

### FUND OBJECTIVE

Seeks to achieve capital appreciation in the long term through investments in an international portfolio of Shariah-compliant equities and equity related securities.

### FUND DETAILS

Launch Date	13 February 2015	Domicile	Malaysia
Currency	Ringgit Malaysia	Launch Price	RM1.0000
Units in Circulation	25.37 million units (30 November 2020)	Fund Size	RM38.18 million (30 November 2020)
Unit NAV	RM1.3865 (30 November 2020)	Dealing	Daily (as per Bursa Malaysia trading day)
Fund Manager	Aberdeen Standard Islamic Investments (Malaysia) Sdn Bhd	Target Fund	Aberdeen Standard Islamic World Equity Fund
Benchmark	MSCI ACWI Islamic (Shariah) Index	Taxation	8% of annual investment income
Risk Profile	<p>Suitable for investors:</p> <ul style="list-style-type: none"> <li>Have a long term investment horizon</li> <li>Target capital appreciation</li> <li>Willing to take higher risk for potential higher gains</li> </ul>	Fees	<ul style="list-style-type: none"> <li>Sun Life Malaysia does not impose any fund management charge on Sun Life Malaysia Islamic World Equity Income Fund</li> <li>1.75% p.a. fund management charge is applied on the target fund's NAV by Aberdeen Standard Islamic Investments (Malaysia) Sdn. Bhd.</li> </ul>

### ASSET ALLOCATION OF THE TARGET FUND

Equities	Cash
90% - 100%	0% -10%

### SECTOR ALLOCATION OF THE TARGET FUND

Healthcare	28.9%
Information Technology	24.3%
Industrials	12.7%
Consumer Staples	10.6%
Consumer Discretionary	9.9%
Real Estate	4.5%
Materials	4.1%
Cash	5.1%
Total	100.0%

### TOP HOLDINGS OF THE TARGET FUND

L'Oreal	4.0%
Procter & Gamble Co	3.6%
Taiwan Semiconductor Manufacturing	3.5%
Paylocity Holding	3.5%
Roche Holding	3.3%
ASML Holding	3.2%
Dechra Pharmaceuticals	3.1%
Nestle	3.0%
NIKE CL	2.8%
Goodman Group Unit	2.8%
Total	32.8%

## PERFORMANCE RECORD

This fund feeds into Aberdeen Standard Islamic World Equity Fund ("target fund") with the objective to achieve capital appreciation in the long term through investments in an international portfolio of Shariah-compliant equities and equity-related securities.

Table below shows the investment returns of Sun Life Malaysia Islamic World Equity Fund versus its benchmark as at 30 November 2020:

%	YTD	1M	6M	1-Year	3-Years	5-Years	Since Inception
<b>Fund*</b>	11.08	6.56	13.53	14.08	23.12	39.05	38.65
<b>Benchmark</b>	5.80	8.97	10.90	7.99	19.95	46.47	69.43

\* 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

- Global stocks advanced in most major currencies in November on optimism that a viable Covid-19 treatment would soon be available to the public.
- News of Democratic president-elect Joe Biden's wider margin of victory over incumbent Donald Trump after a series of vote recounts also bolstered market sentiment.
- In fund-related news, US software company Adobe acquired work management platform provider Workfront for US\$1.5 billion. It aims to grow its share of marketing-related clients with the deal.
- Meanwhile, French cosmetics maker L'Oréal partnered Google to allow people to try on make-up virtually by augmented reality technology to boost online sales.
- Elsewhere, Taiwan Semiconductor Manufacturing Company's (TSMC) shares gained on news that its facilities manufacturing 5- and 7-nanometer chip technologies will be running at maximum capacity until the second half of 2021 thanks to substantial orders from four major customers.
- During the month, we exited Japanese pharmacy retail chain operator Ain Holdings after its robust share price performance, and on our lowered longer-term conviction. We also divested our remaining stakes in oil and gas companies EOG Resources, Total and Chevron due to a lack of visibility in commodity prices, which challenges the overall quality aspect of the holding.
- Against these, we initiated pharmaceutical contract development and manufacturing business Lonza. There are clear opportunities for growth in demand for outsourcing services in the sector, evidenced by the considerable increase of capacity requirements. We also topped up US consumer goods company Procter & Gamble to our preferred exposure to reflect our conviction in this high quality, defensive name, particularly after it posted good results. Next, we took advantage of share price weakness to top up US software company Salesforce, UK industrial software company Aveva, Indiabased pharmaceutical company Syngene, and Swiss healthcare company Roche to our preferred exposure.

