

Japan Equity Sustainable Dividend (I) JPY

DAIWA SBI LUX FUNDS SICAV | MONTHLY FACTSHEET

Data as of 30 June 2021

Investment Objective

To maximise total return over the medium-to-long term by focusing on companies with sustainable dividend payments.

Product Description

This product seeks to achieve mid-to-long term capital growth through investing primarily in equities or equities-related securities issued by Japanese companies. It is strongly focused on consistent dividend pay-outs and utilises both quantitative valuation and qualitative analysis to create a portfolio that is actively managed with controlled risk.

Investor Profile

Investors who can afford to invest their capital over the long term.

Key Facts

| | |
|---------------------------|--|
| ISIN [(I) JPY] | LU1767076315 |
| Bloomberg Ticker | DSBSDJI |
| Fund Domicile | Luxembourg |
| Legal Structure | SICAV |
| LEI | 21380039FEH3QPIJV648 |
| Regulatory Structure | UCITS |
| Investment Manager | Sumitomo Mitsui DS Asset Management Company, Limited |
| LEI | 3538000R4M01T5D64H14 |
| Strategy Inception | 1 March 2013 |
| Fund Inception | 26 February 2018 |
| Share Class Inception | 26 February 2018 |
| Portfolio Manager | Seiji IWAMA |
| Base Currency | JPY |
| Available Currencies | JPY, EUR, GBP, USD |
| Investment Style | Quality |
| Reference Benchmarks | TOPIX (with div) |
| Number of Holdings | Circa 70-90 |
| Fund AUM (million)* | EUR 13.38 USD 15.87 JPY 1,761.02 |
| Strategy Size (million)** | EUR 851.01 USD 1,040.49 JPY 113,824.40 |
| Administrator | Brown Brothers Harriman (Luxembourg) S.C.A. |
| BBH LEI | 222100V03Y766EM5TZ83 |

*As at 30 June 2021 **As at 31 May 2021

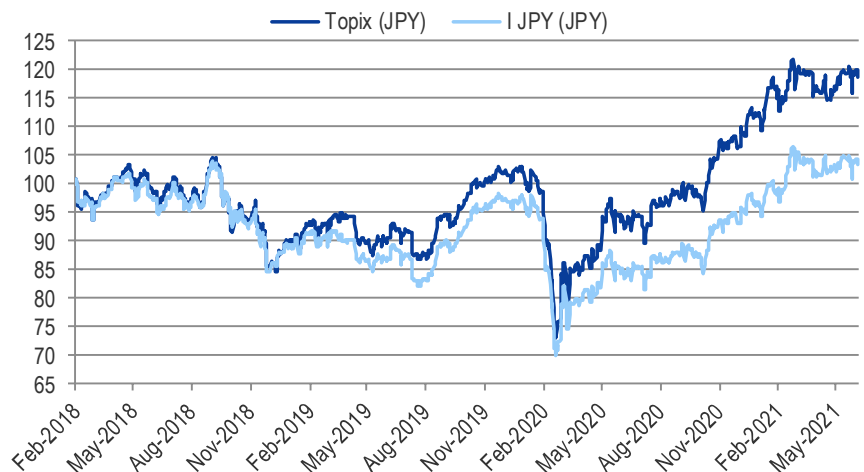
Investment Information

| | | |
|---------------------------|------------------------------|--------------------------|
| Investment Management Fee | Institutional (I) 0.80% p.a. | Wholesale (A) 1.20% p.a. |
| Max Man Co. Fee | 0.35% p.a. | |
| Trading Frequency | Daily | |
| Dealing Cut-Off Time | 16:00 CET | |

Performance Risk Warnings

Risk warning: Past performance is not a reliable indicator of future performance and may not be repeated. An investment's value and the income deriving from it may fall, as well as rise, due to market fluctuations. Investors may not get back the amount originally invested. Any minor discrepancies are due to rounding. Performance is shown in JPY, the return may increase or decrease as a result of currency fluctuations, and is gross of fees (after trading expenses).

