional operating revenue is omitted since over 90% of total operating revenue from external customers recorded on the Company's profit and loss statement is related only to domestic customers.

② Tangible Fixed Assets

Detailed information on tangible fixed assets located in each region is omitted since over 90% of the amount of tangible fixed assets recorded on the Company's balance sheet is related only to the tangible fixed assets located in Japan.

(3) Information for Each Major Customer

Detailed information on the amount of operating revenue gained from each major customer is omitted since no individual external customer who provides 10% or more of the total operating revenue recorded on the Company's profit and loss statement is identified.

Current Fiscal Year（From April 1, 2023 to March 31, 2024）

1. Segment Information

Disclosure on segment information is omitted since the Company is an operator of an investment management business comprising a single segment.

2. Related Information

(1) Information for Each Product or Service

Information for each product or service is omitted since the Company classifies the segment for each product or service in the same manner as it classifies the components of operating revenue indicated on the Company's profit and loss statement.

(2) Information for Each Region

① Revenue

Detailed information on regional operating revenue is omitted since over 90% of the total operating revenue from external customers recorded on the Company's profit and loss statement is related only to domestic customers.

② Tangible Fixed Assets

Detailed information on tangible fixed assets located in each region is omitted since over 90% of the amount of tangible fixed assets recorded on the Company's balance sheet is related only to the tangible fixed assets located in Japan.

(3) Information for Each Major Customer

Detailed information on the amount of operating revenue gained from each major customer is omitted since no individual external customer who provides 10% or more of the total operating revenue recorded on the Company's profit and loss statement is identified.

◇ Information on Related Parties

Previous Fiscal Year（From April 1, 2022 to March 31, 2023）

1. Transaction with Related Parties

（a）Parent Company, Major Institutional Shareholders, etc.

Not applicable.

（b）Subsidiary

Type	Company Name	Location	Share Capital	Business Involved	Proportion of Voting Rights Holding (or Held) (%)	Company's Relationship with Related Parties	Transaction Details	Transaction Volume (Millions of Yen)	Balance Sheet Account	Ending Balance (Millions of Yen)
Subsidiary	Nomura am finance, INC.	Cayman	2,500 (USD)	Fund management	Direct 100%	Leasing of assets	Financing	5,736	Short-term loans receivable	1,001
							Repayment of fund	6,489		
							Interest on loan receivable	44	Accrued interest	11

（c）Affiliated Company

Type	Company Name	Location	Share Capital	Business Involved	Proportion of Voting Rights Holding (or Held) (%)	Company's Relationship with Related Parties	Transaction Details	Transaction Volume (Millions of Yen)	Balance Sheet Account	Ending Balance (Millions of Yen)
Subsidiary of the Parent Company	Nomura Securities Co., Ltd.	Chuo-ku, Tokyo	10,000 (Million Yen)	Securities Business	—	Dealing in offering and secondary distribution of the investment trusts managed by the Company and providing outsourcing services for investment trusts managed by the Company. Interlocking Directorates	Payment of commission for outsourcing services concerning investment trusts（*1）	27,180	Accrued commission payable	5,773

(d) Officers and Major Individual Shareholders

Not applicable.

Note 1: Each amount shown in the "transaction volume" column above does not include the amount of consumption taxes. However, each amount shown in the "Ending balance" column includes the amount of consumption taxes.

Note 2: Transaction terms and conditions and policy for determining transaction terms

(*1) Commission for outsourcing services concerning investment trusts is comprehensively determined by taking into account the merchantability of the products and other factors.

2. Notes Regarding Parent Company and Important Affiliated Companies

(1) Information Regarding Parent Company

Nomura Holdings, Inc. (Nomura Holdings, Inc. is listed on the Tokyo Stock Exchange, Nagoya Stock Exchange, Singapore Exchange (SGX), and New York Stock Exchange (NYSE))

(2) Summary of Financial Statements of Important Affiliated Companies

Not applicable.

Current Fiscal Year（From April 1, 2023 to March 31, 2024）

1. Transaction with Related Parties

（a） Parent Company, Major Institutional Shareholders, etc.

Type	Company Name	Location	Share Capital	Business Involved	Proportion of Voting Rights Holding (or Held) (%)	Company's Relationship with Related Parties	Transaction Details	Transaction Volume (Millions of Yen)	Balance Sheet Account	Ending Balance (Millions of Yen)
Parent Company	Nomura Holdings, Inc.	Chuo-ku, Tokyo	594,493 (Million Yen)	Securities holding company business	Held 100%	Business management	Borrowing	141,800	Short-term loans payable	13,700
							Repayment of fund	128,100		
							Interest on loan payable	123	Accrued interest expenses	19

（b） Subsidiary

Type	Company Name	Location	Share Capital	Business Involved	Proportion of Voting Rights Holding (or Held) (%)	Company's Relationship with Related Parties	Transaction Details	Transaction Volume (Millions of Yen)	Balance Sheet Account	Ending Balance (Millions of Yen)
Subsidiary	Nomura am finance, INC.	Cayman	2,500 (USD)	Fund management	Direct 100%	Leasing of assets	Financing	2,856	Short-term loans receivable	757
							Repayment of fund	3,081		
							Interest on loan receivable	48	Accrued interest	9

（c） Affiliated Company

Type	Company Name	Location	Share Capital	Business Involved	Proportion of Voting Rights Holding (or Held) (%)	Company's Relationship with Related Parties	Transaction Details	Transaction Volume (Millions of Yen)	Balance Sheet Account	Ending Balance (Millions of Yen)
Subsidiary of the Parent Company	Nomura Securities Co., Ltd.	Chuo-ku, Tokyo	10,000 (Million Yen)	Securities Business	—	Dealing in offering and secondary distribution of the investment trusts	Payment of commission for outsourcing services concerning investment	30,272	Accrued commission payable	7,148

						managed by the Company and providing outsourcing services for investment trusts managed by the Company. Interlocking Directorates	trusts (*1)			

(d) Officers and Major Individual Shareholders

Not applicable.

Note 1: Each amount shown in the "transaction volume" column above does not include the amount of consumption taxes. However, each amount shown in the "Ending balance" column includes the amount of consumption taxes.

Note 2: Transaction terms and conditions and policy for determining transaction terms

(*1) Commission for outsourcing services concerning investment trusts is comprehensively determined by taking into account the merchantability of the products and other factors.

2. Notes Regarding Parent Company and Important Affiliated Companies

(1) Information Regarding Parent Company

Nomura Holdings, Inc. (Nomura Holdings, Inc. is listed on the Tokyo Stock Exchange, Nagoya Stock Exchange, Singapore Exchange (SGX), and New York Stock Exchange (NYSE))

(2) Summary of Financial Statements of Important Affiliated Companies

Not applicable.

◇ Per-Share Information

Previous Fiscal Year (From April 1, 2022 to March 31, 2023)	Current Fiscal Year (From April 1, 2023 to March 31, 2024)
Net assets per share 17,016.74 Yen Earnings per share 5,060.34 Yen	Net assets per share 11,677.62 Yen Earnings per share 5,471.85 Yen
Diluted earnings per share is not mentioned since there are no dilutive shares. The basis of calculating earnings per share Net profit recorded on profit and loss statement 26,064 Million Yen Net profit attributed to common stocks 26,064 Million Yen Major components of net profit not attributed to common stocks Not applicable Average number of shares of common stock outstanding 5,150,693 shares	Diluted earnings per share is not mentioned since there are no dilutive shares. The basis of calculating earnings per share Net profit recorded on profit and loss statement 28,183Million Yen Net profit attributed to common stocks 28,183Million Yen Major components of net profit not attributed to common stocks Not applicable Average number of shares of common stock outstanding 5,150,693 shares

4【Restrictions on Transactions with Interested Parties】

Pursuant to provisions of the Financial Instruments and Exchange Act, the Management Company is prohibited from conducting the following acts with interested parties:

①Making an investment intended to conduct a transaction with itself, any director, or executive officer thereof (provided, however, those specified by the Cabinet Office Ordinance, as acts not likely to result in insufficient protection of investors, harm the fairness of transactions, or cause a loss of confidence in the financial instruments business, shall be excluded);

②Making an investment intended to conduct a transaction between investment properties (provided, however, those specified by the Cabinet Office Ordinance, as acts not likely to result in insufficient protection of investors, harm the fairness of transactions, or cause a loss of confidence in the financial instruments business, shall be excluded);

③Conducting sales and purchases or other transactions of securities or over-the-counter transactions of derivatives with the Parent Juridical Person, etc. (meaning a person that falls under the category of juridical person or other organization that satisfies the requirement that the juridical person or other organization holds the majority of the voting rights held by all the shareholders, etc. of the Management Company, or other requirements specified by a Cabinet Order, as those regarded as having a close relationship with the Management Company: the same shall apply in ④ and ⑤ below) or Subsidiary Juridical Person, etc. (meaning a person that falls under the category of juridical person or any other organization that satisfies the requirement that the Management Company holds the majority of voting rights held by all shareholders, etc. of the juridical person or other organization, etc., or other requirements specified by a Cabinet Order, as those regarded as having a close relationship with the Management Company: the same shall apply hereafter) of the Management Company under terms and conditions that are different from ordinary terms and conditions and detrimental to the fairness of transactions;

④Making an investment intended to conduct a transaction with regard to its investment management business that is unnecessary in light of the policy of the investment, the amount of investment property, or the market conditions, for the purpose of securing the interest of the Parent Juridical Person, etc. or Subsidiary Juridical Person, etc. of the Management Company; and

⑤In addition to what is listed in the preceding paragraphs ③ and ④ above, any of the acts involving the Parent Juridical Person, etc. or Subsidiary Juridical Person, etc. of the Management Company that is specified by a Cabinet Office Ordinance, as being likely to result in insufficient protection of investors, harm the fairness of transactions, or cause a loss of confidence in the financial instruments business.

