YOUR GOALS,
OUR COMMITMENT.

ANNUAL REPORT
Nikko AM Global Green Bond Fund

Financial year ended 31 December 2023

MANAGERS
Nikko Asset Management Asia Limited
12 Marina View, #18-02 Asia Square Tower 2
Singapore 018961
Company Registration No. 198202562H

DIRECTORS OF THE MANAGERS
Seet Oon Hui Eleanor
Yutaka Nishida
Hiroshi Yoh
Allen Yan

TRUSTEE & REGISTRAR
BNP Paribas Trust Services Singapore Limited
20 Collyer Quay, #01-01
Singapore 049319

AUDITORS
PricewaterhouseCoopers LLP
7 Straits View, Marina One,
East Tower, Level 12,
Singapore 018936

CUSTODIAN
BNP Paribas, acting through its Singapore Branch
20 Collyer Quay, #01-01
Singapore 049319

This report is also available on our website (www.nikkoam.com.sg)

PERFORMANCE SUMMARY

Returns (%)	*3 Mth*	*6 Mth*	*1 Yr*	*3 Yr*	*5 Yr*	*10 Yr*	*Since Inception*
Nikko AM Global Green Bond Fund - SGD Class[1]	8.69	4.61	6.61	-4.48	-1.93	-2.63	-0.21

Source: Nikko Asset Management Asia Limited, returns as at 31 December 2023. Returns are calculated on a NAV-NAV basis, SGD, and based on the assumption that all dividends and distributions are reinvested, if any. Returns for period in excess of 1 year are annualised. Past performance is not indicative of future performance.

Returns (%)	*3 Mth*	*6 Mth*	*1 Yr*	*3 Yr*	*5 Yr*	*10 Yr*	*Since Inception*
Nikko AM Global Green Bond Fund - SGD Class[1]	3.25	-0.62	1.28	-6.10	-2.93	-3.12	-0.40

Source: Nikko Asset Management Asia Limited, returns as at 31 December 2023. Returns are calculated on a NAV-NAV basis, SGD, and based on the assumption that all dividends and distributions are reinvested, if any, and take into account of maximum initial sales charge and a realisation charge, currently nil, as and where applicable. Returns for period in excess of 1 year are annualised. Past performance is not indicative of future performance.

Inception date: 4 April 1997

Note:

(1) With effect from 2 January 2013, the Fund (formerly known as "Nikko AM Shenton Dynamic Bond Fund") has been renamed Nikko AM Shenton World Bank Green Bond Fund. With effect from 1 August 2018, the Fund (formerly known as "Nikko AM Shenton World Bank Green Bond Fund") has been renamed Nikko AM Global Green Bond Fund. The Underlying Fund Nikko AM World Bank Green Fund has been renamed NGUF - Nikko AM Global Green Bond Fund with effect from 1 August 2018.

(2) With effect from 1 April 2017, the benchmark for the Fund has been removed because the Manager is of the view that it is not representative of the Fund's strategy. The performance of the Fund will therefore not be measured against any benchmark on and after 1 April 2017. Prior to 1 April 2017, the benchmark was 50% Citigroup World Government Bond Index & 50% JP Morgan Government Bond Index - Emerging Markets (SGD Hedged). Prior to 2 January 2013, the benchmark was Citi World Government Bond Index and prior to 23 August 2006, the benchmark was Citi G5 Government Bond Index.

Portfolio Review

Fund returned 6.61% in 2023

The Nikko AM Global Green Bond Fund (the "Fund") posted a return of 6.61% (SGD terms, on a NAV-NAV basis) in the 12-month period ending December 2023.

The US investment grade (IG) market continued its positive performance in 2023. The strong returns in the period were driven by lower rates as well as spread compression. Investors now expect global central banks to start reducing rates in the first half of 2024, as the economic activities are slowing down. Nevertheless, credit spreads remained stable as most market participants anticipated only a moderate slowdown. In relative terms, the Fund outperformed the benchmark by approximately 2 basis points (bps). The strong performance of the Fund came from longer-duration positions on the yield curve, positive currency effect and allocation to credit sectors in the US and Europe.

The global green bond market has undergone significant evolution, transitioning towards a more inclusive and diversified investment strategy. This shift is exemplified by the transition of the Global Green Bond Fund to a broader strategy that now encompasses credit benchmarked to the S&P iBoxx Global Green, Social and Sustainability Bond Index. This move reflects a growing recognition within the investment community of the importance of addressing a wide range of environmental, social and governance (ESG) issues, beyond the traditional focus on green projects that directly contribute to environmental sustainability.

By broadening its investment criteria to include social and sustainable bonds, the Fund is now able to support a wider array of initiatives. These include projects aimed at improving social outcomes, such as affordable housing and education, alongside those focused on environmental sustainability.

The adoption of the S&P iBoxx Global Green Social and Sustainable Bond Index as a benchmark represents a strategic move to align the Fund with global standards for sustainable investing. This benchmark provides a clear framework for identifying bonds that meet rigorous environmental and social criteria, ensuring that the Fund's investments are contributing to recognised sustainability goals. This transition reflects a broader trend in the investment world towards sustainability and social responsibility, signalling a more holistic approach to considering the impact of investment decisions.

Market Review

Bond markets managed a comeback in the year 2023, with the catalyst being the shift in US Federal Reserve (Fed) policy from interest rate increases to pencilling in interest rate cuts for 2024. The year started with the Fed and major central banks steadfast on raising interest rates to suppress inflationary momentum. The yield on the 10-year bond started the year around 3.8% and immediately in the first quarter itself, rates managed a sharp pullback as concerns over US regional banks came to forth.

By implementing the fastest rate hike cycle in four decades, the Fed had amply tightened financial conditions and exposed vulnerabilities in the balance sheets of some US regional banks. Three major regional banks Silicon Valley Bank, Signature Bank and First Republic Bank collapsed after incurring losses on their unhedged bond portfolios and lost deposits to larger banks and money market funds. US regulators stepped in to avoid a systemic risk to the regional lenders otherwise with nearly USD 270 billion of commercial real estate (CRE) loans maturing in the year, regional banks would have faced additional difficulties due to credit losses resulting from higher CRE defaults. Bond markets started pricing in around 100 bps of rate cuts in the next 12 months.

Meanwhile, despite anecdotal reports of large-scale layoffs at major blue-chip companies, the labour market remained stubbornly tight with posted job vacancies exceeding the number of unemployed individuals by circa four million. Bonds gave up on the gains of first quarter as the US economy kept on adjusting better than expected to the higher rates environment, helped by the Inflation reduction act, Chips Act, Infrastructure jobs act and the cushion of excess savings built up during the pandemic. Strong job growth also bolstered market's enthusiasm in the "Magnificent Seven" companies including Nvidia and its booming business of supplying chips for artificial intelligence (AI) development.

The Fed continued delivering policy tightening in the first half of the year. By July, it had raised the upper range of target Fed funds rate by 100 bps to 5.50%, with the option to hike again if data warranted it. However, in meetings thereafter, the Fed Chair Jerome Powell acknowledged the encouraging signs on the inflation front, but also noted the uncertainty over the outlook and kept interest rates on pause for the rest of the year. The labour market in the US had remained tight, and the housing and construction sector had bottomed out, but the manufacturing Purchasing Managers Index (PMI) had been in contraction, and the services sector and consumer confidence surveys showed signs of an eventual slowdown.

Inflation began to ease in the second half, first in the US and later in the eurozone as well. By year-end, inflation pressures had turned towards disinflation, making the policy pivot a reality, and bond yields ended the last two months of 2023 on record strength. In the US, the 2-year/10-year yield curve spread, as measured by the gap between yields on the Treasury 2-year and 10-year notes, had been inverted since July 2022 due to the Fed's aggressive policy that raised short-term yields well above long-term yields. Looking at history, such long periods of yield curve inversion have been followed by recession. The yield curve inversion reached negative 108 bps in July, but the curve began to re-steepen towards the end of 2023 and ended the year at negative 37 bps. Bond market recovery picked up in the eurozone after the European Central Bank (ECB) kept its main policy rate on hold at 4.50% in the September meeting following an ease in inflation and worsening economic activity. The ECB has been on hold since then and has refrained from being excessively hawkish in its commentary. The German 10-year bund yield too closed the year at 2.01% which is significantly lower that the peak of 2.96% (seen in September) for the year. The best returns for the year came in credit-sensitive portions of the bond market including high quality residential mortgage-backed securities.

Market Outlook

In November and December 2023, the Fed continued to reiterate the "higher for longer" and "higher rates" message until inflation was brought to target, but the signs of an economic slowdown were becoming more apparent. The Fed's preferred measure of inflation, the Core Personal Consumption Expenditures (PCE), had been falling in sequential terms and on that basis, the futures market expected six rate cuts for the next year, with two full cuts coming by the May 2024 meeting, leading to a strong rally in global rates. In its December meeting, the Fed corroborated somewhat on market's expectations as the median dot plots for 2024 projected three full rate cuts, fuelling the year-end rally. In February 2024, the Federal Open Market Committee (FOMC) dropped its tightening bias, and the next move would be to reduce the target policy rate once it had gained greater confidence that inflation was moving sustainably toward 2%, but the Fed also pushed back against early rate cuts. The Fed's wait and watch approach got further credence after strong January payrolls, higher retail sales and an above expectations January Consumer Price Index (CPI) of 3.1% year-on-year (YoY). Policy expectations shifted quite quickly as the market shot down hopes of a first rate cut in March 2024. The futures market is now pricing a full rate cut by the June-July period.

