

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	9.32 million units (31 July 2023)	Fund Size	RM9.62 million (31 July 2023)
Unit NAV	RM1.0322 (31 July 2023)	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
98.99%	1.01%

SECTOR ALLOCATION OF THE TARGET FUND

Health Care	25.46%
Industrials	19.31%
Information Technology	18.94%
Financials	18.58%
Utilities	7.04%
Consumer Staples	3.66%
Materials	3.01%
Communication Services	2.86%
Cash & Others	1.14%
Total	100.00%

TOP HOLDINGS OF THE TARGET FUND

Johnson Controls International plc	4.11%
Mastercard Incorporated Class A	3.78%
Thermo Fisher Scientific Inc.	3.67%
Microsoft Corporation	3.62%
ASML Holding NV	3.59%

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 31 July 2023:

%	YTD	1M	3M	6M	1-Year	3-Years	Since Inception
Fund*	14.61	-1.19	5.87	12.93	9.70	N/A	3.22
Benchmark	19.56	0.04	9.13	15.28	12.34	N/A	6.60

* 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

Sector allocation and selection contributed broadly evenly to the underperformance. The large overweight to Healthcare continues to be a headwind given the risk on mood across the market whilst Energy to which the Target Fund has no exposure also rebounded over the month. Selection was weak in Financials as the more traditional developed markets financials rallied whilst the Target Fund's holding across the payment space and emerging markets financials lagged. Signs that inflation in the United States is finally coming under control, improving forecasts for Gross Domestic Product (GDP) and more positive rhetoric from Central Banks have for now supported a shift in sentiment towards a soft landing scenario driving risk assets higher. July saw a broader based move higher than in prior months with Value modestly outperforming Growth having lagged very significantly year to date.

The top contributors were Adobe (+12%) and Paychex (+12%) with Adobe continuing to benefit from increasing optimism around its artificial intelligence (AI) positioning. In Q2 the company launched their new generative AI model called Firefly which creates images and videos based on commercially licensed content and the team believe that marketers will not take the risk of using AI image creators from competitors that simply scrape the internet for fear of being sued for copyright infringement. Paychex is positively geared to an improvement in the outlook for the US economy and job market whilst data within the month showed that small business hiring to which it is most exposed remained solid despite large businesses experiencing declines. The top detractors were Boston Scientific (-4%) and ASML (-1%). ASML has continued to give back some of the gains following the exceptional AI sentiment driven rally year to date, whilst Boston Scientific has underperformed despite reporting very strong earnings and a large upgrade to its outlook in part as the medtech space underperformed in July and investors took profits in Boston Scientific following very strong performance YTD

Impact focus of the month: The following is an extract from the team's recently published Impact Report 2022 in discussing how to translate output data into a better understanding of true impact:

The primary data across the eliminate communicable disease impact goal that we track and report on is the number of patients reached with treatment and particularly those reached through access strategies. These data points do not however fully reflect the impact on human life or adjusted for the attribution across the stakeholders in the value chain. For example, donations to patent pools is an extremely effective way to support access, but does not deserve the same attribution as manufacturing and delivering treatment directly. The companies are currently working with academic institutions to develop better reporting on true impact and furthermore through the pandemic steps have been taken forward to better assess the impact on human life.

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 : 31 July 2023

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.