Daily Fund Performance vs. Reference Benchmarks#



Source: SMDAM and Bloomberg, data as at 30 June 2021. Rebased to 100 at inception of Fund (26 February 2018). The chart above shows daily performance, in the currency stated for the UCITS Fund (JPY) against the reference benchmark TOPIX (with div) which is shown in JPY. Performance is illustrated Gross of fees.

Fund Performance Share class: (I) JPY as at 30 June 2021

| ISIN: LU1767076315 Fund: Net of Fees | April 2021 % | May 2021 % | June 2021 % | 3 Month % | 1 Year % p.a. | Since Inception % p.a.† |
|---|--------------|------------|-------------|-----------|---------------|-------------------------|
| Sustainable Dividend | -2.31 | 2.14 | -0.51 | -0.73 | 21.95 | 0.96 |
| Reference benchmark: TOPIX (with div) | -2.84 | 2.60 | -0.01 | -0.33 | 27.34 | 5.29 |
| Excess Return | 0.53 | -0.46 | -0.49 | -0.40 | -5.39 | -4.34 |

Strategy Performance vs. Reference Benchmark

| JPY Basis Strategy: Gross of Fees | Strategy Δ Performance as at 31 March 2021 | | | |
|---------------------------------------|---|----------------|----------------|------------------------|
| | YTD 2021 % | 3 years % p.a. | 5 years % p.a. | Since Inception % p.a. |
| Sustainable Dividend | 0.66 | 4.85 | 10.49 | 14.60 |
| Reference benchmark: TOPIX (with div) | 7.39 | 6.90 | 10.17 | 10.57 |
| Excess Return | -6.73 | -2.05 | 0.32 | 4.03 |

| JPY Basis Strategy: Gross of Fees | Strategy Δ Calendar Year Performance | | | | | |
|---------------------------------------|---|--------|--------|--------|--------|--------|
| | 2020 % | 2019 % | 2018 % | 2017 % | 2016 % | 2015 % |
| Sustainable Dividend | 0.66 | 15.12 | -15.07 | 32.75 | 9.37 | 29.11 |
| Reference benchmark: TOPIX (with div) | 7.39 | 18.12 | -15.97 | 22.23 | 0.31 | 12.06 |
| Excess Return | -6.73 | -2.99 | 0.90 | 10.52 | 9.06 | 17.05 |

Performance Disclaimers

Source for all data is SMDAM and SMDAM (UK). Basis for (I) JPY share class performance data: NAV based, total return (net of fees), in JPY. Periods of performance stated that pre-date 26 February 2018 are for illustrative purposes only and represents an institutional account of which the UCITS Fund is based on. The Fund was launched on 26 February 2018 and therefore no earlier UCITS Fund performance numbers are available. The Japan Equity Sustainable Dividend composite (GIPS composite A1411) has a similar composition to the Sustainable Dividend UCITS Fund and uses the same investment process and fund managers and therefore we believe the performance numbers quoted are a fair indication of what the performance of this Fund (gross of fees) would have been.

† Inception date of Japan Equity Sustainable Dividend UCITS Fund (I) JPY is 26 February 2018

Δ The strategy's inception date is 1 March 2013

Performance in the market commentary is shown in JPY terms.



Japan Equity Sustainable Dividend (I) JPY

DAIWA SBI LUX FUNDS SICAV | MONTHLY FACTSHEET

Data as of 30 June 2021

CONTACTS

Business Development and Client Relations

Junya OKADA: +44 (0)20 7507 6436
 Jennifer SANDS: +44 (0)20 7507 6424
 Marius ERIKSEN: +44 (0)20 7507 6438
 Email: uksales@smd-am.co.jp

Asset Management Company

Sumitomo Mitsui DS Asset Management (UK) Limited
 5 King William Street,
 London EC4N 7DA
 United Kingdom
 www.smd-am.co.uk

Management Company:

Duff & Phelps (Luxembourg)
 Management Company S.à.r.l
 AIR Building, 1 rue Jean Piret,
 Luxembourg, L-2350

Paying / Information Agents:

Austria: Erste Bank der österreichischen Sparkassen AG

Germany: German Fund Information Service UG (Haftungsbeschränkt)

Luxembourg: Brown Brothers Harriman (Luxembourg) S.C.A.

