



Nikko Asset Management set to launch green fund with World Bank Bonds

World Bank and Nikko AM look to international bond markets for funding of projects that tackle climate change

London, 22 February 2010 - Nikko Asset Management (Nikko AM) has announced it is to launch its groundbreaking Nikko AM World Bank Green Fund for European and Middle Eastern investors.

The fund - the first of its kind - can invest up to 100% of its portfolio in green bonds issued by the World Bank (International Bank for Reconstruction and Development). All proceeds of these bonds will support World Bank funded projects that are designed to tackle the causes and consequences of climate change in the developing world.

A primary objective of Nikko AM and the World Bank is to help utilise the considerable resources of international bond investors to support financing of projects that reduce greenhouse gas emissions and help countries adapt to the effects of climate change.

The World Bank plans to issue green bonds in a range of developed and emerging market currencies selected by Nikko AM. The fund will be actively managed by Stuart Kinnersley, Nikko's European Chief Investment Officer and Senior Portfolio Managers Justin Eeles and Simon Down, who have worked together for over 10 years.

The Luxembourg-domiciled UCITS III fund will be available in £, US\$ and Euro share classes.

Green bond-supported World Bank activities include projects that improve energy efficiency, provide alternative energy, fund new technologies that reduce greenhouse gas emissions, and increase reforestation in many countries, in regions such as Latin America, Eastern Europe and Asia. Given the scale of the climate change challenge and the leading role the World Bank is taking, the World Bank has issued about US\$1 billion in green bonds since 2008 and expects to continue this programme to respond to investor preferences and demand for financing for such projects from its member countries.

Charles Beazley, President of Nikko Asset Management Europe said:

"We are proud to be involved in a project of such social and environmental significance in partnership with the World Bank. Investors worldwide have long been frustrated in finding credible institutional-quality and transparent investment vehicles where they can be certain their money will directly help the environment without compromising their investment objectives.

The key to this fund lies in its ability to offer investors both the security of a managed portfolio of bonds issued by the World Bank, and the comfort that an organisation with such stature and credibility as the World Bank is willing to ensure the investment supports environmental projects."

Important Information

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The fund will specifically target a range of international institutional investors, including financial groups, pension funds, banks, family offices and discretionary investment managers.

Nikko AM already has a strong and long-standing relationship with the World Bank, having partnered with Nikko AM's World Supporter Fund launched in 2007; this fund, which is emerging market oriented, has already attracted US\$1.8 billion from Japanese domestic investors. The Nikko AM World Bank Green Fund is the sixth socially responsible and sustainable investment strategy to be launched by Nikko AM in the last decade.

World Bank Vice President and Treasurer Kenneth Lay noted that:

"Ensuring that humanity's development can continue in a way that our planet can sustain will take immense resources that will only come from a well-orchestrated flow of public and private finance. This new Nikko AM World Bank Green Fund shows that private citizens and institutions can safely and profitably invest their savings today in ways that will provide a better world for their children."

For more information please visit: www.nikkoam.com/english; <http://www.worldbank.org/>

Nikko AM:

Built on industry experience dating back to 1959, Nikko Asset Management Co., Ltd., (Nikko AM) is one of Japan's oldest and largest asset management companies, offering global investment capabilities with core strengths in Japan and Asia. Headquartered in Tokyo, Nikko AM employs more than 500 people world-wide and has offices in London, New York and Singapore. Nikko AM occupies a leadership role in the asset management industry in Japan. It has a history of supporting global SRI and ESG initiatives. The firm is a signatory to the United Nations Principles for Responsible Investment; a member of Social Investment Forum (SIF) Japan as well as a founding member of the Association for Sustainable & Responsible Investing in Asia.

The World Bank:

The World Bank is a global development cooperative owned by its 186 member countries. Its purpose is to help its members achieve equitable and sustainable economic growth in their economies and to find solutions to regional and global problems in economic development and environmental sustainability, all with a view to reducing poverty and improving standards of living. The International Bank for Reconstruction and Development (IBRD), rated Aaa/AAA (Moody's/S&P) is known in the capital markets as the World Bank. It provides its members with financing, risk management products, and other financing services, as well as specialized expertise and strategic and convening services requested by its member countries. To fund this activity, the World Bank has been issuing bonds in the international capital markets for 60 years. The World Bank is one of the most recognized and innovative borrowers in the international capital markets. More information about the World Bank and its activities in the capital markets is available on the web at: www.worldbank.org/debtsecurities.

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