

PROSPECTUS

PUBLIC ISLAMIC SUSTAINABLE GROWTH FUND

INVESTORS ARE ADVISED TO READ AND UNDERSTAND THE CONTENTS OF THE PROSPECTUS. IF IN DOUBT, PLEASE CONSULT A PROFESSIONAL ADVISER.

FOR INFORMATION CONCERNING CERTAIN RISK FACTORS WHICH SHOULD BE CONSIDERED BY PROSPECTIVE INVESTORS, SEE "RISK FACTORS" COMMENCING ON PAGE 12.

PUBLIC ISLAMIC SUSTAINABLE GROWTH FUND IS A QUALIFIED SUSTAINABLE AND RESPONSIBLE INVESTMENT (SRI) FUND UNDER THE GUIDELINES ON SUSTAINABLE AND RESPONSIBLE INVESTMENT FUNDS.

This Prospectus is dated: 4 June 2024

Date of Constitution of the Fund: 4 June 2024



The Manager:
Public Mutual Berhad
(197501001842 (23419-A))

Trustee:
AmanahRaya Trustees Berhad
(200701008892 (766894-T))



PUBLIC MUTUAL
WHOLLY-OWNED SUBSIDIARY OF PUBLIC BANK

Responsibility Statement

This Prospectus has been reviewed and approved by the directors of Public Mutual Berhad 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 which would make any statement in the Prospectus false or misleading.

Statements of Disclaimer

The Securities Commission Malaysia has authorised the fund and a copy of this Prospectus has been registered with the Securities Commission Malaysia.

The authorisation of the fund, and registration of this Prospectus, should not be taken to indicate that Securities Commission Malaysia recommends the said fund or assumes responsibility for the correctness of any statement made, opinion expressed or report contained in this Prospectus.

The Securities Commission Malaysia is not liable for any non-disclosure on the part of the management company responsible for the said fund and takes no responsibility for the contents in this Prospectus. The Securities Commission Malaysia makes no representation on the accuracy or completeness of this Prospectus, and expressly disclaims any liability whatsoever arising from, or in reliance upon, the whole or any part of its contents.

INVESTORS SHOULD RELY ON THEIR OWN EVALUATION TO ASSESS THE MERITS AND RISKS OF THE INVESTMENT. IF INVESTORS ARE UNABLE TO MAKE THEIR OWN EVALUATION, THEY ARE ADVISED TO CONSULT PROFESSIONAL ADVISERS.

Additional Statement

Investors should note that they may seek recourse under the *Capital Markets and Services Act 2007* for breaches of securities laws including any statement in the Prospectus that is false, misleading, or from which there is a material omission; or for any misleading or deceptive act in relation to the Prospectus or the conduct of any other person in relation to the fund.

Public Islamic Sustainable Growth Fund has been certified as Shariah-compliant by the Shariah Adviser appointed for the fund.

IF A FUND DECLARES DISTRIBUTION OUT OF CAPITAL, THE CAPITAL OF THE FUND WILL BE ERODED IF THE DISTRIBUTION IS ACHIEVED BY FORGOING THE POTENTIAL FOR FUTURE CAPITAL GROWTH AND THIS CYCLE MAY CONTINUE UNTIL ALL CAPITAL IS DEPLETED.



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GLOSSARY OF TERMS/ABBREVIATIONS

ART or the Trustee	AmanahRaya Trustees Berhad (200701008892 (766894-T))
Bursa Securities	Bursa Malaysia Securities Berhad
Business Day(s)	Each weekday in which Bursa Securities is open for dealing. <i>Note: The Manager may declare certain Business Days to be a non-Business Day, although Bursa Securities is open for business, if one or more of the foreign markets in which the Fund is invested therein are closed for business. This is to ensure that you will be given a fair valuation of the Fund at all times, be it when purchasing or redeeming units of the Fund.</i>
CMSA 2007	Capital Markets and Services Act 2007 as originally enacted and amended from time to time.
CMSRL	Capital Markets Services Representative's Licence
cooling-off right	<p>The right of an individual investor who is investing with Public Mutual for the first time, to change his mind and cancel an investment within 6 Business Days from the date of receipt by Public Mutual, of the investment application form and payment and obtain a refund within 7 Business Days from the date of receipt of cooling-off notice by Public Mutual.</p> <p>The cooling-off right, however, does not extend to the staff of Public Mutual and persons registered with a body approved by the SC to deal in unit trust funds.</p>
Eligible Market	<p>An exchange or an over-the-counter (OTC) market–</p> <ul style="list-style-type: none">(a) that is regulated by a regulatory authority of that jurisdiction;(b) that is open to the public or to a substantial number of market participants;and(c) on which financial instruments are regularly traded.
EPF	Employees Provident Fund
EPF MIS	EPF Members Investment Scheme
ESG	Environmental, Social and Governance
FIMM	Federation of Investment Managers Malaysia
forward pricing	The purchase or redemption of units is based on the NAV per unit of the fund next determined or calculated after the application to purchase or redemption request from unitholder(s) is received by the Manager in proper form.
incidental	The term “incidental” in relation to distribution policy of the Fund implies that the main focus of the Fund will be on securing capital growth.
Islamic deposits	Sum of money placed with licensed financial institutions in accordance with Shariah principles and the Islamic Financial Services Act 2013.
long term	Long term refers to a period of more than 5 years.



GLOSSARY OF TERMS/ABBREVIATIONS (CONT'D)

NAV	<p>Net Asset Value ("NAV") of the fund is determined by deducting the value of all the fund's liabilities (include all amounts payable by the fund, accrued expenses and taxes, and any appropriate provisions for contingencies) from the value of the fund's assets, at the valuation point.</p> <p>For the purpose of computing the annual management fee and the annual trustee fee, the NAV of the fund should be inclusive of the management fee and trustee fee for the relevant day.</p>
NAV per unit	<p>The NAV per unit is the NAV of a fund divided by the number of units in circulation at the valuation point. It forms the basis upon which the prices of units of a fund are calculated.</p>
OTC	<p>Over-the-counter</p>
PHS	<p>Product Highlights Sheet</p>
PISGRTF or the Fund	<p>Public Islamic Sustainable Growth Fund</p>
PMO	<p>Public Mutual Online ("PMO") is an online facility which allows you to perform fund transactions (such as purchase, redemption and switching of units) and gives you quick and easy access to information on your investments.</p> <p>You may register online for PMO via our website or through our Smart kiosks located at our branches or Customer Service Centre at the 1 Utama Shopping Centre.</p>
Prospectus	<p>Prospectus of PISGRTF</p>
Public Bank	<p>Public Bank Berhad (196501000672 (6463-H))</p>
Public Mutual or the Manager	<p>Public Mutual Berhad (197501001842 (23419-A))</p>
Public Series of Funds	<p>Funds under this series include Public Savings Fund, Public Growth Fund, Public Index Fund, Public Industry Growth Fund, Public Aggressive Growth Fund, Public Regular Savings Fund, Public SmallCap Fund, Public Equity Fund, Public Focus Select Fund, Public Dividend Select Fund, Public Far-East Select Fund, Public Regional Sector Fund, Public Global Select Fund, Public Far-East Dividend Fund, Public China Select Fund, Public Far-East Property & Resorts Fund, Public South-East Asia Select Fund, Public Sector Select Fund, Public Far-East Consumer Themes Fund, Public China Titans Fund, Public Far-East Telco & Infrastructure Fund, Public Select Alpha-30 Fund, Public Worldwide Equity Fund, Public Australia Equity Fund, Public Far-East Alpha-30 Fund, Public Optimal Growth Fund, Public Indonesia Select Fund, Public Singapore Equity Fund, Public Strategic SmallCap Fund, Public China Access Equity Fund, Public Strategic Growth Fund, Public Select Treasures Equity Fund, Public Advantage Growth Equity Fund, Public Regular Savings Sequel Fund, Public Emerging Opportunities Fund, Public Optimal Equity Fund, Public ASEAN Growth Fund, Public Greater China Fund, Public India-Global Equity Fund, Public Lifestyle & Technology Fund, Public U.S. Equity Fund, Public Vietnam-Global Equity Fund, Public Japan Global Equity Fund, Public Healthcare-Global Equity Fund, Public Asia Pacific Focus Fund, Public Asia Pacific Alpha-40 Fund, Public Tactical Allocation Fund, Public Select Mixed Asset Growth Fund, Public Select Mixed Asset Conservative Fund, Public Navigator Growth Fund, Public Balanced Fund, Public Far-East Balanced Fund, Public Growth Balanced Fund, Public Strategic Balanced Fund, Public Bond Fund, Public Enhanced Bond Fund, Public Select Bond Fund, Public Strategic Bond Fund, Public Enterprises Bond Fund and Public Money Market Fund.</p>



GLOSSARY OF TERMS/ABBREVIATIONS (CONT'D)

Please refer to our website at www.publicmutual.com.my for the current list of funds under this series.

Public Series of
Shariah-Based Funds

Funds under this series include Public Islamic Sustainable Growth Fund, Public Ittikal Fund, Public Islamic Equity Fund, Public Islamic Opportunities Fund, Public Islamic Dividend Fund, Public Asia Ittikal Fund, Public Islamic Asia Dividend Fund, Public Islamic Sector Select Fund, Public China Ittikal Fund, Public Islamic Select Treasures Fund, Public Islamic Optimal Growth Fund, Public Islamic Select Enterprises Fund, Public Islamic Asia Leaders Equity Fund, Public Islamic Alpha-40 Growth Fund, Public Islamic Treasures Growth Fund, Public Ittikal Sequel Fund, Public Islamic Savings Fund, Public Islamic Growth & Income Fund, Public Islamic Enterprises Equity Fund, Public Islamic Advantage Growth Equity Fund, Public Islamic Emerging Opportunities Fund, Public Islamic Optimal Equity Fund, Public Islamic Global Equity Fund, Public Islamic ASEAN Growth Fund, Public Islamic U.S. Equity Fund, Public Islamic Mixed Asset Fund, Public Islamic Asia Tactical Allocation Fund, Public Ehsan Mixed Asset Growth Fund, Public Ehsan Mixed Asset Conservative Fund, Public Islamic Growth Balanced Fund, Public Islamic Global Balanced Fund, Public Islamic Bond Fund, Public Islamic Enhanced Bond Fund, Public Islamic Select Bond Fund, Public Islamic Infrastructure Bond Fund, Public Islamic Strategic Bond Fund, Public Sukuk Fund, Public Islamic Income Fund and Public Islamic Money Market Fund.

