



ICD GLOBAL SUSTAINABLE FUND

FUND FACTS

| | |
|-------------------------|-------------------------|
| ISIN Code | MYU9802AA008 |
| Bloomberg Ticker | SSBRGSF MK |
| Currency | US Dollar (USD) |
| Benchmark | MSCI ACWI Islamic Index |
| Inception Date | 23 June 2017 |

ECONOMIC OUTLOOK

There were two distinct periods in the third quarter of 2022. The S&P 500 Index rallied 13.94% from June 30 to August 16, but then fell over -16% during the following six weeks, finishing the quarter at -4.88%. The MSCI All Country World Index followed a similar trend, declining -6.71% over the quarter.

The third quarter was all about investors trying to read the interest rate tea leaves. Markets rallied in July on stronger-than-expected corporate earnings and commentary by Federal Reserve Chair Jerome Powell that the pace of US monetary policy tightening may ease after the Fed raised interest rates by 75 basis points (bps) that month. This came against a backdrop of softening growth; US gross domestic product (GDP) fell by -0.9% on an annualised basis as June inflation came in above consensus. While inflation eased in July, prices remained elevated overall across a broad range of categories, providing investors with reason to be cautious. Market sentiment soured further after August inflation clocked in at 8.3%, above the consensus expectations of 8.1%. The Fed subsequently raised interest rates by another 75 bps.

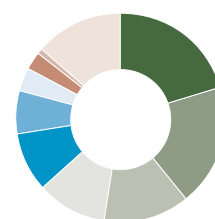
In Europe, stock prices broadly followed the ebbs and flows of the US market. With eurozone inflation rising to a high of 10% in September, the European Central Bank raised its benchmark rate from -0.5% as of June 30 to 0.75% as of September 30. Meanwhile, the ongoing European energy crisis, especially with the recent damage done to the Nord Stream pipelines, did not help matters. As a result, the STOXX Europe 600 Index was down -4.24% during the quarter.

Emerging markets were also very weak in the third quarter. The MSCI Emerging Markets Index was down -11.57% and the MSCI Asia Pacific Index was down -11.03%. This was mainly due to weakness in China, which experienced solvency issues across its Real Estate sector and demand downturns due to strict COVID-19 lockdown measures.

Central banks will have to continue fighting inflation while keeping an eye on growth. It appears that the former will be prioritised, and the latter will be sacrificed. Sentiment and stock prices will likely remain volatile with a downward bias as global economies begin to contract and corporate earnings soften.

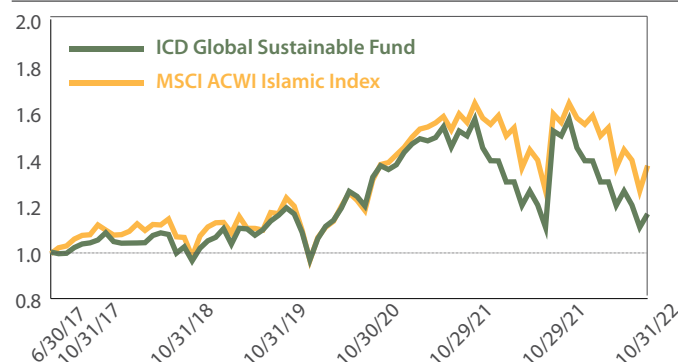
SECTOR ALLOCATION

| | | |
|------------------------|--------|---|
| Technology | 20.56% | ■ |
| Health Care | 18.86% | ■ |
| Consumer Discretionary | 13.09% | ■ |
| Industrials | 11.00% | ■ |
| Consumer Staples | 9.08% | ■ |
| Materials | 6.82% | ■ |
| Financials | 3.43% | ■ |
| Communications | 2.91% | ■ |
| Energy | 0.86% | ■ |
| Cash | 13.39% | ■ |



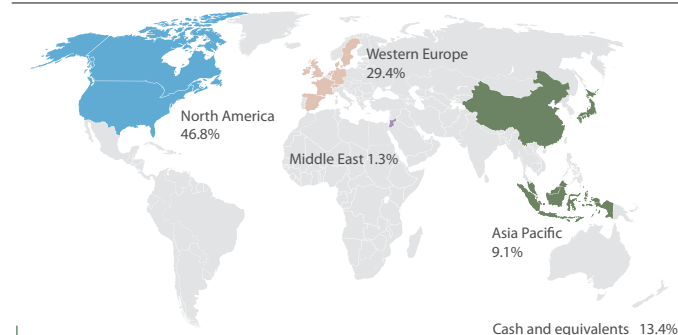
Source: Saturna Sdn Bhd Sector weightings are shown as a percentage of Fund assets.