## RISKS

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

<p><b>Market risk</b></p>	<p>Market risk refers to potential losses that may arise from changes in the market prices of the Shariah-compliant equities that the target fund invests in. Prices of the Shariah-compliant equities will fluctuate in response to various factors, for example, events or news that relates to the Shariah-compliant equities as well as general market or economic conditions. In mitigating this risk, Aberdeen Islamic will invest in various sectors, thus the collapse of any particular sector would not have a major adverse impact on the value of the target fund.</p>
<p><b>Stock specific risk</b></p>	<p>Any drop in the price of a particular Shariah-compliant stock held by the target fund may affect the unit price of the target fund adversely. This risk can be mitigated by investing in a wide range of Shariah-compliant equities in different sectors, thus spreading the element of risk.</p>
<p><b>Concentration risk</b></p>	<p>This risk refers to the risk that the target fund invests a substantial portion of its assets in a particular sector or geographical area which may cause the target fund to be more susceptible to adverse economic events affecting that particular industry or region. This risk is mitigated through the diversification process that Aberdeen Islamic will employ in the management of the target fund whereby the target fund will hold a diversified portfolio of Shariah-compliant equities across various sectors and countries.</p>
<p><b>Reclassification of Shariah status risk</b></p>	<p>This risk refers to the risk that the currently held Shariah-compliant equities in the portfolio of the target fund may be reclassified as Shariah non-compliant during the periodic review of the securities by the SACSC, the Shariah Adviser or the Shariah Boards of the relevant Islamic indices. If this occurs, Aberdeen Islamic will take the necessary steps to dispose of such securities. A stock may be reclassified as being Shariah non-compliant, for example, if the company decides to venture into businesses that do not comply with the Shariah and this is beyond the control of Aberdeen Islamic. The impact of this risk on the value of the target fund is mitigated through the diversification process (as described under concentration risk above) that Aberdeen Islamic will employ in the management of the target fund. When the target fund holds a diversified portfolio of Shariah-compliant equities across various sectors and countries, a reclassification of any one of those Shariah-compliant equities (which means that the target fund will have to dispose of the said investment) will have less of an impact on the target fund as the target fund will still have in its portfolio other high quality Shariah-compliant equities to enable it to meet its objective.</p>
<p><b>Shariah-compliant warrants risk</b></p>	<p>The price, performance and liquidity of Shariah-compliant warrants are typically linked to the underlying Shariah-compliant equities and therefore subject to those risks. However, the price, performance and liquidity of such Shariah-compliant warrants will generally fluctuate more than the underlying Shariah-compliant equities because of the greater volatility of the warrants market.</p>

#### RISKS (CONTINUED)

##### Currency risk

The NAV attributable to a class of units expressed in a particular currency may be affected favourably or unfavourably by exchange control regulations or changes in the exchange rates between the Ringgit Malaysia (i.e., the base currency of the target fund) and those currencies. When the base currency and the currency of a particular class of units are different, unfavourable movements against those units in foreign exchange rates may affect the value of those units. The valuations of international Shariah-compliant equities owned by the target fund (i.e. those companies owned that are listed outside of Malaysia) may also be affected favourably or unfavourably by exchange control regulations or changes in the exchange rates between the Ringgit Malaysia (i.e., the base currency of the target fund) and the currencies that these equities are quoted in on their respective resident stock exchanges.

##### Emerging countries and developing markets risk

In emerging markets, the legal, judicial and regulatory infrastructure is still developing and there are more legal uncertainties both for the local market participants and their overseas counterparts. Some markets carry significant risks for investors. Investors should therefore ensure that they understand the relevant risks involved by seeking independent professional investment advice before investing. The target fund will invest a minimum of 1% in emerging markets. The emerging market countries that the target fund will initially invest in will be Korea, Taiwan and Brazil. As the countries' classification may change from emerging market to developed market status during the life of the target fund, the countries mentioned above are indicative only and may change.

**Source :** Aberdeen Standard Islamic Investments (Malaysia) Sdn. Bhd.

**Date :** 30 November 2020

#### 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.