

## ICD GLOBAL SUSTAINABLE FUND – PRODUCT HIGHLIGHTS SHEET

# ICD GLOBAL SUSTAINABLE FUND ("The Fund")



**DATE OF ISSUANCE: 9 November 2021**

### RESPONSIBILITY STATEMENT

This Product Highlights Sheet has been reviewed and approved by the directors of Saturna Sdn. Bhd. and they collectively and individually accept full responsibility for the accuracy of the information. Having made all reasonable enquiries, they confirm to the best of their knowledge and belief, that there are no false or misleading statements, or omission of other facts that would make any statement in this Product Highlights Sheet false or misleading.

### DISCLAIMER STATEMENTS

The Securities Commission Malaysia has authorised the ICD Global Sustainable Fund and a copy of this Product Highlights Sheet has been lodged with the Securities Commission Malaysia.

The authorisation of the ICD Global Sustainable Fund, and lodgement of this Product Highlights Sheet, should not be taken to indicate that Securities Commission Malaysia recommends the ICD Global Sustainable Fund or assumes responsibility for the correctness of any statement made, opinion expressed or report contained in this Product Highlights Sheet.

The Securities Commission Malaysia is not liable for any non-disclosure on the part of the Manager responsible for the ICD Global Sustainable Fund and takes no responsibility for the contents in this Product Highlights Sheet. The Securities Commission Malaysia makes no representation on the accuracy or completeness of this Product Highlights Sheet, and expressly disclaims any liability whatsoever arising from, or in reliance upon, the whole or any part of its contents.

**This Product Highlights Sheet only highlights the key features and risks of the ICD Global Sustainable Fund. Investors are advised to request, read and understand the prospectus of the ICD Global Sustainable Fund before deciding to invest.**

**ICD GLOBAL SUSTAINABLE FUND IS A QUALIFIED SUSTAINABLE AND RESPONSIBLE INVESTMENT (SRI) FUND UNDER THE GUIDELINES ON SUSTAINABLE AND RESPONSIBLE INVESTMENT FUNDS.**

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## BRIEF INFORMATION ON THE PRODUCT

**ISIN Code:** MYU9802AA008

**Bloomberg Ticker:** SSBGRSF MK

**Type of Product:** Unit Trust Fund

**Fund Category:** Shariah-compliant Equity

**Fund Type:** Growth and Income

**Manager:** Saturna Sdn Bhd

**Launch Date:** 23 June 2017

## PRODUCT SUITABILITY

The Fund is suitable for investors who:

- Are looking for a global Shariah-compliant equity portfolio;
- Are looking for capital appreciation and income;
- Are looking for diversification and exposure to the global equity markets;
- Have a long-term investment outlook.

## KEY PRODUCT FEATURES

*What are you investing in?*

You are investing in a Shariah equity fund that seeks to provide long-term capital growth and income by investing in Shariah-compliant equity securities with exposure to global markets.

<b>Investment Objective</b>	The Fund seeks to provide Long-term capital appreciation and income.
<b>Investment Policy &amp; Strategy</b>	<p>To achieve its objective, the Fund invests in a diversified global portfolio of Sustainable Shariah-compliant equities. At least 70% of the Fund's NAV will be invested in Sustainable Shariah-compliant equities and up to 30% of the Fund's NAV will be invested in Islamic liquid assets including Islamic money market instruments, Islamic deposits with Islamic financial institutions and collective investment schemes, including ICD Money Market Fund. Asset allocation decisions are continuously made and reviewed based upon global economic and financial trends.</p> <p>Company investment decisions are primarily made based on value with potential for reasonable and Sustainable growth. The Manager analyses economic growth rates, interest rates, inflation, currencies and government policies. Stock selection criteria include improving fundamentals, dividends and solid growth potential at reasonable valuations. Stock valuation fundamentals considered are sales growth, profit margin, cash generation, earnings per share, return on equity, price earnings ratio and net tangible asset multiples.</p> <p>The Fund's investments comply with the Shariah requirements of the Shariah Advisory Council of the SC for Malaysian securities as well as the AAOIFI Shariah standards for all other foreign securities.</p> <p><b>Sustainable Investing</b></p> <p>The Manager considers issuers with Sustainable characteristics to be issuers that generally have larger market capitalization, are consistently profitable, financially strong and with low exposure to risks in the areas of the environment, social responsibility, and corporate governance ("ESG"). The Manager employs Saturna Capital Corporation's ESG rating system to identify issuers that the Manager believes present low ESG risks. The main characteristics of the Sustainable rating system (scale of A to F) are:</p> <p><b>Environmental</b></p> <ul style="list-style-type: none"><li>• Resource Efficiency (energy, water, inputs, waste productivity)</li><li>• Disclosures and Transparency</li></ul>

