

FUND OBJECTIVE

To achieve longterm 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	9.82 million units (31 January 2022)	Fund Size	RM9.63 million (31 January 2022)
Unit NAV	RM0.9808 (31 January 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
99.30%	0.70%

Sun Life Malaysia Global Sustainable Fund

January 2022



SECTOR ALLOCATION OF THE TARGET FUND

Health Care	28.94%
Information Technology	27.96%
Industrials	11.42%
Financials	10.20%
Utilities	7.76%
Communication Services	6.29%
Consumer Staples	3.67%
Materials	3.63%

TOP HOLDINGS OF THE TARGET FUND

Novo Nordisk A/S Class B	3.83%
Becton, Dickinson and Company	3.82%
Microsoft Corporation	3.79%
Johnson Controls International plc	3.77%
Alphabet Inc. Class A	3.75%

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 January 2022:

%	YTD	1M	3M	6M	1-Year	3-Years	Since Inception
Fund*	-4.57	-4.57	-1.69	-1.92	N/A	N/A	-1.92
Benchmark	-4.52	-4.52	-2.70	-1.75	N/A	N/A	0.39

* 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

The primary focus of markets within January was on more hawkish commentary from the Fed and a re- pricing of expectations for rate hikes this year – futures are now pricing in almost 5 hikes in 2022. Geopolitical concerns around Russian forces amassing on the border of Ukraine further contributed to a significant weakening in sentiment with high growth stocks leading markets lower, however this did reverse sharply in the final two days of the month as the Nasdaq rallied very strongly (+6.64%) to finish only -8.98% down for the month. Value outperformed Growth and Quality by ca. 750bps and 600bps respectively over the period (as defined by the MSCI ACWI indices). Sector allocation for the strategy was a significant (ca. 100bp) drag on performance driven by the very strong outperformance of the Energy and Financials sectors however this was more than offset by stock selection, which was particularly strong within Technology and Healthcare within which the Target Fund Manager had previously seen a number of stocks underperform on both disruption and COVID related concerns.

Impact Focus of the Month: During the fourth quarter, the Target Fund Manager continued their human rights related engagement activity, specifically in relation to China's Xinjiang province. Previously, the Target Fund Manager explored the links of solar modules production to the region through its key raw material component – polysilicon, primarily produced in China's Xinjiang region. The Target Fund Manager engaged with some of the biggest renewables players to highlight the need for an advanced traceability and monitoring of their supply chain. As a next step, the Target Fund Manager has examined companies whose products are used by the security services in Xinjiang province. Several US companies have sold complex DNA sequencing machines into the region over previous years. These devices have been allegedly used to track the Uyghur population and help enable mass detention. Although, these US companies have now stopped direct selling of DNA sequencing machines into the region, according to the New York Times, use of these machines is still commonplace in the province through secondary channels. The Target Fund Manager has engaged with the relevant companies to understand what these machines were being used for and what steps have been taken to stop the availability of these machines in Xinjiang. Over time, the target Fund Manager would like to encourage the companies to introduce greater due diligence on where these machines are sold globally to reduce the likelihood that these machines might be used in a way that could violate human rights.

The top contributors to performance were AXA (+5%), which benefitted from a rotation into value and those stocks more geared towards rising interest rates, and Mastercard (+8%) which benefitted from receding concerns over the lingering impacts of the COVID pandemic and also delivered a strong Q4 earnings update. The greatest detractors to performance were DSM (-17%) and Novo Nordisk (-12%), which the Target Fund Manager believe to have been almost entirely driven by a rotation out of Quality and have taken the opportunity to add to both of these fantastic businesses.

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 January 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.