

# PRULink Global Leaders Fund

All data is as of 31 December 2023 unless otherwise stated

Features of Fund	
Investment Objective	<p><b>PRULink Global Leaders Fund</b> (“The Fund”) aims to maximise long-term total returns (the combination of income and growth of capital) by investing in a Sub-Fund(s).</p> <p>The Fund provides exposure to investments in a wide range of global equities issued by companies that the fund manager considers to be, or have the potential to be, leading in their field in terms of improving policyholder value.</p> <p>The Fund may also invest in any other funds with similar objective that may become available in the future.</p>
Investment Strategy & Approach	<p>The Fund seeks to invest primarily in investment funds [Sub-Fund(s)] to achieve the investment objective. The Sub-Fund(s) will be monitored to assess the performance, processes, styles and positioning. The allocation to, or the Sub-Fund(s) may change if it is deemed unsuitable to meet the Fund’s objectives.</p> <p>Note: Refer to additional disclosure for details of the Sub-Fund(s).</p>
Asset Allocation	<p>The Fund invests up to 100% of the Fund’s NAV in the Sub-Fund(s) determined by the Fund Manager. The balance of the Fund’s NAV will be invested in liquid assets.</p>
Performance Benchmark	<p>The benchmark will vary based on the Sub-Fund(s). The current benchmark is: 100% MSCI World Index (total return net)</p> <p><i>For more information on benchmark kindly refer to <a href="http://www.msci.com">www.msci.com</a></i></p>
Fund Manager	<p>Prudential Assurance Malaysia Berhad 198301012262 (107655-U)</p>

## Fees & Charges

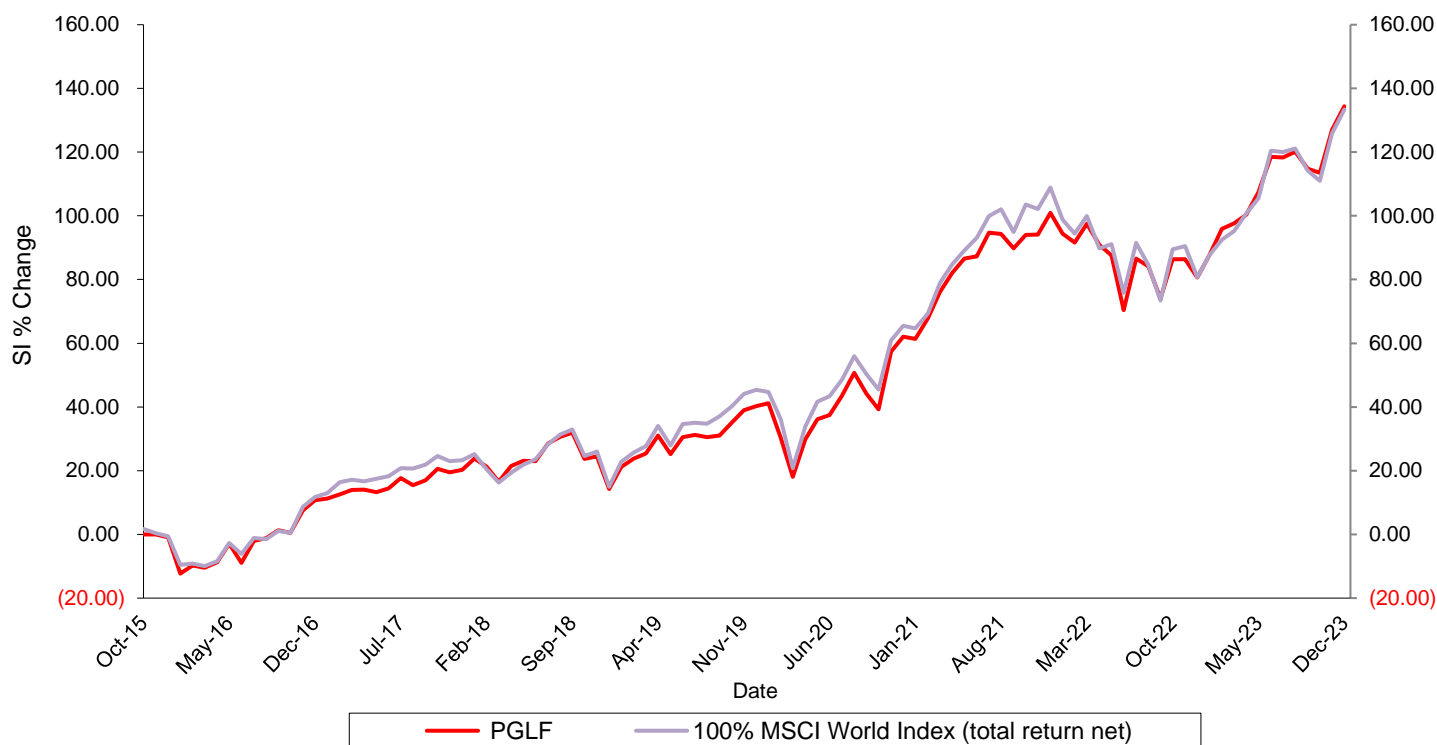
Fund Management Charge	1.50% p.a.
Other Charge, if any	Nil