	<p><b>Social</b></p> <ul style="list-style-type: none"> <li>• Business Ethics and Products</li> <li>• Stakeholder Relations (employees, investors, community)</li> </ul> <p><b>Governance</b></p> <ul style="list-style-type: none"> <li>• Board Effectiveness</li> <li>• Conflicts assessments, including compensation</li> </ul> <p><b>Balance Sheet and Business Experience</b></p> <p>As the Fund is a qualified SRI fund, the investments of the Fund will be subject to the integration of ESG methodology. This includes the screening, selection, monitoring and realisation of the Fund’s investments. The Manager adopts a sustainable rating system based on its own, as well as third party data to identify companies believed to present low risks in ESG. The Manager also uses negative screening to exclude security issuers primarily engaged in higher ESG risk and some non-halal businesses such as alcohol, pornography, weapons, gambling and fossil fuel extraction.</p> <p>The sustainability aspect of the Fund’s portfolio will be reviewed periodically to ensure the investments of the Fund are consistent with the sustainability considerations adopted by the Fund at all times.</p> <p>If the company that the Fund invests in show persistent deterioration in their ESG factors and becomes inconsistent with the sustainability considerations, the Manager will dispose of the investments within appropriate timeframe as the following:</p> <ul style="list-style-type: none"> <li>• if the market price of the Shariah-compliant equities exceeds or is equal to the investment cost, the Shariah-compliant equities will be disposed as soon as practicable.</li> <li>• if the market price of the Shariah-compliant equities is below the investment cost, the Fund is allowed to hold the Shariah-compliant equities until breakeven.</li> </ul>
<b>Asset Allocation</b>	<p>The asset allocation of the Fund is as follows:</p> <ul style="list-style-type: none"> <li>• At least 70% of the Fund’s net asset value (“NAV”) in Sustainable Shariah-compliant equities; and</li> <li>• Up to 30% of the Fund’s NAV in Islamic liquid assets including Islamic money market instruments and Islamic deposits with Islamic financial institutions and collective investment schemes, including ICD Money Market Fund.</li> </ul>
<b>Benchmark</b>	MSCI ACWI Islamic index (source : <a href="http://www.msci.com">www.msci.com</a> )
<b>Base Currency</b>	US\$ (US Dollar)
<b>Financial Year</b>	30 June
<b>Launch Date</b>	23 June 2017
<b>Income Distribution Policy</b>	Subject to availability of income, distribution will be made on a semi annual basis.

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## SHARIAH-COMPLIANT INVESTMENT

The Shariah Adviser monitors the operations and investments of the Fund in accordance with the Shariah investment guidelines. Shariah investing requires that companies that do not comply with Shariah law are not considered for purchase. Securities of companies that fail to pass a series of financial ratio filters are also excluded from consideration. The Fund does not invest in debt instruments nor investments that might be considered as speculative, such as derivatives. Any income or distribution received by the Fund from investments in its portfolio which relates to income from Shariah non-compliant investments are considered as impure income. This impure income is subject to an income purification process.

