

ANNUAL REPORT

For the financial year ended 31 December 2022

Nikko AM
Global Green Bond Fund

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

Kiyotaka Ryu
Seet Oon Hui Eleanor
Hiroki Tsujimura

TRUSTEE & REGISTRAR

BNP Paribas Trust Services Singapore Limited
20 Collyer Quay, #01-01
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AUDITORS

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CUSTODIAN

BNP Paribas, operating 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	4.61	-1.83	-11.28	-6.17	-4.27	-3.66	-0.46

Source: Nikko Asset Management Asia Limited, returns as at 31 December 2022. 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	-0.62	-6.74	-15.72	-7.76	-5.25	-4.16	-0.66

Source: Nikko Asset Management Asia Limited, returns as at 31 December 2022. 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 -11.28% in 2022

The Nikko AM Global Green Bond Fund (the "Fund") posted a return of -11.28% (SGD terms, on a NAV-NAV basis) in the 12 months period ending December 2022.

2022 was unusually challenging year for financial markets, particularly within the fixed income space, as global bonds fell into a bear market for the first time in 70 years. Considering the backdrop, it is not entirely surprising the Fund underperformed on a total return basis. The indiscriminate march higher in global interest rates resulted in large negative contribution coming from local bonds, predominantly in the Developed Market (DM) world, as major central banks embarked upon aggressive tightening

of monetary conditions to arrest inflation. The overwhelming risk off sentiment observed during the earlier quarters of the year, have led to a strong dollar rally against the majority of the investable currencies, resulting in a negative contribution stemming also from the foreign exchange (FX) component. In relative terms, however, the fund outperformed its assigned benchmark, coming from a defensive allocation to the FX risk.

Developed Markets

Within the DM portion of the Fund, the local bond market positioning in the US and Canada detracted from relative gains. This was partially offset by positive relative performance coming from the UK market, where the fund's exposure to interest rate risk was kept to the minimum. As for the FX, the contribution to relative performance was also negative, albeit only marginally coming from an overweight allocation to the British pound sterling earlier in the year

Emerging Markets

Within the Emerging Market (EM) portion of the Fund, the currency effect contributed positively to the relative performance, due to the underweight allocation to the Turkish lira and Chinese Renminbi (RMB). The former continued to weaken on the back of a lack of credibility by the country's central bank, meanwhile the latter was impacted by the recurrent lockdowns related to COVID-19 endemic. Despite a drift higher in global interest rates, local bond market positioning was positive in relative terms, as strong performance of Brazilian, Indonesian, and South African local debt market offset the underperformance noted in other markets within the EM investable universe.

Market Review

Earlier in the year (2022), a sharp deterioration in geopolitical risk, following the Russia's invasion of Ukraine, has seen a surge in commodity prices, and oil and gas in particular, clouding outlook for global inflation. Given the backdrop, the short-term interest rates continued to price in an increased number of interest rate hikes across major central banks, pushing bond yield higher, still. Later that year, a decade high inflation and the ongoing supply side constraints combined with the tightening of global monetary conditions saw the prospect of a looming recession rise significantly, putting a downward pressure on a range of commodity prices. A relatively mild winter temperatures in Europe had also seen noted declines in the prices of natural gas, as storage facilities were replenished. Given lower commodity prices and a much-deteriorated economic activity outlook, bond yields had eased of late from their highs at the end of third quarter. The heightened volatility observed in the latter part of third quarter, spilt over onto the early stages of fourth quarter with global fixed income and equity markets underperforming in parallel fashion. Later, however, a better-than-expected slew of inflation data both in the US and Europe saw a marked improvement in global risk sentiment, resulting in a sharp drop in bond yields, and a broad-based weakening of the dollar. This was underpinned by a growing market expectation of a near end to the hiking cycle by major central banks. Towards the end of the quarter, the European Central Bank came out surprisingly hawkish, despite the softer inflation prints, highlighting their resoluteness to continue an aggressive tightening cycle to bring inflation to its target. The Bank of Japan added further fuel to fire, right towards the end of the year, by announcing a first step in their supposed exit from an ultra-accommodative monetary policy stance, which pushed the global bond yields further still. The move was exacerbated by poor global market liquidity often observed at year end.

Market Outlook

In the US, headline consumer price index (CPI) continued to decelerate in December to 6.5% year-on-year (YoY) (versus November print of 7.3% YoY). Core inflation also decelerated to 5.7% YoY (versus November print of 6%) with a notable deceleration in energy prices and in core goods prices including: used cars, apparel, furniture, medical services, and household appliances. This was most likely due to a combination of a stronger US dollar with an easing of global supply chains, higher base effects and tighter financial conditions. The US Federal Reserve (Fed) hiked by 50 bps in mid-December, as widely expected, at the same time guiding for further rate increases in the coming months. A number of leading indicators (ISM prices paid, commodity prices, freight rates, producer price index (PPI) etc.) suggest we may expect to see a further deceleration in consumer prices in the

coming months, coupled with likely softer labour market as jobless claims trend higher and layoffs announcements increase in scale, which will allow the Fed to slow its pace of rate hikes, ultimately pausing in the first half of 2023.