Please refer to our website at www.publicmutual.com.my for the current list of funds under this series.

RM

Ringgit Malaysia

SAC BNM

Shariah Advisory Council of Bank Negara Malaysia

SACSC

Shariah Advisory Council of the Securities Commission Malaysia

SC

Securities Commission Malaysia

SC Guidelines

Guidelines on Unit Trust Funds issued by SC and as may be amended or replaced from time to time.

Shariah

Islamic law originating from the Qur'an (the holy book of Islam), and its practices and explanations rendered by the prophet Muhammad (pbuh) and ijihad of ulamak (personal effort by qualified Shariah scholars to determine the true ruling of the divine law on matters whose revelations are not explicit).

Shariah-compliant
securities equivalent
to shares

Shariah-compliant securities equivalent to shares include units or shares in Islamic business trusts, Islamic depository receipts, Islamic participatory notes, Shariah-compliant rights, Shariah-compliant warrants and any other Shariah-compliant rights, Islamic options or interests that can be converted into new Shariah-compliant shares.

Shariah-compliant
transferable securities

Shariah-compliant transferable securities refer to:

- (a) Shariah-compliant shares or Shariah-compliant securities equivalent to shares;
but do not include Islamic money market instruments or any security where the title can be transferred only with the consent of a third party; and
- (b) Shariah-compliant shares that are not listed and quoted on a stock exchange but have been approved by the relevant regulatory authority for such listing and quotation, and are offered directly to the Fund by the issuer.



GLOSSARY OF TERMS/ABBREVIATIONS (CONT'D)

Shariah-compliant warrants	Shariah-compliant securities that entitles the holder to exercise his rights to buy the underlying stock(s) of the issuing company at a fixed price called exercise price until the expiry date. For the purpose of this Fund, the underlying stock(s) must be in new shares.
Shariah requirements	Is a phrase or expression which generally means making sure that any human conduct must not involve any elements which are prohibited by the Shariah and that in performing that conduct all the essential elements that make up the conduct must be present and each essential element must meet all the necessary conditions required by the Shariah for that element.
Special Resolution	A resolution passed by a majority of not less than three-fourth of unitholders voting at a meeting of unitholders. For the purpose of terminating a fund, a special resolution is passed by a majority in number representing at least three-fourth of the value of the units held by unitholders voting at the meeting.
Tax Agent of the Fund	KPMG Tax Services Sdn Bhd
the Deed	The Deed means the master deed dated 23 March 2021 and all supplemental deeds entered into between the Trustee and the Manager for the registered holders of PISGRTF.
Trustee's Delegate	Citibank N.A., Singapore branch
UIC	Units in circulation ("UIC") refers to the total number of units in issue at a point in time.
unrestricted investment accounts	Investment accounts are instruments offered by Islamic banks licensed by Bank Negara Malaysia for the purpose of investments and sharing of profit from Shariah-compliant investment activities, including for the provision of finance, in accordance with Shariah principles such as mudharabah, musyarakah and wakalah. Unrestricted investment accounts allow Islamic banks licensed by Bank Negara Malaysia to determine the investment mandate and the structure of the investment account.
UTC	Unit trust scheme consultant
valuation point	<p>Valuation point refers to such a time(s) on a Business Day as may be decided by the Manager wherein the NAV of the Fund is calculated. Under normal circumstances, only one valuation is conducted on each Business Day.</p> <p>For PISGRTF, the valuation of the Fund will be conducted after the close of business of Bursa Securities for the relevant day. As certain foreign markets in which the Fund may invest in have yet to close due to the different time zones of these countries, the valuation point may be extended to 5:00 p.m. (or any other such time as may be permitted by the relevant authorities from time to time) on the following day in which the Manager is open for business.</p>
ZICO Shariah or the Shariah Adviser	ZICO Shariah Advisory Services Sdn. Bhd. (200701011429 (769433-D))



MANAGER

Public Mutual Berhad (197501001842 (23419-A))

Registered and business address:

8th Floor, Menara Public Bank 2

No. 78, Jalan Raja Chulan

50200 Kuala Lumpur

Tel: 03-2022 6800 *Fax:* 03-2022 6900

Hotline: 03-2022 5000

e-mail: customer@publicmutual.com.my

Web: www.publicmutual.com.my

TRUSTEE

AmanahRaya Trustees Berhad (200701008892 (766894-T))

Registered address:

Tingkat 11, Wisma AmanahRaya

No. 2, Jalan Ampang

50508 Kuala Lumpur

Business address:

Tingkat 14, Wisma AmanahRaya

No 2, Jalan Ampang

50508 Kuala Lumpur

Tel: 03-2036 5129 *Fax:* 03-2072 0322

e-mail: art@artrustees.com.my

Web: <https://www.artrustees.my>

SHARIAH ADVISER

ZICO Shariah Advisory Services Sdn. Bhd. (200701011429 (769433-D))

Level 13A, Menara Milenium

Jalan Damanlela

Pusat Bandar Damansara

50490 Kuala Lumpur

Tel: 03-9212 0976 *Fax:* 03-9212 0974

e-mail: zh-shariah@zishariah.com

Web: <http://www.zico.group>

The Trustee, Trustee's Delegate, Tax Agent and Shariah Adviser have given and have not withdrawn their written consent to the inclusion in this Prospectus of their names and statements in the manner and context in which such names and statements appear.



1 INFORMATION ON THE FUND

1.1 FUND PROFILE

Name of Fund	Public Islamic Sustainable Growth Fund (PISGRTF)
Base Currency	Ringgit Malaysia (RM)
Category of Fund	Equity (Shariah-compliant)
Financial Year End	30 November
Distribution Policy	Incidental
Launch Date	4 June 2024
Initial Offer Period	21 days commencing from 4 June 2024 to 24 June 2024
Initial Issue Price	RM0.2500
Sales Charge per Unit during Initial Offer Period	Up to 5.0% of the initial issue price of the Fund.
Fund Objective	<p>To achieve capital growth over the long term.</p> <p><i>Note: Any material changes to the investment objective of the Fund would require unitholders' approval.</i></p>

Note: The Manager has the right to issue other classes of units without the need to seek unitholders' prior approval.

Investment Policy and Strategy

Typical Asset Classes	<ul style="list-style-type: none">Shariah-compliant shares or Shariah-compliant securities equivalent to shares which incorporate ESG considerations into their business practices.ESG qualified Islamic exchange traded funds and unlisted Islamic collective investment schemes which track ESG indices.*Islamic money market instruments which include unrestricted investment accounts.Islamic deposits with licensed domestic and foreign financial institutions. <p><i>Note:* An Islamic exchange traded fund/unlisted Islamic collective investment scheme will be deemed qualified if it is designed to track an ESG index provided by international service providers.</i></p>	
Asset Allocation	Shariah-compliant shares or Shariah-compliant securities equivalent to shares	75% to 98% of the Fund's NAV
	Islamic money market instruments and Islamic deposits	2% to 25% of the Fund's NAV
	<p>Up to 25% of the Fund's NAV may be invested in ESG qualified Islamic exchange traded funds and unlisted Islamic collective investment schemes which track ESG indices.</p> <p>The Fund will invest in Shariah-compliant stocks of companies which incorporate ESG considerations into their business practices.</p> <p><i>If the outlook for equity market is unfavourable, the Shariah-compliant shares or Shariah-compliant securities equivalent to shares exposure may be reduced to below the range indicated above while the exposure to Islamic money market instruments and Islamic deposits may be increased provided that at least 2/3 of the Fund's NAV is invested in Shariah-compliant instruments that are subject to ESG considerations*, as a temporary defensive strategy.</i></p>	



INFORMATION ON THE FUND (CONT'D)

Asset Allocation (cont'd)	<i>*In the event the Fund's holdings of ESG qualified Shariah-compliant instruments fall below 2/3 of its NAV, the Fund will rectify the breach within an appropriate timeframe not exceeding 3 months from the date of breach.</i>	
	Shariah-compliant foreign assets	Up to 25% of the Fund's NAV
Location of Assets	<ul style="list-style-type: none">MalaysiaUp to 25% of NAV may be invested in foreign markets which include:-<ul style="list-style-type: none">ChinaHong KongSouth KoreaTaiwanSingaporeThailandIndonesiaUnited States of America	
Investment Approach	Shariah-compliant shares or Shariah-compliant securities equivalent to shares	<p>The Fund will invest in ESG qualified Shariah-compliant securities which include members of ESG indices*, companies deemed ESG-qualified based on ESG grades by service providers** or the Manager's internal evaluation.</p> <p><i>* ESG indices refer to ESG indices provided by international index providers such as S&P Dow Jones Indices LLC, MSCI Limited and FTSE International Limited.</i></p> <p><i>** ESG grades by service providers refer to grades assigned by the service providers such as S&P Global, MSCI Limited and FTSE International Limited based on their methodology for ESG ratings.</i></p> <p>The internal evaluation of ESG considerations adopted by the investee companies may comprise the following:</p> <p>(a) Environmental Environmental considerations may include a review of the investee company's emissions, waste & effluent and water & energy usage disclosures.</p> <p>(b) Social Social considerations may include a review of the investee company's policies pertaining to diversity, human rights and labour practices.</p> <p>(c) Governance Governance considerations may include a review of the investee company's board responsibilities, engagement with stakeholders and disclosure & transparency.</p> <p>Based on the Manager's internal evaluation, companies that have achieved a score of at least 50 points (out of 100 points) are deemed as ESG qualified shares.</p> <p>The Fund will also adopt a bottom-up approach in its selection process of Shariah-compliant shares or Shariah-compliant securities equivalent to shares, which relies on fundamental research where the financial health, industry prospects, management quality and past track records of companies are assessed.</p> <p>The Fund will invest in constituents of Shariah-compliant ESG indices and constituents of other Shariah-compliant ESG indices after layering it with Shariah screening to ensure that the stocks invested by the Fund are Shariah-compliant. For selection of stocks based on internal evaluation, the Manager will ascertain the Shariah status of the stock and subsequently layer it with the internal ESG evaluation based on the criteria stated above.</p>