The US economy has adjusted well to the higher rates environment, The 4Q23 GDP exceeded estimates and grew by 3.3% YoY, which on top of the 4.9% annualised GDP growth in 3Q23, demonstrates the robustness of economic recovery that has come after a return of the supply side back to its pre-pandemic trend and from the fiscal support provided by the Inflation Reduction Act, Chips Act and Infrastructure Jobs Act. On the fiscal front, the federal government avoided a shutdown in October with a temporary funding deal but made no significant spending cuts. The stopgap spending limit was extended till January which was then extended until March 2024.

In the eurozone, the latest dataset indicates a welcome sign of stabilisation in the economy, a more favourable outcome than the expected modest decline. There has also been an uptick in economic confidence, surpassing expectations. At the most recent ECB meeting, interest rates were kept unchanged as anticipated. The ECB's Governing Council asserted that the current rates are likely to meet the inflation target if maintained over time. Although progress on inflation has been recognised, the council has not yet discussed potential rate cuts, nor has ECB President Christine Lagarde pushed back against the current market pricing, which sees interest rate cuts in the second quarter of this year. The ECB is wary of making hasty decisions to normalise policy and has cited sticky services inflation, a resilient labour market, looser financial conditions and Red Sea tensions as risk factors for prices.

In the UK, inflation in general has been surprising on the downside. Services excluding the volatile seasonal and energy-sensitive components, a metric the Monetary Policy Committee (MPC) pays close attention to, demonstrate weaker month-on-month print and a gradual slowing in inflation persistence. Meanwhile, the activity data, led by the PMI, retail sales and housing, continues to stagnate, with 2Q23 being a flat quarter, 3Q23 in contraction of -0.1% quarter-on-quarter (QoQ) and

4Q23 preliminary data also showing a contraction of -0.3% QoQ. Faced with moderating producer prices and wage growth, along with a weak economy, the Bank of England's (BOE) MPC voted to maintain Bank Rate at 5.25% in its first meeting of 2024, as it expects the inflation to briefly fall below 2% in 2Q24, but it would keep the policy sufficiently restrictive for inflation to stay near target in a lasting manner. As services inflation and wage growth continue to slow, the next BOE move will be a cut and the overnight indexed swap (OIS) market expects the first rate cut in 2Q24. With general elections to come in the second half of this year, the focus now shifts to the fiscal policy and the spring statement. Chancellor Jeremy Hunt, in his autumn statement, cut the national insurance tax by 2% and made a permanent extension of exemptions on business investments. The ruling party would be inclined to use the fiscal headroom to regain some lost ground in opinion polls.

The Bank of Canada has maintained the overnight rate at 5%, attributing this decision to a slowdown in economic momentum. The central bank noted that "the Canadian economy has entered a period of weaker growth, necessary to alleviate price pressures." The Bank of Canada Business Outlook Survey for the fourth quarter of 2023 indicates that Canadian business sentiment remains downbeat, with this pessimistic view being widespread across various sectors and firm sizes. On a positive note, both input and output price growth expectations are trending downwards, suggesting some relief from inflationary pressures. Fewer businesses plan to implement larger-than-normal increases in their output prices in the last quarter. Importantly, the Bank of Canada observes that firms' pricing behaviour is slowly returning to normal."

The growth of economic activity in Australia has decelerated since mid-2022, following a decline in the initial post-pandemic recovery spending and the impact of considerable tightening in monetary policy. Despite this slowdown, strong population growth has acted as a crucial counterbalance, helping to prevent the country from slipping into a recession. However, a range of survey-based indicators continue to project a very bleak economic outlook. Furthermore, forward orders from the National Australia Bank are reaching levels not seen in recent years, underscoring the ongoing challenges in the economic landscape. Positively, the latest inflation report for 4Q23 showed welcome signs of ongoing easing, with both headline and underlying inflation pressures abating. This development will be encouraging news for the Reserve Bank of Australia, potentially opening the possibility for policy rate cuts in the second part of the year.

The Reserve Bank of New Zealand (RBNZ) has maintained the policy rate at 5.50%, aligning with consensus expectations. Policymakers are increasingly confident that the current rate will be effective in bringing inflation back to the target. While further tightening remains a possibility, any such decisions will be data dependent. The Quarterly Survey of Business Opinion for 3Q23 indicated a further easing in capacity pressures and lower—albeit still elevated—pricing and cost indicators. This suggests that the RBNZ's tightening measures to date are beginning to have an impact, along with a continued easing in supply constraints. Although economic activity over the past 12 months appears recessionary, albeit not as severely as during the Global Financial Crisis (GFC), the labour market has not reflected this trend. The labour markets typically lag the broader economy by about six months, and it is expected that unemployment rates and other labour market indicators will soon start to display recessionary characteristics. On a per capita basis, the situation is more pronounced. GDP per capita has declined by 3% in the past year, reaching a level comparable to its trough during the recession that followed the GFC.

The near-term outlook for emerging market (EM) assets appears positive, particularly for local markets, buoyed by expectations of a global economic slowdown without a US recession in the first half of 2024. Inflation is anticipated to remain low globally and continue its downward trend in EM regions, creating a supportive environment for EM local markets. In China, growth is expected to be maintained at 5.5% until the 1Q24, fuelled by growth-supportive fiscal, monetary and housing policies, after which it is likely to return to a more typical pace. Other EM regions, including Brazil, Central Europe, and Türkiye, are projected to experience growth rebounds in the first quarter, driven by a recovery in domestic demand. However, a potential softening in global capital expenditure, suggested by global manufacturing PMIs, casts a shadow over the outlook for EM Asia, despite recent recoveries in tech output. Monetary easing in EM Asia is anticipated to begin with increased liquidity operations, potentially leading to earlier rate cuts than previously expected in the second half of 2024. This shift is encouraged by recent improvements in external financial conditions, prompting countries like India, Indonesia and Malaysia to relax the tighter financial measures implemented last year to address Balance of Payments issues. In the EMEA (Europe, Middle East and Africa) region, slowing inflation has led several central banks to start easing their monetary policies. Notably, the National Bank of Hungary and the National Bank of Poland initiated rate cuts last year, with the Czech National Bank and the Bank of Israel following suit recently. The National Bank of Romania is expected to begin easing in 3Q24, with a possibility of starting in the second quarter. Meanwhile, the National Bank of Poland is delaying further rate cuts due to inflation and fiscal concerns, with cuts expected to resume in the 4Q24. The South African Reserve Bank is anticipated to start easing in May, with gradual rate cuts, contingent on a stable USD/ZAR exchange rate's impact on inflation. Latin America presents a favourable outlook for 2024, predicated on the expectation of a "soft landing" in major global economies, somewhat insulating the region from certain global economic risks. The region is expected to maintain resilient growth, with slow inflation deceleration facilitating cautious monetary easing across major economies this year. Brazil's central bank signals continuous 50-bps rate cuts in upcoming meetings, with a cautious approach towards accelerating these cuts due to expected GDP growth acceleration. Colombia has initiated its easing cycle in December, with future policy directions hinging on inflation trends. Chile has quickened its rate cuts, leveraging more favourable domestic conditions for aggressive easing. Peru persists with its easing policy, and Mexico's central bank, despite not having reduced rates yet, indicates a dovish shift, suggesting potential rate cuts in the first quarter of this year. Geopolitical risk in the Gaza Strip remains a concern for potential global price increases and shipping disruptions.

This document is purely for informational purposes only with no consideration given to the specific investment objective, financial situation and particular needs of any specific person. It should not be relied upon as financial advice. Any securities mentioned herein are for illustration purposes only and should not be construed as a recommendation for investment. **You should seek advice from a financial adviser before making any investment. In the event that you choose not to do so, you should consider whether the investment selected is suitable for you.** Investments in funds are not deposits in, obligations of, or guaranteed or insured by Nikko Asset Management Asia Limited ("Nikko AM Asia").

Past performance or any prediction, projection or forecast is not indicative of future performance. The Fund or any underlying fund may use or invest in financial derivative instruments. The value of units and income from them may fall or rise. Investments in the Fund are subject to investment risks, including the possible loss of principal amount invested. You should read the relevant prospectus (including the risk warnings) and product highlights sheet of the Fund, which are available and may be obtained from appointed distributors of Nikko AM Asia or our website (www.nikkoam.com.sg) before deciding whether to invest in the Fund.

The information contained herein may not be copied, reproduced or redistributed without the express consent of Nikko AM Asia. While reasonable care has been taken to ensure the accuracy of the information as at the date of publication, Nikko AM Asia does not give any warranty or representation, either express or implied, and expressly disclaims liability for any errors or omissions. Information may be subject to change without notice. Nikko AM Asia accepts no liability for any loss, indirect or consequential damages, arising from any use of or reliance on this document.

(Where relevant – for funds included under CPFIS) The Central Provident Fund ("CPF") Ordinary Account ("OA") interest rate is the legislated minimum 2.5% per annum, or the 3-month average of major local banks' interest rates, whichever is higher, reviewed quarterly. The interest rate for Special Account ("SA") is currently 4% per annum or the 12-month average yield of 10-year Singapore Government Securities plus 1%, whichever is higher, reviewed quarterly. Only monies in excess of $20,000 in OA and $40,000 in SA can be invested under the CPF Investment Scheme ("CPFIS"). Please refer to the website of the CPF Board for further information. Investors should note that the applicable interest rates for the CPF accounts and the terms of CPFIS may be varied by the CPF Board from time to time.