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## Fund Performance

PRULink Global Leaders Fund Vs. 100% MSCI World Index (total return net)



**Notice: The graphs are included for illustrative purposes only. Past performance of The Fund is not an indication of its future performance.**

Year	Actual Performance PRULink Global Leaders Fund	Benchmark 100% MSCI World Index (total return net)
2015	-0.88% *	9.65% *
2016	11.69%	10.09%
2017	8.62%	8.31%
2018	-4.95%	-6.77%
2019	22.69%	26.49%
2020	15.55%	13.81%
2021	24.02%	26.22%
2022	-10.12%	-13.48%
2023	29.76%	29.14%

\*Fund Performance is from fund launch date until year end of the same year (non-annualised return).

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Sources: Lipper IM and Bloomberg, 31 December 2023

Notice: Past performance is not an indication of its future performance. This is strictly the performance of the investment/underlying funds, and not the returns earned on the actual premiums paid of the investment-linked insurance product.

Basis of calculation of past performance:

$$= \left( \frac{\text{Net Asset Value for Year } n}{\text{Net Asset Value for Year } n - 1} - 1 \right) \%$$

## Additional disclosure for PRULink Global Leaders Fund

Since the launch of the Fund to 21 May 2018, PRULink Global Leaders Fund invested in a Sub-Fund called Eastspring Investments Global Leaders MY Fund which fed into M&G Global Leaders Fund.

Effective from 22 May 2018, the Fund's investments will be reallocated into a USD denominated Sub-Fund called JPMorgan Investment Funds – Global Select Equity Fund A (acc) – USD (“Sub-Fund”) which is managed by JPMorgan Asset Management (Europe) S.à.r.l. where at least 67% of the Sub-Fund’s assets (excluding cash and cash equivalents) will be invested in equity securities. Issuers of these securities may be located in any country, including emerging markets.

The Sub-Fund may also invest in Undertakings For The Collective Investment Of Transferable Securities (“UCITS”) and other Undertakings For Collective Investments (“UCIs”). The Sub-Fund may use financial derivative instruments for the purposes of hedging and efficient portfolio management.

The Sub-Fund may invest in assets denominated in any currency and currency exposure in this Sub-Fund may be hedged or may be managed by reference to its benchmark.

The fund performance for the underlying JPMorgan Investment Funds – Global Select Equity Fund A (acc) – USD as at 31 December 2023 is as follows:

Year	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Net Performance	26.06%	-15.70%	22.53%	18.10%	27.55%	-11.08%	24.97%	7.18%	-3.07%	3.30%

Note: The above return is for the Sub-Fund (Class A) which is denominated in USD.

Sources: Lipper IM and Bloomberg, 31 December 2023

Effective from 1 August 2024 onwards, the Fund’s investments will be reallocated from JPMorgan Investment Funds – Global Select Equity Fund A (acc) – USD (“Class A”) to JPMorgan Investment Funds – Global Select Equity Fund I (acc) – USD (“Class I”). The switch from Class A to Class I will not affect the Fund’s investment objectives, strategy, asset allocation or risk management.

Class I is similarly managed by JPMorgan Asset Management (Europe) S.à.r.l. where at least 67% of the Sub-Fund’s assets (excluding cash and cash equivalents) will be invested in equity securities located in any country. The Investment Objective of Class I is also similar to Class A, which is to achieve a return in excess of the global equity markets by investing primarily in companies, globally.

