

FUND FACT SHEET

Name of fund	Sun Life Malaysia Islamic Strategic Conservative Fund	
Features of fund		
Investment objective	This fund feeds into Principal Islamic Conservative Wholesale Fund-of-Funds ("target fund") with the objective to achieve capital stability by investing in a portfolio of Shariah-compliant collective investment schemes that invest in Shariah-compliant equities and/or Sukuk.	
Investment strategy and approach	<p>The target fund aims to invest in at least three (3) Islamic collective investment schemes (CIS) investing predominantly in Sukuk and/or Shariah-compliant equities. The target fund will invest at least 70% of its Net Asset Value (NAV) in Islamic CIS investing predominantly in Sukuk and up to 30% of its NAV in Islamic CIS investing predominantly in Shariah-compliant equities.</p> <p>The target fund may also invest up to 5% of its NAV in Islamic liquid assets such as Islamic money market instruments and/or Islamic deposits for liquidity purposes. The investment strategy and policy of the target fund is biased towards Islamic CIS investing predominantly in Sukuk that aims to provide some capital stability to the target fund, while allowing some exposure in Islamic CIS investing predominantly in Shariah-compliant equities that aim to provide the added return in a rising market.</p> <p>The allocation between the Islamic CIS is done through a combination of macroeconomic data, liquidity trends and the outlook to overweight or underweight a particular Islamic CIS. The target fund may invest in Islamic CIS that focus its investment in the Asia Pacific (ex Japan) region, i.e. companies that are domiciled in, listed in, and/or have operations or businesses that focus in the Asia Pacific (ex Japan) region, where the regulatory authority is an ordinary or associate member of the International Organization of Securities Commissions (IOSCO), which include but not limited to Australia, the People's Republic of China, Hong Kong SAR, India, Indonesia, South Korea, Malaysia, New Zealand, the Philippines, Singapore, Taiwan, Thailand and Sri Lanka.</p> <p>Any income distribution from the target fund will be automatically reinvested back into the target fund. The total number of units will not change as a result of the reinvestment.</p>	
Asset allocation	<p>The asset allocation of the target fund is as follows:</p> <ul style="list-style-type: none"> Islamic CIS investing predominantly in Sukuk: minimum 70% of NAV (with target allocation of 80% of NAV); Islamic CIS investing predominantly in Shariah-compliant equities: maximum 30% of NAV; and Islamic liquid assets: the remaining balance, maximum 5% of NAV. 	
Performance benchmark	As a fund-of-funds, the target fund is benchmark unconstrained, i.e. it will be managed without reference to any specific benchmark. However, for performance comparison purpose, the target fund can be compared to the 50% Quantshop GII Medium Index + 25% FTSE Bursa Malaysia EMAS Shariah Index + 25% CIMB Islamic 1-Month Fixed Return Income Account-i	
Fund manager	Principal Asset Management Berhad ("Principal")	
Fund launch date	01 December 2017	
Fees and charges		
Fund management fee	Sun Life Malaysia does not impose any fund management fee on Sun Life Malaysia Islamic Strategic Conservative Fund.	
Other fees - external fund management fee	Up to 1.20% per annum fund management fee is applied on the target fund's NAV by Principal, accrued on a daily basis.	
Taxation	8% of the annual investment income.	
Fund performance		
Notice: Past performance of the fund is not an indication of its future performance which may differ. The fund performance is not guaranteed.		
Table below shows the historical actual annual investment returns of the target fund versus its benchmark:		
Year	Performance based on NAVs: Sun Life Malaysia Islamic Strategic Conservative Fund	Benchmark: 50% Quantshop GII Medium Index + 25% FTSE Bursa Malaysia EMAS Shariah Index + 25% CIMB Islamic 1-Month Fixed Return Income Account-i
2023	5.5%	3.8%

Year	Performance based on NAVs: Sun Life Malaysia Islamic Strategic Conservative Fund	Benchmark: 50% Quantshop GII Medium Index + 25% FTSE Bursa Malaysia EMAS Shariah Index + 25% CIMB Islamic 1-Month Fixed Return Income Account-i
2022	-3.4%	-1.3%
2021	0.3%	-1.5%
2020	5.0%	6.8%
2019	3.1%	5.1%
2018	-0.2%	4.1%
2017	N/A	N/A
2016	N/A	N/A
2015	N/A	N/A
2014	N/A	N/A

Source: <http://www.quantshop.com>, <http://www.bursamalaysia.com> and <http://www.cimbislamic.com>

Updated: as at 30 April 2024

Table below shows the historical actual annual investment returns of the underlying funds under the target fund:

Year	Performance based on NAVs: Principal Islamic Lifetime Sukuk Fund	Performance based on NAVs: Principal Islamic Lifetime Enhanced Sukuk Fund	Performance based on NAVs: Principal DALI Equity Fund
2023	6.7%	5.6%	7.0%
2022	1.1%	-3.1%	-16.0%
2021	0.4%	2.8%	-1.6%
2020	5.1%	7.7%	11.5%
2019	8.5%	5.6%	12.2%
2018	4.5%	1.2%	-14.7%
2017	4.7%	6.1%	16.1%
2016	5.0%	1.7%	-4.0%
2015	3.5%	4.0%	8.9%
2014	3.8%	2.1%	0.7%

Source: Principal Asset Management Berhad (www.principal.com.my)

Updated: as at 30 April 2024

This is strictly the performance of the investment-linked fund and not the returns earned on the actual contributions paid of the investment-linked plan.

$$\text{Basis of calculation of past performance} = \left\{ \left[\frac{X \text{ at EOY}}{X \text{ at BOY}} \right] - 1 \right\} \times 100\%$$

X = NAV for Sun Life Malaysia Islamic Strategic Conservative Fund, Quantshop GII Medium Index, FTSE Bursa Malaysia EMAS Shariah Index and CIMB Islamic 1-Month Fixed Return Income Account-i

EOY = Ending of year

BOY = Beginning of year

Risks	
All investment carries some form of risks. The potential key risks include but are not limited to the following:	
Market risk	Market risk refers to the possibility that an investment will lose value because of a general decline in financial markets, due to economic, political and/or other factors, which will result in a decline in the target fund's NAV.
Inflation risk	This is the risk of your investment in the target fund not growing or generating income at a rate that keeps pace with inflation. This would reduce your purchasing power even though the 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 the manager which will impact the performance of the fund. For example, investment decisions undertaken by Principal, as a result of an

Manager's risk (cont'd)	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 weaknesses in operational process and systems, may adversely affect the performance of the target fund.
Reclassification of Shariah status risk	This risk refers to the risk that the currently held Shariah-compliant securities in the target fund may be reclassified as Shariah non-compliant in the periodic review of the securities by the Shariah Advisory Council of the Securities Commission Malaysia (SACSC), Shariah adviser of the issuer, the Shariah Adviser or the Shariah boards of the relevant Islamic indices. If this occurs, Principal will take the necessary steps to dispose of such securities. There may be opportunity loss to the target fund due to the target fund not being allowed to retain the excess gains derived from the disposal of the Shariah non-compliant securities. In the event that the Shariah non-compliant securities are disposed of at a price lower than the investment cost, it may adversely affect the value of the target fund. Thus, it may cause the NAV of the target fund or price of units to fall.
Risk associated with investing in Islamic CIS	Since the target fund will invest entirely into Islamic CIS, there is a risk of concentration into Islamic CIS, in which the Islamic CIS's management company has absolute discretion over the Islamic CIS's investment technique and knowledge, operational controls and management. In the event of mismanagement of the Islamic CIS and/or the management company, the NAV of the target fund, which invests into those Islamic CIS would be affected negatively. Should the situation arise, Principal will seek for another Islamic CIS that is consistent with the objective of the target fund.
Country risk	The target fund may invest into Islamic CIS which can be domiciled in various countries. Therefore, the target fund will be subjected to risks specific to the countries in which the Islamic CIS are domiciled. Such risks include adverse changes in economic fundamentals, social and political stability, laws and regulations and foreign investments policies. These factors may have an adverse impact on the price of the Islamic CIS, which will depress the Islamic CIS's NAV growth, and consequently depress the target fund's NAV growth.
Currency risk	As the target fund may invest into Islamic CIS denominated in currencies other than MYR, any fluctuation in the exchange rate between MYR and the currencies in which the Islamic CIS are denominated may have an impact on the value of these investments. You should note that any gains or losses arising from the fluctuation in the exchange rate may further increase or decrease the returns of the target fund.
Other information	
Target market	Suitable for investors who: <ul style="list-style-type: none"> • have a long-term investment horizon; • have a low risk profile and seek for a potentially less volatile investment return; • want a minimal exposure to Shariah-compliant equities investment; and • want a portfolio of investments that adhere to Shariah principles.
Pricing basis	Forward pricing, which means units are created and cancelled at the next valuation day upon the receipt of contribution and claims. To recoup the cost of acquiring and disposing of assets, a dilution or transaction cost adjustment may be made to the NAV to recover any amount which the fund had already paid or reasonably expects to pay for the creation or cancellation of units.
Pricing frequency	Daily on Sun Life Malaysia business day.
Exceptional circumstances	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.

This fund fact sheet is prepared by the fund manager for informational purposes only. This document shall under no circumstances be construed as an offer to sell nor shall it be taken as a form of professional advice of any manner. The performance of the fund is not guaranteed and the value of investment and their derived income may increase or decrease. Past performance is not a guide to future or likely performance. Before investing into the fund, you should consider whether the fund meets your investment objective and risk appetite. Although the information in this document was compiled with due care and from reliable sources, Sun Life Malaysia does not guarantee its accuracy, completeness, correctness or timeliness for any particular purpose. Sun Life Malaysia reserves the right to change any information without giving any notice.