

## **< Disclaimer for the English Overview of the Delivery Prospectus of Listed Index Fund MSCI Japan High Dividend Low Volatility >**

This document provides an overview of the Japanese “Summary Prospectus” (the “Delivery Prospectus”) of Listed Index Fund MSCI Japan High Dividend Low Volatility (the “Fund”) in English. The Japanese Delivery Prospectus is the offering document. This document in English is not required by law or any regulation.

While every effort has been made to ensure the accuracy or completeness of the content of this document, Nikko Asset Management Co., Ltd. cannot guarantee the accuracy or completeness as differences of interpretation may arise between the English and Japanese languages. In the event of any inconsistency between this document in English and the Japanese version, the Japanese version shall prevail, except to the extent prohibited by the applicable law of any jurisdiction where the units of the Fund are sold. In addition, this document is not a translation of the entire Delivery Prospectus, but an English overview of the Delivery Prospectus, which means that some of the information in the Delivery Prospectus has been simplified, modified, or omitted.

Except as otherwise indicated herein, this material is based on the most recent Japanese version of the Delivery Prospectus. In case of any update to or modification of the Japanese version of the terms and conditions, there is no guarantee that a corresponding update or modification will be made to this English document.

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April 9, 2024

# Listed Index Fund MSCI Japan High Dividend Low Volatility

**Nickname: JoJo High Dividend Low Volatility**

Open-end Investment Trust, Domestic, Equities, ETF, Index type

This document is not a translation of the entire Delivery Prospectus, but an English overview of the Delivery Prospectus, which means that some of the information in the Delivery Prospectus has been simplified, modified, or omitted.

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

Please read this document carefully before deciding to subscribe to units of the Fund.

- The prospectus for the Fund provided under Article 15, Paragraph 3 of the Financial Instruments and Exchange Act (hereinafter referred to as the "Prospectus Issued upon Request") can be read or downloaded from the website of the Management Company.

You can also obtain a copy of the Prospectus Issued upon Request from a Distributor. If you do so, please make a personal record to that effect.

- This document includes the main contents outlined in the trust deeds. The complete text of the trust deeds is provided in the Prospectus Issued upon Request.

- For information on the NAV or Distributors of the Fund, please contact the Management Company.

**Management Company** (the party issuing investment instructions for the Fund)

**Nikko Asset Management Co., Ltd.**

Registration Number: Director of the Kanto Local Financial Bureau (Financial instruments firms) No. 368

**Website:** [www.nikkoam.com/](http://www.nikkoam.com/)

+813-6447-6653 (9 a.m.-5 p.m., excluding Saturdays, Sundays and public holidays)

**Trustee** (the party responsible for custody and management of Fund assets)

Sumitomo Mitsui Trust Bank, Limited

Established and managed by

**Nikko Asset Management Co., Ltd.**

- When a significant amendment is made to the content of the Fund, we will confirm the intention of investors (beneficiaries) in advance under the Act on Investment Trust and Investment Corporations (No. 198 of 1951).
- The Fund assets are classified and managed by the Trustee under the Trust Act (No. 108 of 2006).
- In connection with the offering for subscription to the Listed Index Fund MSCI Japan High Dividend Low Volatility, which is extended by way of this prospectus, the Management Company filed a securities registration statement with the Director-General of the Kanto Local Finance Bureau on April 8, 2024 pursuant to the provisions of Article 5 of the Financial Instruments and Exchange Act. The filing became effective on the next business day after the filing date.

Product Classification					Segmentation by Attribute			
Unit Type/ Open-end Investment Trust	Eligible Market	Eligible Investments (Source of Income)	Independent Segment	Supplementary Classification	Eligible Investments	Timing of Accounting Period	Geographical Areas of Investment	Index Followed
Open-end	Domestic	Equities	ETF	Index type	Equities in General	Quarterly	Japan	Other (MSCI Japan IMI Custom Liquidity and Yield Low Volatility Index)

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

### Management Company Details

Name: Nikko Asset Management Co., Ltd.  
Date of establishment: December 1, 1959  
Capital: 17,363.04 million yen  
Total net asset value of investment trust assets under management: 28,894.6 billion yen  
(As of the end of January 2024)

# Objective and Characteristics of the Fund

## Objective of the Fund

The Fund seeks to achieve NAV that closely correlates with the movement of the MSCI Japan IMI Custom Liquidity and Yield Low Volatility Index by investing in component stocks of the index and by principally maintaining a portfolio constructed according to the calculation method of the index.