In the Eurozone, the incoming set of macroeconomic indicators continued to suggest a bleak economic outlook, albeit the deterioration in data has seemingly taken a pause. The Q3 gross domestic product (GDP) data was revised a notch higher, supported by strong capital investments, meanwhile household consumption, despite being marginally lower than in Q2, continued to add to growth. Net exports have also improved as easing supply side restrictions have boosted exports, at the same time when imports declined. A further improvement in the balance of payments position is widely expected in the coming quarters, particularly on the back of a lower energy bill, as the prices of both oil and natural gas have noted marked declines of late. The latter should also improve outlook for the eurozone's inflation, and the latest set of CPI prints for December is likely a case in point. The road to bringing inflation within the ECB's target range, however, is certainly going to be a rocky one, which will necessitate a further withdrawal of monetary accommodation to keep medium to long term inflation expectations in check. However, the early signs of inflation letting up is certainly a welcome development.

In the UK, the Bank of England slowed the pace of interest rate hikes by going for a 50-bps hike in December, bringing the official bank rate from just 0.10% a year ago to 3.50%. Further hikes are likely in the coming months, with consumer price inflation proving stubbornly high at 10.7% in November against the peak of 11.1% in October. Still, we expect the hiking cycle to peak around 4%, as higher interest rates severely impact economic activity in the UK. Both the Monetary Policy Committee (MPC) and the Office for Budget Responsibility (OBR) believe the UK economy's potential output has shrunk, arguably due to structural changes of past years. The industrial action with key government departments on strike in demand for higher wages will continue to slow the economy and doesn't seem to have a straightforward solution. Tax hikes could be forthcoming if the government gives in to the public workers' wage demands. This will also run against the Bank of England's effort to limit the wage-price cycle in a tight labour market where participation rates are still 1.3% below pre-pandemic levels.

In Norway, the November inflation report showed a modest deceleration in general prices. Monthly CPI data came below consensus, declining 0.2% month-on-month (MoM), against expectations for a modest growth. This dragged the annual index down to 6.5%, well below the 7.5% YoY level registered in the prior month. The underlying measure of inflation has similarly declined on the month (-0.1% m/m), thus bringing the YoY figure down to 5.7% from 5.9% before. This, together with softer incoming microeconomic data will see the Norges bank turn increasingly dovish in the coming quarters, however, some additional monetary policy tightening cannot be ruled out at this stage, as inflation does remain too high, overall.

The incoming economic activity data in Canada continues to show early signs of softening, as higher domestic interest rates are, expectedly, putting brakes on household consumption, whilst also increasing cost of capital for businesses. Housing market activity has also retreated sharply over the past few months. With that in mind, economic activity is expected to stall through the first half of 2023, as the ongoing tightening of monetary conditions works its way through the economy. Given the outlook for the economy and taking into consideration the speed of interest rate hikes delivered this year, the Bank of Canada reduced the increment of hikes down to 50 bps during the last meeting, against the consensus for a 75 bps, in so doing taking the policy rate up to 4.25%. Further interest rate rises are expected as inflation remains too high for comfort.

In Australia, the interest rate sensitive sectors of the economy are showing signs of ongoing strain. This is particularly visible within the housing market, where both activity in the sector as well as house prices themselves have traded lower. The other parts of the economy remained resilient for now, albeit, economic growth is expected to moderate over the next quarters as the global economy slows, the bounce-back in spending on services runs its course, and growth in household consumption decelerates on the back of tightening financial conditions. As for general price behaviour, the recently introduced monthly measure of inflation came below expectations at 6.9%, down from 7.3% posted

in the prior month. These developments ought to give the Reserve Bank of Australia some comfort in sticking to its slower pace of tightening in the coming meetings.

In New Zealand, financial conditions continued to tighten in line with the rising official cash rate. The November 23rd meeting saw the Reserve Bank of New Zealand (RBNZ) increase the pace of tightening to 75 bps, in line with expectations, and in turn taking the policy rate up to 4.25%. The committee judged that in light of a pickup in inflation and inflation expectations, amid strong wage growth and the resilient labour market, a faster pace of tightening was warranted. The tightening of monetary policy has seen a marked uptick in mortgage interest rates and in turn a long-awaited softening in housing market activity, in addition to a welcome correction to median house prices. The latter is down over 12% since its peak in November. Going forward, the RBNZ is likely to continue withdrawing monetary accommodation in the coming months, however, as economic activity wanes, the pace of future rate hikes is likely to be lowered to reflect the sharp tightening of monetary policy conditions already delivered.

