

Osmosis Investment Management US, LLC

36-38 Botolph Ln
London EC3R 8DE, UK
<https://www.osmosisim.com/us>

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This brochure provides information about the qualifications and business practices of Osmosis Investment Management US, LLC (“Osmosis”). If you have any questions about the contents of this brochure, please contact us at 724-935-6807. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.

Additional information about Osmosis is available on the SEC's website at www.adviserinfo.sec.gov.

Registration as an investment adviser pursuant to the Investment Advisers Act of 1940 (the “Advisers Act”) does not imply any level of skill or training. This document is not an advertisement for the advisory services of Osmosis.

Item 2: Material Changes

This Brochure has been updated since the last Brochure dated June 26, 2019. The following items were updated within this Brochure:

Item 4 was updated to disclose that Osmosis Investment Management US, LLC is now wholly owned by Osmosis US LLC, which is wholly owned by Osmosis (Holdings) Limited (“OHL”).

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Item 4: Advisory Business

Osmosis Investment Management US, LLC (“Osmosis” or the “Firm”), established April 17, 2015, provides asset management services in connection with the development of model portfolios.

Osmosis is wholly owned by Osmosis US LLC, which is wholly owned by Osmosis (Holdings) Limited (“OHL”). OHL does not have members that have the right to receive upon dissolution, or have contributed, 25% or more of the capital.

We recognize that each client presents a unique set of circumstances and therefore our services are tailored to match the particular needs of each client. Before any discretionary account is created for a client, Osmosis requires a formal investment management agreement which grants the necessary discretionary authority and details any and all constraints and limitations that the client may place on such discretionary authority.

All services can be tailored to client requests. Due to the systematic nature of the Osmosis investment process, clients can provide exclusionary lists, country exposures and industry exposures, as well as fundamental exposures (as examples), to tailor services for each client’s requirements.

Osmosis specializes in the quantitative analysis of corporate disclosures. Osmosis has created a proprietary model which exploits market inefficiencies, the Model of Resource Efficiency (“MoRE”).

Derived from the MoRE database, customized investment strategies are offered to clients as separately managed accounts (“SMAs”) and model programs.

Separately Managed Accounts

Osmosis provides discretionary investment advisory services to SMA clients, primarily through financial intermediaries (such as registered investment advisors). SMA clients select an investment strategy after consultation with the client’s primary financial advisor.

Model Only Programs

Osmosis participates in model only programs (“Model Programs”). In these programs, we provide an investment model to a registered investment adviser (“Program Sponsor”) to be provided to a designated third party. For these programs, our primary responsibilities are to create a non-client specific, representative model portfolio based on a specified investment strategy and to communicate periodic model changes to the designated party. The Program Sponsors have sole discretion with respect to implementing a model, in whole or in part, for any client account. Any such implementation is effected through trading arrangements entered into by the Program Sponsor with third parties, and Osmosis therefore does not affect any

trades in connection with its Model Programs. Osmosis does not typically have the advisory relationship with the end-investor. Osmosis is not responsible for making investment decisions for the end-investors, or for determining if adherence to the model recommendations is appropriate for the individual end-investor. Typically, the Program Sponsor has sole authority and responsibility for implementing the model portfolios for its client accounts. The Program Sponsor is responsible for understanding and evaluating each investor's identity, circumstances, financial condition, portfolio holdings, tax situation, regulatory status, financial needs and goals, making determinations as to whether a model portfolio provided by Osmosis is appropriate for each potential investor, and reporting and communicating with the investors as to their investments.

All research and development is conducted by an affiliate of Osmosis, Osmosis Investment Research Solutions Limited ("OIRS"). OIRS is a wholly owned subsidiary of OHL. OHL provides (directly or indirectly through outsourced service providers) Osmosis with certain back-office services. OHL handles certain key operational tasks for Osmosis and Osmosis's clients (directly or indirectly through outsourced service providers).

As of 5/31/2019 Osmosis Investment Management US, LLC discretionary assets under management were \$531,072,425.