※MSCI Japan IMI Custom Liquidity and Yield Low Volatility Index is an equity index developed by MSCI, Inc. It is indexation of performance of securities that are optimized based on the investment ratio to minimize price fluctuation after analyzing historical prices by mathematical model, and its securities universe has relatively high liquidity and high dividend securities among the component shares of the MSCI Japan IMI index\*. (excluding finance-related stocks and listed REITs)

\*MSCI Japan IMI index is designed to measure performance of entire Japanese equity market and covers almost all market value after floating shares adjustment.

※List of component shares is reviewed in every February, May, August and November.

Copyrights of the "MSCI Japan IMI Custom Liquidity and Yield Low Volatility Index"

This Fund is not sponsored, endorsed, sold, or promoted by MSCI Inc and its affiliated companies, information provider, and other third parties (hereinafter refers to "MSCI"), who were involved or related in the editing, calculation, or creation of the MSCI index. MSCI index is an exclusive property of MSCI. The name of MSCI and MSCI Index is a service mark of MSCI and its affiliated companies and Nikko Asset Management Co., Ltd. is allowed to use this for specific a purpose. Any companies related to MSCI make no expression or warranty, expressed or implied, as specified to the Fund's owners or issuers, or any member of the public or organizations regarding the advisability of investing in securities generally or in the Fund particularly or in the ability of MSCI Index to track the performances of certain financial markets. MSCI and its related companies are licensors of MSCI Index and determine, create, and calculate the MSCI index regardless of specific trademarks, service marks or names, the Fund's issuer or owners, and any member of the public or organizations. Any companies related to MSCI have no obligation to consider the requests of the Fund's issuers or owners, or any member of the public or organizations when determining, editing and calculating MSCI Index. Any companies related to MSCI are not responsible for or been involved in the determination of the timing of, price at, or amount of the Fund to be issued, or in determination or calculation of the equation by which the Fund to be converted into cash, or the Fund's conversion price. Any companies related to MSCI assume no obligation to the Fund's issuer or owner, any member of the public or organizations regarding, nor do they take any responsibility for management, marketing or trading of the Fund whatsoever.

MSCI obtains information required for calculating and using in the MSCI Index from sources it thinks are reliable, however, any companies related to MSCI do not make any guarantee of the originality, accuracy or completeness of MSCI Index or the data of the Index. Any companies related to MSCI make no guarantee, expressed or implied, of the results to be obtained by the Fund's issuer or owner, or any member of the public or organizations from the use of this Index or data included therein. Any companies related to MSCI take no responsibility for any error, omission in the data included or the discontinuation of MSCI Index. Furthermore, any companies related to MSCI expressly disclaim all warranties or conditions of merchantability or suitability for a particular purpose or use of this Index or the data contained therein, and make no guarantee, express or implied, on merchantability or suitability of this Index or the data contained therein. Without limiting any of the foregoing, any companies related to MSCI are not responsible for any direct, indirect, special, punitive, or consequential damages, and all other damages (including lost profits) arising from the use of the data contained therein, even if notified of the possibility of such damages in advance.

The Fund's purchasers, distributors, owners or any member of the public or organizations cannot use or mention MSCI's name, trademark or service mark for the purpose of sponsoring, endorsing, selling, or promoting the Fund without checking whether it is necessary to obtain MSCI's prior consent. Any member of the public or organizations cannot mention their relationship with MSCI without obtaining MSCI's written approval in advance.

