

SUN LIFE CAPITAL GUARANTEE PLAN

Fact sheet as at 30 June 2026

IMPORTANT

- Sun Life Capital Guarantee Plan (the "Plan") is a pooled retirement fund scheme.
- The Plan is an insurance policy issued by Sun Life Hong Kong Limited ("Sun Life"). The guarantee is also given by Sun Life. Your investments in the Plan are therefore subject to the credit risks of Sun Life. The guarantee is subject to qualifying conditions. Please refer to Appendix 1 of the Explanatory Memorandum for details of the guarantee features and conditions.
- You should consider your own risk tolerance level and financial circumstances before making any investment choices. If you are in doubt as to whether the Plan is suitable for you (including whether it is consistent with your investment objectives), you should seek financial and/or professional advice.
- Investment involves risk and past performance information presented is not indicative of future performance. The Plan may not be suitable for everyone. There is no assurance on investment returns and your investments/accrued benefits may suffer significant losses.
- You should not invest based on this document alone. You should read the Explanatory Memorandum for details.

INVESTMENT OBJECTIVE

Sun Life Capital Guarantee Fund's ("the Fund") investment objective is to preserve the capital of the assets and to seek a stable return to the fund investors so as to enable Sun Life to provide guarantee specified at the "Guarantee Feature" below. The Fund will invest not less than two-thirds of the sums in high quality worldwide fixed-income securities (quoted or unquoted) with credit ratings issued by Standard and Poor's or Moody's or any other equivalent reputable rating agency of "A" or above. The balance of the sums held in the Fund may be invested in worldwide blue-chip securities and other assets either through direct investment or through collective investment schemes which may or may not be authorized by the Securities and Futures Commission of Hong Kong ("SFC").

GUARANTEE FEATURE

The Fund is a notional account maintained by Sun Life for the purposes of determining the benefits to be provided to members of the Plan pursuant to the Plan, whereby, subject to the guarantee further detailed below, the rate of return will be determined entirely at Sun Life's discretion. The Plan is an insurance policy issued by Sun Life that guarantees the declared rate of return and the interim declared rate of return every year during the period of ten years from the commencement date of the Plan shall not be less than 0% per annum on the total contributions made to the Fund, less any withdrawals and other applicable charges and fees. After ten years from the commencement date of the Plan, unless Sun Life decides otherwise, the guarantee will lapse. The annual declared rate will be announced on or around 31 December each year. The employer and employee contributions must be retained in the Fund until the end of the immediate preceding fiscal year ended on 30 September to be entitled to the annual declared rate of return on the entitlement subject to the applicable rules of the Plan; otherwise, the interim declared rate of return shall be applied for determining investment return on the entitlement and credited to the member's capital guarantee account. Such guarantee shall remain unchanged until the expiry of such period of ten years from the commencement date or the termination of the Plan, whichever is the earlier. The guarantee is provided by Sun Life. In case there is any shortfall, Sun Life will make up the difference for a period of ten years from the commencement date of the Plan. The guarantee is subject to qualifying conditions. Please refer to Appendix 1 of the Explanatory Memorandum for details of the guarantee features and conditions.

The annual declared rate of return of the Fund is based on the yield earned as at the end of its fiscal year ending on September 30 each year, net of all relevant taxes but including realized and unrealized gains and adjustments to smooth market fluctuations and to provide for the investment guarantee.

Investment involves risk. There is no assurance on investment returns and your investments may suffer significant losses.

DECLARED RATE OF RETURN

		Interim Declared Rate of Return
01 Oct, 2025 – 31 Dec, 2025		1.00%
01 Jan, 2026 – 30 Sep, 2026		1.00%
		Annual Declared Rate of Return (From 1 Oct to 30 Sep)
2024 / 2025		1.75%
2023 / 2024		1.50%
2022 / 2023		1.50%
2021 / 2022		1.50%
2020 / 2021		1.50%
2019 / 2020		2.20%
2018 / 2019		2.20%
2017 / 2018		2.20%
2016 / 2017		2.40%
2015 / 2016		2.20%

Source: FWD Life Insurance Company (Bermuda) Limited (before 1 Feb, 2021). Sun Life Hong Kong Limited (on or after 1 Feb, 2021).

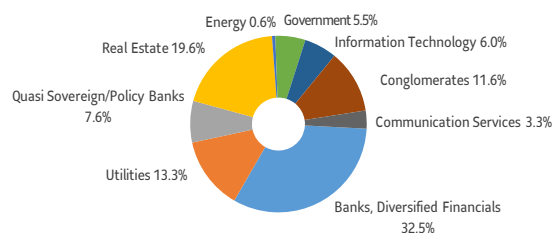
The above are historical rates declared in respect of the Fund for the past years. Please note that the declared rate is the actual rate at which interest has been credited to the Fund and that no deductions are made from such interest. Please also note that the figures are for indication only and that past performance is not necessarily a guide to future performance. Investment return may fluctuate. The relevant interest amount or the declared return will be credited to the member's capital guarantee account on each review date or the date of termination of the Plan, whichever is earlier. Subject to the guarantee feature as described under the "Guarantee Feature" sector above, the declared rate of return and the interim declared rate of return will be determined entirely at Sun Life's discretion. Moreover, Sun Life, at its sole discretion, has the right to retain the investment income of the Fund in excess of that required to be set aside to meet the guaranteed benefits under the Fund. The annual declared rate will be announced on or around 31 December each year.

MARKET REVIEW

The second quarter saw macro shocks stabilize amid a late-quarter easing of geopolitical tensions, though high crude oil prices and sticky core inflation pressured risk assets early on. Under new leadership, the FOMC delivered a hawkish surprise at the June meeting by stripping out forward-guidance. Reflecting this structural shift and a reinforced "higher-for-longer" narrative, the U.S. Treasury yield curve experienced a pronounced bear-flattening over the quarter. Concurrently, investment-grade credit spreads tightened modestly and drove the year-to-date total return of J.P. Morgan Asia Credit Index Investment Grade bonds back to positive at 0.83%.

MARKET OUTLOOK

Following the structural policy shifts, the macro landscape enters a highly data-dependent phase characterized by heightened fixed-income volatility. This environment is further complicated by renewed inflation risks and extended geopolitical uncertainty following the end of the temporary Middle East ceasefire. Together with restrictive financial conditions, these headwinds will increasingly weigh on global economic momentum and drive regional economic divergence. Within this environment, top-tier Asia investment-grade corporate and quasi-sovereign bonds continue to exhibit strong defensive characteristics and fundamental resilience, supported by a disciplined regional primary issuance pipeline that ensures stable income generation.

ASSET ALLOCATION (as at 30 June 2026)**FIXED INCOME INDUSTRY ALLOCATION (as at 30 June 2026)****Important Notes:**

- The Plan has been authorised by the SFC. SFC authorization is not a recommendation or endorsement of the Plan nor does it guarantee the commercial merits of the Plan or its performance. It does not mean the Plan is suitable for all investors nor is it an endorsement of its suitability for any particular investor or class of investors.
- For further details including features, the investment objectives and risks involved of the Plan, please refer to the details in the Explanatory Memorandum. If you are in doubt about the meaning or effect of the contents of the Explanatory Memorandum, you should seek professional advice.