5【Other】

(1) Amendments to the Articles of Incorporation

An amendment to the articles of incorporation of the Management Company requires a resolution at a shareholders' meeting.

(2) Lawsuits and Other Significant Matters

There are no lawsuits or any other matters that significantly affected the Management Company or the Fund, or that is likely to affect the Management Company or the Fund.

Basic Terms and Conditions

(NEXT FUNDS MSCI Japan Country ESG Leaders Index Exchange Traded Fund)

The Investment Policy

The investment policy provided by the Management Company based on Article 21 of the Terms and Conditions is as follows.

1. Basic Policy

This investment trust is investing only in stocks and real estate investment trust* (hereinafter referred to as "REIT") that are included or are due to be included in the MSCI Japan Country ESG Leaders Index (hereinafter referred to as "Benchmark Index"). The goal of the trust is to manage it so that the proportion of the individual stocks and REIT in the trust properties are held in a proportion that corresponds to the proportion of these individual stocks and REIT within the Benchmark Index calculated with the formula of the Benchmark Index. Additionally, the trust aims at an investment performance tracked to the Benchmark Index (meaning volatility of the NAV corresponds to that of Benchmark Index. The same shall apply hereinafter.).

*The REIT which is listed (including equivalent thereto) on the Financial Instruments Exchange in Japan (meaning the REIT set forth in rules of the Investment Trusts Association, Japan).

2. Operation Procedures

(1) Investment Objectives

Investment Objectives are stocks and REIT that are included, or are due to be included, in the Benchmark Index among stocks and REIT listed on the Financial Instruments Exchange in Japan.

(2) Investment stance

① This trust is investing only in stocks and REIT that are included, or are due to be included, in the Benchmark Index. The goal of the trust is to manage it so that the proportion of the individual stocks and REIT in the trust properties are held in a proportion that corresponds to the proportion of these individual stocks and REIT within the Benchmark Index calculated with the formula of the Benchmark Index. Additionally, the trust aims at an investment performance tracked to the Benchmark Index.

② In the following cases, the Management Company may instruct to adjust the components of the trust properties in order to meet the investment policy described above:

1. the calculation method of the Benchmark Index is changed or the change is published;
2. the component proportion ratio of individual stocks and REIT within the Benchmark Index is revised due to change of included stocks and REIT or capital transfer within the Benchmark Index, or the revision is published;
3. any additional trust or redemption of this trust is made; or
4. necessary to ensure track to the Benchmark Index.

③ Stocks that are indicated for investment are stocks that are issued by corporations and included, or are due to

be included, in the Benchmark Index among stocks listed (including to be listed) on the Financial Instruments Exchange or registered (including to be registered) in the Registry of Over-the-Counter Traded Securities. However, this indication is not necessary for stocks that are acquired through allotments to stockholders. REIT that are indicated for investment are REIT that are issued by investment corporations and included, or are due to be included, in the Benchmark Index among REIT listed (including to be listed) on the Financial Instruments Exchange or registered (including to be registered) in the Registry of Over-the-Counter Traded Securities. However, this indication is not necessary for REIT etc., that are acquired through allotments to investors. Stocks and REIT excluded from the Benchmark Index shall be sold promptly considering market trends etc., in general, but it could not be sold promptly depending on liquidity of the relevant stocks and REIT.

④ Notwithstanding the above ①, with the purpose of achieving identical profits and losses, as those achieved from the investment in stocks and REIT included within the Benchmark Index, or stocks and REIT that are due to be included within the Benchmark Index, the Fund may make complementary purchases of futures transaction of the Benchmark Index or other stock price index in Japan to maintain performance tracking the Benchmark Index.

⑤ Non-stock ratio (investment ratio in properties other than stocks) is generally not more than 50% of total amount of the trust property.

⑥ Management in accordance with the investment policy described above may not be possible due to funding trends or market trends.

(3) Investment Restrictions

① There are no restrictions on investment ratio in stocks.

② Investment ratio in assets denominated in foreign currencies is not more than 10% of Total Net Asset Value of the trust property.

③ With respect to derivative transactions, the Fund may make complementary purchases of futures transaction of the Benchmark Index or other stock price index in Japan only before commencement of investment in stocks and REIT in accordance with the investment policy described above, or with the purpose of achieving identical profits and losses, as those achieved from the investment in stocks and REIT included within the Benchmark Index. Furthermore, the Fund uses the derivatives to realize gains and losses that are equivalent to those that arise as a result of holding assets that are subjects of investments.

④ Foreign forward exchange transaction may be used only for hedging purpose.

⑤ Derivative transactions etc. (meaning derivative transactions etc., provided in rules of the Investment Trusts Association, Japan), may not be used when the value of which calculated with a reasonable method provided in said rules ends will exceed Total Net Asset Value of the trust property.

⑥ The ratio of stock exposure, bond exposure, and derivative transactions exposure to a person provided in rules of the Investment Trusts Association, Japan, to the Total Net Asset Value of the trust property will not more than 10% respectively, or 20% in total. If such ratio exceeds said percentage, the Management Company shall make adjustments so that such ratio is within said percentage in accordance with said rules.

3. Income Distribution Policy

Distribution shall generally be paid in accordance with the following policy at the time of each settlement.

① As a general rule, the full amount of dividends and other income generated from the trust property after deduction of expense shall be distributed. The amount of the distribution may be zero.

② If profits are gained from the sales and purchase, no distribution shall be paid.

③ There are no restrictions on operation of retained earnings and it shall be operated in the same manner as the principal based on the Management Company's decision.

Open-ended securities Investment Trust

NEXT FUNDS MSCI Japan Country ESG Leaders Index Exchange Traded Fund

Terms and Conditions

Article 1 (Type of Trust, Management Company, and Trustee)

① This trust is a securities investment trust. The Management Company is Nomura Asset Management Co., Ltd, and the Trustee is Mitsubishi UFJ Trust and Banking Corporation.

② This trust is subject to the Trust Act (Act No. 108 of 2006) (hereinafter, the "Trust Act").

③ The Trustee may conclude a trust agreement with, and delegate a part of its trust administration to, any financial institution authorized under Article 1, paragraph 1, of the Act on the Concurrent Undertaking of Trust Business by Financial Institutions (including any interested persons of the Trustee described in Article 29, paragraph 2, item 1 of the Trust Business Act as applied mutatis mutandis pursuant to Article 2, paragraph 1 of Concurrent Undertaking of Trust Business by Financial Institutions. The same shall apply hereinafter in this Article), and delegate a part of the trust administration to such financial institution, as a delegation of the trust administration based on Article 28, item 1 of the Trust Act.

④ Any delegation to an interested persons based on the preceding paragraph can be done where such delegation will not interfere with the protection of the beneficiaries.

Article 2 (The Purpose of the Trust and the Amount)

① The Management Company shall place in trust securities designated by the Management Company (hereinafter, "Trust Eligible Securities") equivalent to 5 billion yen for the purpose of earning profits for the beneficiaries, and the Trustee shall undertake these securities.

② MSCI Japan Country ESG Leaders Index is Benchmark Index for this trust and the price of beneficial interests in shares per one share when the trust agreement is concluded is 2,000 yen.

③ The Trust Eligible Securities described in the paragraph 1 must be securities satisfying all the following requirements:

1. In principle, stocks and REIT (the REIT which is listed (including equivalent thereto) on the Financial Instruments Exchange in Japan (meaning the REIT described in the rules of the Investment Trusts Association, Japan). The same shall apply hereinafter.) that are included or are due to be included in the Benchmark Index;
2. In principle, the proportion of number of stocks and number of REIT must meet the basic investment policy specified separately; and
3. Securities that are described in the Order for Enforcement of the Act on Investment Trusts and Investment Corporations and Regulation for Enforcement of the Act on Investment Trusts and Investment Corporations.

④ The increase in the number of shares relating to the beneficiary described in the paragraph 1 is stated or recorded on the account with the Central Securities Depository, etc., ("Central Securities Depository, etc.", provided in Article 13, paragraph 1 herein) which is opened for the beneficiary to book-entry transfer to make a book-entry for beneficial interests in shares for the trust.

Article 3 (The Maximum Amount of Additional Trust)

① The Management Company may, by mutual agreement with the Trustee, add trust funds up to the equivalent value of 1 trillion yen of the Trust Eligible Securities.

② The Management Company may, by mutual agreement with the Trustee, alter the maximum amount stipulated in the preceding paragraph.

Article 4 (Trust Term)

This trust shall have an unlimited trust term, provided that the trust may be terminated pursuant to Article 48, paragraph 1 and/or paragraph 2, Article 49, paragraph 1, Article 50, paragraph 1 and Article 52, paragraph 2 herein.

