

PRESS RELEASE

13 SEPTEMBER 2018

NIKKO ASSET MANAGEMENT CO., LTD.

Nikko Asset Management Expands Green Bond Capability

Nikko Asset Management (“Nikko AM”) today announces the expansion of its global green bond capability to include a wider investment universe of Sovereign, Supranational and Agency (SSA) green bonds.

The Luxembourg-domiciled Nikko AM Global Green Bond UCITS Fund (the “Fund”) provides investors access to green bonds through a diversified and actively managed portfolio. The new mandate of the Fund enables the London-based global fixed income team to invest across a wider universe of predominantly AAA rated SSA-issued green bonds. SSA-issued bonds offer one of the highest levels of “green purity” with a focus on climate change mitigation.

Global Head of Fixed Income Andre Severino said, “Nikko AM is a pioneer in the green bond investment space, and the green bond market is experiencing record growth - Moody’s Investors Service projects green bond issuance to grow to between USD175 – USD200 billion in 2018, surpassing the 2017 record of USD 155 billion.

The team actively invests in green bonds across both developed and emerging markets, and we believe this best positions us to deliver sustainable alpha for our clients while also contributing to the preservation of the environment. The investment focus is on sovereign agencies that provide the leading standard of reporting and project selection.”

Nikko AM launched one of the world’s first green bond funds in 2010. The expanded investment universe provides clients greater access to the growing green bond market, in addition to providing capital to a wider array of green projects worldwide. According to Standard & Poor’s, the green bond market was worth USD372 billion at the end of December 2017.

In Singapore, the Nikko AM Global Green Bond Fund is available to investors as a locally constituted authorised scheme; it invests all or substantially all of its assets into the Luxembourg-domiciled UCITS Fund.

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About Nikko Asset Management

With US\$220.1 billion (23.41 trillion yen)* under management, Nikko Asset Management is one of Asia's largest asset managers, providing high-conviction, active fund management across a range of Equity, Fixed Income, Multi-Asset and Alternative strategies. In addition, its complementary range of passive strategies covers more than 20 indices and includes some of Asia's largest exchange-traded funds (ETFs).

Headquartered in Asia since 1959, the firm represents nearly 200** investment professionals and over 30 nationalities across 9 countries. More than 300 banks, brokers, financial advisors and life insurance companies around the world distribute the company's products.

The investment teams benefit from a unique global perspective complemented by the firm's historic Asian DNA, striving to deliver consistent excellence in performance. The firm also prides itself on its progressive solution-driven approach, which has led to many innovative funds launched for its clients.

For more information about Nikko Asset Management and to access its investment insights, please visit the firm's [homepage](#).

* Consolidated assets under management and sub-advisory of Nikko Asset Management and its subsidiaries as of 31 March 2018.

** As of 31 March 2018, including employees of Nikko Asset Management and its subsidiaries.

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