*Note: Should you require further information, please refer to the Prospectus of the Fund under “Shariah Investment Guidelines”.*

## PARTIES INVOLVED

*With whom are you investing?*

*Who are the parties involved?*

- The Manager of the Fund is Saturna Sdn Bhd
- The Trustee of the Fund is SCBMB Trustee Berhad
- The Trustee’s delegate for the custodian of the assets of the Fund is Standard Chartered Bank (Malaysia) Berhad
- The Shariah Adviser of the Fund is Amanie Advisors Sdn Bhd
- The auditor for the Fund is Crowe Malaysia PLT
- The taxation advisor for the Fund is Crowe KL Tax Sdn Bhd

## POSSIBLE OUTCOMES

*What are the possible outcomes of investing in the Fund?*

The value per unit of the Fund rises and falls as the value of the equities in which the Fund invests goes up and down. Under normal circumstances, the Fund Manager aims to outperform the Fund’s benchmark, the MSCI ACWI Islamic index. However, the Fund may post a lower return or even incur losses if one or more of the key risks occur. In the worst scenario where all the investments of the Fund are in default or suspended, investors may lose part or even all of their initial investments.

## PURCHASE OF UNITS

You may submit an application to purchase units of the Fund on any business day subject to the minimum initial investment and minimum additional investment amount of the Fund.

<b>Minimum initial investment</b>	US\$5,000 <i>Note: The Manager may in its own discretion accept such other lower amount for the minimum initial investment.</i>
<b>Minimum additional investment</b>	US\$1,000 <i>Note: The Manager may in its own discretion accept such other lower amount for the minimum additional investment.</i>
<b>Purchase request submission</b>	Cut off time before 4:00 p.m. on a business day

*Note: Investors in Malaysia intending to invest in the Fund is required to have a foreign currency account with any bank in Malaysia. Where applicable, investors must comply with the Foreign Exchange Administration (FEA) rules issued by the central bank, Bank Negara Malaysia. It is advisable to seek professional advice on the FEA Rules before making any investment decisions.*

**YOU SHOULD NOT MAKE PAYMENT IN CASH TO A UNIT TRUST CONSULTANT OR ISSUE A CHEQUE IN THE NAME OF A UNIT TRUST CONSULTANT.**

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## REDEMPTION OF UNITS

You may request for redemption from the Fund Manager on any business day.

<b>Minimum redemption unit</b>	No minimum redemption amount
<b>Minimum holdings</b>	No minimum holdings for Units
<b>Redemption request submission</b>	Cutoff time before 4:00 p.m. on a business day
<b>Payment of redemption proceeds</b>	Within 3 business days of receiving a complete redemption request form

## TRANSFER AND SWITCHING FACILITY

<b>Transfer facility</b>	The minimum transfer amount is 1,000 Units. No fee is imposed for any transfer.
<b>Switching facility</b>	Switching is not available for this Fund.

## KEY RISKS

*What are the general risks related to the Fund?*

<b>Market Risk</b>	Market risk refers to the possibility that an investment will lose value because of a general decline in financial markets, due to economic, political and/or other factors, which will result in a decline in the Fund's Net Asset Value.
<b>Non-compliance Risk</b>	The Manager and/or the Trustee may not comply with the provisions set out in the Deed or the law that governs the Fund. The Manager and/or Trustee may not comply with operating procedures whether by oversight or by omission, or the Manager may act fraudulently or dishonestly. Such non-compliance may force the Manager to sell down securities of the Fund at a loss to rectify the non-compliance. To mitigate this risk, the Manager has put in place internal controls to ensure its continuous compliance with laws, rules and regulations, prescribed practices and the Manager's internal policies and procedures.
<b>Performance Risk</b>	A failure of the Manager to display the requisite experience and expertise in making investment decisions for the Fund may jeopardize the Fund's performance. There is no guarantee the Fund will meet its investment objective of Long-term capital growth. Investors should be aware that no guarantee is given that they will receive returns on their investments, or that investors will get back their initial amount invested in full. 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 the Manager.
<b>Operational Risk</b>	Operational risk includes risks that arise from internal process of organisation. These may result from inadequacies or failure in processes, controls or projects due to fraud, unauthorised activities, error, omission, inefficiency, systems failure or from external events. Operational risk may affect the Unit Holder's investment negatively.  The Manager and Trustee have various control mechanisms at different levels throughout the organisation to monitor that the operational policy and procedures are being followed. Operation failure may affect the Unit Holder's investment.

