

FUND OBJECTIVE

To achieve long term capital growth through investment in a relatively concentrated, actively managed portfolio of global equity securities issued by companies with a high overall positive impact on society.

FUND DETAILS

Launch Date	21 July 2021	Domicile	Malaysia
Currency	Ringgit Malaysia	Launch Price	RM1.0000
Units in Circulation	11.13 million units (30 August 2022)	Fund Size	RM10.16 million (30 August 2022)
Unit NAV	RM0.9128 (30 August 2022)	Dealing	Daily (as per Bursa Malaysia trading day)
Fund Manager	Nomura Asset Management Malaysia Sdn Bhd	Target Fund	Nomura Global Sustainable Equity Fund
Benchmark	MSCI All Country World Index	Taxation	8% of annual investment income
Risk Profile	<p>Suitable for investors:</p> <ul style="list-style-type: none"> are seeking long term capital growth; want a portfolio of investments that provides positive impact on the sustainable development of society; want to have portfolio with global exposure; or are prepared to accept moderate level of volatility. 	Fees	<ul style="list-style-type: none"> Sun Life Malaysia does not impose any fund management charge on Sun Life Malaysia Global Sustainable Fund. Up to 1.6% p.a. fund management charge is applied on the target fund's NAV by Nomura Asset Management Malaysia Sdn Bhd.

ASSET ALLOCATION OF THE TARGET FUND

Equity Fund	Cash and Others
99.13%	0.87%

SECTOR ALLOCATION OF THE TARGET FUND

Information Technology	25.84%
Health Care	25.22%
Industrials	14.74%
Financials	11.23%
Utilities	7.47%
Communication Services	6.15%
Consumer Staples	3.74%
Materials	3.47%
Consumer Discretionary	1.27%
Cash	0.87%

TOP HOLDINGS OF THE TARGET FUND

Johnson Controls International plc	4.28%
Thermo Fisher Scientific Inc.	4.25%
NextEra Energy, Inc.	4.12%
Mastercard Incorporated Class A	3.96%
Microsoft Corporation	3.96%

PERFORMANCE RECORD

This fund feeds into Nomura Global Sustainable Equity Fund ("target fund") with the objective to achieve long-term capital growth through investment in a relatively concentrated, actively managed portfolio of global equity securities issued by companies with a high overall positive impact on society.

Table below shows the investment returns of Sun Life Malaysia Global Sustainable Fund versus its benchmark as at 30 August 2022:

%	YTD	1M	3M	6M	1-Year	3-Years	Since Inception
Fund*	-11.19	-2.99	-3.01	-3.92	-8.72	N/A	-8.72
Benchmark	-12.74	-3.32	-4.00	-6.37	-10.95	N/A	-8.26

* Calculation of past performance is based on NAV-to-NAV

Notice: Past performance of the fund is not an indication of its future performance which may differ. The fund performance is not guaranteed.

FUND MANAGER'S COMMENTS

Markets rose strongly in the first half led by growth but subsequently declined sharply in the final two weeks as investors digested weaker economic data and Federal Reserve commentary that suggests it remains committed to tackling inflation first and foremost. Underperformance was driven broadly evenly by allocation and selection, as once again Energy returned to being a headwind and so too did the overweight to Healthcare. Selection was strong within Healthcare but weak within Technology and particularly Materials.

Impact Focus of the month: The market has become increasingly focussed on the negative risk around several lawsuits relating to Zantac leading to a considerable hit to the valuation of portfolio holding GSK (and a number of other Pharmaceuticals). In 2019 N-nitrosodimethylamine was found in Zantac products - a chemical that has been shown to be potentially carcinogenic, but only at much higher levels than was detected in Zantac. Individual investigations by the FDA and EMA have concluded that there is no evidence of a causal relationship between Zantac therapy and the cancer development, and the company vigorously defend that the science points to minimal causation between NDMA found in Zantac and cancers. However, there are a number hearings scheduled to take place over the coming months involving many tens of thousands of claimants. In response the Target Fund Manager has engaged with GSK and Haleon, in addition to legal experts, and the Target Fund Manager has together reviewed the evidence and potential outcomes. Given what the Target Fund Manager know at this current point in time, whilst their view of the total impact has declined, they still believe that GSK merits a position with the portfolio but are watching very closely for further evidence of any wrong doing or any actions taken by the company in response, under which circumstances their view could be impacted on whether it remains investible.