In emerging markets, a return towards economic normality via higher levels of mobility and consumption has resulted in a broadening of price pressures and forced a number of emerging market central banks to normalize monetary policy throughout the year. Many Latin American countries, however, are at, or approaching the end of their hiking cycle, with the potential to cut rates in 2023 as price pressures ease, while many Asian countries are relatively early in theirs, though as inflation pressures are typically less acute the magnitude of their hiking cycles are likely to be smaller. The outlier remains China where immunity to COVID remains significantly lower than the global average due to lower vaccination rates, lower vaccine efficacy and a lack of natural immunity. Recurrent lockdowns in major metropolitan areas have weighed on economic growth in recent months, however the situation now appears to have reached breaking point as recent mass protests have coincided with an official shift of policy in easing COVID restrictions, including quarantine rules and testing requirements. Moreover, property market concerns have resulted in yet more policy support, including RMB 1.2 trillion in credit lines to major property developers and a bond guarantee program. Geopolitics continues to cloud the outlook for European emerging market assets following Russia's unprovoked invasion of Ukraine. Natural gas supply interruptions have plagued the region in recent months though significant procurement of alternative energy supplies, including vast quantities of liquefied natural gas (LNG), coupled with milder than usual weather has seen European natural gas prices decline sharply from their summer peak, yet colder winter weather could still see prices rebound from current levels. Moreover, we believe that the economies of Latin America and Asia remain less impacted, with some commodity exporters benefitting from a rerouting of commodity trade.

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.

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(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

NIKKO AM GLOBAL GREEN BOND FUND

(Constituted under a Trust Deed registered in the Republic of Singapore)

REPORT OF THE TRUSTEE

For the financial year ended 31 December 2022

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 12 to 29, 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
29 March 2023

NIKKO AM GLOBAL GREEN BOND FUND

(Constituted under a Trust Deed registered in the Republic of Singapore)

STATEMENT BY THE MANAGER

For the financial year ended 31 December 2022

In the opinion of Nikko Asset Management Asia Limited, the accompanying financial statements set out on pages 12 to 29, 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 2022, and the financial performance and movements in unitholders' funds for the 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
29 March 2023

**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, so as to present fairly, in all material respects, the financial position and portfolio holdings of the Fund as at 31 December 2022, 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 2022;
- the Statement of Financial Position as at 31 December 2022;
- the Statement of Movements of Unitholders' Funds for the financial year ended 31 December 2022;
- the Statement of Portfolio as at 31 December 2022; and
- the notes to the financial statements, including a summary of significant accounting policies.

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.

**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)

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 Statement of Recommended Accounting Practice 7 "Reporting Framework for Investment Funds" issued by the Institute of Singapore Chartered Accountants 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.

**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)

- 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, 29 March 2023

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 2022*

	Note	2022 S\$	2021 S\$
Income			
Dividends		232,766	177,834
Interest on cash and cash equivalents		826	-
Other income		3	-
		233,595	177,834
Less: Expenses			
Management fee		70,057	85,223
Management fee rebate		(31,312)	(37,854)
Registrar fee		19,023	16,068
Trustee fee		19,999	19,999
Audit fee		10,402	10,375
Valuation fee		10,000	10,000
Transaction costs		5,762	5,674
Other expenses		13,036	16,438
		116,967	125,923
Net income		116,628	51,911
Net gains or losses on value of investments and financial derivatives			
Net losses on investments		(975,693)	(587,348)
Net foreign exchange (losses)/gains		(4,119)	10,887
Net losses on financial derivatives		(22,952)	(168,239)
		(1,002,764)	(744,700)
Total deficit for the financial year before income tax		(886,136)	(692,789)
Less: Income tax	3	-	-
Total deficit for the financial year after income tax		(886,136)	(692,789)

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 2022

	Note	2022 S\$	2021 S\$
ASSETS			
Portfolio of investments		6,175,888	7,780,270
Receivables	4	-	2,400
Cash and cash equivalents		214,463	180,455
Financial derivatives at fair value	6	251,562	33,880
Total assets		6,641,913	7,997,005
LIABILITIES			
Payables	5	31,830	42,726
Distribution payable	8	168,179	175,075
Financial derivatives at fair value	6	-	11,977
Total liabilities		200,009	229,778
EQUITY			
Net assets attributable to unitholders	7	6,441,904	7,767,227

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 MOVEMENTS OF UNITHOLDERS' FUNDS***For the financial year ended 31 December 2022*

	Note	2022 S\$	2021 S\$
Net assets attributable to unitholders at the beginning of the financial year		7,767,227	9,001,564
Operations			
Change in net assets attributable to unitholders resulting from operations		(886,136)	(692,789)
Unitholders' contributions/(withdrawals)			
Creation of units		178,449	212,809
Cancellation of units		(449,457)	(579,282)
Change in net assets attributable to unitholders resulting from net creation and cancellation of units		(271,008)	(366,473)
Distributions	8	(168,179)	(175,075)
Total decreases in net assets attributable to unitholders		(1,325,323)	(1,234,337)
Net assets attributable to unitholders at the end of the financial year	7	6,441,904	7,767,227

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 PORTFOLIO***As at 31 December 2022***By Geography (Primary)**

	Holdings at 31 December 2022	Fair value at 31 December 2022 S\$	Percentage of total net assets attributable to unitholders at 31 December 2022 %
Quoted Investment Fund			
LUXEMBOURG			
Nikko AM Global Umbrella Fund - Nikko AM Global Green Bond Fund	715,021	6,175,888	95.87
Total LUXEMBOURG		6,175,888	95.87
Total Quoted Investment Fund		6,175,888	95.87
Portfolio of investments		6,175,888	95.87
Other net assets		266,016	4.13
Net assets attributable to unitholders		6,441,904	100.00

By Geography (Summary)

	Percentage of total net assets attributable to unitholders at 31 December 2022 %	Percentage of total net assets attributable to unitholders at 31 December 2021 %
Quoted Investment Fund		
Luxembourg	95.87	100.17
Total Quoted Investment Fund	95.87	100.17
Portfolio of investments	95.87	100.17
Other net assets/(liabilities)	4.13	(0.17)
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.

