Nomura Global Shariah Sustainable Equity Fund - USD Class A

May 2025

Fund Commentary and Strategy

CY2025 Q1 earnings wrapped up better than expected with no major implications from global tariff and macro uncertainties highlighted by companies for now. The most notable update was the revival of AI optimism which overwhelmed the concern of Deepseek implications in the beginning of the year. US market overall outperformed the rest given its the larger number of leading companies involving in the AI basket including cloud, semis, electrification and software. We are hopeful to observe more AI monetization to justify for further corporate spendings to boost growth. In addition, the tariff pause between US and China in 12 May fueled the rally since the "reciprocal tariff" pause between US and all its trading partners in 9 April. While we turned more cautious now that the broad market multiples have re-rated well, we manage our low cash level to be very selective investing in quality companies with where multiples are still trading at reasonable level and also to better withstand any reversal of macro uncertainties as we approach "reciprocal tariff" pause deadline in the beginning of July. Given continuous broad market rally since mid-April including the lower quality and riskier assets, USD Class A delivered decent +5.57% but underperformed the benchmark by 93 bps where our Healthcare exposure was a drag. The Fund also had its 3-year anniversary where the performance of USD Class A as of end May since commencement delivered +50.94%.

By region, NA market recovered the strongest reversing its top laggard performance from the tariff uncertainties in April. The strong performance was then followed by APAC and EU with the FX translation tailwinds of stronger currencies against USD as supported by the diversification needs. However, NA market was a drag to GSSE for the month given our underweight exposures. By sector, Healthcare underperformance was the major detractor given our overweight exposures and negative selection in the medical equipment and services industry. Lack Consumer Discretionary exposure was also a meaningful detractor as the sector had the stronger performance outside of AI basket.

The top contributors to the relative performance were Johnson Control and Taiwan Semiconductor Manufacturing. Both companies delivered strong earnings beats. Johnson Control raised its full-year guidance with the strong non-resi HVAC demand outlook and cost improvement. Taiwan Semiconductor Manufacturing once again shown top-notch execution delivering better results despite impact from earthquakes in Taiwan while reiterated full year AI revenue to double and mid-40% CAGR for the next 5 years starting from 2024. On the other hand, the top detractors to the relative performance were UnitedHealth Group and Thermo Fisher. Post disappointing earnings, UnitedHealth Group was investigated by DoJ on possible Medicare Fraud. With some recoveries from the negative market reactions, we have fully divested our position due to both deteriorating fundamental quality and ESG aspects. Thermo Fisher continued to struggle from removing its growth overhang as investors stay side-line around near-term outlook under Trump administration while long-term remain to be seen. No position in Tesla was also one of the top detractors as retail investors, regardless of the weak fundamentals, were excited with Elon Musk exited US DOGE and back to work in Tesla 24/7.

Impact Focus of the Month:

In May the team took the decision to fully divest from the fund's position in UnitedHealth Group (UNH). This decision was based on the significantly deteriorating sustainability profile of the company as well as an increased uncertainty around UNH's financial outlook. At the beginning of April, wary of the multiple controversies surrounding the name, the team initiated a full review on the total impact framework for the holding and concluded that despite the material reduction in the score overall it still warranted a place in the strategy, however that the new analysis should be taken into account with regards to position sizing. Since then several events have taken place, such as management cutting guidance, shortly after followed by the CEO resigning and new management completely suspending the revised guidance. In mid-May, the Wall Street Journal reported that the Department of Justice has launched a criminal investigation into a potential involvement of UNH in Medicare fraud. This significantly affected the team's assessment of the situation given previous speculations were on civil and not criminal investigation. As a result, the team no longer felt this position warranted a place in a sustainable strategy and over several days completed a full exit.

Cumulative Fund Returns (%)

	YTD	1 Month	3 Month	6 Month
	31/12/2024 To 31/5/2025	30/4/2025 To 31/5/2025	28/2/2025 To 31/5/2025	30/11/2024 To 31/5/2025
Fund	0.11	5.57	-0.80	-2.49
Benchmark	0.44	6.50	0.28	-1.11

Cumulative Fund Returns (%)

	1 Year	Since Commencement
	31/5/2024 To 31/5/2025	13/6/2022 To 31/5/2025
Fund	3.50	50.94
Benchmark	8.49	50.75

Source: Refinitiv Lipper

Notes:
Performance data is calculated based on the changes in the Fund's NAV price per unit for the specified length of time and on the assumption that any dividends declared are reinvested into the Fund. Performance figures are presented in cumulative basis, unless indicated otherwise.