Article 5 (Listing on Financial Instruments Exchange)

① With respect to the beneficial interests in shares of this trust, the Management Company shall apply for a listing on the Financial Instruments Exchange specified separately (the Financial Instruments Exchange described in Article 2, paragraph 16, of the Financial Instruments and Exchange Act; the same applies Article 41, paragraph 2, Article 47, paragraph 1 and Article 48, paragraph 2 herein). Such beneficial interests in shares of this trust will be listed on the Financial Instruments Exchange after the approval of the Financial Instruments Exchange according to the regulations and rules promulgated by the Financial Instruments Exchange.

② When the beneficial interests in shares of this trust are listed, the Management Company shall comply with the rules and regulations promulgated by the Financial Instruments Exchange in the preceding paragraph, and shall follow any directions, such as delisting, or suspension of sales purchase transactions, imposed on beneficial interests in shares by a Financial Instruments Exchange as per its regulations and rules.

Article 6 (Definitions)

In this terms and conditions, the following definitions shall apply:

1. "Total Net Asset Value" is the amount calculated by deducting the value of total liabilities from the value of total assets derived by assessing the value of assets that belong to the trust property (excluding substitute securities for cash collateral) in a market value or partly by amortized cost method in accordance with the respective laws and the rules of The Investment Trusts Association, Japan.
2. "Net Asset Value" is the amount derived by dividing Total Net Asset Value by the total number of beneficial interests in shares as of the calculation date.
3. "Dividend and Other Income" is the amount derived by deducting interest paid from the aggregated value of dividends, stock dividends, interest income, and other income.
4. "Expense" is the sum of trust fees, consumption tax and local consumption tax on the trust fees (hereinafter referred to as the "Consumption Tax, etc."), and other costs.

Article 7 (Redemption during the Trust Term)

A beneficiary may not apply for a partial redemption of the trust during the term of this trust with respect to the beneficial interests in shares (excluding the beneficial interests in shares which the Trustee purchased in accordance

with Article 54 herein) attributable to the beneficiary.

Article 8 (Type of Creation Application for Beneficial Interests in shares)

The creation application for a Beneficial Interests in shares relating to this trust falls under Article 2, paragraph 3, item (i), of the Financial Instruments and Exchange Act, and must be made by means of a public offering described in Article 2, paragraph 8, of the Act on Investment Trusts and Investment Corporations.

Article 9 (Initial Beneficiary)

The initial beneficiary as of the day this trust agreement and that of additional trust shall be the creation applicant designated by the Management Company. Any beneficial interests in shares split conducted as described in Article 10 herein shall belong to the creation applicant proportionally to the number requested by them. Provided that, when the distributing company which accepts the creation application provided in Article 15 herein applies to the Clearing Organization for owing a debt on the delivery of the Trust Eligible Securities to the Management Company or payment arising from the acceptance of the creation application and the Clearing Organization owes the debt in accordance with the business rules of the Financial Instruments Clearing Organization specified separately (the Financial Instruments Clearing Organization described in Article 2, paragraph 29, of the Financial Instruments and Exchange Act; hereinafter referred to as the "Clearing Organization")

Article 10 (Split and Re-split of Beneficial Interests in shares)

① The Management Company shall split the beneficial interests in shares as provided in Article 2, paragraph 1 hereof attributable to the number of shares derived by dividing the trusted amount based on Article 2, paragraph 1 herein by the price described in Article 2, paragraph 2 herein equally. If additional trusts are made, then the Management Company shall split the beneficial interests in shares attributable to the additional trusts to the number of additional shares under Article 11 equally.

② The Management Company may, based on discussions with the Trustee, re-split the beneficial interests in shares equally as of an agreed-upon date.

Article 11 (The Amount of Additional Trust)

The amount corresponding to the additional trust shall be derived by multiplying the number of beneficial interests in shares corresponding to the additional trust by the amount of the Net Asset Value as of one business day prior to the date the additional trust is created, and adding the amount equivalent to the Expenses described in Article 15, paragraph 5.

Article 12 (Content of Beneficial Interests in shares on Different Trust Date/Time)

No variance arises as a result of differences in trust dates/time with respect to the beneficial interests in shares of this trust.

Article13 (Attribution of Beneficial Interests in shares and Non-Issuance of Beneficiary Certificates)

① All beneficial interests in shares of this trust are governed by the Act on Book-Entry of Corporate Bonds, Shares, etc., (hereinafter referred to as the "Book-Entry Act"). The attribution of the beneficial interests in shares shall be determined based on the statement or recording made on the book-entry transfer account register of the Central Securities Depository to which the Management Company had given its consent to handle the beneficial interests in shares of this investment trust (the "Central Securities Depository" provided in Article 2 of the Book-Entry Act, and hereinafter referred to as "Central Securities Depository"), and that of a subordinate account management institution of the aforesaid Central Securities Depository (the "Account Management Institution" provided in Article 2 of the Book-Entry Act; including Central Securities Depository, hereinafter referred to as "Central Securities Depository, etc."). The beneficial interests in shares determined based on a statement or recording made on the book-entry transfer account register is hereafter referred to as "Transfer Beneficial Interests in shares"

② The Management Company shall not issue the beneficiary certificates that represent Transfer Beneficial Interests in shares in cases where the designation from the competent minister as the Central Securities Depository that handles the beneficial interests in shares of this trust is cancelled, or in cases where the designation is no longer in effect, by the rules of Book-Entry Act, and also in each case where there is no party to succeed the book-entry business of the Central Securities Depository, or when there are unavoidable circumstances occurred. Beneficiaries shall not request a change from bearer beneficiary certificates to registered beneficiary certificates, a change from registered beneficiary certificates to bearer beneficiary certificates, or a reissuance of beneficiary certificate, except in cases where the Management Company issues beneficiary certificates due to an avoidable circumstance.

③ When the beneficial interests in shares are split pursuant to the provisions of Article 10, the Management Company shall notify the Central Securities Depository of matters provided for in the Book-Entry Act to newly state or record on the book-entry transfer account register of the Central Securities Depository, etc. When the notification from the Management Company is made to the Central Securities Depository, the Central Securities Depository, etc., shall newly state or record on the book-entry transfer account register maintained, in accordance with the provisions of the Book-Entry Act.

Article 14 (Notification by Trustee Concerning Creation of Beneficial Interests in shares)

① When receiving a notification on receipt or book-entry executed with regard to the Trust Eligible Securities stipulated in Article 2, the Trustee shall notify the Central Securities Depository to the effect of the initial self creation.

② When receiving a notification on receipt or book-entry executed with regard to the Trust Eligible Securities relating to additional trust (including the amount equivalent to the total market value of the individual stocks and the required Expense stipulated to in Article 15, item 5), The Trustee shall notify the Central Securities Depository to the effect that the additional trust was placed. Provided that, when the Clearing Organization owes the debt on the delivery of the Trust Eligible Securities to the Management Company or payment in accordance with the business rules provided in the proviso of Article 9 hereof, the Trustee shall notify the Central Securities Depository to the effect that the additional trust was placed based on the Management Company's instruction regardless of a

notification on receipt or book-entry executed with regard to the Trust Eligible Securities.

Article 15 (Application for Unit of Beneficial Interests in shares and its Price)

① The distributing company (meaning Type I Financial Instruments Business Company (a company who engages in the Type I Financial Instruments Business as prescribed in Article 28, paragraph 1, of the Financial Instruments and Exchange Act) designated by the Management Company) and the Registered Financial Institution (meaning Registered Financial Institution as prescribed in Article 2, paragraph 11, of the Financial Instruments and Exchange Act. The same shall apply hereinafter) designated by the Management Company may accept the creation application for the beneficial interests in shares, whose number of shares is an integer multiple of a certain number of shares to be split pursuant to Article 10, paragraph 1, after July 16, 2021, as long as the applicants apply for the creation by a time limit, specified separately by Management Company, of the acceptance day of creation application. In this case, the creation application shall be done for the Trust Eligible Securities by the Management Company. However, if the value of the Trust Eligible Securities is less than the value of beneficial interests in shares, whose number of shares is an integer multiple of the certain number of shares, the amount corresponding to the difference will be charged.

② The value of beneficial interests in shares referred to in the preceding paragraph is the Net Asset Value as of the acceptance day of creation application. The distributing company may charge an amount equivalent to the commission individually defined by the distributing company, and the Consumption Tax, etc. on the commission from the creation applicant.

③ The certain number designated in paragraph 1 shall be the number of shares specified separately by the Management Company based on the number of shares required for the creation application for the beneficial interests in shares, the number of which shall be an integer multiple of a basic trading share in the Financial Instruments Exchange (meaning the Financial Instruments Exchange described in Article 2, paragraph 16, of the Financial Instruments and Exchange Act and the Foreign Financial Instruments Market described in Article 2, paragraph 8, item 3, (b), of the Financial Instruments and Exchange Act. The same shall apply hereinafter excluding Article 41, paragraph 2, Article 47, paragraph 1 and Article 48, paragraph 2. The Financial Instruments Exchange may be mentioned as merely the "Exchange". The market in which sells and purchase of securities or transactions provided in Article 28, paragraph 8, item 3 or 5, of the Financial Instruments and Exchange Act are conducted, or the person who opens such market among the Financial Instruments Exchange may be mentioned as the "Stock Exchange") or the Authorized Financial Instruments Firms Association (regarding stocks and REIT traded on the Over-the-Counter Securities Market) ("Exchange Trading Unit". The same shall apply hereinafter), that comprise 1 unit of the actual portfolio (announced every day, in principle) whose proportion of the individual stocks and REIT corresponds to the component proportion of the individual stocks and REIT in the trust properties, and which the Management Company deems will correlate to the target trust.