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)

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2022

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 2022 and 2021, only units in the SGD Class have been issued.

2. Significant accounting policies

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 assets held at fair value through profit or loss, and in accordance with the recommendations of Statement of Recommended Accounting Practice 7 "Reporting Framework for Investment Funds" ("RAP 7") issued by the Institute of Singapore Chartered Accountants.

(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.

NIKKO AM GLOBAL GREEN BOND FUND

(Constituted under a Trust Deed registered in the Republic of Singapore)

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2022

2. Significant accounting policies (continued)

(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.

(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.

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(Constituted under a Trust Deed registered in the Republic of Singapore)

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2022

2. Significant accounting policies (continued)

(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. 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.

(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).

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For the financial year ended 31 December 2022

2. Significant accounting policies (continued)

(l) Structured entities (continued)

The Fund considers all of its investments in another fund (the "Underlying Fund") to be investments in unconsolidated structured entities. The Fund invests in the 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 its 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 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.

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 2022 and 2021.

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For the financial year ended 31 December 2022

4. Receivables

	2022 S\$	2021 S\$
Receivable from unitholders for creation of units	-	2,400

5. Payables

	2022 S\$	2021 S\$
Payable to unitholders for cancellation of units	-	8,594
Amount due to the Manager	10,286	12,588
Amount due to the Trustee	5,394	5,394
Valuation fee payable	2,697	2,697
Registrar fee payable	2,967	2,967
Provision for audit fee	10,486	10,486
	31,830	42,726

Amount due to the Manager comprises management fee payable to Nikko Asset Management Asia Limited. Trustee fee and registrar fee are payable to BNP Paribas Trust Services Singapore Limited. Valuation fee is payable to BNP Paribas, operating through its Singapore Branch.

6. 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	
	2022 S\$	2021 S\$	2022 S\$	2021 S\$	2022 S\$	2021 S\$
Forward foreign exchange contracts	6,000,000	7,400,000	251,562	33,880	-	(11,977)

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 year ended 31 December 2022 and 2021.

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NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2022

7. Units in issue

During the year ended 31 December 2022 and 2021, the number of units issued, redeemed and outstanding were as follows:

<u>SGD Class</u>	2022	2021
Units at beginning of the financial year	11,671,688	12,194,184
Units created	270,123	291,716
Units cancelled	(729,888)	(814,212)
Units at end of the financial year	11,211,923	11,671,688
Net assets attributable to unitholders - S\$	6,441,904	7,767,227
Net asset value per unit - S\$	0.575	0.665

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>	2022	2021
	S\$	S\$
Net assets attributable to unitholders per financial statements per unit	0.575	0.665
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	0.590	0.680

[^] 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.

8. Distributions

	2022	2021
	S\$	S\$
Final distribution of S\$1.50 (SGD Class) per 100 units in respect of the financial year ended 31 December 2022	168,179	-
Final distribution of S\$1.50 (SGD Class) per 100 units in respect of the financial year ended 31 December 2021	-	175,075
	168,179	175,075

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NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2022

9. 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 NGUF (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.

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 50% ICE BofAML 1-10 Global Government Index and 50% JPM ELMI Plus Composite Index (the "Index").

As at 31 December 2022, an increase/decrease of the index component within the Index by 7% (2021: 4%), with all other variables remaining constant, the net assets attributable to unitholders for the year would increase/decrease by approximately 3% (2021: 2%). 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.

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NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2022

9. 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 2022 and 2021, 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 9(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 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	

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NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2022

9. Financial risk management (continued)

(c) Market risk - Currency risk (continued)

As at 31 December 2021	SGD S\$	USD S\$	Total S\$
Assets			
Portfolio of investments	-	7,780,270	7,780,270
Receivables	2,400	-	2,400
Cash and cash equivalents	27,824	152,631	180,455
Total assets	30,224	7,932,901	7,963,125
Liabilities			
Payables	42,726	-	42,726
Distributions payable	175,075	-	175,075
Total liabilities	217,801	-	217,801
Net off-balance sheet derivative financial instruments	7,399,156	(7,377,253)	
Net currency exposure	7,211,579	555,648	

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.

As of 31 December 2022 and 2021, the Fund does not hold substantial monetary assets/liabilities. Changes in foreign exchange rates on monetary assets/liabilities will not result in a significant change in the net asset value of the Sub-Fund. Hence, no separate sensitivity analysis on foreign currency risk has been presented.

(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 2022 and 2021, all liabilities are either payable upon demand or due in less than 3 months. The impact of discounting is not significant.