Investment Approach (cont'd)	Shariah-compliant shares or Shariah-compliant securities equivalent to shares (cont'd)	<p>The ESG considerations of the Fund's investments will be reviewed on monthly basis to ensure that they are consistent with the Fund's objective and that the overall impact of such investments is not inconsistent with any other sustainability considerations.</p> <p>Where an investee company no longer meets the criteria of an ESG qualified Shariah-compliant security, the Fund may look to hold on to the investment if there is adequate information that the company has appropriate strategies to improve its ESG practices. Where there is a lack of information from an investee company to improve its ESG standing, the Fund will implement the corporate engagement process.</p> <p>If measures implemented by investee companies are deemed to be inadequate or the management of the investee companies do not intend to address the material ESG concerns raised or declines to engage with the Manager, the Fund will dispose its holdings as soon as practicable within an appropriate timeframe not exceeding 3 months from the date the shares are no longer ESG qualified Shariah-compliant securities, subject to the underlying liquidity of the securities.</p>
	Islamic collective investment schemes	<p>The Fund will invest in ESG qualified Islamic exchange traded funds and unlisted Islamic collective investment schemes which track ESG indices. The suitability of these Islamic collective investment schemes will be evaluated according to their underlying ESG methodologies to ensure they are aligned to the Fund's investment strategy.</p> <p>These Islamic collective investment schemes will be reviewed whenever there are changes to the ESG methodology to ensure that they are consistent with the Fund's objective as well as strategy and that the overall impact of such investments is not inconsistent with any other ESG considerations.</p> <p>If these ESG qualified Islamic exchange traded funds and unlisted Islamic collective investment schemes that the Fund invests in is no longer ESG-qualified, the Fund will dispose its holdings as soon as practicable within an appropriate timeframe not exceeding 3 months from the date they are no longer ESG qualified.</p>
	Islamic money market instruments and Islamic deposits	<p>The asset allocation on Islamic money market instruments and Islamic deposits will depend on interest rate trends and market liquidity conditions.</p> <p>The Fund will invest in Islamic money market instruments/ Islamic deposits with domestic and foreign financial institutions as follows:</p> <ul style="list-style-type: none"> (i) Islamic money market instruments/Islamic deposits that incorporate ESG considerations in their products; (ii) Islamic money market instruments/Islamic deposits issued by financial institutions (or its subsidiary) with an ESG score assigned by an ESG service provider such as FTSE Russell and RAM Sustainability Sdn Bhd which falls within the top half of the scale.



Investment Approach (cont'd)

Islamic money market instruments and Islamic deposits (cont'd)

For example, the Fund will invest in Islamic money market instruments/Islamic deposits issued by a financial institution (or its subsidiary) with an ESG score of 2.5 points or higher (out of 5 points) as rated by FTSE Russell. The ESG scores are expressed through a numerical scale of 1 to 5, with higher score indicating lower ESG risks; and

(iii) Manager's internal evaluation.

The Manager's internal evaluation for Islamic money market instruments and Islamic deposits is based on our internal ESG model which is designed with reference to Bursa Malaysia's Sustainability Reporting Guide as well as the Malaysian Code of Corporate Governance 2021. It adopts a bottom-up approach in the evaluation process to derive the ESG rating. The ESG rating of a company is derived from 3 pillars – namely Environmental, Social and Governance.

Environmental

Within the Environmental pillar, the 12 environmental themes comprise the environmental and relevant economic themes referenced from Bursa Malaysia's Sustainability Reporting Guide:

1. Climate-related financial risks and opportunities
2. Emissions
3. Waste and Effluent
4. Water
5. Energy
6. Biodiversity
7. Supply Chain (Environmental)
8. Products and Services Responsibility (Environmental)
9. Material
10. Compliance (Environmental)
11. Land Remediation, Contamination or Degradation
12. Responsible / Sustainable Lending

Social

Within the Social pillar, the 12 social themes comprise the social and relevant economic themes referenced from Bursa Malaysia's Sustainability Reporting Guide:

1. Diversity
2. Human Rights
3. Occupational Safety and Health
4. Anti-Competitive Behaviour
5. Anti-Corruption
6. Labour Practices
7. Society
8. Indirect Economic Impact
9. Community Investment
10. Product and Services Responsibility (Social)
11. Supply Chain (Social)
12. Compliance (Social)



Investment Approach (cont'd)	<table> <tr> <td data-bbox="451 328 639 822"> Islamic money market instruments and Islamic deposits (cont'd) </td><td data-bbox="646 328 1228 822"> <p><u>Governance</u> Within the Governance pillar, the 7 governance themes comprise the principles and guidelines stipulated in the Malaysian Code of Corporate Governance 2021:</p> <ol style="list-style-type: none"> 1. Board Responsibilities 2. Board Composition 3. Remuneration 4. Audit Committee 5. Risk Management and Internal Control Framework 6. Engagement with Stakeholders 7. Disclosures and Transparency <p>Investee companies are assessed based on their disclosure of information pertaining to the abovementioned themes and outcome of their ESG practices.</p> <p>The Fund may also invest in non-ESG qualified Islamic money market instruments and Islamic deposits for liquidity purpose.</p> </td></tr> </table>	Islamic money market instruments and Islamic deposits (cont'd)	<p><u>Governance</u> Within the Governance pillar, the 7 governance themes comprise the principles and guidelines stipulated in the Malaysian Code of Corporate Governance 2021:</p> <ol style="list-style-type: none"> 1. Board Responsibilities 2. Board Composition 3. Remuneration 4. Audit Committee 5. Risk Management and Internal Control Framework 6. Engagement with Stakeholders 7. Disclosures and Transparency <p>Investee companies are assessed based on their disclosure of information pertaining to the abovementioned themes and outcome of their ESG practices.</p> <p>The Fund may also invest in non-ESG qualified Islamic money market instruments and Islamic deposits for liquidity purpose.</p>
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Selected Performance Benchmark for PISGRTF

The benchmark of the Fund is FTSE4Good Bursa Malaysia Shariah Index.

Information on the benchmark is sourced from FTSE International Limited.

As the Fund is actively managed and its holdings may differ from its benchmark, the risk profile of the Fund is not the same as the risk profile of the benchmark.

The performance of the Fund and its benchmark is available on our website at www.publicmutual.com.my.

The benchmark is used only for the purpose of measuring the financial performance of the Fund.

Any change of the Fund's benchmark will be updated on our website and/or the Fund's PHS.

The PISGRTF is not in any way sponsored, endorsed, sold or promoted by FTSE International Limited ("FTSE") or by Bursa Malaysia Berhad ("BURSA MALAYSIA") or by the London Stock Exchange Group companies (the "LSEG") and neither FTSE nor BURSA MALAYSIA nor LSEG makes any warranty or representation whatsoever, expressly or impliedly, either as to the results to be obtained from the use of the FTSE4GOOD BURSA MALAYSIA SHARIAH INDEX ("the Index"), and/or the figure at which the said Index stand at any particular time on any particular day or otherwise. The Index is compiled and calculated by FTSE. However, neither FTSE nor BURSA MALAYSIA nor LSEG shall be liable (whether in negligence or otherwise) to any person for any error in the Index and neither FTSE nor BURSA MALAYSIA nor LSEG shall be under any obligation to advise any person of any error therein.

"FTSE®", "FT-SE®" and "Footsie®" are trade marks of LSEG and are used by FTSE under licence. "BURSA MALAYSIA" is a trade mark of BURSA MALAYSIA.

1.2 RISK FACTORS

General Risks

1. **Market risk:** 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 NAV.
2. **Liquidity risk:** Liquidity risk refers to the ease of liquidating an asset depending on the asset's volume traded in the market. If the Fund holds assets that are illiquid, or are difficult to dispose of, the value of the Fund will be negatively affected when it has to sell such assets at unfavourable prices.
3. **Manager risk:** This risk refers to the day-to-day management of the Fund by the fund manager which will impact the performance of the Fund. For example, investment decisions undertaken by the fund manager pertaining to asset allocation and security selection which may not be in line with market movements, or non-conformance with regulations and internal policies and procedures, may adversely affect the performance of the Fund.



4. **Loan/Margin financing risk:** This risk occurs when investors take a loan/margin financing to finance their investment. The inherent risk of investing with borrowed/financed money includes investors being unable to service the loan repayments/margin financing payments. In the event units are used as collateral, an investor may be required to top-up the investors' existing instalment if the prices of units fall below a certain level due to market conditions. Failing which, the units may be sold at a lower NAV per unit as compared to the NAV per unit at the point of purchase towards settling the loan/margin financing.

The Manager does not encourage the practice of loan/margin financing in the purchase of unit trust funds.

5. **Counterparty risk associated with OTC Islamic derivatives:** The use of OTC Islamic derivatives involve counterparty risk arising from counterparties' default or a decline in the counterparties' credit rating which may have adverse impact on the NAV of the Fund. In such circumstances, efforts will be taken to liquidate the Islamic derivative position.

Specific Risks

1. **Specific security risk:** Prices of a particular security may fluctuate in response to the circumstances affecting individual companies. As such, adverse price movements of a particular security invested by the Fund may adversely affect the Fund's NAV and unit price.
2. **Interest rate risk:** Interest rate risk refers to the impact of interest rate changes on the valuation of Islamic money market instruments and Islamic deposits. The returns of the Fund's investments in Islamic money market instruments and Islamic deposits move in tandem with interest rates. A decline in interest rates will lower the returns of the Fund's investments in Islamic money market instruments and Islamic deposits. For example, when interest rates fall, Islamic deposit placements would be reinvested at lower interest rates and subsequently yield lower returns to the Fund.
3. **Credit risk:** Credit risk relates to the creditworthiness of the issuer of the Islamic money market instruments and Islamic deposits which is dependent on the issuer's ability to make timely payments of profit or principal. In the event that the issuer of the Islamic money market instruments and Islamic deposits defaults in the payment of profit and/or principal, the value of the Fund may be adversely affected.
4. **Currency risk:** If the Fund invests in Shariah-compliant assets denominated in foreign currency, the Fund may be exposed to currency fluctuation risks. If the currencies in which the investments are denominated depreciate against the local currency, the Fund's NAV may be adversely affected and vice versa. To mitigate such risk, the Fund may undertake hedging strategies. However, the Fund would not benefit from any potential upside if currencies move in the opposite direction of the hedging strategy.
5. **Country risk:** Shariah-compliant investments of the Fund in any country 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 country in which the Fund invests in. 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 NAV of the Fund or prices of units to fall.
6. **Risk of non-compliance with Shariah requirements:** This risk refers to the risk that the currently held Shariah-compliant shares in the Fund may be reclassified as Shariah non-compliant in the periodic review of the shares by the SACSC, the Shariah Adviser or the Shariah boards of the relevant Islamic indices. If this occurs, the Manager will take the necessary steps to dispose such shares. 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 shares. The value of the Fund may also be adversely affected in the event of a disposal of Shariah non-compliant shares at a price lower than the investment cost. *(Please refer to page 20 for Purification Process for The Fund.)*
7. **Risk associated with investments in Shariah-compliant warrants:** The market price of Shariah-compliant warrants held by the Fund will depend on the current market price of the underlying security, the exercise price of the Shariah-compliant warrants and the time to expiration of the Shariah-compliant warrants. Such investments may experience time decay, and the erosion of value accelerates as the Shariah-compliant warrant approaches its expiry date. Any adverse movements in the market price of the Shariah-compliant warrants may impact the Fund's NAV and unit price.