④ Notwithstanding the provisions of paragraph 1, the Management Company shall suspend any creation application of beneficial interests in shares with respect to the creation application on the following days and periods; provided, however, the Management Company may accept the creation application fot the beneficial interests in shares for the days and periods in the following items (except for the item 5 below) if the Management

Company determines that the impact of such creation application on the trust property is minimal in view of the condition of the trust property, funding trends, market trends, etc.

1. For a period of two business days, beginning from one business day prior to the ex-dividend date, ex-distribution date or ex-right date of any component stocks in the Benchmark Index.

2. For a period of six business days, beginning from five business days prior to the stock name switching day or stock unit number switching day of any component stocks in the Benchmark Index.

3. For a period of three business days, beginning from three business days prior to the last day of any calculation period described in Article 36 (provided, however, if the accounting day is a holiday (meaning not a business day), the period shall be four business days, beginning from four business days prior to the accounting day).

4. For a period of four business days, beginning from three business days prior to the date of trust termination when this trust agreement will be cancelled and the trust will be terminated.

5. In addition to the items above, any time the Management Company determines that unavoidable circumstances occur that prevent it from making investments in accordance with the investment policies provided separately.

⑤ When the creation applicant in paragraph 1 is an issuing company of component stocks in the Benchmark Index, or one of its subsidiaries (meaning the subsidiary defined in Article 2, item 3, of the Companies Act. The issuing company or its subsidiary shall be referred to as the "Issuing Company"), the Management Company may accept the creation application in cash in an amount equal to the total market value of the individual stocks issued by such issuing company. The total market value of the individual stocks, in this case, shall be the amount derived by multiplying the closing price (an equivalent price as the closing price when the closing price is not available, or a final price or an price reasonably calculated equivalent as a final price regarding the stocks traded on the Over-the-Counter Securities Market) at the Financial Instruments Exchanges of the stocks of the issuing company as of the calculation date of the Net Asset Value of the acceptance day of creation application, by the number of the stocks within the Trust Eligible Securities In case of the creation application applied by other party than the Issuing Company. Furthermore, the Management Company may charge the amount equivalent to the Expense required for the acquisition of the stocks of the issuing company for the trust property.

⑥ When the creation applicant is an Issuing Company of component stocks in the Benchmark Index, the distributing company who accepted creation application (including any case where the distributing company applies for the creation application for its own account if the distributing company is a Issuing Company of component stocks in the Benchmark Index; the same shall apply in the following paragraph) shall, at the time of intermediating the creation application, notify the Management Company to the effect.

⑦ In the event the notification in the preceding paragraph is not made at the time of intermediating the creation application, and this results in damages to the trust property or others, the distributing company which accepts the creation application shall be liable for the damage.

⑧ The creation applicant in the paragraph 1 above shall present to the distributing company, at the time of creation application or in advance, an account with the Central Securities Depository, etc., opened for the creation applicant to book-entry transfer to make a book-entry for beneficial interests in shares for the trust, and the increase in the number of shares relating to the creation application is stated or recorded on the account. The distributing company may state or record the increase in the number of shares relating to the creation applicant to the account

in exchange for the delivery of the Trust Eligible Securities (including an amount corresponding to the total market value of the individual stocks and required Expense in paragraph 5; the same applies hereinafter in t"is p'r)graph) or payment required for the creation application. When the distributing company which accepts the creation application applies to the Clearing Organization for owing a debt on the delivery of the Trust Eligible Securities to the Management Company or payment arising from the acceptance of the creation application and the Clearing Organization owes the debt in accordance with the business rules described in the proviso of Article 9 herein, the increase in the number of shares is stated or recorded in the accounts in the Clearing Organization's name of the Central Securities Depository, etc. The increase in the number of shares in an account with the Central Securities Depository, etc., opened for the creation applicant to book-entry transfer to make a book-entry for beneficial interests in shares for the trusts shall be stated or recorded by the Clearing Organization and the distributing company (including a Financial Instruments Business Operator or Registered Financial Institution when a Financial Instruments Business Operator or Registered Financial Institution conducts Broking for the Clearing of Securities, etc., described in Article 2, paragraph 27, of the Financial Instruments and Exchange Act under entrustment by the distributing company for the distributing company's application to Cleaning Organization for owing a debt) through the Central Securities Depository, etc.

⑨ Notwithstanding the precedent paragraphs, in the event of a suspension of trading or foreign exchange trading on the Financial Instruments Exchange etc., of a suspension of settlement functions, or of any other unavoidable circumstance, the Management Company may suspend the acceptance of any creation application for the beneficial interests in shares or cancel a creation application already accepted.

Article 16 (Statement or Recording Concerning Transfer of Beneficial Interests in shares)

① When transferring a beneficial interests in shares it owns, a beneficiary must apply for book-entry transfer to the Central Securities Depository, etc., relating to the book-entry transfer account register on which the beneficial interests in shares subject to the transfer is stated or recorded.

② In the case where an application for book-entry transfer in the preceding paragraph is made, the Central Securities Depository, etc., in the preceding paragraph must state or record on the book-entry transfer account register maintained, the decrease in the number of beneficial interests in shares owned by the transferor relating to the transfer and the increase in the number of beneficial interests in shares owned by the transferee. In the cases where the Central Securities Depository, etc., in the preceding paragraph is not the party that opened the receiving book-entry transfer account, it must notify another Central Securities Depository, etc., that opened the receiving book-entry transfer account of the transferee (including the superior institution of the said Central Securities Depository, etc.) in accordance with the provisions of the Book-Entry Act.

③ The Management Company may, with respect to the book-entry transfer provided in paragraph 1 above, establish dates or period of book-entry suspension in cases where, for example, the Central Securities Depository, etc., relating to the book-entry transfer account register on which the beneficial interests in shares of the beneficiary to be transferred are stated or recorded differs from the Central Securities Depository, etc., that opened the receiving transfer account of the transferee and when the Management Company deems it necessary to do so or determines that there is an unavoidable circumstance.

Article 17 (Perfection of Transfer of Beneficial Interests in shares)

Any transfer of beneficial interests in shares cannot be asserted duly to the Management Company and the Trustee unless based on the statement or recording on the book-entry transfer account register provided in the preceding Article.

Article 18 (Types of Assets as Investment Objectives)

The types of assets as investment objectives under this trust shall be those listed below:

1. Specified Assets (meaning "the Specified Assets" defined in Article 2, paragraph 1, of the Act on Investment Trusts and Investment Corporations; the same applies hereinafter.)

(a) Securities

(b) Rights pertaining to Derivative Transactions (meaning those provided in Article 2, paragraph 20 of the Financial Instruments and Exchange Act, and limited to those provided in Article 19, paragraph 2, item 5 hereof)

(c) Promissory Notes (excluding those falls under the category of item (a) hereof)

(d) Monetary Claims (excluding those falls under the category of item (a) and (c) hereof)

2. Assets other than Specified Assets listed below:

(a) Bills of Exchange

Article 19 (Scope of Investment Instructions)

① The Management Company shall indicate to invest the trust property in stocks and REIT.

② The Management Company may give instructions to manage the money belonging to the trust property as follows, until investing in the stocks and REIT in accordance with investment policy provided separately when this trust agreement will be cancelled and the trust will be terminated to aim at investment performance tied to the Benchmark Index (meaning the status that volatility of the Net Asset Value corresponds to that ot the Benchmark Index):

1. Deposits;
2. Specified Cash Trusts (excluding those to be indicated by beneficiary certificates of beneficiary securities issuing trusts prescribed in the Trust Act (provided in Article 2, paragraph 1, item 14 of the Financial Instruments and Exchange Act.);
3. Call Loans;
4. Negotiable Instruments traded on the Discount Market;
5. Stock Price Index Futures targeting the Benchmark Index or other stock price indexes in Japan (meaning those related to stock price index among those described in Article 28, paragraph 8, item 3 (b) of Financial Instruments and Exchange Act. The same shall apply hereinafter.).

Article 20 (Transactions etc., with Interested Persons)

① The Trustee may conduct investment in the property described in the preceding two Articles, transaction set

forth in Article 22 and Article 25 herein, and any other similar acts between the trust property and the Trustee (including transactions and any other acts with a third party for the trust property which the Trustee conducts as an agent of the third party), interested persons of the Trustee (meaning interested persons described in Article 29, paragraph 2, item 1 of the Trust Business Act as applied mutatis mutandis pursuant to Concurrent Undertaking of Trust Business by Financial Institutions. The same shall apply hereinafter in this paragraph, next paragraph and Article27), delegatees of the fiduciary business described in Article 27, paragraph 1, its interested persons or other trust property of the Trustee in accordance with the instructions of the Management Company when it will not interfere with the protection of the beneficiaries and will not violate Trust Business Act, Act on Investment Trusts and Investment Corporations or any other relevant laws and regulations.