For Hong Kong Investors
The Fund may only be offered to professional investors in Hong Kong and is not authorised by the Securities and Futures Commission. The contents of this document have not been reviewed by any regulatory authority in Hong Kong. You are advised to exercise caution in relation to this document. If you are in any doubt about any of the contents, you should obtain independent professional advice.

Nikko Asset Management Asia Limited. Registration Number 198202562H

REPORT OF THE TRUSTEE

For the financial year ended 31 December 2023

The Trustee is under a duty to take into custody and hold the assets of Nikko AM Global Green Bond Fund (the "Fund") in trust for the unitholders. In accordance with the Securities and Futures Act 2001, its subsidiary legislation and the Code on Collective Investment Schemes, the Trustee shall monitor the activities of the Manager for compliance with the limitations imposed on the investment and borrowing powers as set out in the Trust Deed in each annual accounting year and report thereon to unitholders in an annual report.

To the best knowledge of the Trustee, the Manager has, in all material respects, managed the Fund during the financial year covered by these financial statements, set out on pages 13 to 31, in accordance with the limitations imposed on the investment and borrowing powers set out in the Trust Deed.

For and on behalf of the Trustee
BNP Paribas Trust Services Singapore Limited

Authorised signatory
27 March 2024

STATEMENT BY THE MANAGER

For the financial year ended 31 December 2023

In the opinion of Nikko Asset Management Asia Limited, the accompanying financial statements set out on pages 13 to 31, comprising the Statement of Total Return, Statement of Financial Position, Statement of Movements of Unitholders' Funds, Statement of Portfolio and Notes to the Financial Statements are drawn up so as to present fairly, in all material respects, the financial position and the portfolio holdings of Nikko AM Global Green Bond Fund (the "Fund") as at 31 December 2023, and the financial performance and movements in unitholders' funds for the financial year then ended in accordance with the recommendations of Statement of Recommended Accounting Practice 7 "Reporting Framework for Investment Funds" issued by the Institute of Singapore Chartered Accountants. At the date of this statement, there are reasonable grounds to believe that the Fund will be able to meet its financial obligations as and when they materialise.

For and on behalf of the Manager
Nikko Asset Management Asia Limited

Authorised signatory
27 March 2024

INDEPENDENT AUDITOR'S REPORT
TO THE UNITHOLDERS OF NIKKO AM GLOBAL GREEN BOND FUND
(Constituted under a Trust Deed registered in the Republic of Singapore)

Our Opinion

In our opinion, the accompanying financial statements of Nikko AM Global Green Bond Fund (the "Fund"), are properly drawn up in accordance with the recommendations of Statement of Recommended Accounting Practice 7 "Reporting Framework for Investment Funds" issued by the Institute of Singapore Chartered Accountants ("RAP 7"), so as to present fairly, in all material respects, the financial position and portfolio holdings of the Fund as at 31 December 2023, and the financial performance and movements of unitholders' funds for the financial year ended on that date.

What we have audited

The financial statements of the Fund comprise:
- the Statement of Total Return for the financial year ended 31 December 2023;
- the Statement of Financial Position as at 31 December 2023;
- the Statement of Movements of Unitholders' Funds for the financial year then ended;
- the Statement of Portfolio as at 31 December 2023; and
- the notes to the financial statements, including material accounting policy information.

Basis for Opinion

We conducted our audit in accordance with Singapore Standards on Auditing ("SSAs"). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Independence

We are independent of the Fund in accordance with the Accounting and Corporate Regulatory Authority Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities ("ACRA Code") together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code.

Other Information

The Fund's Manager (the "Manager") is responsible for the other information. The other information comprises all sections of the annual report but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Manager for the Financial Statements

The Manager is responsible for the preparation and fair presentation of these financial statements in accordance with the recommendations of RAP 7 and for such internal control as the Manager determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Manager is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Manager either intends to terminate the Fund or to cease the Fund's operations, or has no realistic alternative but to do so.

The Manager's responsibilities include overseeing the Fund's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Manager.

- Conclude on the appropriateness of the Manager's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Fund to cease to continue as a going concern.

Auditor's Responsibilities for the Audit of the Financial Statements (continued)

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Manager regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

PricewaterhouseCoopers LLP
Public Accountants and Chartered Accountants
Singapore, 27 March 2024

NIKKO AM GLOBAL GREEN BOND FUND
(Constituted under a Trust Deed registered in the Republic of Singapore)

STATEMENT OF TOTAL RETURN
For the financial year ended 31 December 2023

	Note	**2023** **S$**	2022 S$
Income			
Dividends		**228,451**	232,766
Interest on cash and cash equivalents		**5,067**	826
Other income		**-**	3
		233,518	233,595
Less: Expenses			
Management fee		**65,415**	70,057
Management fee rebate		**(28,954)**	(31,312)
Transfer agent fee		**17,221**	19,023
Trustee fee		**19,999**	19,999
Audit fee		**10,696**	10,402
Valuation fee		**10,000**	10,000
Transaction costs		**3,932**	5,762
Other expenses		**31,140**	13,036
		129,449	116,967
Net income		**104,069**	116,628
Net gains or losses on value of investments and financial derivatives			
Net gains/(losses) on investments		**320,915**	(975,693)
Net foreign exchange gains/(losses)		**1,425**	(4,119)
Net losses on financial derivatives		**(10,500)**	(22,952)
		311,840	(1,002,764)
Total return/(deficit) for the financial year before income tax		**415,909**	(886,136)
Less: Income tax	3	**-**	-
Total return/(deficit) for the financial year after income tax		**415,909**	(886,136)

The accompanying notes form an integral part of these financial statements

NIKKO AM GLOBAL GREEN BOND FUND
(Constituted under a Trust Deed registered in the Republic of Singapore)

STATEMENT OF FINANCIAL POSITION
As at 31 December 2023

	Note	**2023**	2022
		S$	S$
ASSETS			
Portfolio of investments		**6,357,903**	6,175,888
Cash and cash equivalents		**144,760**	214,463
Financial derivatives at fair value	5	**171,551**	251,562
Total assets		**6,674,214**	6,641,913
LIABILITIES			
Payables	4	**67,336**	31,830
Distributions payable	7	**161,746**	168,179
Total liabilities		**229,082**	200,009
EQUITY			
Net assets attributable to unitholders	6	**6,445,132**	6,441,904

The accompanying notes form an integral part of these financial statements

STATEMENT OF MOVEMENTS OF UNITHOLDERS' FUNDS

For the financial year ended 31 December 2023

	Note	2023 S$	2022 S$
Net assets attributable to unitholders at the beginning of the financial year		**6,441,904**	7,767,227
Operations			
Change in net assets attributable to unitholders resulting from operations		**415,909**	(886,136)
Unitholders' contributions/(withdrawals)			
Creation of units		**181,524**	178,449
Cancellation of units		**(432,459)**	(449,457)
Change in net assets attributable to unitholders resulting from net creation and cancellation of units		**(250,935)**	(271,008)
Distributions	7	**(161,746)**	(168,179)
Total increase/(decrease) in net assets attributable to unitholders		**3,228**	(1,325,323)
Net assets attributable to unitholders at the end of the financial year	6	**6,445,132**	6,441,904

STATEMENT OF PORTFOLIO
As at 31 December 2023

By Geography (Primary)	Holdings at 31 December 2023	Fair value at 31 December 2023 S$	Percentage of total net assets attributable to unitholders at 31 December 2023 %
Quoted Investment Fund			
LUXEMBOURG			
Nikko AM Global Umbrella Fund - Nikko AM Global Green Bond Fund	**699,544**	**6,357,903**	**98.65**
Total LUXEMBOURG		**6,357,903**	**98.65**
Total Quoted Investment Fund		**6,357,903**	**98.65**
Portfolio of investments		**6,357,903**	**98.65**
Other net assets		**87,229**	**1.35**
Net assets attributable to unitholders		**6,445,132**	**100.00**

By Geography (Summary)	Percentage of total net assets attributable to unitholders at 31 December 2023 %	Percentage of total net assets attributable to unitholders at 31 December 2022 %
Quoted Investment Fund		
Luxembourg	**98.65**	95.87
Total Quoted Investment Fund	**98.65**	95.87
Portfolio of investments	**98.65**	95.87
Other net assets	**1.35**	4.13
Net assets attributable to unitholders	**100.00**	100.00

As the Fund is invested wholly into the Nikko AM Global Umbrella Fund – Nikko AM Global Green Bond Fund, which is registered in Luxembourg, information on investment portfolio by industry segments is not presented as the Fund invests only into an underlying fund.

These notes form an integral part of and should be read in conjunction with the accompanying financial statements.

1. General

Nikko AM Global Green Bond Fund (the "Fund") is a Singapore domiciled fund, constituted by a Trust Deed dated 27 December 1996 as amended by Supplemental Deeds and Amended and Restated Deeds (collectively referred to as the "Deeds"). The Deeds are governed by the laws of the Republic of Singapore. The Trustee of the Fund is BNP Paribas Trust Services Singapore Limited (the "Trustee"). The Manager of the Fund is Nikko Asset Management Asia Limited (the "Manager").

There are currently three classes of units established within the Fund, namely SGD Class, USD Class and RMB Class. The classes differ in terms of their class currency and the minimum subscription amounts applicable.

As of 31 December 2023 and 2022, only units in the SGD Class have been issued.