8. **ESG investment risk:** The Fund invests in ESG qualified Shariah-compliant securities. During the monthly review undertaken by the Manager, a security currently held by the Fund may be reclassified as non ESG compliant and may impact the ESG considerations of the Fund. If this occurs, the Manager will take the necessary steps to dispose its holdings of the security as disclosed in the Fund's investment approach. The non ESG compliant securities will be disposed, and reinvestments will be made within an appropriate timeframe not exceeding 3 months from the date of breach to ensure, at least two thirds (2/3) of the Fund's NAV is invested in Shariah-compliant instruments that are subject to ESG considerations.

Risk Management Strategies

Asset allocation, liquidity management and diversification strategies employed are central to the efforts to manage the risks posed to the Fund.

To mitigate risks arising from significant volatilities in times of adverse market movements, foreign currency exposure and foreign interest rate movements, the Fund may employ hedging strategies utilising Islamic derivatives such as Islamic futures contracts, Islamic foreign exchange forward contracts and Islamic options (approved by the Shariah Adviser of the Fund).

Investments in Shariah-compliant warrants will be assessed on ongoing basis as it can potentially increase the volatility of the Fund's returns.

To manage credit risk, credit analysis is conducted and credit rating of financial institutions is monitored on an ongoing basis. The Fund will focus on Shariah-compliant securities issued by companies with sound financial position whereby gearing ratio and interest cover ratio are within acceptable levels of the industry in which the issuer company operates.

In terms of liquidity risk management, prudent liquidity management such as cash flow and redemption monitoring (for example, single customer exposure, risk appetite limit on redemption rate* and liquidity stress test) is in place to ensure that the Fund maintains reasonable levels of liquidity to meet any redemption request.

Under exceptional circumstances where the market value or fair value of a material portion of the Fund's assets cannot be determined (which include but not limited to the closure of a securities exchange or trading restrictions on a securities exchange and an emergency or other state of affairs whereby there is no price discovery which impact a material portion of the Fund's NAV), as the last recourse, the Manager may consult trustee to suspend dealing in units. This measure is taken when there is good and sufficient reason to do so, considering the interest of unitholders.

If suspension of redemption is imposed, unitholders of the Fund would be unable to redeem the units they had invested in the Fund temporarily. The unitholders will have to remain invested in the Fund, as well as continue to be subjected to the risks inherent to the Fund during the suspension period. Regulatory authorities and unitholders will be informed in the event a redemption suspension period is imposed and that the suspension will cease as soon as practicable and in any event, within 21 days (or any other period as may be determined by the SC) of the commencement of suspension. The period of suspension may be extended only if it is in the best interest of the unitholders and will be reviewed on a weekly basis by the Fund's trustee.

** Risk appetite limit on redemption rate is a risk indicator to monitor the average redemption rate against the internal risk threshold/limit set.*

1.3 PERMITTED INVESTMENTS

The Manager has absolute discretion, subject to the Deed, the investment policy of the Fund and the requirements of the SC and other regulatory body, as to how the assets of the Fund are invested. The Fund will invest in instruments that have been classified as Shariah-compliant by the SACSC and SAC BNM. For instruments that are not classified as Shariah-compliant by the SACSC and SAC BNM, the Shariah Adviser will determine whether the instruments are Shariah-compliant for investment by the Fund.



The Fund will invest in/utilise the following:

- i. Shariah-compliant shares or Shariah-compliant securities equivalent to shares;
- ii. Islamic deposits with licensed domestic and foreign financial institutions;
- iii. Islamic money market instruments;
- iv. Units or shares of other Islamic collective investment schemes;
- v. Islamic derivatives that are either listed or quoted on a stock exchange, or dealt in the OTC market (for hedging purpose only); and
- vi. Any other form of Shariah-compliant investments which is in line with the objective of the Fund as may be agreed upon by the Manager and the trustee from time to time.

If the Fund is offered under EPF MIS, the investments made by the Fund will be subject to EPF's requirements.

1.4 INVESTMENT RESTRICTIONS

The Fund is subject to the following investment restrictions in the course of execution of its investment policies and strategies:

(i) Investment Spread Limits

Investment	Limits (% of Fund's NAV)
Value of investments in Shariah-compliant ordinary shares issued by any single issuer	≤ 10%
Value of investments in Shariah-compliant transferable securities and Islamic money market instruments issued by any single issuer (single issuer limit)	≤ 15% <i>Notes:</i> <i>(i) In determining the single issuer limit, the value of the Fund's investments in Shariah-compliant transferable securities that are not traded or dealt in or under the rules of an Eligible Market issued by the same issuer must be included in the calculation; and</i> <i>(ii) This limit may be increased to 35% of the Fund's NAV if the issuing entity is, or the issue is guaranteed by, either a foreign government, foreign government agency, foreign central bank or supranational, that has a minimum long-term credit rating of investment grade (including gradation and subcategories) by an international rating agency.</i>



INFORMATION ON THE FUND (CONT'D)

Investment (cont'd)	Limits (% of Fund's NAV) (cont'd)
Value of placement in Islamic deposits with any single financial institution	$\leq 20\%$ <i>Note: This limit does not apply to placements of Islamic deposits arising from:</i> <i>(i) Subscription monies received prior to the commencement of investment by the Fund;</i> <i>(ii) Liquidation of investments prior to the termination or maturity of the Fund, where the placement of Islamic deposits with various financial institutions would not be in the best interests of unitholders; or</i> <i>(iii) Monies held for the settlement of redemption or other payment obligations, where the placement of Islamic deposits with various financial institutions would not be in the best interest of unitholders.</i>
Aggregate value of investments in, or exposure to, a single issuer (single issuer aggregate limit) through– (a) Shariah-compliant transferable securities; (b) Islamic money market instruments; (c) Islamic deposits; (d) underlying assets of Islamic derivatives; and (e) counterparty exposure arising from the use of OTC Islamic derivatives	$\leq 25\%$ <i>Notes:</i> <i>(i) In determining the single issuer aggregate limit, the value of the Fund's investments in Shariah-compliant transferable securities that are not traded or dealt in or under the rules of an Eligible Market issued by the same issuer must be included in the calculation; and</i> <i>(ii) Where the single issuer limit is increased to 35% of the Fund's NAV, the single issuer aggregate limit may be raised, subject to the group limit not exceeding 35% of the Fund's NAV.</i>
Value of investments in: (a) units or shares of an Islamic collective investment scheme (b) units or shares of a listed Islamic collective investment scheme that invests in real estate	$\leq 20\%$ $\leq 15\%$
Value of investments in Shariah-compliant transferable securities and Islamic money market instruments issued by any group of companies (group limit)	$\leq 20\%$ <i>Note: In determining the group limit, the value of the Fund's investments in Shariah-compliant transferable securities that are not traded or dealt in or under the rules of an Eligible Market issued by the issuers within the same group of companies must be included in the calculation.</i>



INFORMATION ON THE FUND (CONT'D)

(ii) Investment Concentration Limits

Investment	Limits
Investments in Shariah-compliant shares or Shariah-compliant securities equivalent to shares	≤ 10% of the Shariah-compliant shares or Shariah-compliant securities equivalent to shares issued by a single issuer.
Investments in Islamic money market instruments	≤ 10% of the Islamic money market instruments issued by any single issuer. <i>Note: This limit does not apply to Islamic money market instruments that do not have pre-determined issue size.</i>
Investments in Islamic collective investment schemes	≤ 25% of the units or shares in the Islamic collective investment scheme.

(iii) Exposure Limits

Investment	Limits (% of Fund's NAV)
The aggregate value of the Fund's investment in Shariah-compliant transferable securities that are not traded or dealt in or under the rules of an Eligible Market	≤ 15% <i>Note: Subject to a maximum limit of 10% of the Fund's NAV in a single issuer.</i>
Value of holdings in foreign Shariah-compliant investments	≤ 25%
Global exposure from Islamic derivatives position* <i>* The global exposure from the Islamic derivatives and Islamic embedded derivatives position is calculated using the commitment approach methodology. The global exposure of the Fund using commitment approach are calculated as the sum of the:</i> (i) absolute value of the exposure of each individual Islamic derivative not involved in netting or hedging arrangements; (ii) absolute value of the net exposure of each individual Islamic derivative after netting or hedging arrangements; (iii) the values of cash collateral received pursuant to the reduction of exposure to counterparties of OTC Islamic derivatives.	≤ NAV of the Fund at all times. <i>Notes:</i> (i) For OTC Islamic derivatives the maximum exposure of the Fund to the counterparty must not exceed 10% of the Fund's NAV; (ii) The counterparty of an OTC Islamic derivative must be a financial institution with a minimum long-term credit rating of investment grade (including gradation and subcategories); and (iii) If the counterparty's rating falls below the minimum required, or the counterparty ceases to be rated, the Manager should, within six months or sooner, if the trustee considers it to be in the best interest of the unitholders, take the necessary action to ensure that the requirements are complied.

The above limits and restrictions shall be complied with at all times based on the most up-to-date value of the Fund, and the value of its investments and instruments.



Any breach as a result of any –

- a) appreciation or depreciation in value of the Fund's investments;
- b) redemption of units or payment made out of the Fund;
- c) change in capital of a corporation in which the Fund has invested in; or
- d) downgrade in or cessation of a credit rating,

must be rectified as soon as practicable within three months from the date of the breach unless otherwise specified in the SC Guidelines. The three-month period may be extended if it is in the best interest of unitholders and trustee's consent is obtained. Such extension must be subject to at least a monthly review by the trustee.