Item 5: Fees and Compensation

For SMAs, Osmosis is compensated with a management fee which is calculated as a percentage of assets under management. Fees are negotiable based on specific client requirements and size of allocations. Clients are billed in arrears on a quarterly or monthly basis and fees can be pro-rated. Clients will be charged at the rate set forth in their Investment Management Agreement. Management fees range from 0.20% - 1.25%. Payment terms are set forth in the clients Investment Management Agreement. Osmosis clients are billed directly.

Fees for Osmosis's investment strategies offered by the Model Program are determined by the Consulting Agreement with the registered investment adviser. Osmosis receives a portion of the total fee charged to the end client. Currently, the maximum Model Program fee is 0.85%. Payment terms are set forth in the Consulting Agreement with the Program Sponsor.

All fees paid to Osmosis for investment advisory services for Model Programs are separate and distinct from the fees and expenses that may be charged by other advisors (including separate account managers, mutual funds and/or ETFs). These fees will generally include a management fee. Accordingly, the client should review both the fees charged by other advisors and our fees to fully understand the total amount of fees to be paid by the client and to thereby evaluate the advisory services being provided.

In addition to our management fees, clients are also responsible for the fees and expenses charged by custodians and imposed by broker dealers, including, but not limited to, any

transaction charges imposed by a broker dealer. Further information about brokerage practices are disclosed in Item 12.

Item 6: Performance-Based Fees and Side-By-Side Management

Osmosis does not charge performance-based fees.

Item 7: Types of Clients

Osmosis is an institutional asset manager. As of the date of this brochure, Osmosis is the sub-manager of a designated portion of the assets of a registered investment advisor. Osmosis also participates in Model Programs as described in Item 4.

The minimum AUM requirement for opening and maintaining a SMA or Model Program with Osmosis is \$10 Million. However, we may waive that minimum at our sole discretion.

Item 8: Methods of Analysis, Investment Strategies and Risk of Loss

The Osmosis model of resource efficiency (MoRE) is a multi-factor systematic process using our proprietary dataset. MoRE assimilates objective environmental-based factors of resource intensity. Stock selection is based on three resource intensity factors:

- Energy; by measuring the observed and reported level of absolute greenhouse gas emissions from fossil fuel combustion, industrial processes and other sources owned or controlled by a company;
- Water; by calculating the cost of water used in the production process of a company purchased directly for operations or abstracted for use from local supply;
- Waste; by calculating the total costs generated from the disposal of waste in normal company operations, classified as landfill, incineration or recycling and including nuclear waste.

Factor intensities are calculated relative to the revenue generated by a company for the year corresponding to the factor data. These three factor intensities are combined to form a resource efficiency score ("RES") for each company in the selection universe.

The selection universe is comprised of the top 3000 companies in the world by market cap over the last ten years. The universe is then reduced to those that disclose sufficient information on each of the three factors to calculate a RES. These companies display a higher degree of transparency by disclosure of these environmental factors, generally an indication of better corporate governance.

The database of standardized productive-use resource inputs on global large cap companies created from this work is proprietary to Osmosis. While the selection pool represents

approximately 80% of the market cap of the MSCI World Index, there are many companies that do not produce sufficient information. The portfolio construction process selects resource efficient companies (using their RES) from each sector of the economy according to industry classification. Companies may enter and leave the portfolio according to their relative resource efficiency within their respective sector.

Derived from the MoRE database, customized investment strategies are offered to clients.

Risks: All investments include a risk of loss of your principal and any profits that have not been realized. Stock markets fluctuate substantially over time. In addition, the performance of any investment is not guaranteed.

The MoRE strategies invest in shares of companies, and the value of these shares can be negatively affected by changes in the company or its industry or the economy in which it operates.

Changes in exchange rates between the currencies of investments may negatively affect the value of an investment.

Although applying liquidity screens in the process, there is liquidity risk stemming from the lack of marketability of an investment that cannot be bought or sold quickly enough to prevent or minimize a loss.

All quantitative analysis carries a risk that the model used might be based on one or more incorrect assumptions. The MoRE database relies on the cleanliness and accuracy of the underlying data disclosed by companies that Osmosis utilizes to generate recommendations. If input data is inaccurate, then the data output will be similarly tainted.