FUND'S PAST PERFORMANCE IS NOT AN INDICATION OF ITS FUTURE PERFORMANCE

Fund Objectives

The Fund aims to achieve long-term capital growth.

Benchmark

Dow Jones Islamic Market Developed Markets Index

Investment Adviser

Nomura Asset Management U.K. Limited

Distribution Policy

Distribution of income, if any, is incidental and may be made from realised gains, realised income and/or out of capital.

Key Facts

Launch Date	23-May-2022
Fund Category	Equity (Shariah-compliant)
Year End	31 May
Fund Size	USD 16.99 million
Class Size	USD 7.33 million
Units in Circulation (USD Class A)	4.86 million
NAV per Unit (USD Class A)	USD 1.5094
Transaction cut-off time	Daily; 4:00 pm
Redemption Period	T + 10 business days

Sales charge
Up to 5.00% of the NAV per Unit.

Management fee
Up to 1.60% per annum of the NAV of each Class.

Trustee fee
Up to 0.05% per annum of the NAV of the Fund (including local custodian fees and expenses but excluding foreign custodian fees and charges), subject to a minimum fee of RM15,000 per annum.

Nomura Global Shariah Sustainable Equity Fund - USD Class A | **May 2025**

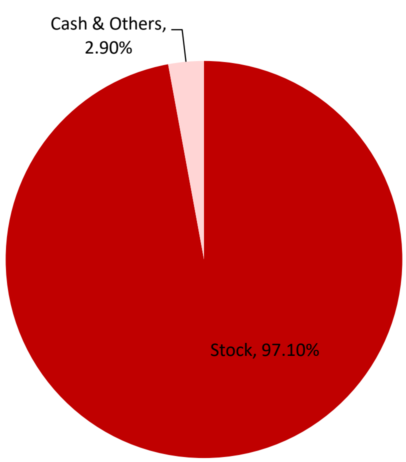
Calendar Year Returns (%)

	2024	2023	2022
Fund	19.32	25.77	0.47
Benchmark	18.48	29.37	-2.08

Source: Refinitiv Lipper

Notes:
Performance data is calculated based on the changes in the Fund's NAV price per unit for the specified length of time and on the assumption that any dividends declared are reinvested into the Fund. Performance figures are presented in cumulative basis, unless indicated otherwise.
Calendar year returns for 2022 are measured from its commencement date of 13 June 2022.

Asset Allocation (%)



Top 5 Holdings (%)

Microsoft Corp	8.47
Nvidia Corp	8.28
Alphabet Inc-Cl A	6.09
Mastercard Inc - A	5.34
Taiwan Semiconductor-Sp Adr	4.26

All data presented are as of 31 May 2025 unless otherwise specified.

Percentages may not add up to 100% due to rounding.

Sector Breakdown (%)

Information Technology	37.65%
Industrials	22.94%
Health Care	19.61%
Financials	9.39%
Communication Services	6.09%
Cash & Others	2.90%
Consumer Discretionary	1.44%

Country Breakdown (%)

United States	69.74%
Ireland	4.48%
Taiwan	4.26%
France	3.81%
United Kingdom	3.27%
Cash & Others	2.90%
Switzerland	2.69%
Netherlands	2.62%
Denmark	2.26%
Germany	2.03%
Japan	1.95%

Nomura Asset Management's 6 Impact Goals

This quarter we continued to work on progressing towards our 6 Impact Goals (as below) focused around the most pressing issues facing our world and where we as investors believe we can have a positive impact across various stakeholders. In 1Q25, 48 of our total engagements were directly aligned to our 6 Impact Goals outlined below. The impact goals are closely aligned with the United Nations Sustainable Development Goals (UN SDGs), and NAM's ESG Statement. As part of our commitment to deeply integrate our 6 Impact Goals into our processes we strive to further increase our engagements with companies on the selected goals and work together towards achieving progress.

Click below for more details on the report:

https://www.nomura-asset.co.uk/download/past_docs/Past_Responsible_Investing_Reports/NAM_UK_1Q25_RI_Report.pdf

Engagement in Numbers

Companies reviewed	
Issues (improving)	34
No Issues	7
Issues (not improving)	5
Uninvestable	0
Total	**46**

Engagements by Subject	
Environment	48
Social	32
Financial Strategy	21
Governance	20
Business Strategy	19
Dialogue/Disclosure	19

Engagements	
Number of contacts	79
Engaged & responded	67
Engaged with no response	12
Response Ratio	**84.8%**

The percentage numbers above represent the engagements conducted during the quarter for each impact goal.

Source: Nomura Asset Management U.K. Ltd. - Responsible Investing Report 1Q2025.