Such limits and restrictions, however, do not apply to Shariah-compliant securities that are issued or guaranteed by the Malaysian Government or Bank Negara Malaysia.

Note: The investment restrictions and limits of the Fund may be subject to changes as may be determined by the SC from time to time, the effective date of which shall be determined by the Manager.

1.5 VALUATION OF PERMITTED INVESTMENTS

The permitted investments of the Fund are fairly valued based on the following valuation methods:

Listed Shariah-compliant shares or Shariah-compliant securities equivalent to shares – valuation is based on the official closing price or last known transacted price on the Eligible Market on which the investment is quoted. If the price is not representative or not available to the market, the securities will be valued at fair value, as determined with due care and in good faith by the Manager, based on the methods or bases approved by the trustee after appropriate technical consultation.

Islamic money market instruments (excluding unrestricted investment accounts) – Islamic money market instruments which include negotiable Islamic debt certificate are valued at market yields based on the remaining days to maturity.

Unrestricted investment accounts which are deemed as Islamic money market instruments and Islamic deposits with financial institutions – the value of such investments shall be determined on a daily basis by reference to their principal value and the accrued profit thereon for the relevant period.

Units or shares in other Islamic collective investment schemes – for unlisted Islamic collective investment schemes, valuation is based on last published repurchase price. For listed Islamic collective investment schemes, valuation is based on market price of the respective exchanges. If no market price is available or valuation based on market price does not represent the fair value of investments, the shares will be valued at fair value, as determined with due care and in good faith by the Manager, based on the methods or bases approved by the trustee after appropriate technical consultation.

Islamic foreign exchange forward contracts approved by the Shariah Adviser of the Fund – all Islamic foreign exchange forward contracts approved by the Shariah Adviser of the Fund are marked-to-market daily and valued at fair value using forward rate of the remaining tenure to maturity.

Islamic futures contracts approved by the Shariah Adviser of the Fund – all Islamic futures contracts approved by the Shariah Adviser of the Fund are marked-to-market at the end of each trading day. Any gains or losses are immediately reflected upon marking to market.

Suspended Shariah-compliant securities – will be valued at their suspended price unless there is conclusive evidence to indicate that the value of such stocks have gone below the suspended price, whereupon their value will be ascertained in a manner as agreed upon by the Manager and trustee.

All foreign Shariah-compliant securities and Islamic assets are converted into RM based on the bid exchange rate quoted by Refinitiv (formerly known as Thomson Reuters)/Bloomberg at United Kingdom time 4:00 p.m. the same day.



1.6 SHARIAH SCREENING PROCESS FOR THE FUND

Listed/unlisted Shariah-compliant shares

For domestic listed Shariah-compliant shares, reference is made to the list of Shariah-compliant securities issued by the SACSC on a half-yearly basis. For domestic unlisted Shariah-compliant shares, the Shariah Adviser applies the two-tier quantitative approach based on the business activity and financial ratio benchmarks in determining the Shariah status of the shares as per the *List of Shariah-compliant Securities by the SACSC*.

Investments in unlisted Shariah-compliant shares in the domestic and foreign markets will be selected in accordance with the shares classified as Shariah-compliant by the Shariah Adviser. For Shariah-compliant shares to be reviewed by the Shariah Adviser, the fund manager will first identify the Shariah-compliant shares which fulfil their investment criteria. All the relevant documents with the latest information pertaining to the business activities, financial statements and other related information will be submitted to the Shariah Adviser for Shariah stock screening process which involves both quantitative and qualitative analysis.

For business activity benchmark, the Shariah Adviser will determine if the contribution of Shariah non-compliant activities to the Group revenue or Group profit before taxation of the company will be computed and compared against the relevant business activity benchmarks as follows:

(i) The 5% benchmark

The 5% benchmark is applicable to the following businesses/activities:

- conventional banking and lending;
- conventional insurance;
- gambling;
- liquor and liquor-related activities;
- pork and pork-related activities;
- non-halal food and beverages;
- tobacco and tobacco related activities;
- interest income* from conventional accounts and instruments (including interest income awarded arising from a court judgement or arbitrator);
- dividends* from Shariah non-compliant investments;
- Shariah non-compliant entertainments; and
- other activities deemed non-compliant according to Shariah principles as determined by the SACSC.

For the above-mentioned businesses/activities, the contribution of Shariah non-compliant businesses/activities to the Group revenue or Group profit before taxation of the company must be less than 5%.

Note: Interest income and dividends from Shariah non-compliant investments will be compared against the Group revenue. However, if the main activity of the company is holding of investments, the dividends from Shariah non-compliant investments will be compared against the Group revenue and Group profit before taxation.

(ii) The 20% benchmark

The 20% benchmark is applicable to the following businesses/activities:

- share trading;
- stockbroking business;
- rental received from Shariah non-compliant activities; and
- other activities deemed non-compliant according to Shariah principles as determined by the SACSC.

For the above-mentioned businesses/activities, the contribution of Shariah non-compliant businesses/activities to the Group revenue or Group profit before taxation of the company must be less than 20%.

For financial ratio benchmark, the Shariah Adviser will determine if the financial ratios (i.e. debt over total assets and cash over total assets ratio is less than 33%) of the companies, comply with the financial ratio benchmarks. For cash over total assets, cash only includes cash placed in conventional accounts and instruments, whereas cash placed in Islamic accounts and instruments is excluded from the calculation. For debt over total assets, debt only includes interest-bearing debt whereas Islamic financing or sukuk is excluded from the calculation. In addition to the above two-tier quantitative criteria, the Shariah Adviser also takes into account the qualitative aspect which involves public perception or image of the company's activities from the perspective of Islamic teaching.



For foreign listed Shariah-compliant shares, reference is made to the list of the approved Islamic indices on a monthly basis. For the Fund's investments in listed and unlisted shares in the foreign markets which are not within the list of the approved Islamic indices, the Shariah Adviser applies the two-tier approach which applies the sector-based and accounting-based screens, in determining the Shariah status of the shares. For sector-based screens, core business activities related to advertising and media, alcohol, cloning, conventional banking and insurance, gambling, pork, pornography, tobacco and trading of gold and silver as cash on deferred basis will not be appropriate for Islamic investment purpose. For accounting-based screen, the Shariah Adviser will determine if the conventional debt ratio, conventional cash ratio, account receivable ratio and non-permissible income ratio of the company's financial position comply with the financial thresholds as approved by the Islamic indices subscribed by the Fund. These benchmarks may vary in accordance with the development of Islamic capital markets and the jurisdiction of the Islamic indices providers that are being referred to. Should any of the calculation fail to satisfy the financial benchmark, the Shariah Adviser will not accord Shariah-compliant status for the shares. To ensure strict compliance with Shariah requirements, foreign Shariah-compliant shares which are approved by the Shariah Adviser will be reviewed twice yearly.

Listed Shariah-compliant securities equivalent to shares

For domestic listed Shariah-compliant securities equivalent to shares, reference is made to the list of Shariah-compliant securities issued by SACSC. For foreign listed Shariah-compliant securities equivalent to shares, reference is made to the list of the approved Islamic indices.

Listed/unlisted Islamic collective investment schemes

For domestic listed Islamic collective investment schemes, reference is made to the list of Islamic Real Estate Investment Trust and list of Islamic Exchange-Traded Fund as per the *Additional List: Other Shariah-Compliant Capital Market Instruments* of the *List of Shariah-Compliant Securities by the SACSC* issued by the SC on a half-yearly basis while for foreign listed Islamic collective investment schemes, reference is made to the list of approved Islamic indices on a monthly basis. For domestic and foreign unlisted Islamic collective investment schemes, to ensure strict compliance with Shariah requirements, the Shariah Adviser will review the Islamic collective investment schemes prospectus and endorse that it is in compliance with the acceptable Shariah requirements. Should any of the screening fail to satisfy the Shariah requirements, the Shariah Adviser will not accord Shariah-compliant status for the collective investment schemes.

Islamic money market instruments, unrestricted investment accounts and Islamic deposits

Placement will be made in Islamic deposits and unrestricted investment accounts with financial institutions licensed by Bank Negara Malaysia as well as investment in Islamic money market instruments issued by financial institutions licensed by Bank Negara Malaysia.

Islamic derivatives

The Fund may only use Islamic derivatives for hedging purposes. However, if Islamic derivatives are not available or are not commercially viable, the Fund may use conventional derivatives subject to prior approval from the Shariah Adviser being obtained.

1.7 PURIFICATION PROCESS FOR THE FUND

Reclassification of Shariah status

Shariah-compliant securities which are reclassified to be Shariah non-compliant upon review of the securities by the SACSC or are removed from the approved Islamic indices will result in the Shariah non-compliant securities being disposed off. If on the effective date of the reclassification, the respective market price of Shariah non-compliant securities exceeds or is equal to the investment cost, such securities must be disposed off. Any dividends received from the Shariah non-compliant securities up to the effective date and capital gain arising from their disposal on the effective date, may be kept. However, any dividends received and excess capital gains derived from the disposal of the Shariah non-compliant securities after the effective date should be deposited into a separate account which is segregated from the Fund's account, for the purpose of purification.



The Fund may channel such tainted income to baitulmal and/or charitable bodies as advised by the Shariah Adviser. The Fund may also at its discretion distribute the tainted income to the investors as soon as practically possible as advised by the Shariah Adviser. Should such income be distributed to investors, the Manager will inform investors that it is the investors' obligation to purify it in accordance with Shariah principles upon receiving it from the Fund.

On the other hand, it is allowed to hold the investment in the Shariah non-compliant securities if the market price of the said securities is below the investment cost. It is also permissible to keep the dividends received during the holding period until such time when the total amount of dividends received and the market value of the Shariah non-compliant securities held are equal to the investment cost. At this stage, the holding must be disposed of.

Shariah non-compliant investment

Any Shariah non-compliant investments inadvertently made will be disposed off/withdrawn within a month of knowing the status of the investments. If the investment resulted in a gain (through capital gain, and/or dividend and/or interest) received before or after the disposal of the investments, the gain will be channeled to baitulmal and/or any other charitable bodies as advised by the Shariah Adviser. The Fund has a right to retain only the investment cost. If the disposal of the investment resulted in losses to the Fund, the losses are to be borne by the Manager.

1.8 ZAKAT FOR THE FUND

PISGRTF does not pay zakat on behalf of Muslim individuals and Islamic legal entities who are investors of the Fund since doing so would not satisfy completely their zakat obligations. Such investors are thus required to pay by themselves.