## PRULink Global Leaders Fund

All data is as of 31 December 2023 unless otherwise stated

The fund performance for the underlying JPMorgan Investment Funds – Global Select Equity Fund I (acc) – USD as at 31 December 2023 is as follows:

Year	2023	2022	2021	2020
Net Performance	27.42%	-14.77%	23.87%	19.40%

*Note: The above return is for the Sub-Fund (Class I) which is denominated in USD.*

*Sources: Lipper IM and Bloomberg, 31 December 2023*

Management fees may be charged at the Fund and/or Sub-Fund level. Please note that you will be charged a maximum of 1.50% p.a., being the combined annual fund management charge at the Fund and Sub-Fund levels.

Sub-Funds with investment strategies to invest in Exchange Traded Funds (“ETF”) or other Collective Investment Schemes may incur additional expenses at the Sub-Fund level which is taken as part of the investment strategy considerations to deliver the fund performance.

### Investment Risks

The Fund is subjected to investment risks including the possible loss of the principal amount invested. The value of the units may fall as well as rise. In addition, The Fund is subjected to specific risk including and not limiting to:

#### General Risks when Investing in The Fund

##### **Market Risk**

Market risk refers to potential losses that may arise from adverse changes in the market conditions. Market conditions are generally, affected by, amongst others, economic and political stability. If the market which the Fund invests in suffers a downturn or instability due to adverse economic or political conditions, this may adversely impact the market prices of the investments of the Fund.

##### **Liquidity Risk**

Liquidity risk refers to two scenarios. The first scenario is where an investment cannot be sold due to unavailability of a buyer for that investment. The second scenario is where the investment is thinly traded. Should the investments in the Sub-Fund be thinly traded, this may cause the Fund to dispose the investment at an unfavorable price in the market and may adversely affect investor’s investment. This risk may be mitigated through stringent security selection process.

##### **Inflation Risk**

This refers to the likelihood that an investor’s investments do not keep pace with inflation, thus, resulting in the investor’s decreasing purchasing power even though the investment in monetary terms may have increased.

##### **Interest Rate Risk**

Interest rate risk is a general risk affecting conventional funds. This is so even though conventional funds only invest in investments that are in accordance with the mandate. The reason for this is because a high level of interest rates will inevitably affect corporate profits and this will have an impact on the value of both equity and debt securities. This risk is crucial in a bond fund since a bond portfolio management depends on forecasting interest rate movements. Prices of bonds move inversely to interest rate movements therefore as interest rates rise, the prices of bond decrease and vice versa. Furthermore, bonds with longer maturity and lower profit rates are more susceptible to interest rate movements.

# PRULink Global Leaders Fund

All data is as of 31 December 2023 unless otherwise stated

## **Credit / Default Risk**

Bonds are subject to credit / default risk in the event that the issuer of the instrument is faced with financial difficulties, which may decrease their credit worthiness. This in turn may lead to a default in the payment of principal and interest.

## **Risk of Non-Compliance**

This risk arises from non-compliance with laws, rules and regulations, prescribed practices and the management company's internal policies and procedures, for example, due to oversight by the management company. Such non-compliance may force the management company to sell down securities of the Fund at a loss to rectify the non-compliance and in turn may adversely affect the value of investors' investment in the Fund. To mitigate this risk, the Fund Manager has put in place internal controls to ensure its continuous compliance with laws, rules and regulations, prescribed practices and the Fund Manager's internal policies and procedures.

## **Concentration Risk**

This is the risk of a fund focusing a greater portion of its assets in a smaller selection of investments. The fall in price of a particular equity and / or fixed income investment will have a greater impact on the funds and thus greater losses. This risk may be minimized by the manager conducting even more rigorous fundamental analysis before investing in each security.

## **Management Company Risk**

The performance of the Fund depends on the experience, expertise and knowledge of the management company. Should there be lack of any of the above qualities by the management company, it may adversely affect the performance of the Fund.

## **Currency Risk**

The Fund is denominated in MYR, while the Sub-Fund may be denominated in other currencies. The performance of the Fund may be affected by movements in the exchange rate between the MYR and the Sub-Fund's denominated currency.

