

NIKKO AM GLOBAL GREEN BOND STRATEGY

Global Fixed Income Team

September 2023

For Professional Investors Only

The Nikko AM Global Green Bond Strategy in short

Investing for a sustainable future

Emphasis on funding projects with tangible positive impacts addressing climate change and protecting nature



Expertise driven by experience

Launched the first Green Bond fund of its kind in 2010 in collaboration with issuers, the core team has worked together for over a decade



Distinctive investment approach

The backbone of our investment process, providing a holistic fundamental focus supported by quantitative tools



Unique decision-making framework

Independent views collated into a team-wide survey, assessed against market consensus



Harmony between Fundamental & Quantitative analysis

We balance these two lenses of analysis in order to identify the most attractive investment opportunities in the market



We are facing a climate crisis of epic proportions, where green bonds have a vital role to play in mitigating its impacts



The global climate is rapidly changing



The quality of natural ecosystems are being degraded



Biodiversity is being seriously threatened

We believe Green Bonds have a vital role to play in mitigating the severity of climate change



Green and Sustainability Bonds

A standard fixed income instrument, where the proceeds are applied exclusively to fund projects that enable **positive and sustainable environmental or social outcomes**

Nikko AM played a significant role in creating the first dedicated green bond fund with the World Bank in 2010

Extensive history in the Green Bond Space



Rooted in the Green Bond space

Active in the Green Bond space since inception

Launched the world's first ever dedicated Green Bond fund in 2010



First dedicated Green Bond fund in 2010

From the press release by the World Bank in 2010:
"Nikko Asset Management set to launch green fund with World Bank Bonds.

The fund - the first of its kind - can invest up to 100% of its portfolio in green bonds issued by the World Bank."



Expertise driven by experience

Over a decade of experience of a core team working together

Extensive engagement with issuers in the structuring & issuing of Green Bonds



History in SSA* Green Bonds

Nikko AM Green Bond Fund oriented itself towards Green Bonds offered by SSAs

Opportunity set has opened up among new categories of issuers and Sustainability Bond types

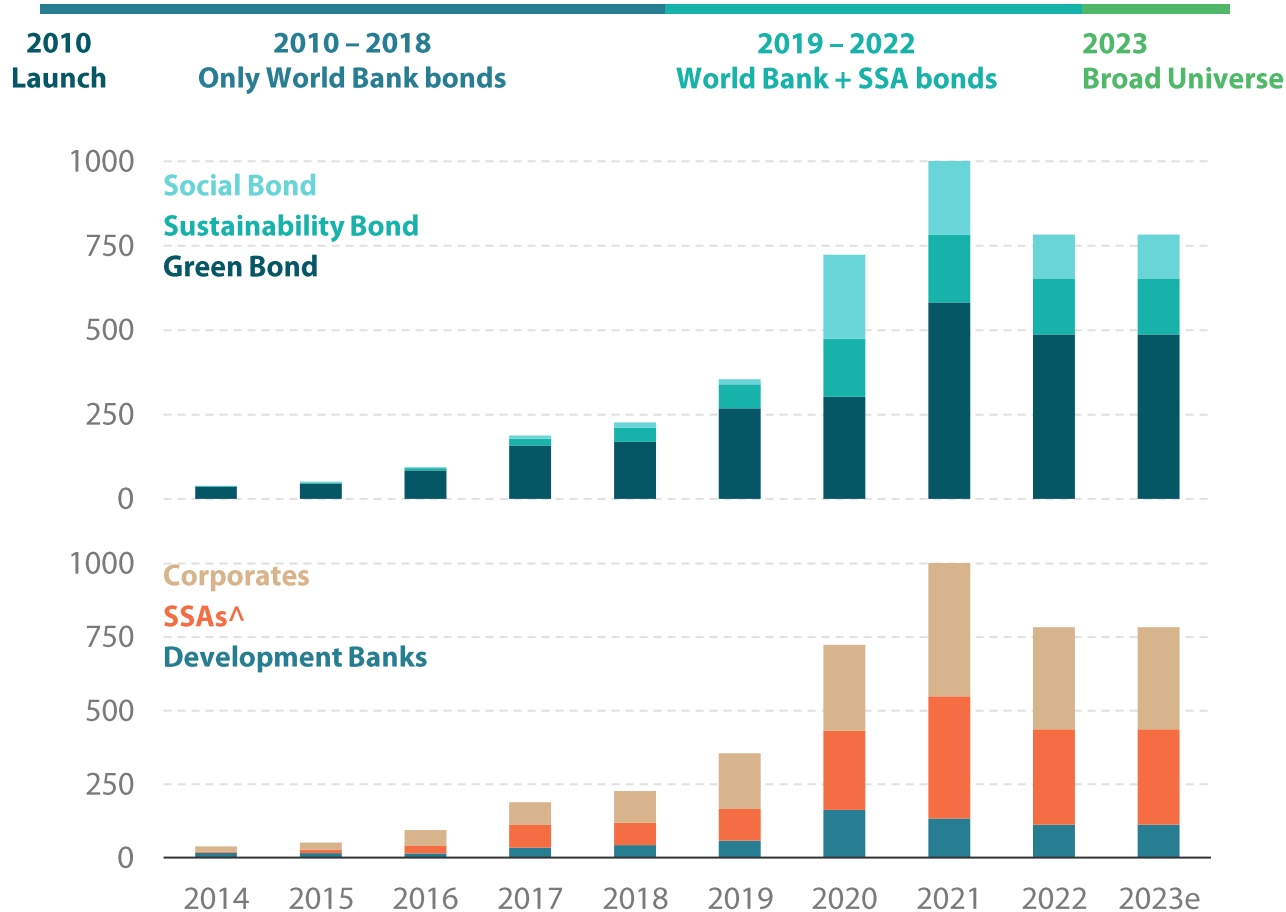
THE GLOBAL SUSTAINABILITY BOND MARKET

The Green Bond market has seen explosive growth since its inception in 2007

Sustainability Bond issuance

in billion USD

Evolution of Nikko AM's Green Bond Strategy



Emphasis on Energy, Transport & Buildings

Since the inception of the Green Bond market in 2007, most proceeds have been allocated to supporting the infrastructure needed to help mitigate the effects of climate change