1.9 CROSS TRADE POLICY

Cross trade transactions between funds managed by Public Mutual as part of the portfolio rebalancing process, may be undertaken if such transactions are deemed to be in the best interest of the funds and are transacted through a dealer or a financial institution on an arm's length and fair value basis.



2 FEES, CHARGES AND EXPENSES

2.1 CHARGES IMPOSED ON PURCHASE AND REDEMPTION OF UNITS

Sales charge and redemption charge (if any) that are to be levied on the purchase and redemption of units are computed based on the NAV per unit of the Fund that has not been rounded up.

Bank charges, courier charges and any other indirect charges as a result of purchase or redemption transactions will be borne by you.

Below are the charges that you may directly incur when purchasing or redeeming units of the Fund:

Sales charge per unit	<p>Purchase of units through UTCs and the Manager.</p> <p><i>The Manager may at its discretion charge a lower sales charge based on the size of investment and/or other criterion as may be determined from time to time.</i></p> <p><i>Note: If the Fund is offered under EPF MIS, a sales charge of up to 3% of NAV per unit will be levied, as regulated by EPF. You may refer to our website at www.publicmutual.com.my for the list of EPF MIS funds.</i></p> <p>Please refer to page 25 for illustration on computation of sales charge.</p>	Up to 5.0% of NAV per unit.
Redemption charge per unit	Please refer to page 26 for illustration on computation of redemption charge.	Nil
Switching charges	Within 90 days from the date of purchase or switching of units into PISGRTF.	<p>Loaded units of the Fund – Up to 0.75% of NAV per unit*</p> <p>Partial-load units of the Fund – Up to 0.50% of NAV per unit*</p> <p><i>(* Subject to a minimum of RM50, whichever is the higher. The switching charge will be retained by the Fund.)</i></p>
	<p>After 90 days from the date of purchase or switching of units into PISGRTF.</p> <p><i>Notes:</i></p> <p><i>Loaded units are units which have incurred a sales charge of 3% or more.</i></p> <p><i>Partial-load units are units which have incurred a sales charge of less than 3%.</i></p>	<p>Loaded units of the Fund – Up to RM50</p> <p>Partial-load units of the Fund – Up to 0.50% of NAV per unit subject to a minimum of RM50 whichever is the higher.</p>
Transfer charges	Administration fee is charged for each transfer transaction.	Up to RM50





FEES, CHARGES AND EXPENSES (CONT'D)

2.2 FEES AND EXPENSES OF THE FUND

Operating a fund involves a variety of expenses for portfolio management, the manager's fee, trustee's fee, foreign custodian charges, auditor's fee, tax agent's fee and other administrative charges incurred in the administration of the Fund. These costs are paid out of the Fund's assets.

Below are the fees that you may indirectly incur when you invest in the Fund:

 Management fee	1.60% per annum of the NAV.
 Trustee fee	0.06% per annum of the NAV, subject to a minimum fee of RM18,000 and a maximum fee of RM600,000 per annum.

The annual management fee and trustee fee are calculated and accrued daily, and payable monthly to the Manager and trustee respectively.

Note: The above fees and charges may be subject to any applicable taxes and/or duties (if any) which are payable by you.

2.3 POLICY ON STOCKBROKING REBATES AND SOFT COMMISSIONS

The Manager does not receive any form of rebates from any broker/dealer. The Manager may receive goods and services which bring a direct benefit or advantage to the management of the Fund and may be in the form of research and advisory services that assist in the decision-making process relating to the Fund's investments.



There are fees and charges involved and investors are advised to consider them before investing in the Fund.



3 TRANSACTION INFORMATION

3.1 DETERMINATION OF PRICES

Valuation Point

Valuation of PISGRTF will be conducted after the close of business of Bursa Securities for the relevant day. As certain foreign markets in which the Fund may invest in have yet to close due to the different time zones of these countries, the valuation point may be extended to 5:00 p.m. (or any other such time as may be permitted by the relevant authorities from time to time) on the following day in which the Manager is open for business. As such, the daily prices of the Fund will not be published on the next Business Day but instead will be published the next following Business Day (i.e. the prices will be 2 days old).

NAV per Unit

The NAV per unit is obtained by dividing the NAV of the Fund by the number of units in issue.

Illustration:

Total NAV (RM) 352,625,000	÷	UIC (units) 1,410,500,000	=	NAV per unit (RM) 0.25000000
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Single Pricing

Purchase and redemption of units are quoted and transacted at a single price, i.e. at the NAV per unit of the Fund. Sales charge and redemption charge (if any) are computed and charged separately, and are not incorporated in the quoted prices of the Fund.

Forward Pricing

Both the purchase and redemption transactions are traded at prices *next determined*. A request issued by you to purchase or redeem units of the Fund will be carried out at a price as at *the next valuation point after the application is received and accepted by the Manager*.



Investments banked in over the counter through Public Bank branches on any Business Day will be processed based on the price determined for the same Business Day.

Payment received before or at 4:00 p.m.

Processed based on the price determined for the same Business Day.



Payment received after 4:00 p.m.

Processed based on the price determined for the next Business Day.

Any investment and transaction requests made on a non-Business Day will be treated as investments or transaction requests made on the following Business Day.

Incorrect Pricing

In the event of any incorrect pricing of units of the Fund, the Manager shall take immediate remedial action where that incorrect pricing –

- (i) is equal or more than 0.5% of the NAV per unit; and
- (ii) results in a sum total of RM10.00 or more to be reimbursed to the affected unitholder for each purchase or redemption transaction.

Subject to any regulatory requirements, the Manager shall have the right to amend, vary or revise the abovesaid limits or threshold from time to time.



TRANSACTION INFORMATION (CONT'D)

3.2 COMPUTATION OF PRICES

Purchasing Units of the Fund

Illustration:

Investment amount : RM10,000
NAV per unit : RM0.25000000
Sales charge : 5.0% of NAV per unit

Sales Charge Incurred	$= \frac{\text{Investment Amount}}{1 + \text{Sales Charge (\%)}} \times \text{Sales Charge (\%)}$	RM476.19
	$= \frac{\text{RM10,000}}{1 + 5.0\%} \times 5.0\%$	

Net Investment Amount	Investment Amount	RM10,000	RM9,523.81
	Less: Sales Charge Incurred	(RM476.19)	

Units Credited to Your Account	$= \frac{\text{Net Investment Amount}}{\text{NAV per unit}}$	38,095.24 units
	$= \frac{\text{RM9,523.81}}{\text{RM0.25000000}}$	

DO NOT PAY CASH FOR YOUR INVESTMENT



UTCs AND STAFF OF PUBLIC MUTUAL ARE NOT AUTHORISED TO COLLECT INVESTMENT AMOUNT IN CASH UNDER ANY CIRCUMSTANCES WHATSOEVER.

Public Mutual will not be liable for any loss incurred should you give cash to our UTCs or staff.



DO NOT PAY CASH TO A UTC OR STAFF OF PUBLIC MUTUAL.

DO NOT MAKE DEPOSIT OR TRANSFER INTO THE BANK ACCOUNT OF A UTC OR STAFF OF PUBLIC MUTUAL.



DO NOT ISSUE A CHEQUE IN THE NAME OF A UTC OR STAFF OF PUBLIC MUTUAL.



TRANSACTION INFORMATION (CONT'D)

Redeeming Units of the Fund

Illustration:

Units redeemed : 40,000 units
NAV per unit : RM0.25000000

Amount Redeemed	$= \text{Units redeemed} \times \text{NAV per unit}$ $= 40,000 \text{ units} \times \text{RM0.25000000}$	RM10,000
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Redemption Charge Incurred	$= \text{Redemption charge (\%)} \times \text{NAV per unit} \times \text{Units redeemed}$ $= 0\% \times \text{RM0.25000000} \times 40,000 \text{ units}$	Nil
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Total Redemption Proceeds Received by You	$= \text{Amount redeemed} - \text{Redemption charge incurred}$ $= \text{RM10,000} - \text{RM0}$	RM10,000
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Note: The above fees and charges may be subject to any applicable taxes and/or duties (if any) which are payable by you.

3.3 WHERE TO PURCHASE OR REDEEM UNITS OF THE FUND



UTCs who are registered with
FIMM



Public Mutual Online
(PMO)



Public Mutual
Customer Service Centres

Priority clients may access the *exclusive Mutual Gold Service* for value-added, time saving services.

Please refer to *pages 44 to 47* for the Directory of Public Mutual Branch Offices, Customer Service Centres and Agency Offices.

3.4 HOW TO PURCHASE UNITS OF THE FUND



Before investing, it is important that you read the Prospectus and PHS of the Fund carefully, and seek further clarification on any matter that may concern you.



TRANSACTION INFORMATION (CONT'D)

Opening an Account

- Minimum initial investment*: RM1,000

Individual Investors

- For existing investors who are PMO subscribers, you can purchase units of the Fund online.
- If you are not an existing PMO subscriber:
 - For first time investor of Public Mutual, you are required to complete the New Investor Form or onboard via the New Investor Online Enrolment at PMO.
 - You may register online for PMO via our website or through our Smart kiosks located at our branches or Customer Service Centre at the 1 Utama Shopping Centre.
- Otherwise:
 - Submit investment application form together with the investment amount made out in a cheque to any Public Bank branch.

Non-Individual/Corporate Investors

- Submit investment application form with requisite statutory documents to any Public Mutual or Public Bank branch offices or Public Mutual Head Office (please refer to the new investor form for documents required).
- Please contact the corporate sales desk at 03-2022 6829 for further assistance.

Note: * The Manager may vary the minimum initial investment amount from time to time.

Adding Regularly to Your Account

- Minimum additional investment*: RM100
- Additional investments can be executed via:
 - (a) PMO.
 - (b) Direct debit authorisation with banks.
 - (c) Depositing your cheque into the collection account maintained at Public Bank.

Note: * The Manager may vary the minimum additional investment amount from time to time. Any permanent changes in the minimum additional investment amount will be updated in the annual or semi-annual report of the Fund and may also be reflected in the PHS and supplemental prospectus of the Fund.



How You Should Write Your Cheque

Your cheques for initial and additional investment are to be issued in the following manner:

	Cheque must be made payable to:
Individual Investors	"Public Mutual Berhad - New NRIC No. of First Holder".
Corporate Investors	"Public Mutual Berhad - Your Company Registration Number".



