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NOMURA ASSET MANAGEMENT

Nomura Global Sustainable Equity Fund - MYR Class B

June 2026

Fund Commentary and Strategy

During the month, the Fund was mainly invested in the Target Fund.

Commentary from the Target Fund Manager

MYR Class B returned +2.69% in June outperforming the MSCI ACWI by 64bps driven by allocation whilst selection detracted. The month was marked by a reversal in prior market trends YTD with IT slightly underperforming the broader benchmark return (-1%) whilst Healthcare (+5%) rebounded and was the strongest sector helping the fund from an allocation perspective. Positive selection in Industrials (+64bps) was offset by IT (-104bps) and Healthcare (-56bps). Looking into the second half of 2026, we think there will be a continued focus on the AI developments that have driven much of the gains in the stock market YTD. The potential IPOs of Anthropic and OpenAI are probably the most interesting catalysts in this regard as the disclosure of their financial metrics would help investors assess the health of the overall AI ecosystem. As the two leading LLMs, much of the committed revenue in other parts of the AI ecosystem derives from their spending. Anthropic, for example, recently committed to $200bn of spend on Google Cloud over 5yrs (equating to 40% of Alphabet's backlog). These two companies also need to demonstrate the ROI of billions of capex already deployed across data centers and so we think the profitability metrics will be closely followed. After a very concentrated rally in the NASDAQ and semiconductor stocks in particular during April/May we have seen a more balanced performance by sector through June. Going into 2H26, although AI will continue to be a mega-theme, we also wonder whether some further broadening in market returns could be on the way as certain out of favour sectors (healthcare, consumer staples) look very inexpensive whilst positioning in AI names is crowded.

The greatest contributors to performance in June were not holding both Apple (-7%) and Amazon (-12%). Apple declined quite sharply towards the end of June after announcing that it would be increasing the price of certain Mac and iPad products by 20% to offset input inflation from memory chips. Amazon declined during the month which helped relative performance as we do not hold the shares on sustainability grounds. AWS revenue has accelerated as backlog converts into revenue, but fears over ROI on AI capex dominated sentiment during the month. Amazon has given a capex guidance of $200bn this year. This will lead to free cash flow turning negative.

The two biggest detractors were Microsoft (-17%) and AIA (-13%). In June, Microsoft suffered its worst monthly performance since the 2008 financial crisis driven by investors' continued concerns over the heavy AI infrastructure spending, with 2026 capital expenditure expected to reach $190bn. Regulatory headwinds compounded the pressure, as towards the end of the month the EU issued preliminary findings, stating that Azure should be subject to Digital Markets Act obligations, and publishers representing nearly 400 newspapers filed suit against Microsoft and OpenAI for content scraping. AIA shares declined in early June after concern around China potentially tightening cross-border investment restrictions and what this could mean for insurers such as AIA based in Hong Kong.

Impact Focus of the Month:

We initiated a position in Novonesis during June. Novonesis is the global leader in biosolutions and develops enzymes and cultures (probiotics and microbial strains) for consumer, industrial, and agricultural applications. We see the company's products range as well aligned to the fund's Climate and Ecological Transition objectives.
Novonesis focusses on planetary health (reduce energy, chemical and water consumption of everyday household products, increase output from raw materials, reduce waste in agriculture) and human health (improve food quality, e.g. prebiotics, enzymes, probiotics, novel vitamins). The company is also a large producer of enzymes for biofuels (ethanol) produced from corn, sugar corn or cellulose and as such, a renewable source replacing fossil fuels.

Products are generally positive for the society/ health. Food enzymes lead to extended shelf life and improve nutritional profiles, boost crop yields and improve livestock digestion and health (e.g. less use of chemicals/ antibiotics in certain applications). A big part of the company's positive impact is 'simplifying labels', which ultimately translates to a reduction in chemical additives from traditional ingredients players needed in food as a result of using their biosolutions in the production process (e.g. natural processes, which will achieve the same end result, while keeping the label cleaner). This is something the team has focussed on in the past and has divested from names overly exposed to ultra processed foods and ingredients.

Novonesis is also impressively well managed operationally from sustainability perspective with limited controversies, good quality of environmental reporting e.g. reporting of Scope 3 categories and SBTi validation.

Cumulative Fund Returns (%)

	YTD 31/12/2025 To 30/6/2026	1 Month 31/5/2026 To 30/6/2026	3 Month 31/3/2026 To 30/6/2026	6 Month 31/12/2025 To 30/6/2026
Fund	0.23	2.69	9.43	0.23
Benchmark	12.02	2.05	15.87	12.02

Cumulative Fund Returns (%)

	1 Year 30/6/2025 To 30/6/2026	3 Year 30/6/2023 To 30/6/2026	Since Commencement 9/7/2021 To 30/6/2026
Fund	4.44	15.86	20.40
Benchmark	20.24	51.79	68.55

Source: LSEG 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 by investing in the Target Fund.

Target Fund

Nomura Funds Ireland – Global Sustainable Equity Fund USD-F

Benchmark

MSCI All Country World Index

Distribution Policy

Incidental. Distribution of income shall be in line with the dividend policy of the Target Fund.