An increasingly large & diversified offering

In addition to Green Bonds, there have been sizable issuances of Social, Sustainable & Sustainability Linked Bonds, by issuers from a variety of categories (Governments, SSAs, Corporates, and more)

Source: Nikko Asset Management; Jan 2014 – April 2023

nikko am
Nikko Asset Management

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*2023 projected issuance
Forecasts are inherently limited and cannot be relied upon.

The rapid growth of the Green Bond universe offers significantly more investment and impact opportunities

A new, expanded vision for investments & impact beyond SSA Green Bonds



Greater impact opportunities

Expanding the universe beyond SSA Green Bonds allow for a wider variety of impact opportunities presented by the inclusion of Corporate, Social, Sustainability & Sustainability Linked Bonds



Benchmark

iBoxx® Global Green, Social & Sustainability Bonds Index



Greater investment opportunities

Including issuers beyond SSA Green Bonds offers the chance to create a more diversified Green Bond Strategy that will allow for better impact and returns



Targeted outperformance vs. benchmark

1% over rolling 3 to 5 years

The Nikko AM Global Green Bond Strategy aims to provide capital to...



Address the challenges
of climate change



Promote nature and the
protection of eco-systems



Prevent further
biodiversity loss

Conforming to ICMA* standards our strategy is...

Aligned

with key UN Sustainable
Development Goals^

Supporting

the transition to a more
sustainable future

Invested

across categories of issuers
& Sustainability Bonds

SUSTAINABLE
DEVELOPMENT GOALS



Experienced team focused on research with the flexibility to quickly react to a changing environment

Portfolio Management & Research

ESG Specialists

Core Fixed-Income Team

Broader Fixed-Income Team



Andre Severino
Global head of FI
33 years of experience



Steve Williams
Head PM Core Markets
23 years of experience



Lukasz Irisk
PM/Senior Analyst
13 years of experience



Jayant Yadav
Portfolio Analyst
9 years of experience



Batin Ozkurt
Credit Analyst
5 years of experience



Rui Ribeiro
Data Scientist
4 years of experience



Holger Mertens
Head PM Global Credit
28 years of experience



EE-Yung Yip
PM/Senior Analyst
18 years of experience



Linda Luo
Credit Analyst
8 years of experience



Marco Sun
Credit Analyst
12 years of experience



Natalia Rajewska
Global Head of
Sustainable Investment
8 years of experience



Zishan Cheema
Senior ESG Data Analyst
17 years of experience



Amisha Patel
Sustainability Analyst
16 years of experience
(1 year as ESG Specialist)



Vincent Latour
ESG Investment
Specialist- EMEA
10 years of experience

Global Trading Team



Michael Lack
Head of Trading
31 years of experience



Angela McLean
Senior Dealer
29 years of experience



Charlie Smith
Trader
11 years of experience

Diverse backgrounds from over 10 different countries:



Nikko AM Resources



Broader fixed income team
Singapore, Tokyo and Auckland



Investment risk team
Independent risk management function
continuously monitoring the portfolio
and client restrictions



Research & Solutions team
Supporting core portfolio management
through data and research analysis

Inefficiencies in the bond markets present ample opportunity to achieve risk-adjusted performance above the benchmark

Sustainability view

Aims to provide capital to address challenges of climate change, help promote nature & protect eco-systems alongside other key sustainability (including social) goals

Macro view

Analysis generates high conviction views in terms of: duration, curve, FX, asset allocation and top down sector and country views



Issuer view

Driven by fundamental bottom-up analysis, utilising quantitative tools to discover opportunities in the market and frame decision making



**Long history
in Green Bonds**



**Fundamental analysis within
a quantitative framework**



**Diversity in
backgrounds**



**Culture built on trust,
respect and long tenure**

Our time-tested approach

Supported by broader ESG Team at all stages



Investible
universe

ICMA principles,
UNGC* breaches, &
external reviews



Sustainability
view

Ensuring suitability of issuer
and bond alignment to key
sustainable outcomes



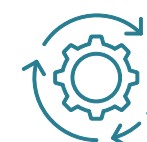
Macro
view

Analysing issuers in
the context of global
macro conditions



Issuer
view

Fundamental bottom-up
analysis utilising
quantitative tools



Portfolio
optimisation

Constructing a robust,
diversified portfolio of
impactful bonds

Risk management

Strict risk management practices integrated throughout the investment process

The starting universe comprises all labelled green, sustainable, social, and sustainability-linked bonds

Our approach

Investible universe

Sustainability view

Macro view

Issuer view

Portfolio optimisation



Bond Categories

Green Bonds

Sustainability-Linked Bonds

Sustainability Bonds

'Pure play' bonds*

Social Bonds



Issuer Categories

Corporates

Sovereign, Supranationals & Agencies

Municipalities

Securitised Finance



Standards-based exclusion

Our ESG and Global Fixed Income teams monitor all potential holdings to ensure they uphold the bond principles corresponding to their category. All bonds with the following characteristics are excluded from the portfolio:

- Non-compliance with International Capital Market Association standards (or a similar green bond frameworks)
- Breach to the UN Global Compact Principles or OECD[^] guidelines for multinational enterprises
- Absence of external independent review such as second-party opinion or assurance reports

*Bonds issued by companies whose business activities are exclusively focused on the green economy

[^]Organisation for Economic Co-operation and Development

Our approach

Investible universe

Sustainability view

Macro view

Issuer view

Portfolio optimisation

Top-down thematic view



Net Zero

Issuers should have net zero aspirations and clear implementation plans



Transition

Focus on sectors that are supportive of the transition to net zero



Nature

Promote nature and the protection of eco-systems

Bottom-up assessment

Issuer

Issuers sustainable strategy should align with the purpose of the bond

Bond framework

The bond framework should align with best disclosure practice

Bond impact

The issuers should provide transparent allocation and impact reports

Sustainability view

Each bond under consideration for the portfolio provides proceeds that contribute to current sustainability-oriented goals. Our process ensures the suitability of a bond and its issuer from a sustainability perspective.

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Our approach

Investible universe

Sustainability view

Macro view

Issuer view

Portfolio optimisation



Monetary Policy

- Interest rates outlooks
- Central bank forward guidance
- Asset purchases
- Term premia



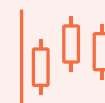
Inflation

- Supply chains
- Global trade
- Commodity prices
- Labor markets



Growth

- Fiscal stimulus
- Global consumption
- Infrastructure investment
- Business investment



Technicals

- Positioning
- Flows
- Issuance

Macro view

Global macro influences are at the heart of the decision-making across all fixed income securities and represents the foundations of how the portfolio is positioned from an investment perspective

Our approach

Investible universe

Sustainability view

Macro view

Issuer view

Portfolio optimisation

Asset Heatmap

Proprietary tools to guide and inform the debate.

	Qualitative Duration (1 Min to 5 Max)				FX (1 max to 5min)				Quantitative FX (over) Under Valuation			Duration Value		
	Average Team View	Quant	T-1	Δ	Average Team View	Quant	T-1M	Δ	FX (over) Under	RSI (30)	FX Rank	10yr Bond over (Under)	RSI (30)	Factor Rank
USD	4.0	2.5	4.0	0.0	2.5	0.0	2.50	0.0	0.1%	46.7	10	0.69%	51.6	10
AUD	4.0	2.0	4.0	0.0	4.0	3.8	4.0	0.0	5.1%	45.0	4	1.68%	50.0	13
NZD	4.5	2.5	4.5	0.0	4.0	7.4	4.0	0.0	2.6%	36.8	5	1.01%	53.4	11
GBP	3.5	3.0	3.5	0.0	3.5	0.0	3.5	0.0	-8.2%	55.2	13	0.28%	45.8	8
CAD	3.0	5.0	3.0	0.0	3.0	3.8	2.5	0.5	5.8%	48.9	3	-0.64%	46.7	1
SEK	3.5	1.5	3.5	0.0	3.0	2.4	3.0	0.0	13.0%	45.3	2	2.09%	45.9	14
CHF	3.0	4.0	3.0	0.0	2.5	6.0	2.5	0.0	0.3%	46.7	9	0.00%	0.0	6
NOK	2.5	3.5	2.5	0.0	3.5	6.5	3.5	0.0	18.3%	44.8	1	0.16%	49.7	7
EUR - Core	3.5	4.5	3.5	0.0	2.5	7.0	2.5	0.0	0.8%	45.3	6	-0.46%	46.4	2
EUR - Periphery	4.0		4.0	0.0										
JPY	2.0	4.5	2.0	0.0	2.5	5.6	2.5	0.0	-0.2%	46.6	11	-0.42%	47.3	3

Team Survey

Collective discussion to inform macro positioning



Monthly macro surveys

Individual views on key macro figures and trends



Collectively debated

Detailed scrutiny of how and why views differ from the quantitative forecast



Final positioning

Discussion informs macro position in the portfolio



Culture of open discussion

Each member is asked for their opinion, mutual respect is key

For illustrative purposes only.

Our approach

Investible universe

Sustainability view

Macro view

Issuer view

Portfolio optimisation



In-house Research
(fundamental)

Business Risk
Key Risks
Financial Metrics



Independent credit opinion based on in-depth research by our Fixed Income team

+



Dynamic Credit Model
(quantitative)



Enabling the team to expand its coverage of the credit universe



Focus of the team's time on research-intensive lower rated space

Issuer View

Driven by fundamental bottom-up analysis, utilising quantitative tools for in-depth analysis of issuers

Our approach

Investible universe

Sustainability view

Macro view

Issuer view

Portfolio optimisation

Portfolio Optimisation Considerations

Our final selection and position sizing is informed by the factors named below:



Conviction-based position sizing



Fulfilling both sustainability & return objectives



Macro-informed region & sector allocations



Efficient duration management with the use of derivatives

Portfolio Diversification

Our rigorous portfolio optimisation process ensures that our final portfolio is diversified across the following categories:



Region



Sector



Credit rating



Duration



Issuer category

E.ON has developed a Green Bond Framework under which it issues Green bonds to fund the transition process.



E.ON is one of the largest pan-European integrated utility and energy retailers, and is building out the necessary infrastructure to facilitate the EU energy transition.