Switzerland: Swiss Paying Agent in Switzerland is Telco Ltd.

Bahnhofstrasse 4,
 6430 Schwyz,
 Switzerland.

The representative in Switzerland is
 1741 Fund Solutions Ltd,
 Burggraben 16,
 CH-9000 St. Gallen.

The prospectus, the Key Investor Information Document, the articles of association as well as the annual and semi-annual reports may be obtained free of charge from the representative.

France: Société Générale S.A.

Facilities Agent:
 United Kingdom: Global Funds Registration Ltd.

Market Commentary

The Nikkei Stock Average closed down -0.20% m/m at 28,791.53 for June, while TOPIX closed down -0.01% (JPY terms). Beneficiaries of reopening attracted renewed buying interest early in the month. After that, the focus shifted to the direction of US interest rates, with hawkish comments made by the Fed causing wild fluctuations in the market. The Nikkei Stock Average continued to face selling pressure even after US interest rates settled down. The fund closed down at -0.51% (JPY terms).

The market rallied in the first part of the month, with buying centered on beneficiaries of reopening amid expectations for progress with vaccinations. Positive news on Eisai provided a further boost. US CPI exceeded expectations, coming in at +5.0% y/y for May, but US long-term interest rates declined from the day before. Japanese stocks continued to perform well on the back of strength on Wall Street. Hawkish comments issued by the FOMC on the 16th caused turbulence, but growth stocks held sway as the Treasury yield curve flattened. Selling took the upper hand across a broad range of stocks in the Tokyo market on the 21st in the wake of a senior Fed official commenting that rate hikes could start in 2022. However, Japanese equities staged a significant turnaround on the 22nd, cancelling out the previous day's losses. With US interest rates settling down and the future direction hard to read, investor interest changed daily. Until the end of the month, there was a growing sense that investors were waiting for the release of US jobs data.

Value stocks garnered attention in the early part of June, with reopening as a key theme. Small- and large-cap growth stocks were bought after that. From mid-month, buying interest in large caps changed daily, but small-cap growth stocks outperformed notably. The best performing sectors were marine transportation (leading individual names among TOPIX 500 constituents were Nippon Yusen, Mitsui O.S.K. Lines), mining (INPEX), rubber products (Sumitomo Rubber Industries, Yokohama Rubber, Toyo Tires), pharmaceuticals (Eisai, Kyowa Kirin, JCR Pharmaceuticals) and transportation equipment (Mazda Motor, TS Tech, Toyota Boshoku). The worst performers were iron & steel, securities & commodities futures, nonferrous metals, insurance, and banks.

Performance data shown in JPY terms.

Fund Characteristics

| Top Ten Holdings | % |
|------------------------------|--------------|
| Itochu Corp | 4.52 |
| Nippon Telegraph & Telephone | 3.56 |
| Toyota Motor Corp | 3.24 |
| Astellas Pharma Inc | 2.49 |
| Denso Corporation | 2.34 |
| Nippon Gas Co Ltd | 2.27 |
| Fuji Electric Co Ltd | 2.16 |
| Zenkoku Hoshu Co Ltd | 2.11 |
| Abc-Mart Inc | 2.01 |
| Kyushu Railway Company | 1.97 |
| TOTAL | 26.67 |

Source: SMDAM.

Data as at 30 June 2021.

NB: Futures positions constitute 7.72% of the portfolio as at 30 June 2021.