The Fund is single priced and the NAV of the Fund may fall as a result of the transaction costs incurred in the purchase and sale of its underlying investments and the spread between the buying and selling prices of such Investments caused by subscriptions, redemptions, switches and/or exchanges of units in the Fund. To protect unitholders' interests, the Manager shall, in consultation with the Trustee, have the discretion to apply dilution adjustment or swing pricing in certain circumstances which the Manager deem appropriate. Swing Pricing involves making upwards or downwards adjustments in the calculation of the NAV per unit of the Fund or Class on a particular Dealing Day so that such transaction costs and dealing spreads in respect of the underlying investments are, as far as practicable, passed on to the investors who are subscribing, realising, switching and/or exchanging units on that Dealing Day.

The NAV is adjusted if the net subscription or realisation (including switches and/or exchanges) on a particular Dealing Day reaches or exceeds a certain percentage (the "Swing Threshold") of the size of the Fund as of such relevant Dealing Day.

Any dilution adjustment as at the last dealing day of the year will be disclosed under Units in issue.

During the financial year ended 31 December 2023, the Fund did not reach the swing threshold and no swing pricing has been applied.

2. Material accounting policy information

The principal accounting policies applied in the preparation of these financial statements are set out below:

(a) Basis of preparation

The financial statements have been prepared under the historical cost convention, as modified by the revaluation of financial instruments at fair value and in accordance with the recommendations of Statement of Recommended Accounting Practice 7 "Reporting Framework for Investment Funds" ("RAP 7") issued and revised by the Institute of Singapore Chartered Accountants in August 2023 for the financial year beginning on or after 1 January 2023.

2. Material accounting policy information (continued)

(a) Basis of preparation (continued)

The adoption of the revised RAP 7 did not result in substantial changes to the accounting policies of the Fund and had no material effect on the amounts reported for the current or prior years.

(b) Recognition of income

Dividend income from investments is recognised when the right to receive payment is established.

Interest income is recognised on a time-proportion basis using the effective interest rate method.

(c) Distributions

The Manager has the absolute discretion to determine whether a distribution is to be made. In such an event, an appropriate amount will be transferred to a distribution account to be paid on the distribution date. The amount shall not be treated as part of the property of the Fund. Distributions are accrued for at the reporting date if the necessary approvals have been obtained and a legal or constructive obligation has been created.

(d) Investments

Investments are classified as financial assets at fair value through profit or loss.

(i) Initial recognition

Purchases of investments are recognised on the trade date. Investments are recorded at fair value on initial recognition.

(ii) Subsequent measurement

Investments are subsequently carried at fair value. Net change in fair value on investments is included in the Statement of Total Return in the year in which they arise.

(iii) Derecognition

Investments are derecognised on the trade date of disposal. The resultant realised gains and losses on the sales of investments are computed on the basis of the difference between the weighted average cost and selling price gross of transaction costs, and are taken up in the Statement of Total Return.

(e) Basis of valuation of investments

The fair value of investments held in the underlying fund is the quoted net asset value of the underlying fund as determined by the underlying fund's administrator.

2. Material accounting policy information (continued)

(f) Receivables

Receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Receivables are initially recognised at their fair value and subsequently carried at amortised cost using the effective interest method, less accumulated impairment losses.

(g) Sales and purchases awaiting settlement

Sales and purchases awaiting settlement represent receivables for securities sold and payables for securities purchased that have been contracted for but not yet settled or delivered on the Statement of Financial Position date respectively. These amounts are recognised initially at fair value and subsequently measured at amortised cost.

(h) Payables

Accrued expenses are recognised initially at fair value and subsequently stated at amortised cost using the effective interest method.

(i) Cash and cash equivalents

Cash and cash equivalents comprise cash at banks which are subject to an insignificant risk of changes in value.

(j) Foreign currency translation

(i) Functional and presentation currency

The Fund qualifies as an authorised scheme under the Securities and Futures Act 2001 ("SFA") of Singapore and is offered to retail investors in Singapore. The Fund’s activities are substantially based in Singapore, with subscriptions and redemptions of the units of the Fund denominated in Singapore Dollar ("SGD").

The performance of the Fund is measured and reported to the investors in Singapore Dollar. The Manager considers the Singapore Dollar as the currency which most faithfully represents the economic effects of the underlying transactions, events and conditions. The financial statements are expressed in Singapore Dollar, which is the Fund’s functional and presentation currency.

(ii) Transactions and balances

Foreign currency monetary assets and liabilities are translated into Singapore Dollar at the rates of exchange prevailing at the date of the Statement of Financial Position. The net unrealised gain or loss is taken to the Statement of Total Return within the net foreign exchange gain or loss. Transactions during the year are recorded in Singapore Dollar at the rates of exchange ruling on transaction dates. All realised gains or losses are recognised in the Statement of Total Return.

2. Material accounting policy information (continued)

(k) Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the Statement of Financial Position when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Fund or the counterparty.

(l) Structured entities

A structured entity is an entity that has been designed so that voting or similar rights are not the dominant factor in deciding who controls the entity, such as when any voting rights relate to administrative tasks only and the relevant activities are directed by means of contractual arrangements. A structured entity often has some or all of the following features or attributes: (a) restricted activities, (b) a narrow and well-defined objective, such as to provide investment opportunities for investors by passing on risks and rewards associated with the assets of the structured entity to investors, (c) insufficient equity to permit the structured entity to finance its activities without subordinated financial support and (d) financing in the form of multiple contractually linked instruments to investors that create concentrations of credit or other risks (tranches).

The Fund considers all of its investments in other fund (the "Underlying Fund") to be investments in unconsolidated structured entities. The Fund invests in Underlying Fund whose objectives range from achieving short to long term capital growth and whose investment strategy does not include the use of leverage. The Underlying Fund applies various investment strategies to accomplish their respective investment objectives. The Underlying Fund finances their operations by issuing redeemable units which are puttable at the unitholder's option and entitles the unitholder to a proportional stake in the respective fund's net assets. The Fund holds redeemable units in the Underlying Fund.

The change in fair value of the Underlying Fund is included in the Statement of Total Return in "Net gains/(losses) on investments".

(m) Financial derivatives

Financial derivatives are entered into for the purposes of efficient portfolio management, tactical asset allocation or specific hedging of financial assets held as determined by the Manager and in accordance with the provisions of the Deeds.

Financial derivatives outstanding at the end of the financial year are valued at forward rates or at current market prices using the “mark-to-market” method, as applicable, and the resultant gains and losses are taken up in the Statement of Total Return.

When a financial derivative expires, or is sold or terminated, the gains or losses are taken up in the Statement of Total Return.

(n) Expenses

Expenses are recognised in the Statement of Total Return as the related services are performed.

2. Material accounting policy information (continued)

(o) Management fee

Management fee expense is recognised on an accrual basis and in accordance with the Prospectus. Management fee is recognised as an expense over the period for which the service is provided. The management fee charged on any investment in other unit trusts managed by the Manager is rebated back to the Fund, where applicable

(p) Creation and cancellation of units

Units are issued and redeemed at the prices based on the Fund's net asset value per unit at the time of issue or redemption for each respective class. The Fund's net asset value per unit is calculated by dividing the net asset attributable to the unitholders of each class of units.

3. Income tax

The Manager and Trustee of the Fund have assessed and are satisfied that the Fund has met the requisite conditions under the Designated Unit Trust (DUT) scheme for the current financial year. The Manager and Trustee of the Fund will ensure that the Fund fulfils its reporting obligations under the DUT Scheme.

Under the DUT Scheme, certain income of the DUT fund is not taxable in accordance to Sections 35(12) and 35(12A) of the Income Tax Act 1947. Such income includes:

(a) gains or profits derived from Singapore or elsewhere from the disposal of securities;

(b) interest (other than interest for which tax has been deducted under section 45 of the Income Tax Act 1947);

(c) dividends derived from outside Singapore and received in Singapore;

(d) gains or profits derived from foreign exchange transactions, transactions in futures contracts, transactions in interest rate or currency forwards, swaps or option contracts and transactions in forwards, swaps or option contracts relating to any securities or financial index;

(e) discount prepayment fees, redemption premium and break cost from qualifying debt securities issued during the prescribed period; and

(f) distributions from foreign unit trusts derived from outside Singapore and received in Singapore.

There is no income tax for the financial year ended 31 December 2023 and 2022.

4. Payables

	2023	2022
	S$	S$
Payable to unitholders for cancellation of units	**4,705**	-
Amount due to the Manager	**10,294**	10,286
Amount due to the Trustee	**16,272**	5,394
Valuation fee payable	**8,137**	2,697
Transfer agent fee payable	**8,951**	2,967
Provision for audit fee	**10,585**	10,486
Other payables	**8,392**	-
	67,336	31,830

Amount due to the Manager comprises management fee payable to Nikko Asset Management Asia Limited. Trustee fee is payable to BNP Paribas Trust Services Singapore Limited. Valuation fee is payable to BNP Paribas, acting through its Singapore Branch. Transfer agent fee is payable to BNP Paribas, acting through its Singapore Branch with effect from 1 April 2023.

5. Financial derivatives

Financial derivatives comprise of forward foreign exchange contracts for purchases and sales of foreign currencies. The year-end positive and negative fair values represent the unrealised gains and losses respectively on revaluation of forward foreign exchange contracts at the Statement of Financial Position date. The contract or underlying principal amounts of these financial derivatives and their corresponding gross positive or negative fair values at Statement of Financial Position date are analysed below.