Key Facts

Launch Date	18-Jun-2021
Fund Category	Feeder Fund (Global Equity)
Year End	31 July
Fund Size	USD 3.52 million
Class Size	MYR 14.28 million
Units in Circulation (MYR Class B)	11.86 million
NAV per Unit (MYR Class B)	MYR 1.2040
Transaction cut-off time	Daily; 4:00 pm
Redemption Period	Within 10 days

Sales charge

Up to 3.00% of the NAV per Unit.

Management fee

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

Trustee fee

Up to 0.03% per annum of the NAV of the Fund (excluding foreign custodian fees and charges), subject to a minimum fee of RM12,000.00 per annum.

Calendar Year Returns (%)

	2025	2024	2023
Fund	5.03	7.97	19.74
Benchmark	11.51	14.84	28.10

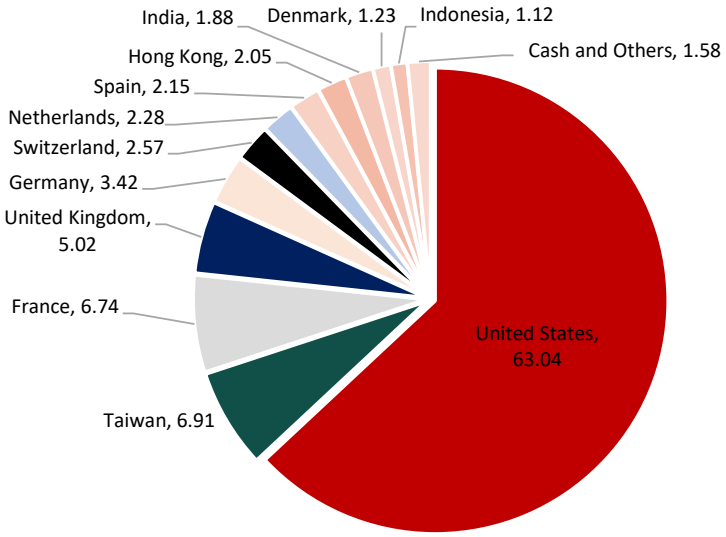
Source: LSEG Lipper

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.

Top 5 Holdings of Target Fund (%)

NVIDIA Corporation	6.93
Taiwan Semiconductor Manufacturin	6.91
Alphabet Inc. Class A	6.37
Microsoft Corporation	4.64
Schneider Electric SE	3.56

Country Breakdown of Target Fund (%)



Asset Allocation (%)

Target Fund	99.89
Cash and Others*	0.11

Included in 'Cash and Others' are cash on hand and net current assets / liabilities. Net current liabilities include amounts which are accrued (but not due and payable).

All data presented are as of 30 June 2026 unless otherwise specified.

Data in relation to the Target Fund is sourced from Nomura Asset Management U.K. Ltd.

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

Sector Breakdown of Target Fund (%)

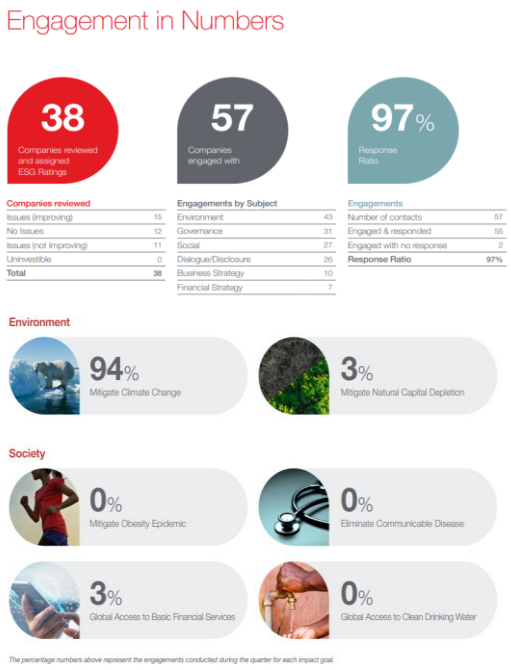
Information Technology	32.07
Industrials	20.44
Financials	16.99
Health Care	14.94
Utilities	6.38
Communication Services	6.37
Materials	1.23
Cash and Others	1.58

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 1Q26, 31 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_1Q26_RI_Report.pdf



Source: Nomura Asset Management U.K. Ltd. - Responsible Investing Report 1Q2026.

Disclaimer:

Based on the Fund's portfolio returns as at 31 May 2026, the Volatility Factor (VF) for the Fund is 9.95 and is classified as "Moderate" (Source: LSEG Lipper). "Moderate" includes funds with VF that are between 8.735 and 11.955. The VF means there is a possibility for the Fund in generating an upside return or downside return around this VF. The Volatility Class (VC) is assigned by LSEG Lipper based on quintile ranks of VF for qualified funds. VF is subject to monthly revision and VC will be revised every six months. The Fund's portfolio may have changed since this date and there is no guarantee that the Fund will continue to have the same VF or VC in the future. Presently, only funds launched in the market for at least 36 months will display the VF and its VC.

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