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NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2022

9. Financial risk management (continued)

(d) Liquidity risk (continued)

	<u>Less than 3 months</u>	
	As at	As at
	31 December	31 December
	2022	2021
	S\$	S\$
Payables	31,830	42,726
Distribution payable	168,179	175,075
Contractual cash outflows		
(excluding gross settled derivatives)	200,009	217,801

The table below analyses the Fund's derivative financial instruments in a loss position that will be settled on a gross basis into relevant maturity groupings based on the period at the Statement of Financial Position date to the contractual maturity date. The amounts in the table are the contractual undiscounted cash flows. Balances due within 3 months equal their carrying balances, as the impact of discounting is not significant.

	<u>Less than 3 months</u>	
	As at	As at
	31 December	31 December
	2022	2021
	S\$	S\$
Currency forwards		
- Outflow	-	(4,311,805)
- Inflow	-	4,299,828
Net outflow	-	(11,977)

(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 2022 and 2021, 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.

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NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2022

9. Financial risk management (continued)

(e) Credit risk (continued)

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 2022 and 2021.

	Credit rating as at 31 December 2022	Credit rating as at 31 December 2021
Bank and custodian		
- BNP Paribas, operating through its Singapore Branch	Aa3	A+
Counterparties of forward foreign exchange contracts		
-Citibank N.A. Singapore Branch	N.A.	BBB+
-ANZ Bank	Aa3	N.A.

As at 31 December 2022, the credit ratings are based on Local Long-Term Bank Deposits from Moody's (2021: Long-Term Local Issuer Ratings from a well-known rating agency).

As at 31 December 2022, the custodian of the Underlying Fund is BNP Paribas Securities Services (Luxembourg) S.C.A. and is rated Aa3 (2021: A+) based on the Long Term Issuer Default rating by Moody's (2021: Long-Term Local Issuer Ratings from a well-known rating agency).

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

(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).

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NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2022

9. 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 2022 and 2021:

As at 31 December 2022	Level 1 S\$	Level 2 S\$	Level 3 S\$	Total S\$
Assets				
Financial assets designated at fair value through profit or loss at inception:				
- Quoted investment fund	6,175,888	-	-	6,175,888
- Financial derivatives at fair value	-	251,562	-	251,562
	<u>6,175,888</u>	<u>251,562</u>	<u>-</u>	<u>6,427,450</u>
As at 31 December 2021				
	Level 1 S\$	Level 2 S\$	Level 3 S\$	Total S\$
Assets				
Financial assets designated at fair value through profit or loss at inception:				
- Quoted investment fund	7,780,270	-	-	7,780,270
- Financial derivatives at fair value	-	33,880	-	33,880
	<u>7,780,270</u>	<u>33,880</u>	<u>-</u>	<u>7,814,150</u>
Liabilities				
Financial liabilities designated at fair value through profit or loss at inception:				
- Financial derivatives at fair value	-	11,977	-	11,977

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 investment-grade corporate bonds, government bonds and over-the-counter derivatives.

Except for cash and cash equivalents which are classified as Level 1, the Fund's assets and liabilities not measured at fair value at 31 December 2022 and 2021 have been classified as Level 2. The carrying amounts of these assets and liabilities approximate their fair values as at the Statement of Financial Position date.

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NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2022

9. 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 the 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.

10. 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:

	2022 S\$	2021 S\$
Bank balances held with related party of the Trustee	<u>214,463</u>	<u>180,455</u>

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NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2022

11. Financial ratios

Expense ratio

		2022	2021
<u>SGD Class</u>			
Total operating expenses	S\$	111,205	120,249
Average daily net asset value	S\$	7,000,637	8,515,655
Total expense ratio¹ (including the Underlying Fund's expense ratio)	%	2.19	2.05
Weighted average of the Underlying Fund's unaudited expense ratio	%	0.60	0.64

Turnover ratio

		2022	2021
Lower of total value of purchases or sales ³	S\$	271,550	503,337
Average daily net asset value	S\$	7,000,637	8,515,655
Total turnover ratio²	%	3.88	5.91

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.

³ There was no purchases during the financial year ended 31 December 2021. Therefore, the total value of sales is used in the calculation of portfolio turnover ratio.

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REPORT TO UNITHOLDERS

For the financial year ended 31 December 2022

The following contains additional information relating to the Fund.

1. Distribution of investments

Please refer to the Statement of Portfolio on page 15.

2. Credit rating of debt securities

Nil.

3. Top 10 holdings

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

Largest holdings at 31 December 2021

	Fair value S\$	Percentage of total net assets attributable to unitholders %
Nikko AM Global Umbrella Fund - Nikko AM Global Green Bond Fund	7,780,270	100.17

4. Exposure to financial derivatives

	Fair value at 31 December 2022 S\$	Percentage of total net assets attributable to unitholders 31 December 2022 %	Unrealised gains/(losses) S\$	Realised gains/(losses) S\$
Forward foreign exchange contracts	<u>251,562</u>	<u>3.91</u>	<u>251,562</u>	<u>(274,514)</u>

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REPORT TO UNITHOLDERS

For the financial year ended 31 December 2022

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 15.

9. Borrowings

Nil.

10. Amount of units created and cancelled for the financial year ended 31 December 2022

	S\$
Units created	178,449
Units cancelled	(449,457)

11. Turnover ratio

Please refer to Note 11 of the Notes to the Financial Statements on page 29.

12. Expense ratio

Please refer to Note 11 of the Notes to the Financial Statements on page 29.