Fundamental analysis of E.ON's sustainability and strategy by our PM team and ESG* specialists

In efforts to integrate renewables, connect producers and consumers, and help manage complex energy flows as part of the Energy transition, E.ON Fits seamlessly into EU's decarbonisation agenda



E.ON's plans to invest ~€33bn from 2023-2027, of which ~€26bn will go toward its distribution business (Energy Networks) and €6bn to its retailing business (Customer Solutions)



Gradual expansion of network and use of Smart Grid technology to integrate renewable capacity and ensure security of supply during to support energy transition



Investment into Electric vehicle (EV) charging stations and implementation of electromobility. Include pilot project with BMW how EV batteries can be used for household electricity storage

PM team, together with our ESG specialists verify that the Green Bond framework is in line with the ICMA principles

Use of Proceeds

Proceeds will be used for applications of Electricity Networks, Renewable Energy, Clean Transportation

Project Evaluation

A committee consisting of members of E.ON's different business lines select assets based on the framework eligibility criteria, E.ON's sustainable and environment objectives comply with the EU taxonomy

Management of Proceeds

E.ON applies a portfolio approach. The allocation to the portfolio should match the amount of Green Bonds outstanding 24 months after issuance. Unallocated proceeds will be help in the treasury liquidity portfolio.

Reporting

E.ON will report on an annual basis about the proceed allocation and if feasible provide impact reporting.

Reference to individual securities is for illustration purpose only and does not guarantee their continued inclusion in the strategy's portfolio, nor constitute a recommendation to buy or sell.



E.ON is one of the largest pan-European integrated utility and energy retailers, and is building out the necessary infrastructure to facilitate the EU energy transition.



Business Risk/Profile

Operates sizeable electricity and gas distribution networks across three regional markets: Germany, Sweden and East-Central Europe, and sells electricity, gas and heat, and other energy solutions across Europe

> 85% of EBITDA are derived from operations under well-developed and transparent regulated utility regimes in Germany, Sweden and Czech Republic.

Key Risk

Competitive retail supply business

Energy crisis poses risk to increasing bad debt provision

Complex Asset swap with RWE weighs on leverage

Declining allowed returns whilst managing Energy Transition challenges

Financial Metrics

Economic Net Debt/EBITDA: 4.1x

EBITDA/Interest: 5.0x

FFO/Net Debt: 43%

RCF/Net Debt: 38%

*As per per FY22 results; FFO = OCF-Capex-divs;
RCF = FFO-divs

Credit View/Position

Our assessment of the E.ON's credit fundamentals and credit quality is equivalent to a 4-star rating, with a positive credit outlook.

We view E.ON's strong credit quality will provide sufficient downside protection to our position and supports its current official credit rating of (BBB+/Baa1/A-).

The Dynamic Credit Model provides an independent in-house view.

Reference to individual securities is for illustration purpose only and does not guarantee their continued inclusion in the strategy's portfolio, nor constitute a recommendation to buy or sell.

Xylem has developed a Green Finance Framework under focussing on three SDGs



Xylem Inc. is a global water technology provider. It works with public utilities, residential, commercial, agricultural as well as industrial settings

Fundamental analysis of Xylem's sustainability and strategy by our PM team and ESG* specialists

Goals: 100 percent Renewable Energy at major facilities. 100 percent Process Water recycling at major facilities. Achieve zero waste to landfill from processes at major facilities. Reduce injury frequency rate to an incident rate of 0.5 or below. Develop 1.5°C science-based targets for GHG reduction (Scope 1, 2, 3).



Xylem has linked its executive remuneration to five critical sustainable goals to enhance management accountability.



Project: Park City, Utah.

Used Xylem's intelligent leak detection and pressure monitoring solution to identify leaks and help predict leaks and infrastructure flaws



Project: Walla Walla, Washington.

A smart utility network from Xylem's Senses brand has helped Walla Walla cut non-revenue water by 50 percent, saving over 650 mln gallons annually

PM team, together with our ESG specialists verify that the Green Bond framework is in line with the ICMA principles

Use of Proceeds

Circular economy adapted products, production technologies and processes

Sustainable water and waste water management

Project Evaluation

A committee consisting of members across different departments and senior management representatives

Management of Proceeds

Xylem applies a portfolio approach. The allocation to the portfolio has to match the amount of Green Bonds outstanding. Unallocated proceeds will be help in the treasury liquidity portfolio.

Reporting

Xylem will report quantitative impact metrics on an annual basis.

Reference to individual securities is for illustration purpose only and does not guarantee their continued inclusion in the strategy's portfolio, nor constitute a recommendation to buy or sell.



Xylem Inc. is a global water technology provider. It works with public utilities, residential, commercial, agricultural as well as industrial settings



Business Risk/Profile

Xylem essentially operates as a water equipment manufacturer and service provider in a sizable and highly fragmented global water industry.

Xylem has a wide sales channel, its distributes its products through a network of direct sales force, resellers, distributors markets and also directly to utilities, engineering and construction firms.

Key Risk

Ongoing supply chain and inflationary cost headwinds affect operating margins: facing challenges due to supply chain disruptions and inflationary costs.

Another risk is the execution and integration risk: As Xylem Inc. continues to grow and expand its product and service offerings, it may face execution and integration risks.