Although Osmosis seeks to hire skilled individuals, and to provide appropriate levels of oversight, the complexity of the individual tasks, the difficulty of integrating such tasks, and the limited ability to perform "real world" testing of the end product, raises the chances that the finished model may contain an error; one or more of which errors could adversely affect the performance of an investment strategy.

Item 9: Disciplinary Information

Osmosis has no legal or disciplinary events to report that would impact the evaluation by a client or investor (or potential client or investor) of Osmosis's advisory business or the integrity of our management.

Item 10: Other Financial Industry Activities and Affiliations

Osmosis and its related person, Osmosis Investment Management UK Ltd (“Osmosis UK”), are under common control. Osmosis UK is an institutional asset manager working with Pension Funds, Insurance Companies, Endowments, Family Offices and large Wealth Managers with Clients located in the UK and Europe. Additionally, Osmosis UK is the investment manager to an Irish based UCITS IV fund. Osmosis UK is registered with the UK Financial Conduct Authority. Certain employees of Osmosis UK provide services to Osmosis through OHL. To mitigate against any potential conflicts of interest that may be presented with respect to Osmosis, all persons who have access to non-public information regarding clients' purchase or sale of securities, are involved in making securities recommendations to clients or have access to such recommendations that are non-public are subject to the Osmosis Code of Ethics.

Item 11: Code of Ethics

Osmosis has adopted a Code of Ethics for all supervised persons of the Firm describing its high standards of business conduct and fiduciary duty to its clients. The Code includes provisions relating to the confidentiality of client information, a prohibition on insider trading, guidelines surrounding gifts and business entertainment items, personal securities trading, conflicts of interest, among other things. All supervised persons must acknowledge the terms of the Code initially upon hire as well as annually, or as amended.

Our Code of Ethics is designed to assure that the personal securities transactions, activities and interests of our employees will not interfere with making decisions in the best interest of advisory clients.

Employees may maintain personal securities accounts provided any personal investing by an employee in any accounts in which the employee has a beneficial interest is consistent with the Firm's personal trading guidelines and applicable regulatory requirements. Employees of the firm may not buy or sell for their personal accounts securities similar to those recommended to or owned by clients. All reportable transactions are reported to the Chief Compliance Officer in accordance with the reporting requirements outlined in the Code and personal trading is monitored in order to reasonably prevent conflicts of interest between Osmosis and its clients.

We will provide a copy of our Code of Ethics to any client or prospective client upon request.

Principal and Cross Transactions: It is Osmosis's policy that the Firm will not affect any principal or agency cross securities transactions for client accounts.

Item 12: Brokerage Practices

Osmosis has discretion over what securities and the amount thereof to be bought and sold, the broker or dealer to be used as well as the commission rates to be paid.

When Osmosis participates in Model Programs, the client retains trading responsibility and selects their custodian and broker-dealer. In this case Osmosis is not responsible for execution of transactions.

Best Execution: In placing orders to buy and sell securities, Osmosis considers a number of factors, not solely the ability to receive the best price, in selecting appropriate broker-dealers. Osmosis considers, among other factors, financial condition, reputation, level of trading expertise and capability, infrastructure, the ability to perform well against the closing auction price, and commission rates charged. In seeking best execution, Osmosis is responsible for developing, evaluating and changing, when necessary, order execution practices.

Trade Aggregation/Allocation and Trade Rotation Osmosis may combine multiple orders for shares of the same securities purchased for client accounts. Osmosis will then distribute a portion of the shares to participating accounts in a fair and equitable manner. Trade aggregation is performed to ensure, to the extent possible, that clients receive optimal execution and consistent results across Osmosis's client base. The distribution of the shares purchased is typically proportionate to the size of the account, and is not based on account performance or the amount or structure of management fees. Subject to Osmosis's discretion, when orders are aggregated, each participating account pays an average price per share for all transactions and pays a proportionate share of all transaction costs. Osmosis will not aggregate orders if aggregation will lead to the degradation of client orders. Due to potential liquidity concerns in the market, Osmosis may implement a rotation system in order to execute a portfolio rebalance over multiple days. A rotation schedule will be maintained to ensure that trades will be directed to a different group of accounts on the first day of the rotation each month to ensure the fair and equitable treatment of clients. Osmosis has adopted trade allocation policies and procedures designed to ensure accounts are treated fairly.

