

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.

INVESTMENT STRATEGY & APPROACH

Please refer to the Master Fund Fact Sheets at <https://www.sunlifemalaysia.com/insurance-and-takaful/investment-linked-fund/yearly-fund-fact-sheet/> for more information on the Investment Strategy and Approach for the target fund.

FUND DETAILS

Launch Date	21 July 2021	Domicile	Malaysia
Currency	Ringgit Malaysia	Launch Price	RM1.0000
Units in Circulation	9.64 million units	Fund Size	RM10.62 million
Unit NAV	RM1.1019	Target Fund	Nomura Global Sustainable Equity Fund - MYR Class B
Fund Manager	Nomura Asset Management Malaysia Sdn Bhd	Taxation	8% of annual investment income
Performance Benchmark	MSCI All Country World Index	Frequency and Basis of Unit Valuation	The unit price is determined daily based on value of the holdings in the target fund, net of expenses, divided by the total number of units in that fund
Target Market	<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 ▪ are prepared to accept moderate level of volatility 	Fund Management Charge	Sun Life Malaysia does not impose any fund management charge on Sun Life Malaysia Global Sustainable Fund.

ASSET ALLOCATION OF THE TARGET FUND

Master fund	Deposits, money market instruments and / or held in cash
Minimum of 85% Net Asset Value (NAV)	Maximum of 15% of NAV

SECTOR ALLOCATION OF THE TARGET FUND	
Information Technology	24.37%
Health Care	20.98%
Industrials	20.75%
Financials	17.55%
Utilities	6.31%
Communication Services	4.92%
Cash & Others	5.12%
Total	100.00%

TOP HOLDINGS OF THE TARGET FUND	
Microsoft Corporation	5.84%
NVIDIA Corporation	5.79%
Taiwan Semiconductor Manufacturing Co.	5.31%
Alphabet Inc. Class A	4.92%
Broadcom Inc.	3.55%

PERFORMANCE RECORD

This fund feeds into Nomura Global Sustainable Equity Fund - MYR Class B ("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:

%	YTD	1M	3M	6M	1-Year	3-Years	Since Inception
Fund*	-7.78	-3.92	-7.78	-6.80	-3.21	16.12	10.19
Benchmark	-3.73	-3.60	-3.73	-4.36	7.99	38.89	32.52

* Calculation of past performance is based on NAV-to-NAV

Table below shows the historical performance of the underlying collective investment schemes (CIS) for calendar year returns:

(%)	2025	2024	2023
Target Fund	5.03	7.97	19.74

Source: LSEG Lipper

FUND MANAGER'S COMMENTS

MYR Class B returned -3.92% in March underperforming the MSCI ACWI by 32 bps. Financial markets were dominated by geopolitical events this month and global equity markets saw a significant drawdown during March, driven by investor uncertainty and skittishness at the US involvement in Iran. Trade disruption through the Strait of Hormuz was the main driver of this risk off, given the associated knock-on effects on commodity prices, supply constraints, and consequently higher inflation and lower economic activity globally. As we move into April, there is a sense that the US involvement in Iran has become more protracted than many in the White House would wish, and despite a number of threats in early April, equity markets saw a significant relief rally following the news on 8th April that a tentative ceasefire had been reached. It remains to be seen whether this will hold, but for now it seems that cooler heads have prevailed.

For the strategy, allocation was negative through the month (-22 bps) with this mostly being driven by the fund's non-holding of the Energy sector (detracting c.70 bps) that outperformed. Within these volatile markets, stock selection was only slightly negative, which was spread fairly evenly across Financials, Industrials, Healthcare and Information Technology. Outside of these geopolitical flare-ups, investors are looking ahead to Q1 earnings season, due middle-to-late April. In addition, our focus on finding quality investments means that we often look for businesses with pricing power that may be better placed to operate in an inflationary environment (i.e. passing on input costs to end customers).