Financial Metrics

Economic Net Debt/EBITDA: **1.23x**

Net Debt/ (EBITDA-Capex): **1.60x**

EBITDA/Interest: **19.6x**

EBITDA Margin: **12.0%**

*As per per 2023 FO1 LTM;
FFO = OCF-Capex-divs;
RCF = FFO-divs

Credit View/Position

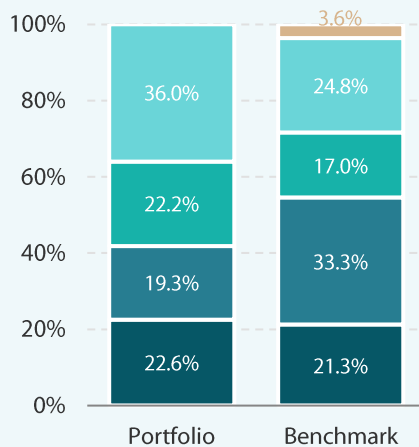
We view Xylem's credit as favourable as it operates in a fairly stable industry with long-term tailwinds that can mitigate earnings variability and margin pressure.

We expected both inflationary cost pressures and supply chain issues to ease by YE23, which will be another additional benefit to Xylem's overall revenue growth and credit profile, supported by its healthy backlog.

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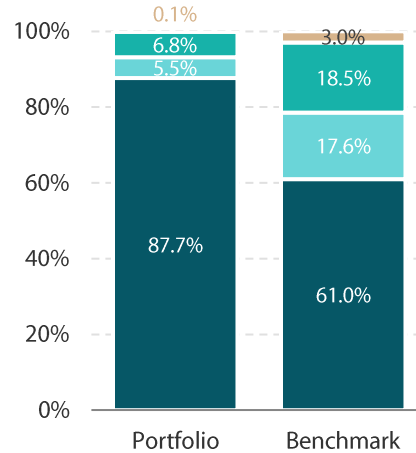
	Option Adjusted Duration	Local Yield to Worst	Option Adjusted Spread	Bloomberg Composite Rating
Global Green Bond Strategy	6.82	4.88	113.85	A+/A
Benchmark	6.42	4.48	113.38	AA-/A+

Credit rating composition



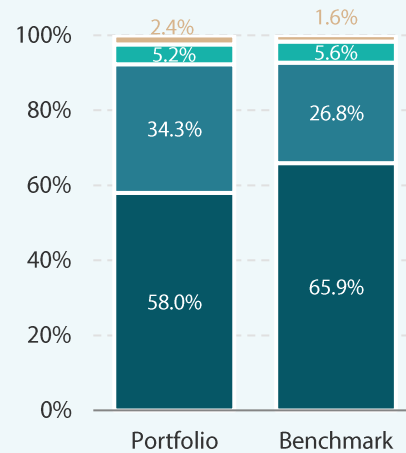
Category	Difference
AAA	1.3%
AA	-14.0%
A	5.1%
BBB	11.2%
HY	-3.6%

Bond category composition



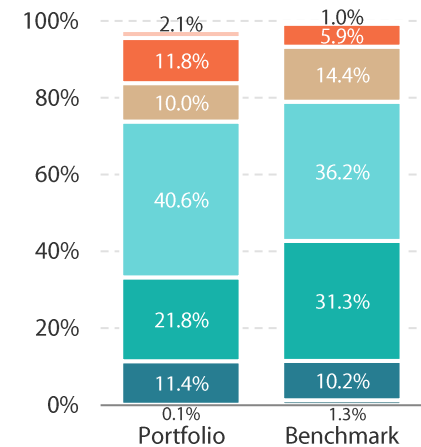
Category	Difference
Green Bond	26.7%
Sustainability Bond	-12.1%
Social Bond	-11.7%
Other*	-2.9%

FX composition



Currency	Difference
EUR	-7.9%
USD	7.5%
GBP	-0.4%
CAD	0.8%

Key Rate Composition



Key Rate	Difference
<6M	1.2%
6M	1.2%
2Y	-9.5%
5Y	4.4%
10Y	-4.4%
20Y	5.8%
30Y	1.1%

Source: Nikko Asset Management; data as at 13 October 2023. The above is a representative portfolio of the Global Green Bond Strategy and the benchmark is the iBoxx® Global Green, Social & Sustainability Bonds Index. *Other refers to bonds/loans with an unassigned ICMA classification.

The Nikko AM Global Green Bond Strategy in short

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The backbone of our investment process, providing a holistic fundamental focus supported by quantitative tools



Unique decision-making framework

Independent views collated into a team-wide survey, assessed against market consensus