	Contract or underlying principal amount		**Year-end positive fair value**		**Year-end negative fair value**	
	2023	2022	**2023**	2022	**2023**	2022
	S$	S$	**S$**	S$	**S$**	S$
Forward foreign exchange contracts	**5,900,000**	6,000,000	**171,551**	251,562	**-**	-

The Fund also restricts its exposure to credit losses on the trading derivative instruments it holds by entering into master netting arrangements with approved brokers with whom it undertakes a significant volume of transactions. Master netting arrangements do not result in an offset of Statement of Financial Position assets and liabilities, as transactions are usually settled on a gross basis. However, the credit risk is reduced by a master netting arrangement to the extent that if an event of default occurs, all amounts with the counterparty are terminated and settled on a net basis. The Fund's overall exposure to credit risk on derivative instruments, subject to a master netting arrangement, can change substantially within a short period as it is affected by each transaction subject to the arrangement.

There were no financial assets or financial liabilities which are subject to enforceable master netting agreements or similar agreements for the financial year ended 31 December 2023 and 2022.

6. Units in issue

During the financial year ended 31 December 2023 and 2022, the number of units issued, redeemed and outstanding were as follows:

<u>**SGD Class**</u>	**2023**	2022
Units at beginning of the financial year	**11,211,923**	11,671,688
Units created	**309,101**	270,123
Units cancelled	**(737,962)**	(729,888)
Units at end of the financial year	**10,783,062**	11,211,923
Net assets attributable to unitholders - S$	**6,445,132**	6,441,904
Net asset value per unit - S$	**0.598**	0.575

A reconciliation of the net asset value as reported in the Statement of Financial Position to the net asset value as determined for the purpose of processing unit subscription and redemption is provided below:

<u>**SGD Class**</u>	**2023** **S$**	2022 S$
Net assets attributable to unitholders per financial statements per unit	**0.598**	0.575
Effects of distribution per unit	**0.015**	0.015
Effect for movement in the net assets value between the last dealing date and the end of the reporting period ^	**-***	-*
Net assets attributable to unitholders for issuing/redeeming per unit	**0.613**	0.590

^ The net asset value for the purposes of processing unit subscription and redemption was established in accordance with the methodology indicated in the Fund's Prospectus. This item reflects the movement in net asset value between the last dealing date and the end of reporting period due to accrual of operating expenses.

* Effect is less than 0.001.

7. Distributions

	2023 **S$**	2022 S$
Final distribution of S$1.50 (SGD Class) per 100 units in respect of the financial year ended 31 December 2023	**161,746**	-
Final distribution of S$1.50 (SGD Class) per 100 units in respect of the financial year ended 31 December 2022	**-**	168,179
	161,746	168,179

8. Financial risk management

The Fund's activities expose it to a variety of risk, including but not limited to market risk (including price risk, interest rate risk and currency risk), liquidity risk and credit risk. The Manager is responsible for the implementation of the overall risk management programme, which seeks to minimise potential adverse effects on the Fund's financial performance. Specific guidelines on exposures to individual securities and certain industries and/or countries are in place as part of the overall financial risk management to reduce the Fund's exposures to these risks.

The investment objective of the Fund is to achieve income and capital growth over the medium to long term through investing in bonds denominated in different currencies. The Managers seek to achieve the investment objective of the Fund by investing all or substantially all of the Fund's assets into the Nikko AM Global Green Bond Fund, a sub-fund of Nikko AM Global Umbrella Fund (the "Underlying Fund"), which seeks to achieve its investment objective by primarily investing in bonds issued in multiple currencies by Sovereign, Supranational organisations and Agencies ("SSA") with its main focus on bonds issued for environmental purposes.

With effect from 3 October 2023, the investment objectives and policy of the Underlying Fund are expanded to allow investment in bonds issued by corporate issuers with its main focus on green bonds issued for environmental purposes. The Underlying Fund may also invest in bonds issued for social and sustainability purposes, such as social bonds, sustainability bonds, sustainability-linked bonds and bonds issued by companies that focus on sustainable activities. The Underlying Fund targets to invest in bonds that contribute to the United Nations Sustainable Development Goals, including but not limited to Clean Water and Sanitation, Affordable and Clean Energy, Climate Action, Life Below Water and Life on Land.

These financial instruments are held in accordance with the published investment policies of the Fund and managed accordingly to achieve the investment objectives.

(a) Market risk - Price risk

Price risk is the risk that arises from uncertainties about future prices of financial instruments.

The Fund's investment is substantially dependent on the changes of market prices. The Fund's overall market positions are monitored regularly so as to assess any deviation from the Fund's investment objective. However, events beyond reasonable control of the Manager could affect the prices of the underlying investments and hence the net asset value of the Fund.

The Manager has assessed that the price risk of the Fund is best reflected by movements in the Underlying Fund's benchmark. With effect from 3 October 2023, the Underlying Fund's Benchmark has changed from the 50% ICE BoAML 1-10 Yr Global Sovereign Index and 50% JPMorgan ELMI + Index to the iBoxx Global Green, Social & Sustainability Bonds Index (the "Index").

As at 31 December 2023, an increase/decrease of the index component within the Index by 9% (2022: 7%), with all other variables remaining constant, the net assets attributable to unitholders for the year would increase/decrease by approximately 10% (2022: 3%). The analysis was based on the assumptions that the index components within the Index increased/decreased by a reasonable possible shift, with all other variables held constant and that the fair value of Fund's investments moved according to the beta. Reasonable possible changes in market index percentage are revised annually depending on the Manager's current view on market volatility and other relevant factors.

8. Financial risk management (continued)

(b) **Market risk - Interest rate risk**

Interest rate risk is the risk that the value of a financial instrument will fluctuate due to changes in market interest rates (fair value risk).

Investment funds that invest in securities may be subject to interest rate risk as any interest rate change may affect the equity risk premium though at varying degrees. To manage this risk, the Manager analyses how interest rate changes may affect different industries and securities and then seeks to adjust the Fund's portfolio investments accordingly.

As at 31 December 2023 and 2022, except for cash and cash equivalents with maturity period of less than 3 months, all other assets and liabilities are non-interest bearing. Changes in interest rates may also have an impact on the value of investment portfolios that consist of fixed income components within the Underlying Fund. The impact of a change in interest rates on the net assets attributable to unitholders is analysed in Note 10(a), where such a change has an impact on the benchmarked bond indices used in the price risk sensitivity analysis. Hence, no separate interest rate risk sensitivity analysis is presented.

(c) **Market risk - Currency risk**

Currency risk is the risk that the value of financial instrument will fluctuate due to changes in foreign exchange rates.

To minimise currency risk, the Fund mainly holds its excess cash in its functional currency. For hedging purposes, the Fund may also enter into forward foreign exchange contracts.

The tables below summarise the Fund's exposure to currency risks.

As at 31 December 2023	**SGD** **S$**	**USD** **S$**	**Total** **S$**
Assets			
Portfolio of investments	-	6,357,903	6,357,903
Cash and cash equivalents	3,970	140,790	144,760
Total assets	3,970	6,498,693	6,502,663
Liabilities			
Payables	67,320	16	67,336
Distributions payable	161,746	-	161,746
Total liabilities	229,066	16	229,082
Net off-balance sheet derivative financial instruments	5,908,197	(5,736,646)	
Net currency exposure	5,683,101	762,031	

8. Financial risk management (continued)

(c) Market risk - Currency risk (continued)

As at 31 December 2022	SGD S$	USD S$	Total S$
Assets			
Portfolio of investments	-	6,175,888	6,175,888
Cash and cash equivalents	50,415	164,048	214,463
Total assets	50,415	6,339,936	6,390,351
Liabilities			
Payables	31,830	-	31,830
Distributions payable	168,179	-	168,179
Total liabilities	200,009	-	200,009
Net off-balance sheet derivative financial instruments	6,001,997	(5,750,435)	
Net currency exposure	5,852,403	589,501	

Portfolio of investments, which is a significant item in the Statement of Financial Position is exposed to currency risk and other price risk. The Manager has considered the impact of currency risk sensitivity on non-monetary assets which include quoted investment fund as part of the price risk sensitivity analysis.

The following table shows the Fund's sensitivity to major foreign currencies exposure, with respect to monetary assets and liabilities, with all other variables held constant. Changes in foreign currency rates are revised annually depending on the Manager's current view of market volatility and other relevant factors.

	Increase/(Decrease) in foreign exchange rate (%)		(Decrease)/Increase in net assets attributable to unitholders (%)	
	31 December 2023	31 December 2022	**31 December 2023**	31 December 2022
USD	**5**	6	1	1

(d) Liquidity risk

Liquidity risk is the risk of loss arising from the inability of the Fund to meet its obligations as and when they fall due without incurring unacceptable cost or losses.

The Fund is exposed to daily cash redemptions from unitholders. However, in accordance with the Fund's prospectus, minimum holdings and redemption size are set.

To manage the liquidity risk, a cash buffer is maintained in the Fund and monitored for minimum cash balances to prevent any extensive disposition of assets which may occur at lower prices and overdraft situations to meet trade settlements and obligations.

The Fund's financial liabilities are analysed using contractual undiscounted cash flows for maturity groupings based on the remaining year at the Statement of Financial Position date to the contractual maturity date. As at 31 December 2023 and 2022, all liabilities are either payable upon demand or due in less than 3 months. The impact of discounting is not significant.

8. Financial risk management (continued)

(d) **Liquidity risk** (continued)

	Less than 3 months	
	As at 31 December 2023 S$	As at 31 December 2022 S$
Payables	**67,336**	31,830
Distributions payable	**161,746**	168,179
Contractual cash outflows (excluding gross settled derivatives)	**229,082**	200,009

(e) **Credit risk**

Credit risk is the risk that a counterparty will be unable to fulfil its obligations to the Fund in part or in full as and when they fall due.