## Characteristics of the Fund

While the Fund is a contractual-type investment trust, it is structured differently from ordinary investment trusts with respect to the following points:

- ① Units are listed on Tokyo Stock Exchange and can be traded at any time during trading hours.
- Units may be traded in blocks of 10 units (as of the date when the securities registration statement was filed).
  - The brokers determine trading commissions.
  - The method of trading is generally the same as that for stocks.
  - \* Please contact your broker for further information.

- ② Units are subscribed by delivering stocks.

The integer multiple for subscription units are set by dividing the market value of the unit stock valuation by the NAV of the day on which the subscription is accepted (rounded up to the nearest whole unit).

\*"Unit stock" indicates all securities names designated by the management companies in the MSCI Japan IMI Custom Liquidity and Yield Low Volatility Index.

\*Units may be subscribed using Clearing Service offered by the Financial Instruments Clearing Institution.

- ③ Units may not be redeemed for cash before maturity with a request for exchange.

- ④ Units may be exchanged for stocks.

- \* The component stocks of the MSCI Japan IMI Custom Liquidity and Yield Low Volatility Index delivered upon subscription do not necessarily fully match the stocks upon exchange.
- \* The number of beneficiary certificates created upon subscription does not necessarily match the number of units required upon exchange.
- \* Units may be exchanged using Clearing Service offered by the Financial Instruments Clearing Institution.

\* "Clearing Service offered by the Financial Instruments Clearing Institution" is a scheme to guarantee the execution of settlements by the Financial Instruments Clearing Institution assuming obligation of securities pertaining to subscription and exchange of ETF.

### Investment Restrictions

- There is no restriction as to the investment ratio in stocks.
- The Fund may invest in shares of the component stocks of the MSCI Japan IMI Custom Liquidity and Yield Low Volatility Index principally. However, this does not apply to shares that are acquired through shareholder allotments.
- The Fund does not invest in assets denominated in foreign currencies.

### Distribution Policy

As a general rule, the full amount of dividends and other income arising from the trust assets is distributed after deduction of expenses.

\*There is no guarantee on the payment or the amount of dividend.

## Investment Risks

Please refer to “Matters to Consider” on our website below for the related risk.

<https://en.nikkoam.com/etf/1399-msci-japan-high-dividend-low-volatility>

## Past Performance

Please refer to “Net Asset Value and Performance” on our website below for the past performance.

<https://en.nikkoam.com/etf/1399-msci-japan-high-dividend-low-volatility>

# Procedures, Fees, and Other Items

## ■ Subscription Memorandum

<b>Subscription Units</b>	The integer multiple for subscription units are set by dividing the units stock valuation by the NAV of the day the subscription is accepted (rounded up to the nearest 100 units).
<b>Subscription Price</b>	The NAV as of the day on which the subscription is accepted.
<b>Subscription Method</b>	Subscriber may apply for subscription by delivering stocks in accordance with the procedures specified by the respective Distributors. *Units may be subscribed using Clearing Service offered by the Financial Instruments Clearing Institution.
<b>Request for Redemption</b>	Requests for redemption will not be accepted.
<b>Request for Exchange</b>	Units may be exchanged for stocks. *Units may be exchanged using Clearing Service offered by the Financial Instruments Clearing Institution.
<b>Exchange Units</b>	In principle, an exchange will be accepted in a multiple of units which is equivalent to the minimum number of units as specified by the Management Company. *The minimum number of units for exchange will be a number of units equivalents to the total market value of the component stocks of the MSCI Japan IMI Custom Liquidity and Yield Low Volatility Index on the day of the exchange equaling the total of the number of units in question multiplied by the NAV on the day of the exchange as specified by the management company.
<b>Exchange Price</b>	The NAV on the day the exchange is accepted.
<b>Exchange Proceeds</b>	As a general rule, stocks that belong to trust assets will be delivered from the third business day after and including the day on which a request for an exchange is made.
<b>Request for Buyback</b>	A beneficiary may ask a Distributor to buyback his or her units in cases where the total number of units owned is less than the minimum-trading unit for the Units established by the stock exchange.
<b>Business Hours for Subscription and Exchange</b>	As a general rule, requests for subscriptions and exchanges that are completed by 3 p.m. on the days Distributor are open for business are deemed to have accepted on that day. It must be pursuant to the procedures established by the Distributor.
<b>Subscription Period</b>	From April 9, 2024 to October 8, 2024. * The subscription period can be renewed by filing another securities registration statement prior to the expiration date shown above.

