



### Excellent Fund Award

Evaluation reference date: December 31, 2020

International stock type (global) category (target funds: 579)

Morningstar Similar fund classification: International stocks, global, including Japan Benchmark: Elwood Blockchain Global Equity Index (on a yen conversion basis)

#### Investment policy

The fund's main investment targets are blockchain-related stocks from around the world, including Japan. We aim to achieve investment results that are linked to the "Elwood Blockchain Global Equity Index," which is independently calculated by Elwood Asset Management (hereinafter referred to as "Elwood"), a British blockchain investment specialist company. The actual management of the mother fund will be conducted by Invesco Capital Management LLC (hereinafter referred to as "Invesco") in the United States. Financial statements are made once a year (July 10th).

#### Fund selection criteria

In 2020, returns were in the top 2% and operational efficiency was in the top 5%. The total return in 2020 was 79.30%, which was 65.50% higher than the average for similar fund classifications. Within similar fund classifications, it was superior to MSCI ACWI-linked funds and had extremely excellent performance, ranking in the top 2% (5th out of 253 funds). Among individual stocks, Overstock.com and Kakao made positive contributions. The Sharpe ratio in 2020 was 2.21, which was 1.67 higher than the average for similar fund classifications. Within similar fund classifications, it has an advantage over dividend-paying stock funds and healthcare-related funds, with excellent operational efficiency ranking in the top 5% (13th out of 253).

#### Stock selection

By investing in the "Invesco Elwood Global Blockchain UCITS ETF" managed by Invesco, the mother fund aims to achieve investment results that are linked to the benchmark calculated by Elwood. Elwood identifies the blockchain businesses of listed companies around the world, assigns them a five-point score based on financial analysis of profit margin, profit volatility, and growth potential, and conducts continuous research on the constituent stocks of the benchmark. Approximately 45 stocks that will become the final index constituents are selected. As of the end of December 2020, the composition ratio by country is 36.3% for the United States and 21.2% for Japan, with Japan's Monex Group and GMO Internet ranking as the top individual stocks.

The six-month total return (rolling return) since its establishment (July 2019) has been positive in 11 of the past 12 months up to the end of December 2020, and exceeded the average for similar fund classifications. In particular, during the same period, it delivered higher returns in all three months when the average of similar fund classifications increased by more than 20%, and it has an advantage even during large stock market upswings.

There are 400 interactions of blockchain-related companies per year, and the one-year return of included ETFs is among the top 4% overseas. Elwood has adopted a team management system, and Jonathan Bier has been the main fund manager since its inception. Mr Bier, has been with Elwood since 2018 after working as a certified public accountant and Japanese stock analyst in London and Hong Kong, and has approximately 9 years of investment and research experience. Bier and one other analyst cover approximately 300 blockchain-related companies. The company conducts approximately 400 research activities a year by participating in conferences of industry organisations and contacting blockchain-related companies.