The greatest contributors to performance in March were not holding Samsung Electronics (-27%) and NextEra Energy (+12%). Several semiconductor memory companies fell significantly in March after strong performances in the preceding months and the fund benefited from not owning several of these (Samsung, SK Hynix, Micron). NextEra Energy performed well during the month, driven by a combination of idiosyncratic factors and favourable macroeconomic trends. Specifically, towards the end of the month the company received an approval to develop up to 10GWs of new gas generation in Texas and Pennsylvania, as part of Japan's US\$550bn investment commitment under a US Japan trade deal. This was a positive development for market participants as it brings the company closer to their 30GWs for data centre hubs by 2035 upside case target announced at Investor Day in December 2025.

The two biggest detractors were Schneider Electric (-19%) and Boston Scientific (-18%). Schneider Electric suffered from market concerns on the Middle East war implications and management in the pre-closed call that there would be near-term negative impacts on the revenue recognition for its Industrial Automation segment while reiterating the confidence for achieving initial FY26 guidance. Boston Scientific shares fell through the month of March as concerns around the electrophysiology (EP) business increased after comments by management at the Cowen conference that alluded to share loss in the US. Towards the end of the month, the company announced the trial results from its CHAMPION trial (28th March). Although the trial hit its primary and secondary endpoints, the shares sold off as we think some investors remain sceptical on the trial's ability to drive the next leg of growth in Watchman (the device tested) in the short term whilst we think other investors took the opportunity to sell shares before Q1 results that are expected to be difficult for the company. Valuation has stepped back to multi-year lows as investors have become nervous about the achievability of the mid-term guidance and so it does appear considerable bad news is already baked in to the shares at this point.

Impact Focus of the Month

In March, we held a call with the Chief Sustainability Officer (CSO) of a major payment company to discuss a variety of sustainability topics. The team has always seen the business as closely aligned with the strategy's Access to Basic Financial Services impact goal and naturally have tracked the progress towards the company's goal to connect 1 billion people to the digital economy. We were pleased to learn that this target was reached in 2025 and discussed in detail the company's next milestone within the realm of financial inclusion. It appears the focus has now shifted from providing initial access to financial health with their new target to connect and protect 500 million people and 50 million small businesses. The team is pleased to have witnessed the progress towards financial inclusion and would like to encourage peers to follow their path and strong commitments. Furthermore, we used this opportunity to get the latest update from CSO on their journey to validation of the company's Net Zero climate target with the SBTi. We are glad to see that the company is on the right trajectory and has successfully managed to decouple revenues growth (+14%) from emissions (-7%). We were also left with the impression that the near term SBTi goal has been reached and look forward to their new sustainability report confirming that later in the year. As for the topic of SBTi validation, we learnt about the challenges faced in terms of methodology uncertainties and that, the company continues to be closely monitoring the subject and in active discussions with the initiative in order to validate their long-term target as soon as feasible.

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.
Liquidity risk	<p>Liquidity risk refers to the ease of liquidating an asset depending on the asset's volume traded in the market. If the master fund holds assets that are illiquid, or are difficult to dispose off, the value of the master fund will be negatively affected when it has to sell such assets at unfavourable prices.</p> <p>The liquidity risk of the target fund also refers to Nomura's ability as manager to honour redemption requests or to pay Unit Holders' redemption proceeds in a timely manner. This is subject to the target fund's holding of adequate liquid assets, its ability to borrow on a temporary basis as permitted by the relevant laws and/or its ability to redeem the units of the master fund at fair value. Should there be inadequate liquid assets held, the target fund may not be able to honour requests for redemption or to pay Unit Holders' redemption proceeds in a timely manner and may be forced to dispose the shared of the master fund at unfavourable prices to meet redemption requirements.</p>
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*

Disclaimer:

This is strictly the performance of the investment fund, and not the returns earned on the actual premiums paid of the investment-linked product. Past performance of the fund is not an indication of its future performance. 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.