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## KEY RISKS (continued)

What are the specific risks related to the Fund?

<b>Equity Securities Risk</b>	Shariah-compliant equity securities may experience significant volatility in response to economic or market conditions or adverse events that affect a particular industry, sector, or company. Midsize companies may have more limited financial resources, products, or services, and tend to be more sensitive to changing economic or market conditions. The value of a particular Shariah-compliant equity security may also fluctuate in response to activities of individual companies. This risk can adversely affect the prices of equities, which would negatively impact the performance of the Fund. To mitigate this risk, the Manager will conduct rigorous fundamental analysis of the Shariah-compliant equity securities.
<b>Large and Midsize Company Risk</b>	Although the Fund may invest in companies of all sizes, the Funds tend to favor larger companies and, to a lesser extent, midsize companies. Larger companies may have slower rates of growth as compared to smaller, faster growing companies. Midsize companies may have more limited financial resources, products, or services, and tend to be more sensitive to changing economic or market conditions.
<b>Concentration Risk</b>	Investors should be aware of the Fund's possible concentration in a particular industry when investing in this Fund. Should the Fund's investments be concentrated in an industry that underperforms the general market, it could cause the Fund's overall results to suffer more than if the Fund was exposed to a less concentrated portfolio. To maintain diversification and reduce concentration risk, the Fund may invest no more than 25% of the Fund's NAV in any one industry. As investments in major market industries, such as banking and financials, are not available to Islamic investors, the Fund may be subject to a higher level of risk than a more diversified portfolio.
<b>Country Risk</b>	Investments of the Fund in any countries may be affected by changes in the economic and political climate, restriction on currency repatriation or other developments in the law or regulations of the countries in which the Fund invests. For example, the deteriorating economic condition of such countries may adversely affect the value of the investments undertaken by the Fund in those affected countries. This in turn may cause the Net Asset Value of the Fund or prices of Units to fall. To maintain global diversification and reduce country risk, the Fund may invest no more than 50% of the Fund's NAV in any one country.
<b>Currency Risk</b>	As the investments of the Fund may be denominated in currencies other than the base currency of the Fund, any fluctuation in the exchange rate between the base currency and the currencies in which the investments are denominated may have an impact on the value of these investments. Investors should be aware that if the currencies in which the investments are denominated depreciate against the base currency, this will have an adverse effect on the NAV of the Fund in the base currency and vice versa. Investors should note that any gains or losses arising from the fluctuation in the exchange rate might further increase or decrease the returns of the investment.
<b>Reclassification of Shariah Status Risk</b>	This risk refers to the risk that the currently held Shariah-compliant equities in the Fund may be reclassified as Shariah non-compliant in the periodic review of the equities by the Shariah Advisory Council of the Securities Commission Malaysia, the Shariah Advisor or the Shariah boards of the relevant Islamic indices. If this occurs, the Manager will take the necessary steps to dispose such equities. There may be opportunity loss to the Fund due to the Fund not being allowed to retain the excess capital gains derived from the disposal of the Shariah non-compliant equities. The value of the Fund may be adversely affected when the Manager disposes of portfolio investments in unfavourable market conditions.

**The above list of risks should not be considered as exhaustive list. While every care will be taken by the Manager to mitigate the risk, Investors should be aware that investments in the Fund may be exposed to other risks of an exceptional nature from time to time. Please refer to the Prospectus of the Fund under "Risk Factors" for further details on risk.**

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## FEES & CHARGES

*What are the fees, charges, and expenses involved?*

The Fund seeks to minimize the expenses of Investors. There is no sales charge, redemption charge, transfer fee and switching fee payable by you.