TRANSACTION INFORMATION (CONT'D)



Please write down your name, new NRIC/passport number/company registration number and telephone number at the back of the cheque.

Under the Deed, the Manager is given the exclusive right to effect the issue of units for the account of the Fund and has absolute discretion to accept or reject in whole or in part any application for units.

DO NOT PAY CASH FOR YOUR INVESTMENT



UTCs AND STAFF OF PUBLIC MUTUAL ARE NOT AUTHORISED TO COLLECT INVESTMENT AMOUNT IN CASH UNDER ANY CIRCUMSTANCES WHATSOEVER.

Public Mutual will not be liable for any loss incurred should you give cash to our UTCs or staff.



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DO NOT MAKE DEPOSIT OR TRANSFER INTO THE BANK ACCOUNT OF A UTC OR STAFF OF PUBLIC MUTUAL.

DO NOT ISSUE A CHEQUE IN THE NAME OF A UTC OR STAFF OF PUBLIC MUTUAL.

3.5 HOW TO REDEEM UNITS OF THE FUND

- Minimum units for redemption: 1,000 units.
- There is no restriction on the frequency of redemption.
- You can execute your redemption request via PMO or by completing and submitting the redemption form on any Business Day to your nearest Public Mutual branch office or Public Mutual Head Office.
- Your redemption proceeds will be paid within 7 Business Days from our receipt of your request.
- For EPF unitholders, the net redemption proceeds will be remitted to EPF for crediting into the provident accounts.
- You may request for regular/periodic withdrawals subject to terms and conditions.

3.6 HOW TO SWITCH UNITS BETWEEN FUNDS

- Minimum units for switching: 1,000 units.
- During the initial offer period, switching of loaded units (i.e. units which have incurred a sales charge of 3% or more) into PISGRTF is not allowed.
- After the initial offer period, you may switch your units between PISGRTF and other funds under the Public Series of Funds and Public Series of Shariah-Based Funds on any Business Day subject to terms and conditions.
- You can execute your switching request via PMO or by completing and submitting the switching form to your nearest Public Mutual branch office or Public Mutual Head Office.
- The Manager reserves the right to reject any switching requests of unitholders of PISGRTF if it is deemed to be disruptive to the efficient portfolio management or contrary to the best interest of the targeted funds. Switching requests that are rejected by the Manager would be treated as a redemption of units.
- Switching from an Islamic fund to a conventional fund is discouraged especially for Muslim unitholders.

3.7 HOW TO TRANSFER UNITS OF THE FUND

- Minimum units for transfer: 1,000 units.
- Complete and submit the transfer form to your nearest Public Mutual branch office or Public Mutual Head Office (subject to terms and conditions).



3.8 MINIMUM ACCOUNT BALANCE

- Minimum balance of 1,000 units must be maintained at all times to stay invested with the Fund.
- If partial redemption, switching or transfer of units result in less than 1,000 units being held in your account with the Fund, the Manager may redeem, switch or transfer the entire account.

3.9 COOLING-OFF RIGHT

- Applicable for first time individual investors of Public Mutual.
- Submit request to Public Mutual Head Office or any of its branch offices within 6 Business Days from the date of receipt of the investment application form and payment by Public Mutual.
- For EPF unitholders, the cooling-off period will commence from the date of receipt of the investment application form by Public Mutual.
- The refund will be paid within 7 Business Days from the date of exercise of this right.
- The refund for every unit held will be the sum of the price of a unit (i.e. original price on the day the units were purchased or market price at the point of exercise of the cooling-off right, whichever is lower) and the sales charge imposed (and any applicable taxes and/or duties, if any) on the day the units were purchased.
- Staff of the Manager and persons registered with a body approved by the SC to deal in unit trust funds are not entitled to the cooling-off right.

3.10 DISTRIBUTION

Declaration

- Distribution, if any, is declared at the end of each financial year, or for any other specified period.
- Distribution(s) may be declared out of the Fund's net realised capital gains and net realised investment income in the current financial year, and/or out of capital (derived from net realised capital gains and net realised investment income brought forward) if the Fund does not have sufficient net realised capital gains or net realised investment income from the current financial year.
- Should the Fund distribute out of capital, the capital of the Fund may be eroded and the value of future returns may be diminished.
- The Fund may distribute out of capital to return a portion of the capital growth to unitholders when the Fund has sufficient realised gains and realised investment income.

Reinvestment

- Distribution (if any) will be reinvested unless you opt for distribution to be paid out to you by indicating in the investment application form or PMO.
- Distribution will be reinvested at NAV per unit, computed at the close of the first Business Day following the distribution declaration date.
- No sales charge will be imposed on distribution reinvestments.
- Distribution less than RM100 per account will automatically be reinvested at NAV per unit.

Pay Out Option

- Please provide your bank account details by completing the Bank Account Registration Form or via PMO for distribution to be credited into your bank account.
- In the absence of a registered bank account, the distribution (if any) will be reinvested.
- Distribution payment that cannot be credited into the registered bank account will be reinvested following the unsuccessful crediting of the distribution payment.

Notify the Manager of any changes to your distribution instructions within 14 Business Days prior to each date fixed for the distribution.



Unit prices and distributions payable, if any, may go down as well as up.

Where unit splits or distribution is declared, following the issue of unit splits and/or distribution, the NAV per unit will be reduced accordingly to reflect/account for the unit splits and/or distribution.

Where unit splits is declared, the value of investment in RM terms will remain unchanged after the distribution of additional units.



TRANSACTION INFORMATION (CONT'D)

3.11 UNCLAIMED MONIES

Any monies payable to you which remain unclaimed after such period (currently being 1 year) will be paid to Registrar of Unclaimed Moneys by the Manager in accordance with the provisions of the Unclaimed Moneys Act 1965.

3.12 KEEPING TRACK OF YOUR INVESTMENTS

Daily Prices of Units

Visit our website at www.publicmutual.com.my for daily NAV/price of the Fund.

Statement of Transaction

Statements of Transaction will be made available within 21 days from the date of each transaction to confirm the details of your transactions.

Annual/Interim Statement of Investment & Annual/Semi-annual Reports

Annual/Interim Statements and Annual/Semi-annual Reports which include a Summary of Distribution (if any) are made available within 2 months from the close of each financial year or interim period.

The Fund's annual report is available upon request.

Please contact Public Mutual Hotline at 03-2022 5000 for assistance.



This is neither a capital guaranteed nor a capital protected fund.

Unit prices may go down as well as up.

Past performance of the Fund is not an indication of its future performance.

3.13 AVENUE FOR ADVICE

For general enquiries or specific assistance regarding your investments with us, you may contact:-



Public Mutual Hotline at 03-2022 5000; or



Visit any Public Mutual Customer Service Centre located at its branch offices.

4.1 CORPORATE PROFILE OF PUBLIC MUTUAL

PISGRTF is managed by Public Mutual, a wholly owned subsidiary of Public Bank. Public Mutual is a licensed fund manager and Private Retirement Scheme (PRS) Provider and is the largest private unit trust manager in terms of NAV. Incorporated on 21 July 1975 under its former name Kuala Lumpur Mutual Fund Berhad, Public Mutual began its operations on 2 July 1980 and was among the early pioneers of the industry.

Please refer to <https://www.publicmutual.com.my/Menu/Corporate/Our-Profile> for more information pertaining to the profile of the Manager and <https://www.publicmutual.com.my/Menu/Corporate/Our-People> for information on Board of Directors.

4.2 ROLES, DUTIES AND RESPONSIBILITIES OF THE MANAGER

The roles, duties and responsibilities of the Manager include, but is not limited to, the following:-

- to ensure that the Fund is managed within the ambit of the Deed, securities laws and relevant guidelines at all times;
- to provide customer support to best serve the unitholders' needs;
- to keep unitholders informed of the management and performance of the Fund through semi-annual and annual reports;
- to ensure that the interest of the unitholders is best served and protected at all times.

4.3 THE INVESTMENT TEAM

The investment team of Public Mutual comprises more than 20 portfolio managers and a research team of more than 30 research analysts.

Please refer to <https://www.publicmutual.com.my/Menu/Corporate/Our-People> for profiles of the key members of the investment team responsible for the fund management function of the Fund.

4.4 RELATED PARTY TRANSACTIONS/CONFLICT OF INTEREST

The Fund's transactions with related parties are executed on terms that are best available to the Fund and which are no less favourable than arm's length transactions between independent parties.

Such transactions may include:

- dealings on sale and purchase of investment securities and instruments by the Fund.
- money market deposits and placements by the Fund.
- holding of units in the Fund by related parties.

Where a conflict of interest arises due to the director holding substantial shareholding or directorships of a company, and the Fund invests in securities or Islamic derivatives issued by that particular company, the said director shall abstain from any decision making relating to such securities or Islamic derivatives.

Employees of the Manager who are involved in fund management activities (including, but not limited to, employees who hold senior management position, are involved in the management of the Fund, are involved in the operation or transactions of the Fund management activities, or has information pertaining to the management of the Fund) are required to obtain prior written approval and declare their dealings in securities and Islamic derivatives, but excluding units in unit trust scheme, investments in equity crowdfunding and peer-to-peer financing.



4.5 DOCUMENTS AVAILABLE FOR INSPECTION

A copy of the following documents (where applicable) may be inspected at the registered office of the Manager or such other place as the SC may determine:

- (a) The Deed;
- (b) The current prospectus and supplementary or replacement prospectus, if any;
- (c) The latest annual and semi-annual reports of the Fund;
- (d) Each material contract disclosed in this Prospectus and, in the case of contracts not reduced into writing, a memorandum which gives full particulars of the contracts;
- (e) Where applicable, the audited financial statements of the Manager and the Fund for the current financial year and for the last 3 financial years or if less than 3 years, from the date of incorporation or commencement;
- (f) Any report, letter or other document, valuation and statement by an expert, any part of which is extracted or referred to in this Prospectus. Where a summary expert's report is included in this Prospectus, the corresponding full expert's report is available for inspection;
- (g) Writ and relevant cause papers for all material litigation and arbitration disclosed in this Prospectus (if any); and
- (h) Consents given by experts disclosed in this Prospectus.

