

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

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|----------------------|---|--------------|---|
| Launch Date | 21 July 2021 | Domicile | Malaysia |
| Currency | Ringgit Malaysia | Launch Price | RM1.0000 |
| Units in Circulation | 11.31 million units (29 July 2022) | Fund Size | RM10.64 million (29 July 2022) |
| Unit NAV | RM0.9409 (29 July 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

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|-------------|-----------------|
| Equity Fund | Cash and Others |
| 98.92% | 1.08% |

SECTOR ALLOCATION OF THE TARGET FUND

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|------------------------|--------|
| Information Technology | 25.30% |
| Health Care | 25.11% |
| Industrials | 14.10% |
| Financials | 11.56% |
| Utilities | 7.55% |
| Communication Services | 6.26% |
| Consumer Staples | 4.21% |
| Materials | 3.95% |
| Consumer Discretionary | 1.29% |
| Cash | 0.68% |

TOP HOLDINGS OF THE TARGET FUND

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|------------------------------------|-------|
| Thermo Fisher Scientific Inc. | 4.39% |
| Novo Nordisk A/S Class B | 4.09% |
| Mastercard Incorporated Class A | 4.07% |
| Johnson Controls International plc | 4.01% |
| Microsoft Corporation | 4.00% |

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 29 July 2022:

| % | YTD | 1M | 3M | 6M | 1-Year | 3-Years | Since Inception |
|------------------|-------|------|-------|-------|--------|---------|-----------------|
| Fund* | -8.45 | 6.96 | -1.96 | -4.07 | -5.91 | N/A | -5.91 |
| Benchmark | -9.75 | 7.90 | -0.27 | -5.48 | -7.13 | N/A | -5.11 |

* 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

Earnings season so far has been much stronger than expected, especially with mega cap tech, and the market took the comments from the Federal Reserve as supportive for risk assets despite the further 75 bps rate hike. Allocation was the primary driver of the underperformance as Consumer Discretionary recovered very strongly and Healthcare lagged as investors rotated out of the sector. Selection was strong in Communication Services and Industrials however this was offset by weaker selection in Financials and Technology.

Impact Focus of the month: The Target Fund Manager has been engaging with their Electric Vehicle (“EV”) manufacturer holding in order to improve the Total Impact of the business. The Target Fund Manager believes the company to have extremely high environmental impact through leading the transition to EVs but it is the Target Fund Manager’s opinion that the impact on other stakeholders could be improved and it is therefore the Target Fund Manager’s responsibility to engage with the company to push for better practices. The Target Fund Manager engaged with the company on a range of issues including the allegations of taking actions to squash unionisation discussion, discrimination in the workplace and recent legal cases in relation to crashes when the vehicles have been in auto pilot mode. The Target Fund Manager is further continuing discussions with a shareholder group to explore how the Target Fund Manager can better work with other stakeholders to push for improved practices in relation to policies around collective bargaining in particular.

Safaricom (+19%) and Johnson Controls (+13%) were the strongest contributors to performance. Safaricom suffered very poor performance in June driven, the Target Fund Manager believes, by a number of large foreign investors exiting the stock at any price and the move being magnified by the liquidity of the stock, and when this selling pressure finally abated Safaricom snapped back very sharply in July. Johnson Controls has been a material underperformer this year and recovered strongly in more optimistic equity markets on relatively limited news other than the industrials complex to date reporting better than expected results. AIA Group (-7%) and Allianz (-5%) were the greatest detractors. European insurers in particular lagged over the month as concerns rose around credit performance. Not holding Amazon (+27%) and Apple (+19%) also contributed meaningfully to the underperformance.

RISKS

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

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| 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)

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| 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 : 29 July 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.