Harmony between Fundamental & Quantitative analysis

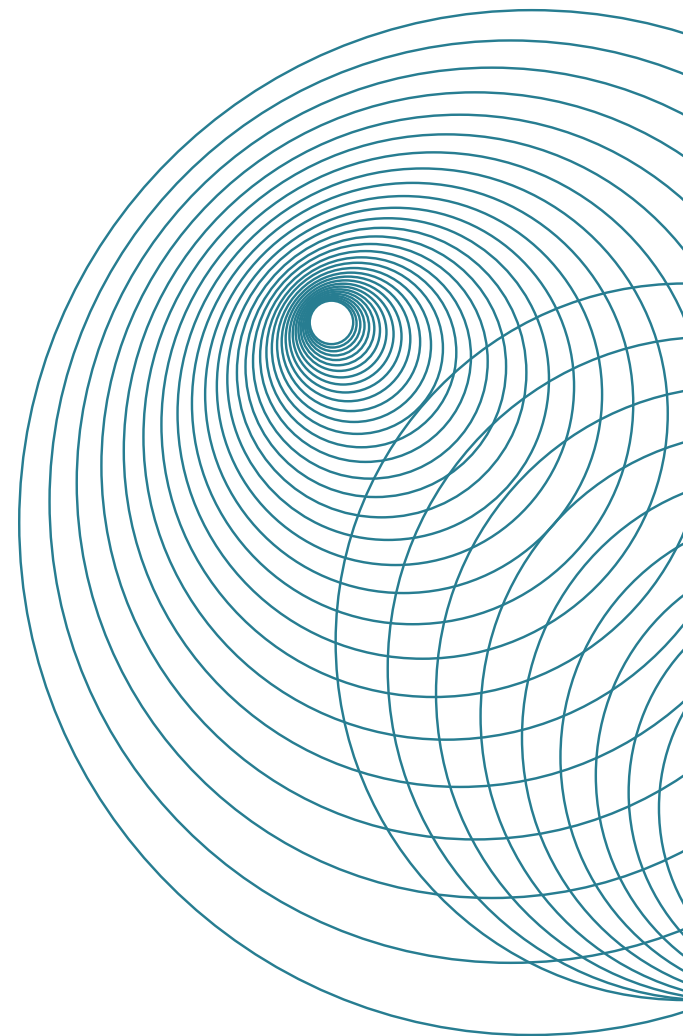
We balance these two lenses of analysis in order to identify the most attractive investment opportunities in the market



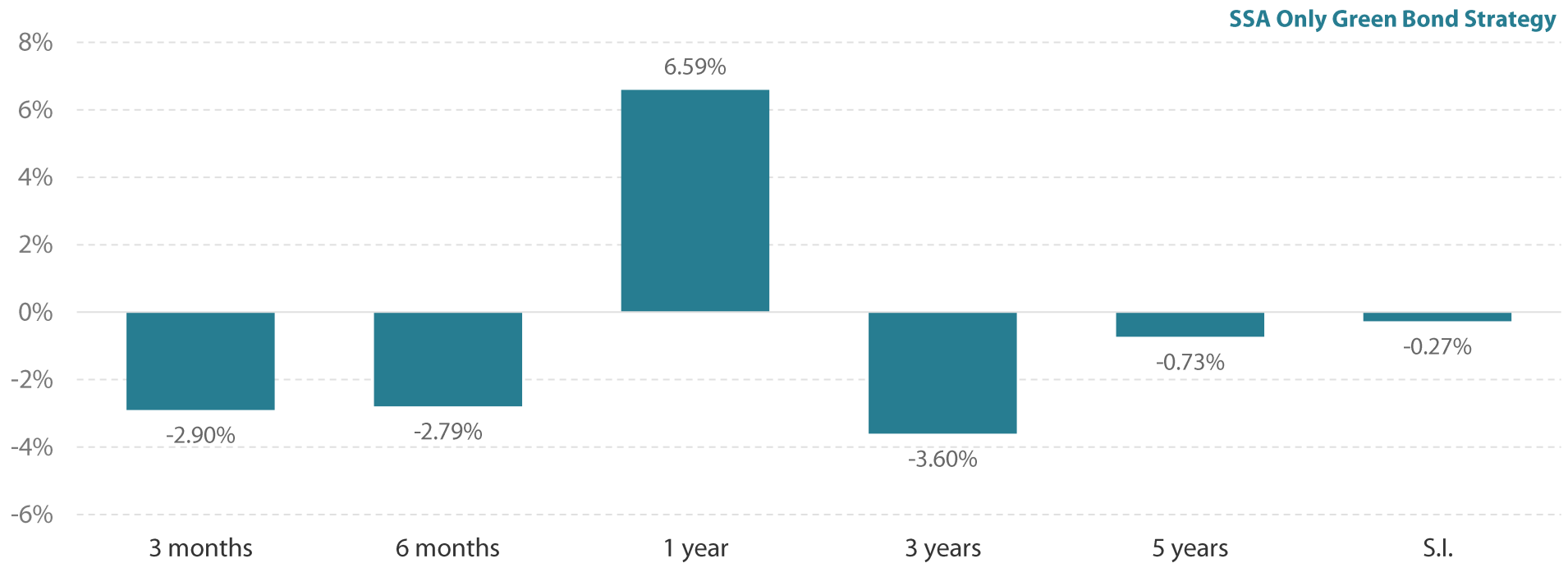


YOUR GOALS, OUR COMMITMENT.

APPENDIX



PERFORMANCE GREEN BONDS (SSA ONLY)