② The Trustee may conduct transaction and any other acts which the Trustee conducts as trust administration based on its authority with the Trustee of this trust on its own or its interested persons' own account. The same shall apply the case when interested persons of the Trustee conduct it on its own account.

③ The Management Company may instruct to conduct investment in the property described in the preceding two Articles, transaction set forth in Article 22 and Article 25 herein, and any other similar acts between the trust property and the Management Company, its directors, executive officer, interested persons of the Management Company (meaning the Parent Company, etc., or the Subsidiary Company, etc., set forth in Article 31-4, paragraph 3 and paragraph 4 of Financial Instruments and Exchange Act), or other trust property which the Management Company gives instructions on investment when it will not violate Financial Instruments and Exchange Act, Act on Investment Trusts and Investment Corporations or any other relevant laws and regulations.

In this case, the Trustee may conduct investment, transaction and other acts described above in accordance with the instructions of the Management Company.

④ In the case of the preceding three paragraphs, the Management Company and the Trustee shall not give a beneficiary notice provided in Article 31, paragraph 3 and Article 32, paragraph 3 of Trust Business Act.

Article 21 (Investment Policy)

For managing the trust property, the Management Company shall give instructions in accordance with the investment policy provided separately.

Article 22 (Instruction and Scope for Lending of Stocks)

① In order to contribute to the efficient management of the trust property, the Management Company may give instructions to lend stocks and REIT that belong to the trust property to the extent provided in the following items;

1. Regarding stocks, so long as the total market value of the lent stocks at the time of lending does not exceed the total market value of stocks held under the trust property.
2. Regarding REIT, so long as the total market value of the lent REIT at the time of lending does not exceed the total market value of REIT held under the trust property.

② In the event the maximum value described in the items of the preceding paragraph will be exceeded, the Management Company shall promptly take actions to cancel such lending contract whose value is equivalent to the value of such exceeds.

③ The Management Company may instruct to accept collateral when it deems necessary upon lending stocks and REIT.

Article 23 (Investment Restrictions in Assets Denominated in Foreign Currencies)

The Management Company shall not instruct on investment which makes the total market value of assets denominated in foreign currencies (meaning securities denominated in foreign currencies (meaning securities indicated in foreign currencies. The same shall apply hereinafter.), and deposit and any other assets indicated in foreign currencies. The same shall apply hereinafter.) comprised of trust property exceed ten-hundredth of the Total Net Asset Value of the trust property. When it exceed ten-hundredth of the Total Net Asset Value of the trust property due to price increase of securities etc., it shall be adjusted promptly.

Article 24 (Investment Restrictions in Securities Denominated in Foreign Currencies under Special Situations)

Investment in securities denominated in foreign currencies may be restricted when deeming it particularly necessary due to a reason with respect to balance of international payments of Japan etc.

Article 25 (Instructions on Foreign Forward Exchange Transaction)

① The Management Company may instruct on reservation transaction of buying and selling of foreign exchange regarding assets denominated in foreign currencies comprised of trust property for hedging exchange on the assets.

② The Management Company shall instruct on provision or acceptance of collateral when it finds necessary for reservation transaction of buying and selling of foreign exchange.

Article 26 (Conversion into Japanese Yen of Assets Denominated in Foreign Currencies and Valuation of Exchange Reserves)

① The assets denominated in foreign currencies comprised of trust property is generally converted into Japanese Yen with the telegraphic transfer middle rate on calculation date in Japan.

② The exchange reserves described in the preceding Article is generally valuated with middle rate of customer future trading rate on calculation date in Japan.

Article 27 (Delegation of Fiduciary Services)

① When the Trustee delegates a part of its fiduciary business described in Article 22, paragraph 1 of the Trust Business Act, after the consultation with the Management Company, the Trustee shall only select entities that fall under all of the following standards (including interested persons of the Trustee) as its delegees:

1. Entities for which there are no concerns with conducting delegated business continuously, considering their creditworthiness;
2. Entities that are deemed to be able to surely process the delegated business in light of their past results and other factors relating to the delegated functions;
3. Entities that have already arranged a system for the separate management of assets belonging to the delegated

trust property and their own assets; and

4. Entities that have already arranged a system for the appropriate conduct of operations relating to internal management.

② When selecting the delegees referred to the preceding paragraph, the Trustee shall confirm that each of the prospective delegees falls under the standards set out in the preceding paragraph.

③ Notwithstanding the preceding two paragraphs, the Trustee may delegate operations set out in the following items to any person or entity (including an interested persons of the Trustee) deemed appropriate by both the Trustee and the Management Company:

1. Operations relating to custody of the trust property;
2. Operations for utilization or improvement of the trust property to the extent that the characteristics of the trust property will not be changed;
3. Operations relating to acts necessary for disposal of the trust property and achievement of other trust purposes only under instructions of the Management Company; and
4. Acts which have supplementary functions for the Trustee's conduct of operations.

Article 28 (Withholding of Registration, etc. and Recording etc. of Trust Property)

① With regard to trust property that can be registered or recorded, the registration or recording of trust shall be made; provided however, that the registration or recording of trust may be withheld if the Trustee approves.

② Notwithstanding the proviso of the preceding paragraph, register or record of trust shall be made if the Management Company or Trustee deems it necessary to do so for the protection of beneficiaries.

③ With regard to trust property for which a statement or recording to belong to the trust property can be made, such statement or recording shall be made, and concurrently, such trust property shall be segregated by clarifying the accounting thereof. However, the property may simply be segregated by clarifying the accounting thereof, if the Trustee approves.

④ Movables (excluding monies) may be segregated in the manner whereby they can be distinguished from each other on sight or by clarifying the accounting thereof.

Article 29 (Instructions to Sell Securities etc.)

The Management Company may give instructions to sell stocks and REIT that belong to the trust property.

Article 30 (Instructions for Reinvestment)

The Management Company may give instructions to reinvest sales proceeds of stocks and REIT described in the preceding article, liquidating dividend from stocks, dividends from stocks and distribution from REIT, and other income.

Article 31 (Attribution of Income and Loss)

Any income and loss to the trust property as a result of acts based on instructions of the Management Company shall belong to the beneficiaries.

Article 32 (Accounting for Additional Trust)

With regard to the amount corresponding to the additional trust, the amount of difference between the amount corresponding to the additional trust and the amount corresponding to the principal shall be accounted for as the difference on additional trust.

Article 33 (Accounting for Redemption of Beneficial Interests in shares for Securities)

In exchanging beneficial interests in shares for stocks and REIT as described in Article 44, the amount of difference between (i) the amount obtained by multiplying the Net Asset Value on the acceptance day of redemption request, by the number of shares obtained after deducting the number of shares to be deducted as per the proviso of Article 45, paragraph 2, from the Required Redemption Shares defined in Article 45, paragraph 1, and (ii) the amount corresponding to the principal, shall be accounted for as the difference on redemption.

Article 34 (Mark-to-Market Valuation of Securities)

The market value of the stocks and REIT belonging to the trust property (excluding those stocks and REIT which are subject to the Redemption provided in Article 44 herein and which have not been transferred in the accounts of beneficiary set in the Central Securities Depository, etc.)) shall be valued, in principle, at the closing prices (an equivalent price as the closing price when the closing price is not available, or a final price or an price reasonably calculated equivalent as a final price regarding the stocks traded on the Over-the-Counter Securities Market) of the Financial Instruments Exchange.

Article 35 (Advance of Money by Trustee)

① When there is an issuance of new shares, share allotment or allotment to investors with respect to stocks and REIT that belong to the trust property, the Trustee may advance funds if requested by the Management Company.

② If estimates of amounts of liquidating dividend from stocks, dividends from stocks and distribution from REIT, or any other receivables that are related to the stocks that belong to the trust property, can be made before the date of termination of this trust, the Trustee may advance these amounts to be incorporated in the trust property.

③ With regard to the settlement of advances in the preceding two paragraphs and interest thereof, the Trustee and the Management Company shall discuss and decide how to treat such settlement and interest as they arise.

Article 36 (Calculation Period of Trust)

The calculation period of this trust shall be the period from April 21 of each year to October 20 of the same year, and from October 21 of the same year to April 20 of the following year; provided that, the first calculation period shall be from the date of conclusion of the trust agreement to October 20, 2021, and the end date of the final calculation period shall be the last date of the trust term at the time the trust is terminated under the proviso of Article 4 hereof.

Article 37 (Report on Trust Property etc.)

① The Trustee shall calculate income and loss at the end of every calculation period, prepare a report on the trust property, and submit the report to the Management Company.

② The Trustee shall perform the final calculation upon termination of the trust, prepare a report on the trust property, and submit the report to the Management Company.

③ When the Trustee has conducted the report provided in the preceding two paragraphs, the Trustee shall not report to the beneficiaries in accordance with Article 37, paragraph 3 of the Trust Act.

④ A beneficiary may not make a request to the Trustee to inspect or copy the documents in accordance with Article 38, paragraph 1 of the Trust Act. Provided that, this shall not apply to information which is essential to preparing the documents or electric or magnetic records set forth in Article 37, paragraph 2 of the Trust Act, or other material information on the trust or information which is not likely to cause to harm to interests of people other than the beneficiary.