13. Related party transactions

Please refer to Note 10 of the Notes to the Financial Statements on page 28.

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REPORT TO UNITHOLDERS

For the financial year ended 31 December 2022

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.

NIKKO AM GLOBAL GREEN BOND FUND

(Constituted under a Trust Deed registered in the Republic of Singapore)

REPORT TO UNITHOLDERS

For the financial year ended 31 December 2022

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 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

10 largest holdings as at 31 December 2021

	Fair value US\$	Percentage of total net assets attributable to unitholders %
INTL FIN CORP 8.0 09OCT23	1,883,427	13.96
INT BK RECON&DEV 1.5 12JUL22	1,517,598	11.25
KFW 2.0 29SEP22	1,261,588	9.35
EUROPEAN INVT BK 1.9 22JAN25	1,133,008	8.40
NED WATERSCHAPBK 1.0 03SEP25	975,440	7.23
INT BK RECON&DEV 4.25 22JAN26	833,527	6.18
INT BK RECON&DEV 6.75 20JUN23	744,594	5.52
INT BK RECON&DEV 5.0 22JAN26	713,466	5.29
ASIAN DEV BANK 1.875 10AUG22	711,860	5.28
INT BK RECON&DEV 4.9 12FEB26	674,635	5.00

2. Financial Ratios

	2022 %	2021 %
Expense ratio ¹	0.63	0.64
Turnover ratio	48.84	14.17

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.

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12 Marina View, #18-02 Asia Square Tower 2, Singapore 018961
Intermediaries Hotline: 1800 535 8025 / 65 6535 8025
Website: www.nikkoam.com.sg

Company registration number 198202562H

SEMI-ANNUAL REPORT

For the financial period ending 30 June 2022

Nikko AM
Global Green Bond Fund

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

Kiyotaka Ryu
Seet Oon Hui Eleanor
Hiroki Tsujimura

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

Until 30 September 2022 (or such other date as may be determined from time to time):

BNP Paribas Securities Services, operating through its Singapore Branch
20 Collyer Quay, #01-01
Singapore 049319

From 1 October 2022 (or such other date as may be determined from time to time):

BNP Paribas, operating 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	-6.39	-9.63	-13.81	-5.71	-3.99	-3.34	-0.40

Source: Nikko Asset Management Asia Limited, returns as at 30 June 2022. 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	-11.07	-14.15	-18.12	-7.31	-4.97	-3.83	-0.60

Source: Nikko Asset Management Asia Limited, returns as at 30 June 2022. 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 -9.63% in 1H2022

The Nikko AM Global Green Bond Fund (the "Fund") posted a return of -9.63% (SGD terms, on a NAV-NAV basis) in the six months to end June 2022. The Fund retreated during the first half of the year. The main driver behind the negative return was the currency effect, with the majority of the fund's investable currencies losing ground versus the US dollar (USD), as a rise in global recessionary fears led to a sharp deterioration in global risk sentiment. The contribution from local bonds was also negative, as prices of bond holdings declined in line with the sharply rising global interest rates.

The latter benefited from relative underexposure to interest rate risk, particularly among some of the developed markets. The positive currency contribution benefited from being underweight in the Turkish lira, as well as Chinese Renminbi and Taiwanese Dollar.

Market Review

The first half of the year continued to be extremely challenging for the fixed income market. A successful reopening of the global economy saw several major central banks bring forward their expectations for interest rate hikes, causing an overwhelming tendency for bond yields to drift higher as a result. Global inflation rates have also been generally surprising to the upside fuelled by the lingering supply side bottlenecks and lofty commodity price, exerting significant upward pressure on breakeven rates of inflation across the globe.

Subsequently, a sharp deterioration in geopolitical risk, following Russia's invasion of Ukraine, had seen a near unprecedented surge in commodity prices, which significantly clouded the outlook for inflation among major economies. Short-term interest rates continued to price in an increased number of interest rate hikes, putting undue pressure on global bond yields. Despite the sharp surge in geopolitical risk, however, sentiment towards the high beta commodity linked currencies was generally supportive, at least initially.

More recently, however, decade high inflation rates fuelled by persistent disruptions to global supply chains, high food, and energy prices, coupled with a notable economic slowdown in China, have increased the probability of an imminent recession pushing bond yields lower as a result. The increased possibility of a global economic slowdown, and the aggressive pricing of imminent tightening in global monetary conditions, saw a sharp repricing of inflation expectations as evidenced by steep declines in breakeven rates of inflation. In terms of global FX, the prevailing risk off sentiment has clearly favoured the US dollar, due to its safe haven status, putting a number of G10 currencies on the back foot.

Market Outlook

Geopolitics continues to cloud the outlook for European emerging market assets following Russia's unprovoked invasion of Ukraine. While the full implications of the incursion are still unfolding it is already clear that Western financial links to Russia are being severed, leading to significant asset impairments, supply disruptions and loss of confidence which is negatively impacting the growth outlook while simultaneously adding to price pressures, further complicating the, already daunting, decisions of regional central banks. However, we believe that the economies of Latin America and Asia are unlikely to be as negatively impacted.

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.