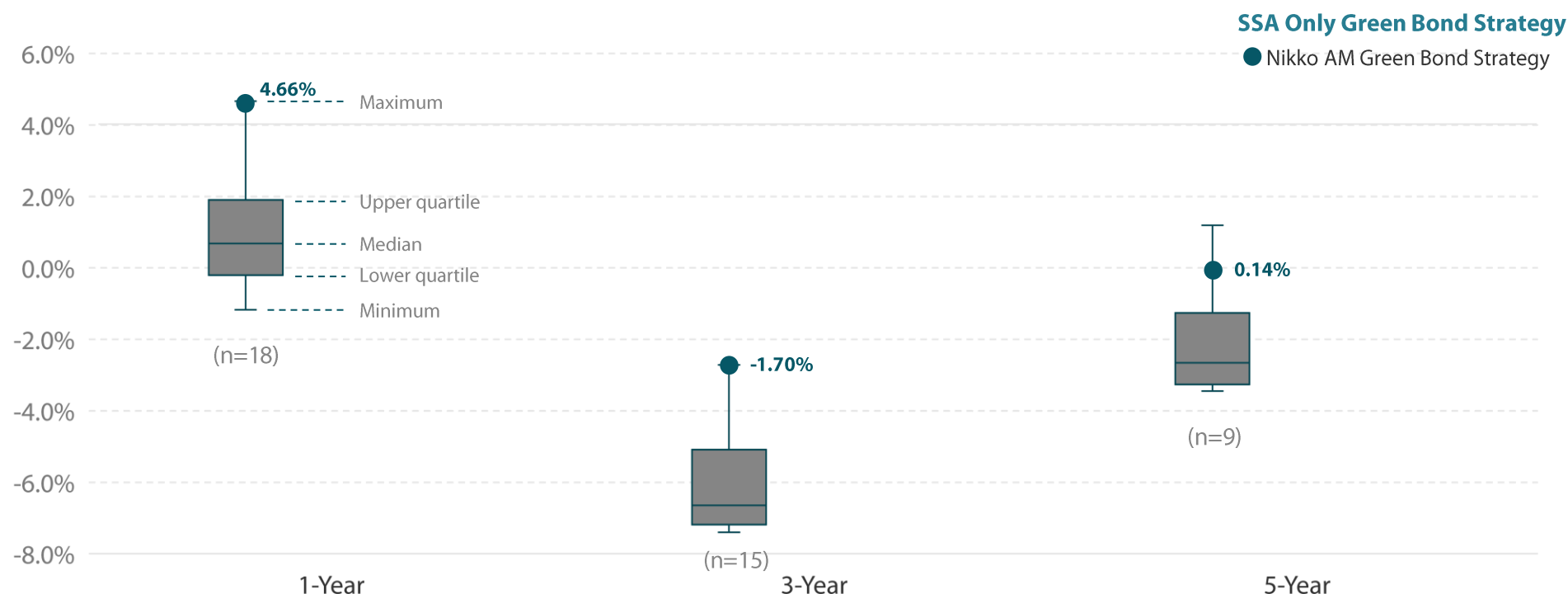


Annualised Gross Returns (USD) %	3 months	6 months	1 year	3 years	5 years	Since Inception
SSA Only Green Bond Strategy	-2.90	-2.79	6.59	-3.60	-0.73	--0.27

Returns are based on Nikko AM's (hereafter referred to as the "Firm") World Bank Green Fund Class A USD shares composite from March 2010 to July 2018 and the Global Green Bond USD Composite from Aug 2018 onwards. The Firm claims compliance with the Global Investment Performance Standards (GIPS®). Returns are US Dollar based and are presented gross of management fees only. Based on the way the strategy is managed, the Firm has determined that there is no appropriate benchmark that reflects this composite's strategy. Returns for calculation periods in excess of one year are annualised, but those for the periods of less than one year are not annualised. Numbers in the table may not sum to total due to rounding. Past performance does not guarantee future returns. GIPS is a registered trademark of the CFA Institute. For more details on the Firm's compliance with GIPS, please refer to the performance disclosures at the end of this document. Source: Nikko AM as of 30 September 2023.

Green Bond universe peer group performance comparison

Annualised return compared to peer group across different timeframes



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Source: eVestment, Nikko AM, Nikko AM Global Green Bond Fund as at 30 June 2023. Peer group created by selecting “green bond” strategies within the Fixed Income universes and the Global. Past performance is not an indicator of future performance.

Past performance is not a guide to future returns

World Bank Green Fund Class A USD shares composite

GBBAFR01USDN001

Nikko AM Global (or the "Firm") claims compliance with the Global Investment Performance Standards (GIPS® or the "GIPS Standards") and has prepared and presented this report in compliance with the GIPS Standards. Nikko AM Global has been independently verified for the periods 1 January 2008 through 31 July 2018. A copy of the verification report is available upon request. Verification assesses whether (1) the Firm has complied with all the composite construction requirements of the GIPS Standards on a Firm-wide basis and (2) the Firm's policies and procedures are designed to calculate and present performance in compliance with the GIPS Standards. Verification does not ensure the accuracy of any specific composite presentation. For the purpose of compliance with GIPS from 1 January 2008, Nikko AM Global defines itself as all assets covered by and corresponding to investment management contracts and agreements in which any of the following entities are identified as the investment manager, or advisor (Collectively, Nikko AM Global): Nikko Asset Management Co., Ltd. (Nikko AM Japan), Nikko AM Europe Limited (Nikko AM Europe), Nikko AM Americas, Inc. (Nikko AM Americas), Nikko AM Asia Limited (Nikko AM Asia), and Nikko AM Limited which has altered its corporate name from Tyndall Investment Management Limited (Tyndall AM). The Firm had included AIIMAN Asset Management Sdn. Bhd. from 1 January 2008 to 31 December 2013. Previously, Nikko AM Japan was independently defined as the Firm and was verified by a previous independent verifier for the periods 1 April 1996 through 31 December 2011; similarly, Nikko AM Europe was independently defined as the Firm and was verified by a previous independent verifier for the periods 1 July 1997 through 31 December 2011.