<b>Non-acceptance Days for Subscription</b>	<p>Applications for subscription will not be accepted on the following days:</p> <ol style="list-style-type: none"> <li>1) For a period of three business days, beginning one business day prior to the ex-right day (excluding the ex-dividend day) of any the MSCI Japan IMI Custom Liquidity and Yield Low Volatility Index component stocks.</li> <li>2) For a period of six business days, beginning three business days prior to the date on which the MSCI Japan IMI Custom Liquidity and Yield Low Volatility Index component stocks are changed or the total number of their shares changes due to a capital increase or decrease.</li> <li>3) For a period of two business days, beginning two business days prior to the accounting date. (For a period of three business days, beginning three business days prior to the accounting date when the accounting date falls on non-business day.)</li> <li>4) For a period of five business days immediately preceding the termination of the trust, in the event that the Fund terminates the trust.</li> <li>5) In addition to the days referred to in 1) through 4) above, any time the Management Company determines that unavoidable circumstances may prevent it from making investment in accordance with the basic policies set forth in the trust deed.</li> </ol>
<b>Non-acceptance Days for Exchanges</b>	<p>Requests for exchanges will not be accepted on the following days:</p> <ol style="list-style-type: none"> <li>1) For a period of three business days, beginning one business day prior to ex-right day (excluding the ex-dividend day) of any the MSCI Japan IMI Custom Liquidity and Yield Low Volatility Index component stocks.</li> <li>2) For a period of six business days, beginning three business days prior to the date on which the MSCI Japan IMI Custom Liquidity and Yield Low Volatility Index component stocks are changed, or the total number of their shares and units changes due to a capital increase or decrease.</li> <li>3) For a period of two business days, beginning two business days prior to the accounting date. (For a period of three business days, beginning three business days prior to the accounting date when the accounting date falls on non-business day.)</li> <li>4) For a period of five business days immediately preceding the termination of the trust, in the event that the Fund terminates the trust.</li> <li>5) In addition to the days referred to in 1) through 4) above, any time the Management Company determines that unavoidable circumstances have developed that may prevent it from investing in accordance with the basic policies set forth in the trust deed.</li> </ol>
<b>Suspension or Cancellation of Subscription, Exchange or Buyback Applications</b>	<p>The Management Company may suspend acceptance of applications for subscription or requests for exchanges, or cancel applications for subscription or requests for an exchange that have already been accepted in the event that the Fund is unable to invest in target investment trust securities, exchanges of the target investment trust securities are no longer possible, trading on a stock exchange is suspended, settlement functions are halted, it determines that there is a possibility that investments in accordance with the basic investment policies set forth in the trust deed will be hindered, or circumstances beyond their control develops.</p>
<b>Trust Term</b>	<p>Unlimited (launch date: November 30, 2015)</p>