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 be offered to professional investors in Hong Kong. Hong Kong investors should note that the contents of this document have not been reviewed by any regulatory authority in Hong Kong and are advised to exercise caution in relation to the offer. If you are in any doubt about any of the contents of this document, you should obtain independent professional advice.

Nikko Asset Management Asia Limited. Registration Number 198202562H

NIKKO AM GLOBAL GREEN BOND FUND*(Constituted under a Trust Deed registered in the Republic of Singapore)***STATEMENT OF TOTAL RETURN***For the financial period from 01 January 2022 to 30 June 2022 (unaudited)*

	30 June 2022	30 June 2021
	S\$	S\$
Income		
Dividends	232,766	177,834
Interest on cash and cash equivalents	23	-
Other Income	3	-
	232,792	177,834
Less: Expenses		
Management fee	36,802	43,786
Management fee rebate	(16,482)	(19,296)
Registrar fee	9,901	8,261
Trustee fee	9,917	9,917
Audit fee	5,461	5,434
Valuation fee	4,959	4,959
Transaction costs	3,035	2,682
Other expenses	3,269	3,612
	56,862	59,355
Net income	175,930	118,479
Net gains or losses on value of investments and financial derivatives		
Net losses on investments	(710,604)	(297,980)
Net foreign exchange gains	1,507	30,844
Net losses on financial derivatives	(222,518)	(161,789)
	(931,615)	(428,925)
Total (deficit) for the financial period before income tax	(755,685)	(310,446)
Less: Income tax	-	-
Total (deficit) for the financial period after income tax	(755,685)	(310,446)

NIKKO AM GLOBAL GREEN BOND FUND

(Constituted under a Trust Deed registered in the Republic of Singapore)

STATEMENT OF FINANCIAL POSITION

As at 30 June 2022 (unaudited)

	30 June 2022	31 December 2021
	S\$	S\$
ASSETS		
Portfolio of investments	6,998,948	7,780,270
Receivables	1,618	2,400
Cash and cash equivalents	40,917	180,455
Financial derivatives at fair value	-	33,880
Total assets	7,041,483	7,997,005
LIABILITIES		
Payables	29,929	42,726
Distribution payable	-	175,075
Financial derivatives at fair value	112,403	11,977
Total liabilities	142,332	229,778
EQUITY		
Net assets attributable to unitholders	6,899,151	7,767,227

NIKKO AM GLOBAL GREEN BOND FUND*(Constituted under a Trust Deed registered in the Republic of Singapore)***STATEMENT OF MOVEMENTS OF UNITHOLDERS' FUNDS***For the financial period from 01 January 2022 to 30 June 2022 (unaudited)*

	30 June 2022	31 December 2021
	S\$	S\$
Net assets attributable to unitholders at the beginning of the financial period/year	7,767,227	9,001,564
Operations		
Change in net assets attributable to unitholders resulting from operations	(755,685)	(692,789)
Unitholders' contributions/(withdrawals)		
Creation of units	174,780	212,809
Cancellation of units	(287,171)	(579,282)
Change in net assets attributable to unitholders resulting from net creation and cancellation of units	(112,391)	(366,473)
Distributions	-	(175,075)
Total decreases in net assets attributable to unitholders	(868,076)	(1,234,337)
Net assets attributable to unitholders at the end of the financial period/year	6,899,151	7,767,227

NIKKO AM GLOBAL GREEN BOND FUND*(Constituted under a Trust Deed registered in the Republic of Singapore)***STATEMENT OF PORTFOLIO***As at 30 June 2022 (unaudited)***By Geography (Primary)**

	Holdings at 30 June 2022	Fair value at 30 June 2022 S\$	Percentage of total net assets attributable to unitholders at 30 June 2022 %
Quoted Investment Fund			
LUXEMBOURG			
Nikko AM Global Umbrella Fund - Nikko AM Global Green Bond Fund	778,494	6,998,948	101.45
Total LUXEMBOURG		6,998,948	101.45
Total Quoted Investment Fund		6,998,948	101.45
Portfolio of investments		6,998,948	101.45
Other net liabilities		(99,797)	(1.45)
Net assets attributable to unitholders		6,899,151	100.00

By Geography (Summary)

	Percentage of total net assets attributable to unitholders at 30 June 2022 %	Percentage of total net assets attributable to unitholders at 31 December 2021 %
Quoted Investment Fund		
Luxembourg	101.45	100.17
Total Quoted Investment Fund	101.45	100.17
Portfolio of investments	101.45	100.17
Other net liabilities	(1.45)	(0.17)
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.

NIKKO AM GLOBAL GREEN BOND FUND

(Constituted under a Trust Deed registered in the Republic of Singapore)

REPORT TO UNITHOLDERS

For the financial period from 01 January 2022 to 30 June 2022 (unaudited)

The following contains additional information relating to the Fund.

1. Distribution of investments

Please refer to the Statement of Portfolio on page 8.

2. Credit rating of debt securities

Nil.