<b>Administration Fee</b>	0.25% per annum of the NAV of the Fund
<b>Distribution Fee</b>	0.25% per annum of the NAV of the Fund
<b>Performance Fee</b>	10% of the gross asset value that cumulatively increases or decreases, excluding subscriptions and redemptions, for each day in the financial year
<b>Trustee Fee</b>	0.05% per annum of the NAV of the Fund (excluding foreign sub-custodian fees and charges)
<b>Sales Charge</b>	None
<b>Redemption Charge</b>	None
<b>Transfer Fee</b>	None
<b>Switching Fee</b>	Not applicable as switching is not available for this Fund

## VALUATION

*How often are valuations available for the Fund?*

The Fund will be valued on every Business Day. The latest Unit prices are published daily on the Manager's website, [www.saturna.com.my](http://www.saturna.com.my) and by the Internet price providing services such as Bloomberg.

You may also contact the Manager directly at 03-2164 5303 for the latest Unit prices.

## EXITING FROM THE FUND

*How can you exit from the Fund, and what are the costs involved?*

You may redeem your Units wholly or in part by submitting an application form to the Manager. Request application should be made before the cutoff time of 4:00 p.m. on any Business Day. The Units will be redeemed at the NAV per Unit calculated at the next valuation point after the request application is received by the Manager. When the request application is received after the cutoff time, the application will be deemed to have been received on the next Business Day.

If you are a first-time individual investor who is investing in Unit Trust Fund managed by the Manager and you change your mind about an investment that you have made in the Fund, you may exercise the cooling-off right within six (6) Business Days from the date your application is received by the Manager.

Cooling-off proceeds will only be paid after the Manager receives cleared funds for the original investment. The original investment proceeds shall be refunded to you within 10 calendar days of receipt of application for cooling-off. There is no cost involved or penalty chargeable in relation to exiting from the Fund. Payment will be made via E-payment according to your bank account details as stated in the duly completed transaction form.

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## FUND PERFORMANCE

### Annual Total Return for Financial Years Ended 30 June

	2021	2020	2019	2018	Since Launch (23.06.2017 – 30.06.2021)
The Fund	30.06%	3.09%	5.96%	4.03%	47.80%
Benchmark	35.77%	-1.34%	3.83%	10.97%	53.20%

### Average Total Return

	1 Year (1.7.2020 – 30.06.2021)	3 Year (1.7.2018 – 30.06.2021)	Since Launch (23.06.2017 – 30.06.2021)
The Fund	30.06%	14.02%	11.89%
Benchmark	35.77%	13.04%	13.24%

### 1-Year Performance Review

NAV/unit (Ex-Distribution) at the end of 30 June 2021 increased by +27.77% compared with 30 June 2020 as global equity markets continued their recovery off first quarter 2020 pandemic lows. Key boosters to market performance included low interest rates, development of Covid vaccines and subsequent progress on vaccination, especially in the developed markets, and global fiscal stimulus programmes, including a significant infrastructure deal in the US. All these factors more than offset rising concerns about inflation and new Covid variants.

### Basis of Calculations and Assumptions

ICD Global Sustainable Fund's total return is calculated based on NAV to NAV with distribution reinvested. Average total return of the Fund is computed based on the total return since fund launch annualised over number of years since fund launch.

### Income Distribution for Financial Years Ended 30 June

	2021	2020	2019
Gross Distribution per unit (USD)	0.025	-	0.02
Net Distribution per unit (USD)	0.025	-	0.02
Distribution Mode	Units	-	Units

### Portfolio Turnover Ratio (PTR) for Financial Years Ended 30 June

	2021	2020	2019
PTR (times)	0.09	0.12	0.13

As at 30 June 2021, portfolio turnover ratio of 0.09 times is lower against 0.12 times in the previous financial year mainly due to lower trading activity.