<b>Early Termination</b>	<p>The fund will be terminated early in any of the following cases:</p> <ul style="list-style-type: none"> <li>· If the units are delisted on all the financial exchanges.</li> <li>· If the MSCI Japan IMI Custom Liquidity and Yield Low Volatility Index is discontinued.</li> <li>· If any amendment to the trust deed deemed necessary by the Management Company or Trustee as a result of a change in the calculation method or similar of the MSCI Japan IMI Custom Liquidity and Yield Low Volatility Index is not accepted by a written resolution.</li> </ul> <p>The fund may be terminated early in any of the following cases:</p> <ul style="list-style-type: none"> <li>· If the total number of unit decreases below 500,000</li> <li>· If it is deemed advantageous for beneficiaries, or</li> <li>· If unavoidable circumstances arise.</li> </ul>
<b>Closing Date</b>	<p>8th of January, April, July, and October every year</p>
<b>Income Distribution</b>	<p>Distributions are paid four time a year in accordance with the following income distribution policy:</p> <p>* In general, the Trustee will pay to each beneficiary their income distribution by wire transfer on the day specified by the Management Company but within 40 days of the end of each calculation period in the bank account designated in advance by the beneficiary. Where a beneficiary has signed a separate agreement with his or her broker in connection with the treatment of income distribution, payment will be made pursuant to the provisions of such agreement.</p>
<b>Maximum Amount of Trust Money</b>	<p>Equivalent to 5 trillion yen</p>
<b>Public Notification</b>	<p>Via electric public notice and it is published on website of the Management Company. <a href="http://www.nikkoam.com/">www.nikkoam.com/</a></p> <p>※It may be published on the Nikkei newspaper if electric public notice is not available with inevitable reasons.</p>
<b>Investment Reports</b>	<p>As defined in the Act on Investment Trust and Investment Corporations, investment reports are not prepared and published.</p>
<b>Tax Treatment</b>	<p>For tax purposes, the Fund is treated as a Special Equity Investment Trust.</p> <ul style="list-style-type: none"> <li>• Publicly-offered Equity Investment Trusts are eligible for the Nippon Individual Savings Account (NISA) if they meet certain requirements under the tax law.</li> <li>• The Fund is eligible for the "Growth Quota (Specific Tax Exemption Management Account)" under the NISA, but the handling may differ depending on the distributor. Please contact your distributor for details.</li> <li>• The dividends received deduction will apply.</li> <li>• As a general rule, the system excluding dividends from gross revenue will apply.</li> </ul>

There is additional information on this page that does not appear on the original Japanese Delivery Prospectus.

## ■ Fund Expenses and Taxes

### Fund Expenses

Expenses to be borne directly by investors														
Subscription Fee	<p><b><u>Independently set by Distributors</u></b>            * Please contact your Distributor for further information.            * Subscription Fee is compensation for explanation and information providing about the Fund or investment environment, and is also including expense of clerical processing of the subscription.</p>													
Exchange (Buyback) Fee	<p><b><u>Independently set by Distributors</u></b>            * Please contact your Distributor for further information.            * Exchange Fee is compensation for clerical processing of the exchange.</p>													
Amount to be Retained in Trust Assets	<b><u>None</u></b>													
Costs paid indirectly by the customer for the trust assets (paid from the fund)														
TER (Total Expense Ratio)	0.4860% (TER includes Trust Fee, management fee and other costs below) ※ This represents the actual TER for the period of January 10, 2023 - January 5, 2024.													
Investment Management Expenses (Trust fee)	<p><b><u>No more than 0.385%(0.35% excluding taxes) per annum of the daily total NAV of the Fund</u></b></p> <ul style="list-style-type: none"> <li>The investment management fee is daily recorded and paid out of the trust assets at the end of each calculation period or at the time of termination of the Trust.</li> </ul> <p>&lt;Distribution of Investment Management Expenses(annual rate)&gt;</p> <p>When above is 0.35%, as of the date of filing of the securities registration statement:</p> <table border="1"> <thead> <tr> <th colspan="3">Investment Management Expenses(Trust fee) =NAV of investment period X Trust fee rate</th> </tr> <tr> <th>Total</th> <th>Management Company</th> <th>Trustee</th> </tr> </thead> <tbody> <tr> <td>0.35%</td> <td>0.30%</td> <td>0.05%</td> </tr> </tbody> </table> <table border="1"> <tbody> <tr> <td>Management Company</td> <td>Compensation for investment management</td> </tr> <tr> <td>Trustee</td> <td>Compensation for administration of assets under management and execution of orders from Management Company</td> </tr> </tbody> </table> <p>*Figures are excluding tax. Consumption tax will be added.</p>	Investment Management Expenses(Trust fee) =NAV of investment period X Trust fee rate			Total	Management Company	Trustee	0.35%	0.30%	0.05%	Management Company	Compensation for investment management	Trustee	Compensation for administration of assets under management and execution of orders from Management Company
Investment Management Expenses(Trust fee) =NAV of investment period X Trust fee rate														
Total	Management Company	Trustee												
0.35%	0.30%	0.05%												
Management Company	Compensation for investment management													
Trustee	Compensation for administration of assets under management and execution of orders from Management Company													
Other Expenses and Fees (Expenses for preparation of Prospectus and other expenses)	<p><b><u>Not more than 0.1% per annum of total daily net assets during trust period of the fund.</u></b></p> <p>1. Expenses for the preparation and distribution of prospectuses, 2. Cost for accounting and its incidental operations, 3. Cost for preparation of financial summary statement (including outsourcing fee in case of outsourcing the (1) - (3) operations), 4. Auditing fee, 5. Fees related to the listing of the fund, 6. Royalties for the MSCI Japan IMI Custom Liquidity and Yield Low Volatility Index, and others are paid out of the trust assets at the times specified by the Management Company.</p> <p>* Auditing fee is an expense paid to audit firm for auditing of the Fund.</p>													

