

### 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.

### INVESTMENT STRATEGY & APPROACH

Please refer to the Master Fund Fact Sheets at <https://www.sunlifemalaysia.com/insurance-and-takaful/investment-linked-fund/yearly-fund-fact-sheet/> for more information on the Investment Strategy and Approach for the target fund.

### FUND DETAILS

Launch Date	21 July 2021	Domicile	Malaysia
Currency	Ringgit Malaysia	Launch Price	RM1.0000
Units in Circulation	7.98 million units (30 September 2024)	Fund Size	RM8.92 million (30 September 2024)
Unit NAV	RM1.1185 (30 September 2024)	Target Fund	Nomura Global Sustainable Equity Fund - MYR Class B
Fund Manager	Nomura Asset Management Malaysia Sdn Bhd	Taxation	8% of annual investment income
Performance Benchmark	MSCI All Country World Index	Frequency and Basis of Unit Valuation	The unit price is determined daily based on value of the holdings in the target fund, net of expenses, divided by the total number of units in that fund
Target Market	Suitable for investors: <ul style="list-style-type: none"> <li>▪ are seeking long term capital growth</li> <li>▪ want a portfolio of investments that provides positive impact on the sustainable development of society</li> <li>▪ want to have portfolio with global exposure</li> <li>▪ are prepared to accept moderate level of volatility</li> </ul>	Fund Management Charge	<ul style="list-style-type: none"> <li>▪ Sun Life Malaysia does not impose any fund management charge on Sun Life Malaysia Global Sustainable Fund</li> <li>▪ Up to 1.6% p.a. fund management charge is applied on the target fund's NAV by Nomura Asset Management Malaysia Sdn Bhd</li> </ul>

### ASSET ALLOCATION OF THE TARGET FUND

Master fund	Deposits, money market instruments and / or held in cash
Minimum of 85% Net Asset Value (NAV)	Maximum of 15% of NAV

SECTOR ALLOCATION OF THE TARGET FUND	
Health Care	26.34%
Financials	21.51%
Industrials	20.46%
Information Technology	19.86%
Utilities	6.89%
Communication Services	3.48%
Cash & Others	1.45%
<b>Total</b>	<b>100.00%</b>

TOP HOLDINGS OF THE TARGET FUND	
Microsoft Corporation	5.04%
Johnson Controls International plc	4.49%
Mastercard Incorporated Class A	4.08%
ASML Holding NV	4.07%
Taiwan Semiconductor Manufacturing Co., Ltd.	3.98%

**PERFORMANCE RECORD**

This fund feeds into Nomura Global Sustainable Equity Fund - MYR Class B ("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 September 2024:

%	YTD	1M	3M	6M	1-Year	3-Years	Since Inception
<b>Fund*</b>	5.10	-3.64	-7.21	-4.87	11.40	N/A	11.85
<b>Benchmark</b>	6.86	-2.35	-6.72	-4.22	16.23	N/A	17.43

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

Table below shows the historical performance of the underlying collective investment schemes (CIS) for calendar year returns:

(%)	2023	2022
<b>Target Fund</b>	<b>28.10</b>	<b>-13.25</b>

Source: Refinitiv Lipper

## FUND MANAGER'S COMMENTS

The MYR Class B returned 3.85% in September underperforming MSCI ACWI by 150 bps. The negative performance was mostly driven by allocation driven by the overweight position in Healthcare and our underweight position in Consumer Discretionary. After August's performance was helped by Healthcare, this trend went into reverse in September with the Healthcare sector underperforming the broader index by 5%. Meanwhile, Consumer Discretionary saw a strong rebound in September 7 that created a further headwind for the fund as news of a China stimulus boosted the sector. Selection was broadly flat in September with strong selection in Financials and Industrials being offset by negative performance in Healthcare and Information Technology.

The top contributors to performance were AIA 27% and Pentair 10%. AIA outperformed substantially in the latter part of September as investors became more constructive on Chinese related equities as the Politburo announced new stimulus measures. Pentair was one of several industrial stocks in the portfolio to benefit from more positive investor assumptions on global growth as well as the start of US rate cuts. The greatest detractors were Novo Nordisk 15% and Adobe 10%. Novo Nordisk announced the clinical results from Monlunabant, a cannabinoid receptor molecule in development for anti obesity treatment that disappointed investors. Adobe shares fell after 4 Q guidance at their results in mid September came in below investor expectations.

### Impact focus of the month

During September, the team initiated a new position in Waste Management (WM) the North American leader in both solid waste collection and disposal as well as recycling processing. We see it as a high quality business with steady cash flows, defensive characteristics and strong returns to shareholders through growing dividend and more importantly significant share buyback programme. The broader space is fragmented and still in consolidation phase, so top players like WM continue to do significant amount of tuck in acquisitions, which are the main reason for expanding margins, through increased route density. Although recycling processing is still a relatively small portion of overall business mix (ca 6-7%) it is the primary area for growth capital, along with RNG (ca 2%). What is interesting about this company's emissions profile is that in 2022 WM's sustainability services avoided or removed close to 3x (48.3 million tonnes of CO<sub>2</sub>e) their own emissions across the entire value chain (17 million tonnes of CO<sub>2</sub>e). This would be the main impact metric the team would be tracking going forward, along with million tonnes of material recovered.

## RISKS

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

<b>Returns not guaranteed</b>	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.
<b>Market risk</b>	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.
<b>Inflation risk</b>	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.
<b>Manager's risk</b>	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.
<b>Concentration risk</b>	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.
<b>Country risk</b>	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)**

<b>Default risk</b>	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.
<b>Investment manager of the master fund risk</b>	<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"><li>i) The risk of non-adherence to the investment objective, strategy and policies of the master fund;</li><li>ii) The risk of direct or indirect losses resulting from inadequate or failed operational and administrative processes and systems by the investment manager; and</li><li>iii) The risk that the master fund may underperform its benchmark due to poor investment decisions by the investment manager.</li></ul>

**Source : Nomura Asset Management Malaysia Sdn Bhd**  
**Date : 30 September 2024**

**Disclaimer:**  
This is strictly the performance of the investment fund, and not the returns earned on the actual premiums paid of the investment-linked product. Past performance of the fund is not an indication of its future performance. 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.