COMPARATIVE PERFORMANCE



Source: Bloomberg

GEOGRAPHIC EXPOSURE



Country and sector weightings are shown as a percentage of total net assets.

AVERAGE ANNUAL TOTAL RETURNS¹ (as at 31 Oct 2022)

| | Since Inception | 1 Month | 1 Year | 3 Year | 5 Year | YTD |
|------------------|-----------------|---------|---------|--------|--------|---------|
| Fund | 2.88% | 5.19% | -23.43% | 0.91% | 2.38% | -25.91% |
| Benchmark | 6.07% | 8.54% | -13.63% | 5.93% | 5.16% | -16.05% |

Source: Bloomberg, Saturna Sdn Bhd

¹ Including Dividends

NOT PIDM INSURED | NOT BANK GUARANTEED | MAY LOSE VALUE

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TOP 10 HOLDINGS

| | |
|----------------------|-------|
| Johnson & Johnson | 3.42% |
| Genuine Parts | 3.34% |
| TJX Companies | 3.28% |
| Microsoft | 3.05% |
| L'Oreal | 3.03% |
| Norfolk Southern | 2.99% |
| Novo Nordisk A/S - B | 2.74% |
| Pfizer | 2.44% |
| TE Connectivity | 2.27% |
| Qualcomm | 2.06% |
| Prologis Inc | 2.01% |

Source: Saturna Sdn Bhd Security weightings are shown as a percentage of Fund assets.

INVESTMENT STRATEGY

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.

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-to-earnings ratio, and net tangible asset multiples.

The Fund's investments comply with the *Shariah* requirements of the *Shariah* Advisory Council of the SC for Malaysian securities as well as the AAOFI *Shariah* standards for all other foreign securities.

CONTACT DETAILS

Manager

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TARGET INVESTORS

The Fund is suitable for investors who are looking for:

- A global *Shariah*-compliant equity portfolio
- Capital appreciation and income
- Diversification and exposure to the global equity markets
- A long-term investment outlook
- Ringgit hedge

SUMMARY OF KEY TERMS

| | |
|----------------------------------|--|
| Fund Size (31-OCT-2022) | USD 45.77 million |
| Minimum Investment | USD 5,000 |
| Minimum Increment | USD 1,000 |
| Type of Product | Open-ended (Unit Trust Fund) |
| Fund Category | <i>Shariah</i> -Compliant Equity |
| Fund Type | Growth and Income |
| Term | Daily Liquidity |
| Target Region | Global |
| Manager | Saturna Sdn Bhd |
| Trustee | SCBMB Trustee Berhad |
| Shariah Advisor | Amanie Advisors Sdn Bhd |
| Auditor | Crowe Malaysia PLT |
| Tax Agent | Crowe KL Tax Sdn Bhd |
| Administration Fee | 0.25% Per annum of the NAV of the Fund |
| Distribution Fee | Up to 0.25% Per annum of the NAV of the Fund (on a reimbursement basis) |
| Trustee Fee | 0.05% Per annum of the NAV of the Fund |
| Performance Fee | 10% of the change in gross asset value that cumulatively increases or decreases, excluding subscriptions and redemptions, for each day in the financial year |
| No Direct Fees or Charges | No charges for Sales, Redemption, Transfer, or Switching |

Disclaimer: Investors are advised to read and understand the contents of the Fund's prospectus (dated 23 June 2017 for ICD Global Sustainable Fund) and its Product Highlights Sheet, obtainable at our offices and our website, before investing. The prospectus has been registered with the Securities Commission Malaysia who takes no responsibility for its contents. Investors should also consider the fees and charges involved. The price of units and investment returns may go down as well as up. Past performances of the Fund are not an indication of the Fund's future performances. Units will only be issued upon receipt of the application from accompanying the prospectus. There are risks involved with investing in unit trust funds. Some of these risks associated with investments in unit trust funds are market risk, non-compliance risk, performance risk, equity securities risk, operational risk, price level risk, large and mid-size company risk, concentration risk, country risk, political risk, currency risk, active investment risk, and reclassification of *Shariah* status risk. For further details on the risk profile of the Fund, please refer to the Risk Factors section in the prospectus.

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