

### 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	9.49 million units	Fund Size	RM10.89 million
Unit NAV	RM1.1468	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"> <li>▪ are seeking long term capital growth</li> <li>▪ want a portfolio of investments that provides positive impact on the sustainable development of society</li> <li>▪ want to have portfolio with global exposure</li> <li>▪ are prepared to accept moderate level of volatility</li> </ul>	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	24.51%
Industrials	21.62%
Health Care	20.73%
Financials	16.56%
Utilities	5.99%
Communication Services	4.83%
Cash & Others	5.74%
Total	99.98%

TOP HOLDINGS OF THE TARGET FUND	
Microsoft Corporation	5.61%
Taiwan Semiconductor Manufacturing Co.	5.58%
Alphabet Inc. Class A	4.83%
NVIDIA Corporation	4.76%
Schneider Electric SE	3.45%

### 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
<b>Fund*</b>	-4.02	-1.56	-5.01	-2.14	-1.33	22.82	14.68
<b>Benchmark</b>	-0.13	-0.11	-1.01	2.28	6.78	45.67	37.47

\* 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
<b>Target Fund</b>	5.03	7.97	19.74

Source: LSEG Lipper

## FUND MANAGER'S COMMENTS

MYR Class B returned -1.70% in February underperforming the MSCI ACWI by 170bps. During the month allocation was positive (+70bps) as the fund benefited from its overweight position in Industrials (+7%) and Utilities (+9%) whilst not owning Consumer Discretionary (-3%) also contributed positively. Selection offset this with Industrials and Healthcare proving the most challenging areas for stock picking.

Within Industrials, the performance of our holdings was divergent with the strength of Johnson Controls offset by weakness in Xylem, Pentair and Paychex. In Healthcare, the underperformance was driven by Boston Scientific and Thermo Fisher as explained in detail below. Through the month of February, geopolitical concerns prompted further gains in Materials (+10%), which was the best performing sector, with the Energy sector also rising (+8%) as speculation of US involvement in Iran during the latter part of February stoked fears of oil supply shortfalls. During the month of March so far, the US/Israel strikes on Iran (28th February) have led to a sell-off in global equities as fears around input inflation have grown. The fund has modestly outperformed so far during March even without ownership of the biggest beneficiaries (Energy), which the team are encouraged by.

The greatest contributors to performance in January were Johnson Controls (+21%) and TSMC (+13%). Johnson Controls announced significant order growth in FQ1 (+39% yoy) as they continue to benefit from the build out of data centres. Management expect organic growth to strengthen over time as a result, which was a positive. TSMC performed well in February after reporting January sales that grew 36.8% YoY. Sales so far are tracking ahead of 1Q guidance of 32.5% YoY. In addition, AMD announced an AI chip deal with Meta. TSMC makes nearly all AI chips in the industry, including for AMD, which should lead to increased sales for TSMC.

The two biggest detractors were Boston Scientific (-18%) and Thermo Fisher (-10%). Boston Scientific eclipsed 4Q expectations on topline and EPS as well as announcing a 2026 guidance in line with consensus expectations (10-11% organic growth). However, the key electrophysiology (EP) segment that drove much of the growth in 2025 missed expectations by 6% in 4Q and this led investors to worry about growing competition from peers (Abbott, Medtronic) as well as the future growth of the segment. We think these concerns were amplified by the announcement of the US\$15bn Penumbra acquisition in January that already had several investors concerned that Boston Scientific were 'buying growth.' The team ultimately still view Boston Scientific as one of the best positioned companies in medtech – growing firmly above 10% organically with a valuation that now looks compelling compared to peers and the broader healthcare sector.

### Impact Focus of the Month

In February, we re-engaged with a large electric Utility company on several topics of priority for the team. Amongst those were the composition of the company's Scope 3 emissions and the categories reported. One issue we observe with investee companies, especially those that are significant contributors to portfolio WACI such as integrated utilities, is when a company does not report all material Scope 3 categories our preferred climate data provider ISS has to use estimations for those in their modelling, which can be unreliable. In the past we have seen significant discrepancies between ISS modelled emissions and actual reported once the company covers all significant categories, which has caused volatility in terms of portfolio WACI.

In addition, reporting of complete and accurate Scope 3 emissions is a key milestone in order to achieve our ultimate milestone goal for the company to get their near term GHG emissions reductions targets validated with the SBTi. Another area we seek to explore with the company on the backdrop of a significant demand load growth driven by AI data centres in the US, is their plans to build new gas generation towards the end of the decade and how that would affect their long-term climate targets and trajectory. As of time of writing we have scheduled a follow up call for early March with the company to discuss in detail our points of concern with members of their sustainability team

**RISKS**

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

<b>Returns not guaranteed</b>	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.
<b>Market risk</b>	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.
<b>Inflation risk</b>	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.
<b>Manager's risk</b>	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.
<b>Concentration risk</b>	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.
<b>Liquidity risk</b>	<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>
<b>Country risk</b>	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)**

<b>Default risk</b>	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.
<b>Investment manager of the master fund risk</b>	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: <ul style="list-style-type: none"><li>i) The risk of non-adherence to the investment objective, strategy and policies of the master fund;</li><li>ii) The risk of direct or indirect losses resulting from inadequate or failed operational and administrative processes and systems by the investment manager; and</li><li>iii) The risk that the master fund may underperform its benchmark due to poor investment decisions by the investment manager.</li></ul>

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.