The top contributors were Becton Dickinson (+3%), CVS (+3%) and Gilead (+6%). CVS notably delivered very strong earnings early in the month with the healthcare insurance business continuing to perform stronger than expected whilst the retail business is also doing much better than feared given the rolling off of COVID tailwinds. Gilead was supported by surprisingly positive announcements in relation to its drug pipeline and the Target Fund Manager took the opportunity to trim the position. The top detractors were DSM (-19%) and GlaxoSmithKline (- 23%). The Target Fund Manager believe DSM is being impacted by broad based negative sentiment surrounding European industrials and chemicals companies that will clearly be impacted by rising gas prices and are at risk should energy be rationed through the winter, however the Target Fund Manager has engaged with the company and believe that concerns are overdone. GlaxoSmithKline underperformed over the month in reaction to the rising market concerns around Zantac litigation.

RISKS

All investment carries some form of risks. The potential key risks include but are not limited to the following:

Returns not guaranteed	The investment of the fund is subject to market fluctuations and its inherent risk. There is NO GUARANTEE on the investment returns, nor any assurance that the target fund's investment objective will be achieved.
Market risk	The value of an investment will decrease or increase due to changes in market factors i.e. economic, political or other events that impact large portions of the market. Market risk cannot be eliminated, hence the target fund's investment portfolio may be prone to changing market conditions that may result in uncertainties and fluctuations in the value of the underlying of the target fund's investment portfolio, causing the NAV or prices of units to fluctuate.
Inflation risk	This is the risk that your investment in the target fund may not grow or generate income at a rate that keeps pace with inflation. This would reduce your purchasing power even though the nominal value of the investment in monetary terms has increased.
Manager's risk	This risk refers to the day-to-day management of the target fund by Nomura which will impact the performance of the target fund, e.g. investment decisions undertaken by Nomura as a result of an incorrect view of the market or any non-compliance with internal policies, investment mandate, the deed, relevant law or guidelines due to factors such as human error or weakness in operational process and systems may adversely affect the performance of the target fund. In order to mitigate this risk, the implementation of internal controls and a structured investment process and operational procedures has been put in place by Nomura.
Concentration risk	As the target fund invests at least 80% of its NAV in the master fund, it is subject to concentration risk as the performance of the target fund would be dependent on the performance of the master fund.
Country risk	The investment of the target fund may be affected by risk specific to the country which it invests in. Such risks include changes in the country's economic, social and political environment. The value of the assets of the target fund may also be affected by uncertainties such as currency repatriation restrictions or other developments in the law or regulations of the country which the target fund invests in, i.e. Ireland, the domicile country of the master fund.

RISKS (CONTINUED)

Default risk	Default risk relates to the risk that an issuer of a money market instrument either defaulting on payments or failing to make payments in a timely manner which will in turn adversely affect the value of the money market instruments. This could affect the value of the target fund as up to 20% of the NAV of the target fund will be invested in liquid assets which include but are not limited to deposits and money market instruments.
Investment manager of the master fund risk	<p>The target fund will invest in the master fund managed by a foreign asset management company. This risk refers to the risk associated with the investment manager, which include:</p> <ul style="list-style-type: none">i) The risk of non-adherence to the investment objective, strategy and policies of the master fund;ii) The risk of direct or indirect losses resulting from inadequate or failed operational and administrative processes and systems by the investment manager; andiii) The risk that the master fund may underperform its benchmark due to poor investment decisions by the investment manager.

Source : Nomura Asset Management Malaysia Sdn Bhd
Date : 30 August 2022

Disclaimer:

The benchmark performance is not a guide to future performances which may differ. The performance of the fund is not guaranteed. The value of the fund will fluctuate and may fall below the amount of premiums paid and the fund value depends on the actual performance of the underlying investment. This material is for information purposes only and is subject to change at any time without notice. Sun Life Malaysia does not guarantee its accuracy, completeness, correctness or timeliness for any purpose or reason. This information should not be considered as advice or recommendation in relation to your account or particular investment objectives, financial situation or needs. You may not revise, transform, or build upon this material without prior written consent of Sun Life Malaysia. Before acting on any information you should seek independent financial advice. Sun Life Malaysia may suspend the unit pricing and defer the payment of benefits, other than death and total and permanent disability benefits, subscription or redemption of units, switching of funds, under this contract for a reasonable period in exceptional circumstances, such as and including intervening events resulting in temporary closure of any stock exchange.