<p>Other Expenses and Fees (Brokerage Commissions and Other Fees)</p>	<p>Brokerage commissions on securities in the portfolio, expenses for custody of assets in foreign countries, interest on borrowings, interest on advances, lending fee (in case security lending is conducted, the amount obtained by multiplying a lending fee on securities lent by a figure which is profit for Trust Assets, not exceeding 0.55 (0.5 excluding taxes) (0.5 excluding taxes as of the date of the filing of the securities registration statement), and other fees are paid out of the trust assets each time they are incurred.</p> <p>* The figures for items such as the rate and maximum amount cannot be provided in advance as they fluctuate in line with investment performance and other factors.</p>
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The total amount of expenses of the Fund to be borne by investors varies according to holding length and investment status, and thus cannot be shown.

## Tax Treatment

### Tax treatment for Japanese individual investors

#### 1) Taxation upon sale of units

- Gains on sale (capital gains) are deemed to be income from transfer and thus have to be filed to declare for separate taxation at 20.315%. When a beneficiary has chosen a designated account with tax withholding (an account with tax withholding at the taxpayer's option), tax will be withheld at source at 20.315%. (As a general rule, tax filing is not necessary.)

#### 2) Taxation upon receipt of income distributions

- Income distributions are regarded as dividend income, and tax is withheld at source at 20.315%. (As a general rule, tax filing is not necessary.) You can also file a tax return, and choose either separated taxation, based on declaration, or consolidated taxation (under which the dividends received deduction is available).

#### 3) Exchanges between units and shares of stocks

- Exchanges of units for stocks are treated as transfers of units and are handled the same way as sale of units.

- ※ By filing a tax return, you can offset losses upon sale (capital losses) against capital gains from listed stocks, dividends etc. from listed stocks, and interest income from public and corporate bonds and such like (as long as separated taxation has been chosen upon declaration). In addition, gains on sale (capital gains), income distributions, and interest income from public and corporate bonds etc. (if separated taxation has been chosen upon declaration) can be offset against capital losses from listed stocks and such like.
- ※ When investing through the Nippon Individual Savings Account (NISA), dividend income and transfer income from newly purchased publicly offered equity investment trusts are exempt from taxation for an unlimited period up to a certain amount each year. The tax exemption is available only to those who meet certain conditions, such as opening a tax-exempt account with a distributor, and who purchase products that meet the requirements of the tax law. For details, please contact the distributor.
- ※ In cases of being applied to the foreign tax deduction, tax on distributions may differ from the aforementioned descriptions.
- ※ The aforementioned descriptions do not apply to Japanese corporations.
- ※ Above tax rates are as of the date when the securities registration statement was filed, so those may change in the event that tax laws are revised. We recommend that investors consult a tax or similar specialist for details of tax treatment.

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