Period	Composite Gross Return (%)	Composite Net Return (%)	Benchmark Return (%)	Composite 3-Yr St Dev (Ann, %)	Benchmark 3-Yr St Dev (Ann, %)	Number of Portfolios at End	Internal Dispersion (%)	% of Carve Outs (%)	Composite Assets (USD, M)	Total Firm Assets (USD, M)
Jan 2018 to Jul 2018	-3.96	-4.21		7.16		1			16	200,491
Jan 2017 to Dec 2017	8.32	7.80		7.39		1			15	193,767
Jan 2016 to Dec 2016	3.05	2.59	6.59	7.97	8.66	1			15	155,794
Jan 2015 to Dec 2015	-12.47	-12.87	-10.93	6.94	7.23	1			15	140,154
Jan 2014 to Dec 2014	-5.80	-6.22	-3.25	8.29	8.19	2			25	138,811
Jan 2013 to Dec 2013	-5.26	-5.69	-4.64	9.06	8.81	1			34	144,175
Jan 2012 to Dec 2012	9.21	8.73	10.55			1			41	138,938
Jan 2011 to Dec 2011	-0.63	-1.08	-0.03			1			12	148,720
Mar 2010 to Dec 2010	11.50	11.09	8.57			1			11	126,008

1. The composite investment objective is to achieve income and capital growth over the mid to long term through investing in bonds denominated in different currencies. It will primarily invest in bonds issued in both emerging and developed markets by the World Bank and focuses on Green Bonds and other environmentally related bonds if they are issued by the entities of the World Bank.
2. The reference benchmark is a composite of 50% Citigroup WGBI (World Government Bond Index) and 50% JPMorgan GBI-EM (Global Bond Index - Emerging Markets). The composite was created on 31 December 2012. Composite inception date is 1 March 2010.
3. Gross returns are not presented for this composite. Net returns are presented net of actual investment management fees, trading commissions, and administrative fees (custodial fees, etc.). The base currency of this performance is US Dollar (USD).
4. The 3-year standard deviation is not presented where the composite does not yet have 36 monthly returns as of the end of each year. The dispersion of annual returns is measured by the standard deviation across asset-weighted portfolio returns represented within the Composite for the full year. Periods with five or fewer accounts are not deemed statistically representative and are not presented.
5. The standard fixed management fee before tax is 0.45% per annum.
6. Use of leverage, derivatives and short positions, inclusion of carve-outs or appointment of sub-advisors are not applicable to this composite.
7. A complete list and description of all composites, and/or additional information regarding policies for valuing portfolios, calculating performance and other data contained within this presentation are available upon request.

Past performance is not a guide to future returns

Global Green Bond USD Composite

GBBAFR01USDN005

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Period	Composite Gross Return (%)	Composite Net Return (%)	Benchmark Return (%)	Composite 3-Yr St Dev (Ann, %)	Benchmark 3-Yr St Dev (Ann, %)	Number of Portfolios at End	Internal Dispersion (%)	% of Carve Outs (%)	Composite Assets (USD, M)	Total Firm Assets (USD, M)
Jan 2022 to Sep 2022	-13.92	-14.21		6.08		1			9	180,674
Jan 2021 to Dec 2021	-6.35	-6.77		4.80		1			11	264,470
Jan 2020 to Dec 2020	4.25	3.79				1			18	278,038
Jan 2019 to Dec 2019	5.58	5.11				1			18	227,207
Aug 2018 to Dec 2018	0.57	0.39				1			16	184,390

1. The composite investment objective is to achieve an absolute return of 3% p.a.(gross) over each market cycle, generally over each rolling 3 year period through investing in bonds denominated in different currencies. It will primarily invest in SSA issued green bonds issued in both emerging and developed currencies and support a form of climate change mitigation or adaptation.
2. Based on the way the strategy is managed, the Firm has determined that there is no appropriate benchmark that reflects this composite's strategy.
3. Gross returns are presented gross of management fees only.
4. The 3-year standard deviation is not presented where the composite does not yet have 36 monthly returns as of the end of each year. The dispersion of annual returns is measured by the standard deviation across asset-weighted portfolio returns represented within the Composite for the full year. Periods with five or fewer accounts are not deemed statistically representative and are not presented.
5. The standard fixed management fee before tax is 0.45% per annum.
6. The composite may invest in financial derivative instruments including foreign exchange forwards, swaps & non-deliverable forwards for hedging the Sub-Fund's currency exposure or for efficient portfolio management and investment purposes.
7. A complete list and description of all composites, and/or additional information regarding policies for valuing portfolios, calculating performance and other data contained within this presentation are available upon request.

Currency risk - this exists when the strategy invests in assets denominated in a different currency. A devaluation of the asset's currency relative to the currency of the strategy will lead to a reduction in the value of the strategy.

Liquidity risk - investments that could have a lower level of liquidity due to (extreme) market conditions or issuer-specific factors and or large redemptions of shareholders. Liquidity risk is the risk that a position in the portfolio cannot be sold, liquidated or closed at limited cost in an adequately short time frame as required to meet liabilities of the Strategy

Counterparty risk - the possibility that the counterparty, such as brokers, clearing houses and other agents be unable to perform its obligations due to insolvency, bankruptcy or other causes.

Operational risk - due to issues such as natural disasters, technical problems and fraud.

Derivative risk - the Strategy may use derivatives as described in the Prospectus - Objectives and Investment Policy. Use of derivatives results in higher chances of loss due to the use of leverage, or borrowing. Derivatives allow investors to earn large returns from small movements in the underlying asset's price. However, investors could lose large amounts if the price of the underlying assets moves against them significantly.

Credit Risk - is the possibility that a bond issuer will fail to pay interest and principal in a timely manner.

Sustainability risk - The risk arising from any environmental, social or governance events or conditions that, were they to occur, could cause material negative impact on the value of the investment.

Specific sustainability risk can vary for each product and asset class, and include but are not limited to: Transition Risk, Physical Risk, Social Risk and Governance Risk.

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