## **Derivatives Risk**

Derivatives may potentially be used to hedge against any risk that may be derived from investing in the Sub-Fund, such as, but not limited to, currency risk.

## **Specific Risks when Investing in the Sub-Fund**

### **Security Risk**

Adverse price movements of a particular security invested by the Sub-Fund may adversely affect the Sub-Fund's net asset value. The Sub-Fund Manager strives to mitigate the impact of a particular security risk through portfolio diversification, which will help spread the element of risk.

### **Fund Management of Sub-Fund Risk**

While the Fund Manager will exercise due skill and care in selecting the Sub-Fund, it does not have control over the management of the Sub-Fund and there is no guarantee that the investment objectives will be met. This may result in policyholders suffering losses in their investments in the Sub-Fund.

The Sub-Fund may change its objectives and become inconsistent with the objective of the Fund. In such instances, the Fund Manager will replace the Sub-Fund with another collective investment scheme which the Fund Manager considers to be more appropriate in meeting the objective of the Fund.

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All data is as of 31 December 2023 unless otherwise stated

## **Errors in Calculation of the Net Asset Value of the Sub-Fund's Risk**

There is a possibility there are errors in calculation of the net asset value of the Sub-Fund. In the event such errors occur, the net asset value of the Sub-Fund will be affected hence, the Sub-Fund will comply with the rules set forth in the relevant regulatory provisions applicable to the Sub-Fund. Compensation, if any, paid by the Sub-Fund (subject to the laws of the jurisdiction in which such Sub-Fund is domiciled), will be credited to the Fund as and when compensation is received.

In view of the foregoing, policyholders must be aware that there are circumstances where neither the Sub-Fund nor the Fund Manager will be bound to compensate final beneficial owners.

## **Liquidity Risk**

Liquidity risk here refers to two scenarios. The first scenario is where the allocated liquidity of the Sub-Fund is insufficient to meet redemption needs. The second scenario is where the Sub-Fund is thinly traded. Should the investments in the Sub-Fund be thinly traded, this may cause the Sub-Fund to dispose the investment at an unfavorable price in the market and may adversely affect investors' investment. This risk may be mitigated through stringent security selection process.

## **Countries or Foreign Securities Risk**

This risk is associated with investments in securities listed or domiciled in countries other than the country of domicile. Any changes in the economic fundamentals, social and political stability, uncertainty or changes in countries' official currencies, currency movements and foreign investments policies in these countries may increase the volatility in asset values, liquidity and default risk which may have an impact on the prices of the securities that the Sub-Fund invests in and consequently may affect the net asset value of the Sub-Fund.

Investments in certain markets may be restricted or controlled. In some countries, direct investments in securities may be prohibited and restricted due to regulatory requirements. These limitations may increase transaction costs and adversely affect a security's liquidity and the price in connection with the security.

The Sub-Fund Manager will monitor and observe the developments in these countries where assets of the Sub-Fund are allocated. In addition, the Sub-Fund Manager will also employ a systematic investment process, which includes regular review, to manage and mitigate this risk.

## **Currency Risk**

The Sub-Fund's underlying investments may be denominated in their local currency, which may differ from the Sub-Fund's currency of denomination. The performance of the Sub-Fund may be affected by movements in the exchange rate between the local currency of its underlying investments and the Sub-Fund's denominated currency.

## **Charges to Capital Risk**

The Sub-Fund's charges and expenses are taken from the capital, in whole or in part, resulting in possible constraint of capital growth.

## **Restrictions on Foreign Investment**

Some countries prohibit or impose substantial restrictions on investments by foreign entities. There may also be instances where a purchase order subsequently fails because the permissible allocation to foreign investors has been filled, depriving the Sub-Fund of the ability to make its desired investment at the time.

# PRULink Global Leaders Fund

All data is as of 31 December 2023 unless otherwise stated

## Derivatives Risk

The Sub-Fund Manager may invest in derivatives which will be subject to risks. While the judicious use of derivatives by professional investment managers can be beneficial, derivatives involve risks different from, and, in some cases, greater than, the risks presented by more traditional securities investments. Some of the risks associated with derivatives are market risk, management risk, credit risk, liquidity risk and leverage risk. Investments in derivatives may require the deposit or initial margin and additional margin on short notice if the market moves against the investment positions. If no provision is made for the required margin within the prescribed time, the investment may be liquidated at a loss. Therefore, it is essential that such investments in derivatives are monitored closely.