Article 38 (Expenses Concerning Trust Administration and Audit Expenses)

① Taxes relating to the trust property, various expenses required in trust administration and interest on advances made by the Trustee, shall be borne by the beneficiaries and paid from the trust property. In addition, the expenses pertaining to the listing of beneficial interests in shares and the fees for the use of trademarks pertaining to the Benchmark Index (including any trademarks similar thereto) (hereinafter, "Fees for Use of Trademarks") as well as the amount equivalent to the Consumption Tax, etc., on such expenses pertaining to the listing and on such Fees for Use of Trademarks shall be borne by the beneficiaries and may be paid from the trust property.

② Audit expenses in connection with the trust property and Consumption Tax, etc. on such audit expenses, shall be paid from the trust property at the end of every calculation period or at the time of termination of this trust.

Article 39 (Total Amount of Trust Fees)

① The total amount of trust fees for the Management Company and the Trustee shall be the sum of the amount calculated by the method stated in item (1) below and the amount calculated by the method stated in item (2) below, every day throughout the calculation period provided in Article 36 hereof.

1. The amount obtained by multiplying the Total Net Asset Value of the trust property by a ratio designated by the Management Company, which is no larger than 12/10,000 per annum.
2. When any stock or REIT is lent pursuant to Article 22, an amount obtained from no more than 40% of the rental fee which accrues on a daily basis.

② The trust fees in the preceding paragraph shall be paid from the trust property at the end of every calculation period or at the time of termination of this trust. The distribution between the Management Company and the Trustee shall be separately provided.

③ The amount equivalent to the Consumption Tax, etc. on the trust fees in the paragraph 1 shall be paid from the trust property at the time of paying the trust fees.

Article 40 (Method for Income Distribution)

① Dividend and Other Income arising from the trust property and reserve for distribution carried forward from

the previous calculation period shall be distributed to beneficiaries at every calculation period of the trust after deducting the total amount of Expense and, if the reserve for distribution carried forward from the previous calculation period is negative number, after compensating such amount. If, however, for the purposes of making adjustments to the amount of income distribution, a part or all of the amount is retained within the trust property, such amount may be put aside as reserve for distribution and be appropriated to the distibutions in the following calculation period or thereafter. In the event that Expense and negative amount of reserve for distributoins cannot be fully deducted, the difference shall be carried forward to the following calculation period as negative amount of reserve for distribution.

② At the end of every calculation period, the total amount of income arising from the trust property described in item 1 below shall, after deducting the loss described in 2 below therefrom, and, if there is the amount of loss carried forward, after fully compensating such amount, be carried forward to the next calculation period:

1. Gain on sale of securities, gain on trading futures transactions, etc., gain on additional trust, and gain on redemption;
2. Loss on sales of securities, loss on trading futures transactions, etc., loss on additional trust, and loss on redemption.

Article 41 (Registration and Payment of Income Distribution and Termination Amount)

① A person whose name and address are registered at the Trustee as of the last day of calculation period shall be treated as the beneficiary as of the last day of the calculation period ("Registered Beneficiary"), and the income distribution shall be paid to the Registered Beneficiary. The Trustee may conclude the trust agreement with a person who the Trustee finds appropreate, such as other security trust company etc., and entrust the registration affairs to the person.

② Beneficiaries shall, in principle, request the registration provided in preceding paragraph through a member of the Financial Instruments Exchange on which the beneficial interests in shares of this trust are listed (such member shall be limited to Account Management Institution; the same applies hereinafter). In this case, such member may charge the amount equivalent to the commission that the Account Management Institution set by their own and the Consumption Tax, etc. on the commission. Provided, however, that securities finance companies, etc. may perform the registration provided in the preceding paragraph directly with the Trustee.

③ The registration process for the beneficial interests in shares stated or recorded in the book-entry transfer account register of the Central Securities Depository, etc. pursuant to the Book-Entry Act etc. shall be provided separately.

④ The beneficiary at the time of the execution of this trust agreement and at the time of the additional trust shall be registered as set forth in paragraph 1 hereof and be described or registered on the book-entry transfer account register of the Central Securities Depository, etc.

⑤ The payment of income distribution provided in paragraph 1 above shall be, in principle, made at the day specified by the Management Company, which falls within forty days from the end of every calculation period, by paying the income distribution by wire transfer to the savings account specified in advance by the Registered Beneficiary. If the Registered Beneficiary separately enters into an agreement regarding the treatment of income

distribution with a member of the Financial Instruments Exchange provided in paragraph 2 hereof, the income distribution amount shall be paid pursuant to such agreement.

⑥ The termination shall be done by paying the amount equivalent to the Total Net Asset Value of trust property upon termination of trust to the beneficialies stated or recorded in the book-entry transfer account register of the Central Securities Depository, etc., as of the day the trust is terminated (hereinafter, the "Beneficialies at Termination").

⑦ The amount to be paid to the Beneficialies at Termination shall be the amount derived by multiplying the Net Asset Value upon termination of trust (meaning the amount derived by dividing Total Net Asset Value by the total number of beneficial interests in shares upon termination of trust; hereinafter "Termination Amount"), by the number of beneficial interests in shares that belongs to each Beneficialies at Termination. The amount of the principal of beneficial interests in shares per share under the tax laws in this case shall be the amount derived by deviding the trusted amount of money by the number of beneficial interests in shares upon termination of trust.

⑧ The Termination Amount shall be paid to the beneficiaries stated or recorded in the book-entry transfer account register of the Central Securities Depository, etc., as of the day the trust is terminated from the Trustee or a member etc., described in the paragraph 2, on the day specified by the Management Company within forty days from the day the trust is terminated in general.

Article 42 (Exemption from Responsibility of Trustee Regarding Issuance and Payment of Income Distribution and to the Management Company)

① In the event that there is an outstanding payable balance of income distribution after five years have passed from the first payment date, or there is an outstanding payable balance of due to termination of the trust after ten years have passed from the first payment date, the Trustee shall pay such outstanding amount to the Management Company.

② After the payment of the income distribution or has been made to the Management Company pursuant to the provisions of the preceding paragraph, the Trustee shall not be held liable for the payment of the said amount to the Registered Beneficiary.

Article 43 (Prescriptions concerning Income Distribution Amount and Termination Amount)

In the event that a beneficiary has not claim any payment of income distribution amount for five years after the first payment date, or any payment of Termination Amount due to termination of the trust for ten years after the first payment date, the beneficiary shall lose the right to claim such payment, and the paid amount from the Trustee shall be attributed to the Management Company.

Article 44 (Application for Redemption Request)

① A beneficiary may request the Management Company to redeem their own beneficial interests in shares, whose number of shares is an integer multiple of a certain number of shares, for the stocks corresponding to their share and REIT of the beneficial interests in shares in the trust properties (hereinafter referred to as the "Redemption") by the time specified by the Management Company on the acceptance day of redemption request.

② Notwithstanding the preceding paragraph, the Management Company will, in principle, suspend the application for redemption request with respect to the application for redemption request on the following days and period; provided, however, the Management Company may, even on the following days and period (except for the day or period provided in item 5 below), accept the application for redemption request if the Management Company determines that the impact of such redemption request on the trust properties is minimal in view of the condition of the trust properties, funding trends, market trends, etc.

1. One business day prior to the ex-dividend date, ex-distribution date or ex-right date of any component stocks in the Benchmark Index.
2. For a period of seven business days, beginning from five business days prior to the stock name switching day or stock unit number switching day of any component stocks in the Benchmark Index.
3. For a period of three business days, beginning from three business days prior to the last day of any calculation period described in Article 36 (provided, however, if the accounting day is a holiday (meaning not a business day), the period shall be four business days, beginning from four business days prior to the accounting day).
4. For a period of four business days, beginning from three business days prior to the date of trust termination when this trust agreement will be cancelled and the trust will be terminated.
5. In addition to the items above, any time the Management Company determines that unavoidable circumstances occur that prevent it from making investments in accordance with the investment policies provided separately.

③ A certain number of shares provided in paragraph 1 above shall be the number of shares specified by the Management Company based on the number of shares required to redeem beneficial interests in shares for the individual stocks and Real Estate Investment, the number of which shall be an integer multiple of the Exchange Trading Unit, that comprise one share of the actual portfolio whose proportion of the individual stocks and REIT corresponds to the component proportion of the individual stocks and REIT in the trust properties, and which the Management Company deems will correlate to the Benchmark Index (hereinafter referred to as "Minimum Redemption Shares").

④ The beneficiary shall make a request for the Redemption described in paragraph 1 above to the distributing company with the Transfer Beneficial Interests in shares.

⑤ The distributing company, provided in the preceding paragraph, shall perform the procedure for elimination of the Transfer Beneficial Interests in shares pursuant to the way that the Central Securities Depository provided. When the distributing company applies to the Clearing Organization for owing a debt on the delivery of the Transfer Beneficial Interests in shares to the Management Company and the Clearing Organization owes the debt in accordance with the business rules provided in the proviso of Article 9 hereof, the Clearing Organization shall perform the procedure for elimination of the Transfer Beneficial Interests in shares. After such elimination procedure and book-entry transfer request for the redeemed shares or redeemed REIT described in Article 45, paragraph 3 hereof have been made, the Central Securities Depository shall eliminate the Transfer Beneficial Interests in shares, which shares are equivalent to the number of beneficial interests in shares to be redeemed described in Article 45, paragraph 2 hereof, and the decrease of the number of shares shall be stated or recorded on the account of the Central Securities Depository, etc. in accordance with the provisions of the Book-Entry Act.

