

Sun Life Malaysia Global Sustainable Fund

March 2025



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	8.62 million units (28 March 2025)	Fund Size	RM9.82 million (28 March 2025)
Unit NAV	RM1.1385 (28 March 2025)	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	Suitable for investors: <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	<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

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

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SECTOR ALLOCATION OF THE TARGET FUND

Health Care	27.02%
Financials	21.60%
Industrials	21.45%
Information Technology	19.03%
Utilities	6.62%
Communication Services	2.77%
Cash & Others	1.51%
Total	100.00%

TOP HOLDINGS OF THE TARGET FUND

Microsoft Corporation	4.67%
Mastercard Incorporated Class A	4.14%
Johnson Controls International plc	3.74%
AstraZeneca PLC	3.64%
Visa Inc. Class A	3.50%

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 as at 28 March 2025:

%	YTD	1M	3M	6M	1-Year	3-Years	Since Inception
Fund*	-0.22	-2.05	-0.22	1.79	-3.16	15.89	13.85
Benchmark	-2.43	-4.68	-2.43	4.50	-1.03	22.68	22.72

* 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:

(%)	2024	2023
Target Fund	7.97	19.74

Source: Refinitiv Lipper

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FUND MANAGER'S COMMENTS

MYR Class B returned -2.05% in March outperforming the benchmark by 263bps and protecting clients from the full brunt of the downturn as markets became more concerned by the implications of the Trump administration's policies. Notably this has continued in the first days of April with the fund holding up well through the turmoil that the 'Reciprocal Tariffs' have injected into the market. Sector allocation was the primary driver of the outperformance in March, benefitting from the overweight to the more defensive.

Healthcare and Utilities sectors and underweight to Consumer Discretionary. Selection was strongest within Financials as the more traditional US financials that the Fund does not hold on to sustainability grounds sold off particularly sharply. The greatest contributors to performance were Allianz (+11%) and AXA (+9%) and not holding NVIDIA (-13%) or Apple (-8%). Allianz and AXA performed well given stable end markets from a fundamental perspective and benefitted from a highly constructive backdrop across Europe in relation to proposals for increased infrastructure and defence spending through bypassing restrictions from the legal debt limits.

The greatest detractors were Novo Nordisk (-23%) and Adobe (-13%). Novo Nordisk shares sold off as the company announced disappointing results from CagriSema's second phase 3 trial (REDEFINE 2) and prescription trends for obesity medicines in the US appeared to grow at a low rate through the first 3 months of the year. Adobe commentary from the CEO regarding the size of their AI software revenues disappointed some investors. We believe that Adobe's main strategy with AI features is to integrate these features into their existing editing software and raise the subscription prices that users pay, rather than charge for standalone AI features.

Impact focus of the month

The team having been engaging with Broadcom, pushing the company to make more disclosures around their approach to AI. Whilst the company does not develop any AI software internally, they are the second largest supplier of AI chips to train AI models behind only NVIDIA. We were pleased to see in their recently published 2024 Corporate Responsibility Report that Broadcom have now included a section new to this year's report entitled "Responsible use of AI". In it, they stated that according to their Generative AI Policy, all uses of generative AI must be reviewed by a cross-functional team of leaders from various teams including security, privacy, legal, business management and other domains. We will continue to engage with Broadcom and other companies within the space to encourage them to put in place appropriate safeguards such as this to support lowering the risk that AI is misused. We expect more technology companies to begin addressing this topic more formally in the future.

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

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:

- 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; and
- iii) 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 March 2025

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.