The Sub-Fund Manager has the necessary controls for investments in derivatives and have in place systems to monitor the derivative positions for the Sub-Fund. The Sub-Fund Manager does not intend to use derivatives transactions for speculation or leverage but may use them for efficient portfolio management and/or risk management. Currency risk is simply one of the market risks which the fund will be exposed to and can be hedged using derivatives such as FX forwards/futures. Often the underlying currency risk may be taken on as a result of buying an underlying equity or bond. If the Sub-Fund Manager does not want to also take the currency risk associated with these underlying assets, the Sub-Fund may use Forward Foreign Exchange contracts to hedge any currency risk derived from holdings of non-base currency positions. Essentially this use of currency forwards is to hedge currency risk in the Sub-Fund.

*The above should not be considered to be an exhaustive list of the risks which potential policyholders should consider before investing in The Fund. Potential policyholders should be aware that an investment in The Fund may be exposed to other risks of exceptional nature from time to time.*

## Risk Management

### Forecasting Risk

Potential risks are taken into consideration in the process of sector allocation and stock selection based on analysis on various key factors such as economic conditions, liquidity, qualitative and quantitative aspects of the securities.

### System Control

Risk parameters are set internally for each fund, depending on client's risk profile. These risk parameters include limits of issuer bet, group issuer, sector rating and issue size of the securities held in the portfolio.

A front-end office system is in place to monitor portfolio risks, serving as an auto filter for any limitations or breaches.

## Other Info

### • Target Market

Policyholders who:

- Seek capital appreciation;
- Want to participate in global equity markets that have the potential to be leading in their field;
- Have high risk tolerance; and
- Adopt a long-term investment horizon.

### • Basis & Frequency of Unit Valuation

- Unit pricing is done daily.
- The Unit Price of a particular PRULink Global Fund on any Valuation Date shall be equal to The Fund Value divided by the number of Units in issue on Valuation Date.

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	<ul style="list-style-type: none"><li>• The Fund Value is the value of all the assets of a particular <b>PRULink Global Fund</b> after the deduction of expenses for managing, acquiring, maintaining and valuing the assets of that fund, tax (if any) or other statutory levy incurred by the Company on investment income or capital gains on the assets of The Fund and any accrued or anticipated income.</li><li>• The valuation date shall be the date as determined by the Company from time to time, but not less frequently than once a day, for the purpose of determining unit prices.</li><li>• The Company shall value the various <b>PRULink Global Funds</b> at the close of each business day (Valuation Date). However, as the value of the <b>PRULink Global Funds</b>' investments in various shares, fixed interest securities and money market instruments at the close of a particular Valuation Date will only be known a business day later, the determination by the Company of the Unit Price of a <b>PRULink Global Fund</b> in respect of a particular Valuation Date shall only be conducted and made known to the Policyholder 2 business days later (T + 2).</li><li>• To recoup the cost of acquiring and disposing of assets, a transaction cost adjustment may be made to The Fund Value to recover any amount which The Fund had already paid or reasonably expects to pay for the creation or cancellation of units.</li></ul>
<ul style="list-style-type: none"><li>• Exceptional circumstances</li></ul>	<ul style="list-style-type: none"><li>• The Company shall not be bound to redeem and convert on any Valuation Day more than 10% of any <b>PRULink Global Fund</b> outstanding on such Valuation Day.</li><li>• The Company reserves the right in exceptional circumstances (for example, when there is an unusually high volume of sale of investments within a short period) to defer the switching or withdrawal of Units and the surrender of the Policy for a period not exceeding six (6) months from the date of application.</li><li>• The Company may suspend unit pricing and policy transaction if any of the exchanges in which The Fund is invested is temporarily suspended for trading. In such event, notice for suspension may be published and may be communicated to the Policyholder upon any request for top-up, switching, redemption or withdrawal to/from any such <b>PRULink Global Fund</b>.</li></ul> <p>The list of exceptional circumstances above are not exhaustive, please refer to your policy document for further details.</p>