⑥ With regard to the Transfer Beneficial Interests in shares to be redeemed, the Trustee shall deem that the

Transfer Beneficial Interests in shares have been received and the procedure for elimination has been completed pursuant to the instruction for Redemption of the Management Company in Article 45, paragraph 2 hereof by taking the procedure for elimination on the book-entry transfer account register and confirming the elimination provided in Article 46, paragraph 1 hereof.

⑦ The number of individual stocks and REIT the beneficiary can acquire by the redemption shall be the number calculated based on the Net Asset Value on the acceptance day of redemption request, which shall be an integer multiple of the Exchange Trading Unit.

⑧ Upon the Redemption, the distributing company may charge the amount equivalent to the commission that the distributing company set by its own and the Consumption Tax, etc. on the commission.

⑨ When the acceptance of redemption request is suspended as per paragraph 2 above, the beneficiary may withdraw the redemption request which was made before the suspension of the acceptance of request. Provided, however, if the beneficiary does not withdraw the request for Redemption, such request is deemed to be accepted at the first calculation date of the Net Asset Value after the suspension is cancelled, and the Redemption is deemed to be calculated according to the preceding two paragraphs.

⑩ In the case where the beneficiary who requests for the Redemption is an issuing company of component stocks in the Benchmark Index, etc., the distributing company who accepts the request for the Redemption from the beneficiary (including the case where the distributing company is an issuing company of component stocks in the Benchmark Index, etc., and the distributing company requests for the Redemption by proprietary trading; the same applies in the following paragraph) shall inform the Management Company to that effect upon intermediating the request for the Redemption.

⑪ In the event the notification in the preceding paragraph is not made at the time of intermediating the application for Redemption, which causes damage to the trust property or otherwise, the distributing company that intermediated the request for Redemption shall be liable for the damage.

Article 45 (Instruction for Redemption)

① In the event that the beneficiary requests to redeem their own Transfer Beneficial Interests in shares and the number of shares is an integer multiple of Minimum Redemption Shares pursuant to the paragraph 1 of the preceding Article, and the Management Company receives the request, the Management Company shall calculate the number of individual stocks and REIT that the beneficiary can acquire by exchanging the beneficial interests in shares whose number of shares was suggested by the beneficiary, and shall fix the number of shares required for the Redemption (In this case, where there are any fractions less than one share, they shall be rounded up; hereinafter referred to as "Required Redemption Shares").

② The Management Company shall give instructions to the Trustee to make a Redemption of Required Redemption Shares for the beneficial interests in shares and the stocks and REIT, the number of which shall be an integer multiple of the Exchange Trading Unit, that comprise the trust property, provided however that if the beneficiary who requested the Redemption is an Issuing Company of component stocks in the target trust, etc., the Management Company shall give instructions to make a Redemption of the beneficial interests in shares whose number of shares is equivalent to the number derived by deducting the total market value of the individual stocks

of such Issuing Company from the Required Redemption Shares for the stock, the number of which shall be an integer multiple of the Exchange Trading Unit (excluding the stock of such Issuing Company). The total market value of individual stocks in this case shall be the amount derived by multiplying the closing price (an equivalent price as the closing price when the closing price is not available, or a final price or an price reasonably calculated equivalent as a final price regarding the stocks traded on the Over-the-Counter Securities Market) at the Financial Instruments Exchange of the stocks as of the calculation date of the Net Asset Value in paragraph 7 of the preceding Article, by the number of stocks calculated pursuant to paragraph 7 of the preceding Article.

③ The Trustee shall, when confirming that the procedure described in paragraph 5 of the preceding Article has been made, make a book-entry transfer request for the redeemed shares and redeemed REIT comprised of trust property by the way specified by the Central Securities Depository in accordance with instructions of the Management Company. Provided that, when the distributing company who accepted the application for redemption request provided in paragraph 5 of the preceding Article applies to the Clearing Organization for owing a debt on the delivery of the Transfer Beneficial Interests in shares to the Management Company and the Clearing Organization owes the debt in accordance with the business rules provided in the proviso of Article 9 hereof, the Trustee shall make a book-entry transfer request for the redeemed shares and redeemed REIT comprised of trust property by the way specified by the Central Securities Depository in accordance with instructions of the Management Company regardless of the procedure described in paragraph 5 of the preceding Article. Upon the delivery of the redeemed shares and redeemed REIT to the beneficiary, the increased number of stocks and REIT that the beneficiary who requested the Redemption in paragraph 1 of the preceding Article shall be stated or recorded to the account of the Central Securities Depository, etc., from the third business day from the acceptance day of redemption request.

Article 46 (Handling of Redeemed Beneficial Interests in shares)

① The Management Company shall, on the business day following the acceptance day of redemption request and thereafter, recognize that the same number of beneficial interests in shares as that of the Transfer Beneficial Interests in shares to be annulled through Redemption has become null and void, and the Trustee shall confirm that the Transfer Beneficial Interests in shares relating to such beneficial interests in shares have been annulled on the date of book-entry of the redeemed shares and redeemed REIT.

② The Management Company may, in the event of a suspension of trading or foreign exchange trading on the Financial Instruments Exchange etc., of suspension of settlement functions, or of any other unavoidable circumstances, suspend accepting the application for the redemption request pursuant to the preceding two Articles, and cancel previously-accepted redemption request, despite of the provision of Article 44, paragraph 2.

③ When the acceptance of redemption request has been suspended pursuant to the preceding paragraph, Article 44, paragraph 9 shall apply mutatis mutandis.

Article 47 (Purchase of Beneficial Interests in shares)

① The distributing company shall purchase the beneficial interests in shares in the cases described in the following items, and when receiving an application from a beneficiary, provided that the application for the case

in item 2 below shall be made two business days prior to the date of termination of trust:

1. Transfer Beneficial Interests in shares of less than the Exchange Trading Unit arise as a result of Redemption.
2. If delisted in all Financial Instruments Exchanges where the beneficial interests in shares were listed based on the provisions of Article 5.

② The purchase price in the preceding paragraph shall be the Net Asset Value on the day the application for purchase is accepted.

③ The distributing company may, when purchasing beneficial interests in shares pursuant to the provisions of the preceding two paragraphs, charge the amount corresponding to the commission set independently by the distributing company and the Consumption Tax, etc., relating to the commission.

④ The distributing company may, in the event of a suspension of trading or foreign exchange trading on the Financial Instruments Exchange etc., of suspension of settlement functions, or of any other unavoidable circumstance, suspend purchase of beneficial interests in shares in paragraph 1, based on discussions with the Management Company, and may cancel previously-accepted applications of the purchase of the beneficial interests in shares.

⑤ If, based on the provisions of the preceding paragraph, the purchase of beneficial interests in shares is suspended, a beneficiary may withdraw the application for purchase for the day made prior to the suspension of purchase. If, however, a beneficiary does not withdraw the application for purchase, the purchase price of the beneficial interests in shares shall be calculated in accordance with the provisions of paragraphs 2 and 3 above assuming that the application for purchase was accepted on the first calculation date of the Net Asset Value after the removal of suspension for purchase.

Article 48 (Cancellation of Trust Agreement)

① The Management Company may cancel this trust agreement and terminate the trust during term of this trust by mutual agreement with the Trustee when it recognizes that cancelling this trust agreement is for the benefit of the beneficiaries or an avoidable circumstance occurs. In this case, the Management Company shall notify the regulatory authorities in advance of its intent for cancellation.

② The Management Company may cancel this trust agreement and terminate the trust by mutual agreement with the Trustee when the number of the beneficial interests in shares are less than 500,000 shares twenty consecutive business days due to redemption a part of the trust property for the beneficial interests in shares after the day three years have passed from the date of conclusion of the trust agreement, the beneficial interests in shares which were listed based on the provisions of Article 5 are delisted from all Financial Instruments Exchange, or the Benchmark Index itself is terminated. In this case, the Management Company shall notify the regulatory authorities in advance of its intent for cancellation. When the beneficial interests in shares are delisted from all Financial Instruments Exchange, the Management Company shall commence the procedure to terminate the trust on the day of delisting.

③ The Management Company shall adapt a written resolution (hereinafter referred to as "Written Resolution") regarding the matters described in paragraph 1 hereof. In this case, the Management Company shall provide for the items, such as the day of the Written Resolution and a reason of cancellation of the trust agreement, and send

a notice hereof in writing presenting the items to any known beneficiaries regarding this trust agreement two weeks prior to the day of the resolution.

④ Beneficiaries (excluding the Management Company and the Trustee as a beneficiary of the beneficial interests in shares of this trust when it contained in the trust property of this trust. The same shall apply hereinafter in this paragraph.) shall hold voting rights in accordance with the number of beneficial interests in shares they hold and may exercise it in adoption of the Written Resolution provided in the preceding paragraph. When any known beneficiary does not exercise his/her voting rights, he/she shall be deemed to have agreed to adopt the Written Resolution.

⑤ The Written Resolution provided in the paragraph 3 hereof shall be adopted by a more than two-thirds majority of the voting rights of all beneficiaries who may exercise voting rights.