**PAST PERFORMANCE OF THE FUND IS NOT AN INDICATION OF ITS FUTURE PERFORMANCE**



## CONTACT INFORMATION

### Who should you contact for further information or to lodge a complaint?

I. For further information regarding the Fund, you may contact:

- a) The distributor from whom you purchased the Fund; or
- b) The Manager's office –

Saturna Sdn Bhd  
Suite 5.03, 5<sup>th</sup> Floor Menara Atlan  
161-B Jalan Ampang  
50450 Kuala Lumpur  
Tel: 03-2164 5303  
Fax: 03-2164 5308  
Email: [info@saturna.com.my](mailto:info@saturna.com.my)  
Website: [www.saturna.com.my](http://www.saturna.com.my)

II. For internal dispute resolution, you may contact:

#### Client Servicing Personnel

- a) via phone to : 603-2164 5303
- b) via fax to : 603-2164 5308
- c) via email : [info@saturna.com.my](mailto:info@saturna.com.my)
- d) website : [saturna.com.my](http://saturna.com.my)

III. If you are dissatisfied with the outcome of the internal dispute resolution process, please refer your dispute to the Securities Industry Dispute Resolution Centre (SIDREC):

- a) via phone to : 603-2282 2280
- b) via fax to : 603-2282 3855
- c) via email to : [info@sidrec.com.my](mailto:info@sidrec.com.my)
- d) via letter to : Securities Industry Dispute Resolution Centre (SIDREC)  
Unit A-9-1, Level 9, Tower A, Menara UOA Bangsar  
No. 5, Jalan Bangsar Utama 1  
59000 Kuala Lumpur

IV. You can also direct your complaint to the Securities Commission Malaysia (SC) even if you have initiated a dispute resolution process with SIDREC. To make a complaint, please contact the SC's Consumer & Investor Office Department:

- a) via phone to : 603-6204 8999
- b) via fax to : 603-6204 8991
- c) via email to : [aduan@seccom.com.my](mailto:aduan@seccom.com.my)
- d) via the online complaint form available at [www.sc.com.my](http://www.sc.com.my)
- e) via letter to : Consumer & Investor Office Department  
Securities Commission Malaysia  
3 Persiaran Bukit Kiara  
Bukit Kiara  
50490 Kuala Lumpur

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## APPENDIX: GLOSSARY

<b>Board</b>	The board of directors of the Manager
<b>Business Day</b>	A day on which Bursa Malaysia is open for trading
<b>Deed</b>	The deed of the Fund and any other supplemental deed that may be entered into between the Manager and the Trustee
<b>Launch Date</b>	The date of the first Prospectus of the Fund and is the date on which sales of Units of the Fund may first be made
<b>Fund</b>	The ICD Global Sustainable Fund
<b>Long-term</b>	A period of more than 3 years
<b>Net Asset Value or NAV</b>	The value of all the Fund's assets less the value of all the Fund's liabilities at the valuation point. For the purpose of computing the administration fee, distribution fee, performance fee (if any), and annual trustee fee, the NAV is inclusive (that is, before any deduction) of the fees for the relevant day
<b>NAV per Unit</b>	The NAV of the Fund divided by the total number of Units in circulation at the valuation point
<b>SC</b>	The Securities Commission Malaysia
<b>Shariah</b>	Islamic law, originating from the <i>Qur'an</i> (the holy book of Islam), and its practices and explanations rendered by the prophet Muhammad ( <i>pbuh</i> ) and <i>ijtihad</i> of <i>ulamak</i> (personal effort by qualified Shariah scholars to determine the true ruling of the divine law on matters whose revelations are not explicit)
<b>SRI fund</b>	Sustainable and responsible investment fund.
<b>Sustainable</b>	The Manager considers issuers with sustainable characteristics to be those issuers that are generally larger, more established, consistently profitable, financially strong and with low exposure to risks in the areas of the environment, social responsibility and corporate governance ("ESG").
<b>Unit(s)</b>	A measurement of the right or interest of a Unitholder in the Fund
<b>Unitholder</b>	The person registered as a holder of a Unit or Units, including persons jointly registered for the Fund