Concentrations of credit risk are minimised primarily by:

– ensuring counterparties as well as the respective credit limits are approved;
– ensuring there are controls in place to identify and assess the creditworthiness of counterparties and review such controls on a semi-annual basis; and
– ensuring that transactions are undertaken with a large number of counterparties.

The Fund is also exposed to counterparty credit risk on its financial assets held at amortised cost. As at 31 December 2023 and 2022, the Fund's financial assets held at amortised cost as disclosed in the Statement of Financial Position are realised within three months. The Manager considers the probability of default to be insignificant as the counterparties generally have a strong capacity to meet their contractual obligations in the near term. Hence, no loss allowance has been recognised based on the 12 month expected credit losses as any such impairment would be insignificant to the Fund.

All trade settlement with approved counterparties are on Delivery versus Payment and/or Receipt versus Payment basis, with the exception of initial public offerings, new issues and placement transactions.

Credit risk arises from cash and cash equivalents and outstanding and committed transactions from brokers. The table below summarises the credit rating of bank and custodian in which the Fund's assets are held as at 31 December 2023 and 2022.

8. Financial risk management (continued)

(e) **Credit risk** (continued)

	Credit rating as at 31 December 2023	Credit rating as at 31 December 2022	**Source of credit rating**
Bank and custodian			
- BNP Paribas, acting through its Singapore Branch	**Aa3**	Aa3	Moody's
Counterparties of forward foreign exchange contracts			
- ANZ Bank	**Aa3**	Aa3	Moody's

The credit ratings are based on Local Long-Term Bank Deposits published by the rating agency.

As at 31 December 2023, the custodian of the Underlying Fund is BNP Paribas Securities Services (Luxembourg) S.C.A and is rated Aa3 (2022: Aa3) based on the Long Term Issuer Default rating by Moody's.

The maximum exposure to credit risk at the reporting date is the carrying amount of the financial instruments.

(f) **Capital management**

The Fund's capital is represented by the net assets attributable to unitholders. The Fund strives to invest the subscriptions of redeemable participating units in investments that meet the Fund's investment objectives while maintaining sufficient liquidity to meet unitholder redemptions.

(g) **Fair value estimation**

The Fund classifies fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1).
- Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (Level 2).
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (Level 3).

8. Financial risk management (continued)

(g) **Fair value estimation** (continued)

The following table analyses within the fair value hierarchy the Fund's financial assets and liabilities (by class) measured at fair value at 31 December 2023 and 2022:

As at 31 December 2023	**Level 1 S$**	**Level 2 S$**	**Level 3 S$**	**Total S$**
Assets				
Portfolio of investments:				
- Quoted investment fund	**6,357,903**	**-**	**-**	**6,357,903**
Financial derivatives at fair value	**-**	**171,551**	**-**	**171,551**
	6,357,903	**171,551**	**-**	**6,529,454**

As at 31 December 2022	**Level 1 S$**	**Level 2 S$**	**Level 3 S$**	**Total S$**
Assets				
Portfolio of investments:				
- Quoted investment fund	6,175,888	-	-	6,175,888
Financial derivatives at fair value	-	251,562	-	251,562
	6,175,888	251,562	-	6,427,450

Investments in open ended investment funds whose net asset value is struck daily, price information is published and readily available and units are subscribed and redeemable on demand at the published price, are classified within Level 1. The Fund does not adjust the quoted price for these instruments.

Financial instruments that trade in markets that are not considered to be active but are valued based on quoted market prices, dealer quotations or alternative pricing sources supported by observable inputs are classified within Level 2. These include over-the-counter derivatives.

The assets and liabilities included in the Statement of Financial Position except portfolio of investments are carried at amortised cost; their carrying values are reasonable approximation of fair value.

8. Financial risk management (continued)

(h) **Interests in unconsolidated structured entities**

The Fund's investments in the Underlying Fund are subject to the terms and conditions of the respective Underlying Fund's offering documentation and are susceptible to market price risk arising from uncertainties about future values of those Underlying Fund. The Manager makes investment decisions after extensive due diligence of the Underlying Fund, its strategy and the overall quality of the Underlying Fund's manager. The Underlying Fund in the Statement of Portfolio is managed by the portfolio manager who are compensated by the respective Underlying Fund for their services. Such compensation generally consists of an asset based fee and is reflected in the valuation of the Fund's investments in each of the Underlying Fund.

The Fund has the right to request redemption of its investments in the Underlying Fund on a daily basis.

The exposure to investments in the Underlying Fund at fair value is disclosed under the Statement of Portfolio. These investments are included in “Portfolio of investments” in the Statement of Financial Position.

The Fund's holdings in the Underlying Fund, as a percentage of the Underlying Fund's total net asset value, will vary from time to time dependent on the volume of subscriptions and redemptions at the Underlying Fund's level. It is possible that the Fund may, at any point in time, hold a majority of the Underlying Fund's total units in issue.

The Fund's maximum exposure to loss from its interests in the Underlying Fund is equal to the total fair value of its investments in the Underlying Fund.

Once the Fund has disposed of its units in the Underlying Fund, the Fund ceases to be exposed to any risk from that Underlying Fund.

9. Related party transactions

In addition to related party information shown elsewhere in the financial statements, the following significant transactions took place during the financial year between the Fund and the related party at terms agreed between the parties and within the provisions of the Deeds:

	2023	2022
	S$	S$
Bank balances held with related party of the Trustee	**144,760**	214,463

10. Financial ratios

Expense ratio

SGD Class		2023	2022
Total operating expenses	S$	**125,511**	111,205
Average daily net asset value	S$	**6,538,843**	7,000,637
Total expense ratio[1] (including the Underlying Fund's expense ratio)	%	**2.46**	2.19
Weighted average of the Underlying Fund's unaudited expense ratio	%	**0.54**	0.60

Turnover ratio

		2023	2022
Lower of total value of purchases or sales	S$	**536,911**	271,550
Average daily net asset value	S$	**6,538,843**	7,000,637
Total turnover ratio[2]	%	**8.21**	3.88

[1] The expense ratio has been computed based on the guidelines laid down by the Investment Management Association of Singapore ("IMAS"). This is the sum of the Fund's expense ratio and the weighted average of the Underlying Fund's unaudited expense ratio. The calculation of the expense ratio at financial year end was based on total operating expenses divided by the average net asset value for the year. The total operating expenses do not include (where applicable) brokerage and other transactions costs, performance fee, interest expense, distribution paid out to unitholders, foreign exchange gains/losses, front or back end loads arising from the purchase or sale of other funds and tax deducted at source or arising out of income received. The Fund does not pay any performance fee. The average net asset value is based on the daily balances.

[2] The portfolio turnover ratio is calculated in accordance with the formula stated in the Code on Collective Investment Schemes. The calculation of the portfolio turnover ratio was based on the lower of the total value of purchases or sales of the underlying investments, divided by the average daily net asset value.

The following contains additional information relating to the Fund.

1. Distribution of investments

Please refer to the Statement of Portfolio on page 16.

2. Credit rating of debt securities

Nil.

3. Top 10 holdings

Largest holdings at 31 December 2023	**Fair value S$**	**Percentage of total net assets attributable to unitholders %**
Nikko AM Global Umbrella Fund - Nikko AM Global Green Bond Fund	**6,357,903**	**98.65**

Largest holdings at 31 December 2022	Fair value S$	Percentage of total net assets attributable to unitholders %
Nikko AM Global Umbrella Fund - Nikko AM Global Green Bond Fund	6,175,888	95.87

4. Exposure to financial derivatives

	Fair value at 31 December 2023 S$	**Percentage of total net assets attributable to unitholders at 31 December 2023 %**	**Unrealised gains/(losses) S$**	**Realised gains/(losses) S$**
Forward foreign exchange contracts	**171,551**	**2.66**	**171,551**	**(182,051)**

5. Global exposure to financial derivatives

The global exposure to financial derivatives is computed using the commitment approach which is calculated as the sum of:

a. the absolute value of the exposure of each individual financial derivative not involved in netting or hedging arrangements;

b. the absolute value of the net exposure of each individual financial derivative after netting or hedging arrangements; and

c. the sum of the values of cash collateral received pursuant to:

   i. the reduction of exposure to counterparties of OTC financial derivatives; and

   ii. EPM techniques relating to securities lending and repurchase transactions, and that are reinvested.

6. Collateral

Nil.

7. Securities lending or repurchase transactions

Nil.

8. Investment in unit trusts, mutual funds and collective investment schemes

Please refer to the Statement of Portfolio on page 16.

9. Borrowings

Nil.

10. Amount of units created and cancelled for the financial year ended 31 December 2023

	S$
Units created	181,524
Units cancelled	(432,459)

11. Turnover ratio

Please refer to Note 10 of the Notes to the Financial Statements on page 31.

12. Expense ratio

Please refer to Note 10 of the Notes to the Financial Statements on page 31.

13. Related party transactions

Please refer to Note 9 of the Notes to the Financial Statements on page 30.

14. Any other material information that will adversely impact the valuation of the Fund

Nil.

15. Soft dollar commissions/arrangements

In their management of the Fund, the Managers currently do not receive or enter into any soft dollar commissions or arrangements.

The management company of the Underlying Fund, Nikko Asset Management Luxembourg S.A., currently does not receive any soft-dollar commission from, or enter into any soft dollar arrangements with, stockbrokers who execute trades on behalf of the NGUF - Nikko AM Global Green Bond Fund, the Underlying Fund of the Fund.