⑥ When the Management Company has made a proposal with respect to cancellation of the trust agreement, the provisions of paragraph 3 to paragraph 5 hereof shall not apply to cases where all of the beneficiaries have manifested their consent to the proposal in writing or by means of an electromagnetic record, or cases where the trust agreement is cancelled in accordance with paragraph 2 hereof.

Article 49 (Order from Regulatory Authorities Concerning Trust Agreement)

① When receiving an order to cancel the trust agreement from regulatory authorities, the Management Company shall comply with such order, cancel this trust agreement and terminate the trust.

② When making amendments to these terms and conditions of this trust based on the order from the regulatory authorities, the Management Company shall abide by the provisions of Article 53.

Article 50 (Cancellation of Registration of the Management Company, etc.)

① In the event the Management Company is subject to cancellation of their registration by regulatory authorities, is dissolved, or suspends its operations, the Management Company shall cancel this trust agreement and terminate this trust.

② Notwithstanding the provisions of the preceding paragraph, if regulatory authorities issue an order that the operations of the Management Company relating to this trust agreement be substituted by another investment trust management company, this trust shall continue between the investment trust management company and the Trustee, with the exception of case when the Written Resolution provided in Article 53 hereof is rejected.

Article 51 (Transfer and Succession of the Management Company)

① The Management Company may transfer all or part of its business, and in conjunction with this transfer, may transfer the business concerning this trust agreement.

② The Management Company may make its business to be succeeded due to the company split, and in conjunction with this transfer, may its business concerning this trust agreement to be succeeded.

Article 52 (Resignation or Removal of the Trustee)

① The Trustee may, with the consent of the Management Company, resign from its duties. In the event the

Trustee breaches its duty and causes significant damage to the trust property, or any other critical situation arises, the Management Company or a beneficiary may apply to the court to have the Trustee removed. If the Trustee resigns, or the court has removed the Trustee, the Management Company shall select a new Trustee pursuant to the provisions of Article 53. A beneficiary may not remove the Trustee except the case described above.

② In the event the Management Company cannot select a new Trustee, the Management Company shall cancel this trust agreement and terminate this trust.

Article 53 (Amendments etc., to the Terms and Conditions of the Trust)

① The Management Company may amend the terms and conditions of the trust or consolidate this trust and other trust (meaning a Consolidation of Investment Trusts Managed under Instructions from the Settlor set forth in Article 16, paragraph 2 of Act on Investment Trusts and Investment Corporations. The same shall apply hereinafter.) by mutual agreement with the Trustee when it finds necessary for the benefit of the beneficiaries or an avoidable circumstance occurs. In this case, the Management Company shall notify the regulatory authorities in advance of its intent for amendment or consolidation and its details. The terms and conditions of the trust may not amend except by means of procedures provided in this Article.

② The Management Company shall adapt a Written Resolution regarding the matters described in the preceding paragraph (in the case of amendment described in the preceding paragraph, limited to cases where the amendment is material. In the case of consolidation described in the preceding paragraph, excluding cases where the consolidation has only a minor influence on beneficiaries' interests. Hereinafter collectively referred to as "Material Changes to the Basic Terms and Conditions, etc."). In this case, the Management Company shall provide for the items, such as the day of the Written Resolution and details of the Material Changes to the Basic Terms and Conditions, etc., and send a notice hereof in writing presenting the items to any known beneficiaries regarding this trust agreement two weeks prior to the day of the resolution.

③ Beneficiaries (excluding the Management Company and the Trustee as a beneficiary of the beneficial interests in shares of this trust when it contained in the trust property of this trust. The same shall apply hereinafter in this paragraph.) shall hold voting rights in accordance with the number of beneficial interests in shares they hold and may exercise it in adoption of the Written Resolution provided in the preceding paragraph. When any known beneficiary does not exercise his/her voting rights, he/she shall be deemed to have agreed to adopt the Written Resolution.

④ The Written Resolution provided in the paragraph 2 hereof shall be adopted by a more than two-thirds majority of the voting rights of all beneficiaries who may exercise voting rights.

⑤ The Written Resolution shall also be effective against all benefiriaries of this trust.

⑥ When the Management Company has made a proposal with respect to the Material Changes to the Basic Terms and Conditions, etc., the provisions of paragraph 2 to paragraph 5 hereof shall not apply to cases where all of the beneficiaries regarding the terms and contditoins of the trust have manifested their consent to the proposal in writing or by means of an electromagnetic record.

⑦ Notwithstanding the provisions of the preceding paragraphs hereof, even when the Written Resolution for a consolidation is adopted in this trust, the consolidation may not be implemented when the Written Resolution is

not adopted in other trust(s) regarding the consolidation.

Article 54 (Dissenting Beneficiaries' Right to Demand Purchase of Their Beneficial Interests in shares)

Cancellation of the trust agreement provided in Article 48 hereof or Material Changes to the Basic Terms and Conditions, etc., provided in the preceding Article are to be made, a beneficiary who has dissented to the cancellation or the Material Changes to the Basic Terms and Conditions, etc., being made in the adoption of a Written Resolution is entitled to demand that the Trustee purchase his/her beneficial interests in shares from out of the trust property. Details and procedures of the demands for the purchase shall be stated in the documents set forth in Article 48, paragraph 3 hereof or the preceding Article, paragraph 2.

Article 55 (Restrictions on Request for Disclosure of Other Beneficiaries' Name etc.)

A beneficiary of this trust may not request the Trustee or the Management Company to disclose the following items:

1. Personal name or entity name, and address of other beneficiaries
2. Details of other beneficiaries' beneficial interests in shares

Article 56 (Public Notification)

① Any public notification made by the Management Company for the beneficiaries shall be posted online on the website below by means of electronic public notification:

https://www.nomura-am.co.jp/

② If public notice by means of electronic public notice provided in the preceding paragraph cannot be made due to an accident or any other unavoidable circumstance, public notification shall be given in Nihon Keizai Shimbun.

Article 57 (Handling of Beneficial Interests in shares Stated or Recorded on Pledge Section)

Payment of income distribution, acceptance of applications for redemption request, delivery of redeemed shares and redeemed REIT and payment of Termination Amount relating to the beneficial interests in shares stated or recorded on the pledge section of the book-entry transfer account register of the Central Securities Depository, etc., shall be handled pursuant to these terms and conditions herein as well as by the Civil Code and other relevant laws and regulations.

Article 58 (Handling of Doubts Concerning Trust Terms and Conditions)

In the event any doubt arises regarding the interpretation of these terms and conditions of the trust herein, the Management Company and the Trustee shall solve the doubt based on mutual discussion.

IN WITNESS WHEREOF, the parties hereto have executed the trust agreement.

July 15, 2021 (Date of conclusion of the trust agreement)

Management Company:
Nomura Asset Management Co., Ltd
2-2-1, Toyosu, Koto-ku, Tokyo, Japan

Trustee:
Mitsubishi UFJ Trust and Banking Corporation
1-4-5, Marunouchi, Chiyoda-ku, Tokyo, Japan

1. The Financial Instruments Exchange to be specified separately mentioned in Article 5, paragraph 1, of the terms and conditions of the trust is the following:
Tokyo Stock Exchange.
2. The Financial Instruments Clearing Organization to be specified separately mentioned in Article 9 of the terms and conditions of the trust is Japan Securities Clearing Corporation.
3. The time limit to be specified separately mentioned in Article 15, paragraph 1, of the terms and conditions of the trust is 3 p.m. Provided that, when the creation applicant is an issuing company etc., of component stocks in the Benchmark Index, the time limit is 2 p.m.
4. The number of shares to be specified separately mentioned in Article 15, paragraph 3, of the terms and conditions of the trust is 50,000 shares.
5. The process to be specified separately mentioned in Article 41, paragraph 3, of the terms and conditions of the trust is the following:
① The beneficial interests in shares mentioned in Article 41, paragraph 3, of the terms and conditions of the trust must be identified by making a statement or recording of its number of shares on the book-entry transfer account register of the member mentioned in Article 41, paragraph 2, of the terms and conditions of the trust in the number of shares stated or recorded on the book-entry transfer account registry.
② The member mentioned in Article 41, paragraph 2, of the terms and conditions of the trust, shall notify the Trustee of the personal name or entity name, and address of the beneficiary of item 1 above related to the member, and of the matters prescribed by the Trustee in writing by the end of the calculation period.
When the contents of the report have changed, the member shall notify the Trustee of the change based on the request by the beneficiary in accordance with the method prescribed by the member.
③ The member mentioned in Article 41, paragraph 2, of the terms and conditions of the trust shall report the Central Securities Depository the matters of beneficiary mentioned in item 1 above related to the member as of the end of the calculation period, which matters are prescribed by the Central Securities Depository (if the member is not an Account Management Institution, through its superior institution), and the Central Securities Depository shall notify the Trustee to that effect.
6. The time limit to be specified separately mentioned in Article 44, paragraph 1, of the terms and conditions of the trust is 3 p.m. Provided that, when the beneficiary who requests for the Exchange is an issuing company etc., of component stocks in the Benchmark Index, the time limit is 2 p.m.
7. The number of shares to be specified separately mentioned in Article 44, paragraph 3, of the terms and conditions of the trust is 50,000 shares.