

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	10.28 million units (28 February 2022)	Fund Size	RM9.77 million (28 February 2022)
Unit NAV	RM0.9500 (28 February 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

Equity Fund	Cash and Others
100.16%	-0.16%

SECTOR ALLOCATION OF THE TARGET FUND

Health Care	28.56%
Information Technology	26.39%
Industrials	11.85%
Financials	10.53%
Utilities	7.29%
Communication Services	6.45%
Consumer Staples	3.92%
Materials	3.81%

TOP HOLDINGS OF THE TARGET FUND

Novo Nordisk A/S Class B	4.07%
Microsoft Corporation	3.83%
Becton, Dickinson and Company	3.61%
Johnson Controls International plc	3.54%
Alphabet Inc. Class A	3.50%

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 28 February 2022:

%	YTD	1M	3M	6M	1-Year	3-Years	Since Inception
Fund*	-7.57	-3.14	-4.55	-5.00	N/A	N/A	-5.00
Benchmark	-6.81	-2.40	-4.22	-4.90	N/A	N/A	-2.02

* 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 was modestly positive however this was more than offset by negative stock selection, which was most pronounced within Technology and Industrials. February was an exceptionally volatile month in markets with the first half dominated by inflation again surprising to the upside driving a sharp rise in interest rates, whilst Russia's invasion of Ukraine rocked markets in the second half. Commodities were the primary beneficiary with Brent crude rising a further 11% to above \$100. Global equity markets (as defined by MSCI ACWI) remarkably declined 'only' -2.58% over the month despite the breaking out of war in Eastern Europe with markets somewhat cushioned by a decline in interest rates, which had weighed on equities year to date. The strategy has no direct holdings in Russia and the underlying holdings themselves have very low exposure to Russia or Eastern Europe, however performance should be expected to remain volatile in the near term given the impact of rising commodity prices, inflation pressures and potential implications for central bank actions in the face of such elevated geopolitical risk.

Impact Focus of the Month: Over the month, the Target Fund Manager has continued their engagement for impact with companies involved in COVID vaccine development and manufacturing, following up the public letter to the industry that they signed alongside a number of their responsible investment peers, with individual engagements with the companies. The Target Fund Manager do not hold positions in Moderna or Pfizer within the strategy – they believe the approach to supporting access to vaccines taken by Astra Zeneca to be both the right thing to do and more sustainable over the long term – but took the opportunity to join the collaborative engagement calls with the companies to seek to put pressure on them to take a more sustainable approach to supporting access and strongly push their views around company responsibility to support access, reporting on impact and aligning management with outcomes.

Not holding Meta Platforms (-33%) was the largest positive contributor to performance following the remarkable sell off in the stock as growth now appears to be stalling at the social media behemoth. Becton Dickinson (+7%) and Novo Nordisk (+4%) were the top contributing holdings to performance with the former reporting strong quarterly earnings and reiterating its margin guidance, which was taken well by the market given concerns over inflationary pressures. The greatest detractors were PayPal (-35%) and Fidelity National (-21%). PayPal Traded down on 2022 guidance that was weaker than expected and more importantly the stepping away from its active user target of 750m in 2025 and change in strategy away from user growth to engagement and monetisation.

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 : 28 February 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.