16. ESG Related Disclosure

The Fund is an "ESG Fund" in accordance with Section A of Circular No. CFC 02/2022: Disclosure and Reporting Guidelines for Retail ESG Funds (the "ESG Circular") issued by the Monetary Authority of Singapore.

Further details on the ESG policies of the Underlying Fund are set out below.

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852 establishing a list of **environmentally sustainable economic activities**. That Regulation does not include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

Sustainable investment objective

Did this financial product have a sustainable investment objective?

☒ Yes	☐ No
☒ It made **sustainable investments with an environmental objective:** 98.31% ☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy ☒ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy	☐ It **promoted Environmental/Social (E/S) characteristics** and while it did not have as its objective a sustainable investment, it had a proportion of ___% of sustainable investments ☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy ☐ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy ☐ with a social objective
☐ It made **sustainable investments with a social objective:** ___%	☐ It promoted E/S characteristics, but **did not make any sustainable investments**

To what extent was the sustainable investment objective of this financial product met?

The Sub-Fund sustainable investment objective was to invest primarily in bonds issued for environmental purposes or bonds issued for social and sustainability purposes, such as social bonds, sustainability bonds and sustainability-linked bonds and bonds issued by companies that focus on sustainable activities.

As of the financial year end the Sub-Fund was solely invested in bonds that adhered to ICMA bond principles and:

- provide a clear description of the projects to be financed (including goals, projected impacts, sustainable development principles) demonstrated competent project selection as well as a fully transparent process of the management of proceeds
- Committed to providing post-issuance reporting including project description, allocation of funds and environmental impacts
- were subject to a verification of the project selection and use of funds performed by a third party.

Sustainability indicators measure how the sustainable objectives of this financial product are attained.

How did the sustainability indicators perform?

Concerning Scope 1, Scope 2 and Total GHG emissions, Carbon Footprint, GHG Intensity, Amount of non-renewable energy consumption and non-renewable energy production, the review of third party data and issuer sustainability reports allowed the Investment Manager to conclude that bond proceeds were invested in line with the Sub-Fund sustainable investment objective.

The Sub-Fund did not invest in bonds issued by issuers violating UN Global Compact Principles or the OECD Guidelines for Multinational Enterprises. The absence of policies to monitor compliance with the UN Global Compact principles or the OECD Guidelines for Multinational Enterprises is also monitored in the review process using third-party data and issuer public disclosure.

The Sub-Fund only invest in bonds which have received third-party verifications reports and are issued in line with ICMA principles, consistent with the Sub-Fund sustainable investment objective. This is verified using third-party data and manually reviewing verifications disclosed publicly by issuers.

In line with our sustainable investment objective, at least 90% of the Sub-Fund assets are invested in bonds whose use of proceeds include an environmental objective.

The Share of bonds not certified as green, only corresponds to bonds that were identified as being sustainable but contributing to a social objective (in line with ICMA principles) rather that environmental or sustainable objectives as disclosed further down under the “What was the asset allocation” section.

…and compared to previous periods?

Compared to last year, the scope of eligible assets for this fund increased to include corporate issuance. As a result, a small portion of the bonds in the portfolio (less than 10%) were social or sustainability bonds, which differs from the previous reporting period when all the bonds were certified as green bonds. The evolution of sustainable indicators, and particularly the GHG emissions, Carbon Footprint and GHG Intensity, reflects the sub-fund's shift from investing primarily in sovereign and supranational issues to investing more in corporate issues.

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery

How did the sustainable investments not cause significant harm to any sustainable investment objective?

The Sub-Fund only invested in Green, Social or Sustainable bonds, whose use of proceeds were fully allocated towards environmental and/or social projects. The Sub-Fund only invested in bonds that adhered to the ICMA Bond Principles which encourages issuers to have a process in place to identify mitigants to known material risks of negative environmental and/or social impacts from the relevant projects.

This is supported by a due diligence review process to ensure the bonds’ proceeds are not causing significant harm to any sustainable investment objective. This includes a review of third-party ESG data, third party verification report and issuer public disclosure. The review allowed the Investment Manager to conclude that none of the pitfalls identified had, or could, cause significant harm.

How were the indicators for adverse impacts on sustainability factors taken into account?

Indicators for adverse impact on sustainability factors such as Scope 1, Scope 2 and Total GHG emissions, Carbon Footprint, GHG Intensity, Amount of non-renewable energy consumption and non-renewable energy production were reviewed to ensure that the issuer didn’t cause significant harm to environmental and social objectives.

Third party verification reports and issuer sustainability reports were also reviewed and allowed to conclude that bond proceeds investments didn't significantly harm any sustainable investment objectives.

Were sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:

The Investment Manager ensured that the issuers were not responsible for violations of the UN Global Compact principles or the OECD Guidelines for Multinational Enterprises and whether policies were in place to monitor compliance with the UN Global Compact principles or the OECD Guidelines for Multinational Enterprises. Although policies were rarely identified no violations were identified.

How did this financial product consider principal adverse impacts on sustainability factors?

Principal adverse impact are considered as part of our review process. The process not only includes a review of the bond and its use of proceeds but it also a review of the issuer's sustainable strategy including consideration for principal adverse impacts. Principles adverse impacts are reviewed systematically for all issuers in the portfolio. Indicators are sourced from third-party data providers and integrated directly in the review process. In absence of disclosure, the investment manager reviews issuer public disclosure or engages with issuers to ensure that risks of adverse impacts are mitigated.

The below table summarizes the indicators levels as of the 31 December 2023:

SFDR sustainability indicator	**December 2023 impact**
GHG Emissions	Scope 1: 484.67 tons CO_2 emissions.*
	Scope 2: 106.88 tons CO_2 emissions.*
	Total: 591.55 tons CO_2 emissions.*
Carbon Footprint	26.24 tons CO_2 emissions / EUR million invested. *
GHG Intensity of investee companies	132.65 tons CO_2 emissions / USD million sales.*
Share of non-renewable energy consumption and production	69.09% of non-renewable energy consumption.* This data is provided at the issuer level and was available for 51% of the portfolio.
Share of energy from non-renewable sources	Coal: 11.16% Lignite: 4.17% Natural Gas: 41.62% Nuclear: 6.34% Fossil Fuels: 6.60% Other Non Renewable: 89.43% This data is provided at the issuer level and was available for 47% of the portfolio.
Share of securities in investments not certified as green	13.5% of corporate securities not certified as green.
Share of bonds not certified as green	9.7% of sovereigns or supranational bonds not certified as green.
Violation of UN Global Compact principles or OECD Guidelines for Multinational Enterprises	No violation of UN Global Compact principles or OECD Guidelines for Multinational Enterprises.*

* This data is provided at the issuer level. At the issue proceeds investment level, the Investment Managers monitors that no significant harm occurred based on the information available in the sustainability reports and third party verification reports. No significant adverse impact was detected as a result of these reviews.

The list includes the investments constituting **the greatest proportion of investments** of the financial product during the reference period which ended on the 31st December 2022.

The review of the above indicators didn't evidence that significant harm was caused to environmental and social objectives.

All other adverse impact indicators are also scrutinized in third party verification or issuers sustainability reports to ensure that investments do not cause significant harm to any environmental or social sustainable investment objectives.

Given that these indicators are only provided at issuer level and not at the funded activities levels third party verification reports and issuer sustainability reports were also reviewed and allowed the Investment Manager to conclude that bond proceeds investments also didn't significantly harm sustainable investment objectives.

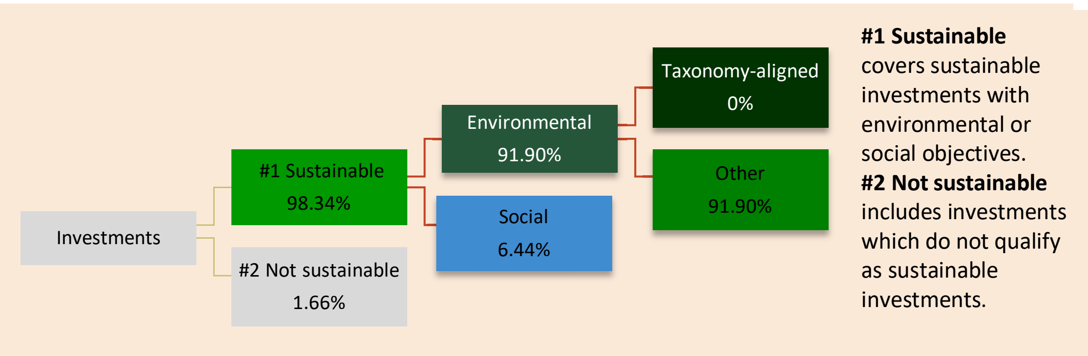
What were the top investments of this financial product?

Largest investments	Sector	Weight	Country
EUROPEAN UNION 2.625% 22-04/02/2048	BONDS STATES FEDERAL STATES	6.19%	BELGIUM
FRANCE O.A.T. 0.5% 21-25/06/2044	BONDS STATES FEDERAL STATES	5.55%	FRANCE
EUROPEAN INVT BK 1.625% 21-13/05/2031	BONDS BY SUPRANATIONAL INSTITUTIONS	4.11%	LUXEMBOURG
CAISSE AMORT DET 1.125% 21-29/11/2024	BONDS STATES FEDERAL STATES	3.88%	FRANCE
KFW 1% 21-01/10/2026	BANKS	3.32%	GERMANY
SPANISH GOVT 1% 21-30/07/2042	BONDS STATES FEDERAL STATES	2.97%	SPAIN
KFW 0.75% 20-30/09/2030	BANKS	2.94%	GERMANY
NED WATERSCHAPBK 1% 15-03/09/2025	BANKS	2.37%	NETHERLANDS
EUROPEAN INVT BK 1.9% 20-22/01/2025	BONDS BY SUPRANATIONAL INSTITUTIONS	2.31%	LUXEMBOURG
AGENCE FRANCAISE 0% 20-25/03/2025	BANKS	2.13%	FRANCE

What was the proportion of sustainability-related investments?