3. Top 10 holdings

Largest holdings at 30 June 2022

	Fair value S\$	Percentage of total net assets attributable to unitholders %
Nikko AM Global Umbrella Fund – Nikko AM Global Green Bond Fund	6,998,948	101.45

Largest holdings at 30 June 2021

	Fair value S\$	Percentage of total net assets attributable to unitholders %
Nikko AM Global Umbrella Fund – Nikko AM Global Green Bond Fund	8,572,975	100.33

4. Exposure to financial derivatives

	Fair value at 30 June 2022 S\$	Percentage of total net assets attributable to unitholders %	Unrealised gains/(losses) S\$	Realised gains/(losses) S\$
Forward foreign exchange contracts	(112,403)	(1.63)	(112,403)	(110,115)

NIKKO AM GLOBAL GREEN BOND FUND

(Constituted under a Trust Deed registered in the Republic of Singapore)

REPORT TO UNITHOLDERS

For the financial period from 01 January 2022 to 30 June 2022 (unaudited)

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 8.

9. Borrowings

Nil.

10. Amount of units created and cancelled for the financial period ended 30 June 2022

	S\$
Units created	174,780
Units cancelled	(287,171)

11. Turnover ratio

		30 June 2022	30 June 2021
Lower of total value of purchases or sales ²	S\$	271,550	-
Average daily net asset value	S\$	7,422,905	8,827,079
Total turnover ratio¹	%	3.66	-

¹ 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.

² There was no purchase & sales during the financial period 30 June 2021.

NIKKO AM GLOBAL GREEN BOND FUND

(Constituted under a Trust Deed registered in the Republic of Singapore)

REPORT TO UNITHOLDERS

For the financial period from 01 January 2022 to 30 June 2022 (unaudited)

12. Expense ratio

		30 June 2022	30 June 2021
<u>SGD Class</u>			
Total operating expenses	S\$	117,403	118,265
Average daily net asset value	S\$	7,829,049	8,999,598
Total expense ratio³ (including Underlying Fund's expense ratio)	%	2.16	1.95
Weighted average of the Underlying Fund's unaudited expense ratio	%	0.66	0.64

³ 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 period 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.

13. Related party transactions

The Manager of the Fund is Nikko Asset Management Asia Limited, a subsidiary of Nikko Asset Management International Limited. The Trustee of the Fund is BNP Paribas Trust Services Singapore Limited (the "Trustee").

Management fee is payable to the Manager. Trustee fee and registrar fee are payable to the Trustee. Custody fee and valuation fee are payable to a related company of the Trustee, BNP Paribas Securities Services operating through its Singapore Branch.

In addition to related party information shown elsewhere in the financial statements (including the Statement of Portfolio), the following significant transactions took place during the financial period between the Fund and a related party at terms agreed between the parties and within the provisions of the Deeds:

	30 June 2022	31 December 2021
	S\$	S\$
Bank balances held with related party of the Trustee	40,917	180,455

NIKKO AM GLOBAL GREEN BOND FUND

(Constituted under a Trust Deed registered in the Republic of Singapore)

REPORT TO UNITHOLDERS

For the financial period from 01 January 2022 to 30 June 2022 (unaudited)

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, NAM Luxembourg 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 Nikko AM Global Umbrella Fund - Nikko AM Global Green Bond Fund, the Underlying Fund of the Fund.

NIKKO AM GLOBAL GREEN BOND FUND

(Constituted under a Trust Deed registered in the Republic of Singapore)

REPORT TO UNITHOLDERS

For the financial period from 01 January 2022 to 30 June 2022 (unaudited)

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 at 30 June 2022

	Fair value US\$	Percentage of total net assets attributable to unitholders %
International Finance Corporation 8% 18-09/10/2023	1,728,981	15.06
European Investment Bank 1.625% 21-13/05/2031	1,465,485	12.58
KFW 2% 17-29/09/2022	1,240,857	10.68
European Investment Bank 1.9% 20-22/01/2025	1,045,330	9.03
Neder Waterschapsbank 1% 15-03/09/2025	844,467	7.29
IBRD 4.25% 21-22/01/2026	755,820	6.62
IBRD 5% 21-22/01/2026	693,869	6.10
Asian Development Bank 1.875% 17-10/08/2022	599,978	5.18
IBRD 4.9% 21-12/02/2026	581,952	5.08
KOMMUNEKREDIT 0.75% 17-18/05/2027	548,267	4.70

10 Largest holdings at 30 June 2021

	Fair value US\$	Percentage of total net assets attributable to unitholders %
International Finance Corporation 8% 09/10/23	1,827,328	11.46
IBRD 1.5% 12/07/22	1,578,232	9.90
KFW 2% 29/09/22	1,371,033	8.60
European Investment Bank 1.9% 22/01/25	1,167,874	7.32
Neder Waterschapsbank 1% 03/09/25	1,028,909	6.45
Asian Development Bank 0.35% 16/07/25	839,557	5.26
IBRD 4.25% 22/01/26	836,415	5.25
IBRD 5% 22/01/26	807,259	5.06
KFW 2% 30/11/21	770,924	4.83
IBRD 6.75% 20/06/23	760,465	4.77

2. Financial ratios

	30 June 2022 %	30 June 2021 %
Expense ratio ¹	0.65	0.64
Turnover ratio	12.78	12.84

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.

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Website: www.nikkoam.com.sg

Company registration number 198202562H