Soft Dollar Arrangements: Osmosis does not currently have soft dollar arrangement in place.

Brokerage for Client Referrals: Osmosis does not recommend broker-dealers to clients based on our interest in receiving client referrals.

Directed Brokerage: Osmosis does not recommend, request or require that a client direct Osmosis to execute transactions through a specified broker-dealer.

Principal Trading: Osmosis's policy and practice is not to engage in any principal transactions, including with respect to affiliates of any principal.

Item 13: Review of Accounts

Reviews: Clients have annual account performance reviews conducted by the Head of Investments. The current portfolio is also reviewed, highlighting exposures and investment characteristics. Client accounts may also be reviewed other than annually based on client requests, changes to investment markets, or changes to client circumstances.

Reporting: Clients may also receive written monthly, quarterly, and annual reports regarding portfolio compliance, trading, reconciliation, and performance attribution.

Suitability for clients that are referred to Osmosis through a financial intermediary (such as a registered investment advisor), is handled by the referring advisor. The referring advisor is responsible for the initial determination of client suitability for the selected SMA and is responsible for the ongoing review of the client objectives. The financial intermediary is responsible for communicating any changes in financial condition of a client to Osmosis. While Osmosis retains fiduciary duty over the client accounts, Osmosis relies on information provided by the financial intermediaries. Osmosis reviews data and recommendations to determine if its models are working in a manner consistent with its expectations.

Item 14: Client Referrals and Other Compensation

Osmosis does not currently compensate any person for client referrals.

Item 15: Custody

Osmosis does not maintain physical possession of client cash and/or securities.

Cash and securities are maintained at a qualified custodian within the meaning of the Adviser's Act. Clients will receive account statements directly from a qualified custodian at least quarterly and should carefully review those statements. We urge clients to compare the account statements received from the custodian with the reports they receive from Osmosis.

Item 16: Investment Discretion

Osmosis provides discretionary investment advisory services to its SMA clients. Before any discretionary account is created for a client, Osmosis requires a formal investment management agreement which grants the necessary discretionary authority and details constraints and limitations that the client may place on such discretionary authority.

Item 17: Voting Client Securities

Osmosis has been delegated the authority to vote proxies for certain clients. Clients must direct Osmosis in writing to vote proxies.

Osmosis has adopted proxy voting policies and procedures to make every effort to ensure that proxies are voted in the best interest of clients and to address any conflicts of interests that may arise. Osmosis typically receives proxy voting guidelines from its clients and votes proxies in accordance with these guidelines. Absent client guidelines, we have retained an unaffiliated third party proxy service provider, Institutional Shareholder Services ("ISS"), to assist us in conducting research and analysis, and to place votes per our instruction.

Though it is likely to be limited, Osmosis has retained the right to override any ISS votes as it sees fit.

In effecting our policy of voting proxies in the best interests of our clients, there may be occasions where the voting of such proxies may present an actual or perceived conflict of interest between us, as the investment adviser, and you, our client. Potential conflicts of interest situations may include:

- Business relationships, where we have a substantial business relationship with a company such that failure to vote in favor of management could harm our relationship with the company
- Personal relationships, where we have a personal relationship with corporate directors or candidates for directorship
- Familial relationships where we may have personal or business relationships relating to a company (e.g. a spouse or relative who serves as a director of a publicly traded company)

In the event our voting of a proxy would cause an actual or implied conflict of interest, the proxy will be voted as recommended by ISS or in accordance with client instructions.

You may obtain copies of our written proxy voting policies and procedures as well as information on how proxies were voted for your account by requesting this information from us at the address and phone number listed on the cover page of this Brochure.

Item 18: Financial Information

Registered investment advisers are required to provide you with certain financial information or disclosures about the firm's financial condition. Osmosis does not require or solicit prepayment of fees more than six months in advance. Additionally, Osmosis has no financial commitment that impairs its ability to meet contractual and fiduciary commitments to clients, and has not been subject to a bankruptcy proceeding.