All bonds held as of the 31st December 2023 were assessed to constitute sustainable investments as they are Green, Social or Sustainable bonds, they adhere to ICMA Principles, they didn't generate significant harm to environmental or social sustainable investment objectives and their proceeds were primarily required to be invested, or were invested, in projects that contribute to environmental objectives such as climate change mitigation, climate change adaptation, natural resource conservation, biodiversity conservation, and pollution prevention and control.

What was the asset allocation?



In which economic sectors were the investments made?

Sector	Weight
BANKS	34.85%
BONDS BY SUPRANATIONAL INSTITUTIONS	8.54%
BONDS CITIES AND LOCAL/ REGIONAL ADMINISTRATION	1.38%
BONDS STATES FEDERAL STATES	19.44%
BUILDING AND BUILDING MATERIALS	1.94%
CONSTRUCTION OF MACHINERY AND VEHICLES	3.19%
CONSUMPTION GOODS/ FOOD/ BREWERY	1.56%
DISTRIBUTION WATER GAZ ELECTRICITY ENERGY	15.50%
DISTRIBUTION/ RETAIL TRADE	1.02%
ELECTRICS/ ELECTRONICS	1.11%
PACKAGING AND PAPER INDUSTRY	0.76%
PHARMACEUTICS/ COSMETICS/ BIOTECHNOLOGY	1.51%
REAL ESTATE AND HOUSING	4.42%
TELECOMMUNICATIONS	1.96%
TRANSPORTATION AND TRANSPORTATION MATERIALS	1.16%

To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to fully renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules.

Enabling activities directly enable other activities to make a substantial contribution to an environmental objective

Transitional activities are economic activities for which low-carbon alternatives are not yet available and that have greenhouse gas

Asset allocation describes the share of investments in specific assets.

To what extent were sustainable investments with an environmental objective aligned with the EU Taxonomy?

The minimum percentage of sustainable investments that the Sub-Fund commits have aligned with the EU Taxonomy is 0%. None of the investments were therefore reviewed to assess their alignment with the EU Taxonomy.

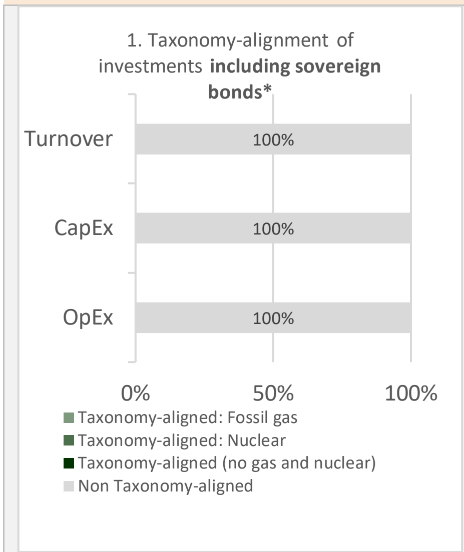
Did the financial product invest in fossil gas and/or nuclear energy related activities complying with the EU Taxonomy[1]?

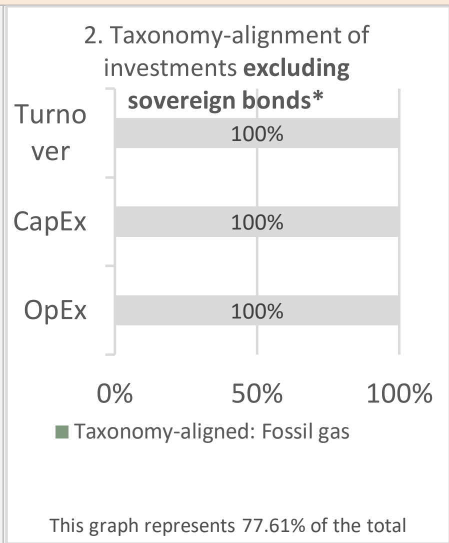
☐ Yes:

☐ In fossil gas ☐ In nuclear energy

☒ No

The graphs below show in green the percentage of investments that were aligned with the EU Taxonomy. As there is no appropriate methodology to determine the taxonomy-alignment of sovereign bonds*, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.





* *For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures.*

Taxonomy-aligned activities are expressed as a share of:
- **turnover** reflecting the share of revenue from green activities of investee companies
- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.
- **operational expenditure** (OpEx) reflecting green operational activities of investee companies.

What was the share of investments made in transitional and enabling activities?

Not applicable.

How did the percentage of investments aligned with the EU Taxonomy compare with previous reference periods?

Not applicable.

[1] Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do no significant harm to any EU Taxonomy objective - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

What was the share of sustainable investments with an environmental objective that were not aligned with the EU Taxonomy?

The minimum percentage of sustainable investments that the Sub-Fund commits have aligned with the EU Taxonomy is 0%. None of the investments were therefore reviewed to assess their alignment with the EU Taxonomy.

What was the share of socially sustainable investments?

As of 31 December 2023, 6.44% of the Sub-fund was invested in Social bonds which are considered as Socially sustainable investments.

What investments were included under "not sustainable", what was their purpose and were there any minimum environmental or social safeguards?

Investments included under "not sustainable" only included (i) currency forwards that were used to manage the Sub-Fund's currency exposures; and (ii) ancillary liquid assets such as cash, time deposits or money market instruments in order to manage its day-to-day operations (inflows and outflows or expenses). As such investments have not caused environmental or social adverse impacts they are not subject to specific minimum environmental or social safeguards and did not prevent the Sub-Fund from attaining its sustainable investment objective.

are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.

What actions have been taken to attain the sustainable investment objective during the reference period?

As part of the review process, bonds and issuers in the portfolio were identified as requiring enhance due diligence. Through this process, the Investment manager engaged with issuers to request additional information or ensure sustainable investment objective of the Sub-fund is attained.

How did this financial product perform compared to the reference sustainable benchmark?

Not applicable.

Reference benchmarks are indexes to measure whether the financial product attains the sustainable objective.

- **How did the reference benchmark differ from a broad market index?**

Not applicable.

- **How did this financial product perform with regard to the sustainability indicators to determine the alignment of the reference benchmark with the sustainable investment objective?**

Not applicable.

- **How did this financial product perform compared with the reference benchmark?**

Not applicable.

- **How did this financial product perform compared with the broad market index?**

Not applicable.

The details which follow make reference to the investments within the Nikko AM Global Umbrella Fund - Nikko AM Global Green Bond Fund, unless stated otherwise.

1. Top 10 holdings

10 largest holdings as at 31 December 2023	**Fair value US$**	**Percentage of total net assets attributable to unitholders %**
EUROPEAN UNION 2.625% 22-04/02/2048	**1,540,821**	**6.35**
FRANCE O.A.T. 0.5% 21-25/06/2044	**1,382,779**	**5.58**
EUROPEAN INVT BK 1.625% 21-13/05/2031	**1,023,516**	**4.12**
CAISSE AMORT DET 1.125% 21-29/11/2024	**965,430**	**3.88**
KFW 1% 21-01/10/2026	**827,829**	**3.33**
SPANISH GOVT 1% 21-30/07/2042	**738,414**	**2.98**
KFW 0.75% 20-30/09/2030	**730,845**	**2.94**
NED WATERSCHAPBK 1% 15-03/09/2025	**588,942**	**2.37**
EUROPEAN INVT BK 1.9% 20-22/01/2025	**574,379**	**2.33**
AGENCE FRANCAISE 0% 20-25/03/2025	**531,165**	**2.13**

10 largest holdings as at 31 December 2022	Fair value US$	Percentage of total net assets attributable to unitholders %
EUROPEAN INVT BK 1.625% 21-13/05/2031	1,106,932	14.59
INT BK RECON&DEV 5.35% 22-09/02/2029	951,611	13.14
EUROPEAN INVT BK 1.9% 20-22/01/2025	810,138	10.74
INT BK RECON&DEV 5% 21-22/01/2026	706,897	9.81
KFW 0.75% 20-30/09/2030	703,125	9.26
INT BK RECON&DEV 4.25% 21-22/01/2026	618,779	8.51
NED WATERSCHAPBK 1% 15-03/09/2025	554,410	7.31
INT BK RECON&DEV 7% 13-07/06/2023	477,904	6.53
INT BK RECON&DEV 4.9% 21-12/02/2026	445,903	6.13
EUROPEAN INVT BK 2.7% 18-12/01/2023	427,194	5.69

2. Financial Ratios

	2023 %	2022 %
Expense ratio[1]	**0.55**	0.63
Turnover ratio	**59.20**	48.84

1 The expense ratio has been computed based on the total operating expenses divided by the average net asset value for the year. The total operating expenses do not include (where applicable) brokerage and other transactions costs, performance fee, interest expense, distribution paid out to unitholders, foreign exchange gains/losses, front or back end loads arising from the purchase or sale of other funds and tax deducted at source or arising out of income received. The average net asset value is based on the daily balances.

Intentionally left blank.

Intentionally left blank.

12 Marina View, #18-02, Asia Square Tower 2,
Singapore 018961
Website: www.nikkoam.com.sg
Company Registration Number: 198202562H