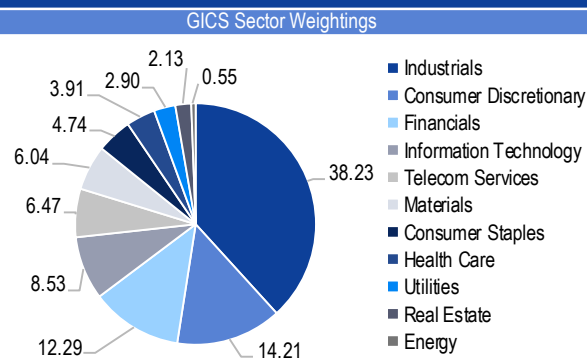
Institutional (I)

| Share Class | ISIN | Minimum investment amount | Subsequent investment amount |
|-------------|--------------|---------------------------|------------------------------|
| JPY | LU1767076315 | JPY 30,000,000 | JPY 6,000,000 |
| EUR (H) | LU1767076406 | EUR 250,000 | EUR 50,000 |
| USD (H) | LU1767076661 | USD 300,000 | USD 60,000 |
| GBP (H) | LU1767076588 | GBP 200,000 | GBP 40,000 |

Wholesale (A)

| Share Class | ISIN | Minimum investment amount | Subsequent investment amount |
|-------------|--------------|---------------------------|------------------------------|
| JPY | LU1767076745 | JPY 6,000,000 | JPY 600,000 |
| EUR (H) | LU1767076828 | EUR 50,000 | EUR 5,000 |
| USD (H) | LU1767077123 | USD 60,000 | USD 6,000 |
| GBP (H) | LU1767077040 | GBP 40,000 | GBP 4,000 |

(H) indicates hedged share class. (UH) indicates unhedged share class.



The Information in this document is not intended to be investment advice and is merely a brief summary of the main aspects of the fund. This document is for information only and should not be construed as an offer to purchase shares of the fund. It is correct to the best of our knowledge at the date of issue. This document may not be copied, redistributed or reproduced in whole or in part without prior written approval from Sumitomo Mitsui DS Asset Management (UK) Limited. For detailed information about the Fund please refer to the sales prospectus and the key investor information document (KIID). Financial information about the fund is provided in the latest audited annual report or interim, whichever is newest. The KIID, the sales prospectus and the most recent annual report and the latest semi-annual report, if published thereafter, are the only binding basis for the purchase of shares and investment decisions should be based solely on this. The documents can be obtained free of charge at Sumitomo Mitsui DS Asset Management, BBH, the paying agents, at Duff & Phelps (Luxembourg) Management Company S.à.r.l. and on www.smd-am.co.uk Sumitomo Mitsui DS Asset Management recommends that you read the KIID, the sales prospectus and the last half / annual report and that you contact a professional adviser for personalised advice before deciding on any investment. Sumitomo Mitsui DS Asset Management and / or BBH, the paying agents and Duff & Phelps (Luxembourg) Management Company S.à.r.l. assume no responsibility for the use of this document or its contents. This document does not contain any representation made by the management company of the fund. Opinions and data expressed herein are subject to change without notice. The shares issued in the Fund may only be offered for sale or sold in jurisdictions where such offer or sale is permitted. In respect of the units distributed in and from Switzerland, the place of performance and jurisdiction is the registered office of the Representative. **Risk warning: All information reflects current legal and economic conditions for BBH and Duff & Phelps, and is subject to continuous change.** Shares of the Fund are not subject to a purchase / sale in the U.S. or to U.S. persons residing outside the U.S. Any document regarding the Fund and / or the information may not be distributed in the U.S. Publication and distribution of this document and offer and sale of shares in the Fund may also be subject to special restrictions in other jurisdictions than the U.S. **Risk warning: Investments in the Fund can both increase and decrease in value due to market fluctuations, the fund's risk and costs associated with subscription and redemption, administration, etc., and you can lose the entire amount invested. The Fund's historical development should not be considered a reliable indicator of future returns.** Sumitomo Mitsui DS Asset Management (UK) Limited is authorised and regulated by the Financial Conduct Authority. On 1 October 2019, Sumitomo Mitsui Asset Management (London) Limited and Daiwa SB Investments (UK) Ltd. merged to form Sumitomo Mitsui DS Asset Management (UK) Limited.

This is a marketing communication. Please refer to the prospectus of the UCITS and to the KIID before making any final investment decisions.