4.6 POLICIES AND PROCEDURES ON MONEY LAUNDERING ACTIVITIES

The Manager has established a set of policies and procedures to counter the risk involving money laundering and financing of terrorism, in compliance with the provisions of Anti-Money Laundering, Anti-Terrorism Financing and Proceeds of Unlawful Activities Act 2001. The policies and procedures encompass the following key initiatives:

- Provision of training and education on the subject matter to all employees, with emphasis on front-line personnel and members of the agency force;
- Setting up specific measures and controls with regard to customer identification and acceptance which include verification of the identity of customer via relevant identification documents;
- Ensuring prompt reporting of suspicious transactions to the Financial Intelligence and Enforcement Department of Bank Negara Malaysia.

5.1 CORPORATE PROFILE OF AMANAHRAYA TRUSTEES BERHAD ("ART")

ART was incorporated under the laws of Malaysia and registered as a trust company under the Trust Companies Act 1949. ART is a subsidiary of Amanah Raya Berhad ("ARB") which is wholly owned by the Government of Malaysia. ART took over the corporate trusteeship functions of ARB and acquired ARB's experience of more than 50 years in trustee business.

5.2 ROLES, DUTIES AND RESPONSIBILITIES OF THE TRUSTEE

The Trustee of the Fund will perform among others, the following roles, duties and responsibilities:

- To act as the custodian of the Fund and safeguard the interest of the unitholders;
- To exercise due diligence and vigilance in carrying out its functions and duties in accordance with the Deed, securities laws and relevant guidelines;
- To ensure that the Manager manages and administers the Fund in accordance with the Deed, securities laws and relevant guidelines;
- To ensure proper records are kept of all transactions in respect of the Fund; and
- To ensure that the Manager keeps the Trustee fully informed of the details of the Manager's policies in investments and any changes thereof.

The Trustee is not engaged in any material litigation and arbitration, either as plaintiff or defendant, and the Trustee is not aware of any proceedings, pending or threatened or of any facts likely to give rise to any proceedings which might materially and adversely affect its financial position or business.

Delegation of Custodian Function

ART has delegated its custodian function for the foreign investments of the Fund, if any, to Citibank N.A., Singapore branch. Citibank N.A. in Singapore began providing a securities service in the mid-1970's and a fully operational global custody product was launched in the early 1990's. Today, their securities services business service a global client base of premier banks, fund managers, broker dealers and insurance companies.

The roles and duties of the trustee's delegate are as follows:

- To act as sub-custodian for the selected cross-border investment of the Fund including the opening of cash and custody accounts and to hold in safe keeping the assets of the Fund.
- To provide corporate action information or entitlements arising from the above underlying assets.

6.1 GENERAL INFORMATION ON ZICO SHARIAH

ZICO Shariah Advisory Services Sdn. Bhd. (ZICO Shariah) is the Shariah Adviser to PISGRTF. ZICO Shariah is a member of ZICO Holdings and is registered with the SC to advise on sukuk issuances, Islamic funds as well as other Islamic capital market products and instruments. It is also approved by the Central Bank of Malaysia to provide Shariah advice, Shariah review and Shariah audit services to Islamic financial institutions. ZICO Shariah has more than 13 years of Shariah advisory experience.

6.2 ROLES AND RESPONSIBILITIES OF THE SHARIAH ADVISER

The roles and responsibilities of the Shariah Adviser include:

1. Ensuring that the operations and investments of the Fund are in compliance with Shariah principles/requirements;
2. Providing expertise and guidance for the Fund in all matters from the perspective of Shariah principles, including on the Fund's deed and prospectus, its structure and investment process, and other operational and administrative matters;
3. Consulting the SC who may consult the SACSC where there is any ambiguity or uncertainty as to an investment, instrument, system, procedure and/or process;
4. Scrutinising the Fund's compliance reports as provided by the manager's compliance officer, transaction reports provided by or duly approved by the trustee and any other report deemed necessary for the purpose of ensuring that the Fund's investments are in line with Shariah principles;
5. Preparing reports to be included in the Fund's semi-annual and annual reports certifying whether the Fund have been managed and administered in accordance with the Shariah principles;
6. Ensuring that the Fund complies with any guideline, ruling or decision issued by the SC, with regard to Shariah matters;
7. Vetting and advising on the promotional materials of the Fund;
8. Assisting and attending to any ad-hoc meeting called by the SC and/or any other relevant authority;
9. Applying ijthad (intellectual reasoning) to ensure all aspects relating to the operations and investments of the Fund are in compliance with Shariah, in the absence of any rulings, principles and concepts endorsed by the SACSC.

The Shariah Adviser reviews the Fund's investments on a monthly basis to ensure compliance with Shariah requirements at all times and meets with the Manager on a quarterly basis to review and advise on the Fund's compliance with Shariah requirements.

Please refer to <https://www.publicmutual.com.my/Menu/Corporate/Shariah-Adviser> for more information pertaining to the profile of designated persons responsible for Shariah matters relating to the Fund.



7 SALIENT TERMS OF THE DEED

The Fund is governed by a master deed dated 23 March 2021, seventh supplemental master deed dated 27 May 2022, tenth supplemental master deed dated 21 October 2022, eleventh supplemental master deed dated 19 October 2023 and twelfth supplemental master deed dated 23 November 2023.

7.1 UNITHOLDERS' RIGHTS AND LIABILITIES

A unitholder is a person registered in the register as a holder of units or fractions of units in a fund which automatically accord him rights and interests in the fund.

Unitholders shall have the right in respect of the Fund in which they hold units, to the following:

- (a) to receive distributions of the Fund (if any) and participate in any increase in the capital value of the units.
- (b) to call for a unitholders' meeting, and to vote for the removal of the trustee or the Manager through a Special Resolution.
- (c) to exercise the cooling-off right, if applicable.
- (d) to receive annual and semi-annual reports of the Fund.
- (e) to exercise such other rights and privileges as are provided for in the Deed.

No unitholder shall be entitled to require the transfer to him of any of the assets comprised in the Fund or be entitled to interfere with or question the exercise by the trustee or the Manager on his behalf of the rights of the trustee as owner of such assets.

No unitholders shall by reason of the provisions of the Deed and the relationship created thereby between the unitholders, the trustee and the Manager be liable for any amount in excess of the purchase price paid for the unit, and shall not be under any obligation to indemnify the trustee and/or the Manager in the event that the liabilities incurred by the trustee and the Manager in the name of or on behalf of the Fund pursuant to and/or in the performance of the provisions of the Deed exceed the assets of the Fund, and any right of indemnity of the trustee and/or Manager will be limited to recourse to the Fund.

7.2 MAXIMUM FEES AND CHARGES PERMITTED BY THE DEED

Management fee

2.0% per annum of the NAV.

Trustee fee

Not exceeding 0.06% per annum, calculated daily on the NAV, but subject to any minimum fee (inclusive of the custodian fee) per annum and/or maximum fee (inclusive of the custodian fee) per annum as shall be agreed upon by the Manager and the trustee.

Sales charge

7% of the NAV per unit.

Redemption charge

3% of the NAV per unit.

Switching charge

Not exceeding 7% of the NAV per unit. An administrative fee in relation to switching may be charged as set out in the Prospectus.

A lower fee and/or charges than what is stated in the Deed may be charged. All current fees and charges are disclosed in the Prospectus.

Any increase of the fees and/or charges above that stated in the current Prospectus may be made provided that a supplemental prospectus is issued and the maximum stated in the Deed shall not be breached.

Any increase of the fees and/or charges above the maximum stated in the Deed shall require unitholders' approval.

All the above fees and charges may be subject to applicable taxes and/or duties (if any). The Manager shall charge and the unitholder shall pay the amount of any applicable tax and/or duties imposed on any transaction requested by the unitholder.



7.3 PERMITTED EXPENSES PAYABLE OUT OF THE FUND

Only expenses directly related and necessary in operating and administering a fund may be paid out of the fund. The major expenses that are recoverable directly from the Fund include:

- (i) commission or fees paid to brokers in effecting dealings in the investments of the Fund, shown on the contract notes or confirmation notes or difference accounts;
- (ii) (where the foreign custodial function is delegated to sub-custodian), the remuneration paid to the sub-custodian;
- (iii) tax and other duties charged on the Fund by the government and other authorities;
- (iv) the fee and other expenses properly incurred by the auditor and all professional and accounting fees and disbursements approved by the trustee;
- (v) fees for the valuation of any investment of the Fund;
- (vi) costs incurred for the modification of the Deed other than those for the benefit of the Manager or the trustee;
- (vii) costs incurred for any meeting of unitholders other than those convened by the Manager or trustee for its own benefit;
- (viii) the costs of printing and dispatching to unitholders the accounts of the Fund, tax certificates, distribution warrants, notices of meeting of unitholders, newspaper advertisement and such other similar costs as may be approved by the trustee; and
- (ix) any other expenses properly incurred by the trustee in the performance of its duties and responsibilities.

7.4 RETIREMENT, REMOVAL AND REPLACEMENT OF THE MANAGER

The Manager may retire upon giving 12 months notice to the trustee of its desire to do so, or such shorter period as the Manager and the trustee shall agree upon, in favour of some other corporation.

The Manager may be removed and another corporation appointed as manager by Special Resolution of the unitholders at a unitholders' meeting convened in accordance with the Deed either by the trustee or the unitholders.

The trustee shall take reasonable steps to remove and replace the Manager as soon as practicable after becoming aware of any such circumstances:

- (a) A Special Resolution to that effect has been duly passed by the unitholders at a meeting called for that purpose;
- (b) The Manager is in breach of its obligations under the Deed;
- (c) The Manager has failed or neglected to carry out its duties to the satisfaction of the trustee and the trustee considers that it would be in the interests of unitholders for it to do so, after the trustee has given notice and reasons and has considered any representations made by the Manager in respect of that opinion, and after consultation with the relevant authorities and with the approval of the unitholders; or
- (d) The Manager has gone into liquidation (except a voluntary liquidation for the purpose of amalgamation or reconstruction or some similar purpose) or has had a receiver appointed or has ceased to carry on business,

and the Manager shall not accept any extra payment or benefit in relation to such removal or replacement or retirement.

In any of the cases aforesaid the Manager for the time being shall upon receipt of such notice by the trustee cease to be the Manager and the trustee shall by writing under its seal appoint some other corporation to be the Manager of the Fund subject to such corporation entering into a deed or deeds with the trustee and thereafter act as Manager during the remainder period of the Fund.



7.5 RETIREMENT, REMOVAL AND REPLACEMENT OF THE TRUSTEE

The trustee may retire upon giving 12 months notice to the Manager of its desire to do so, or such shorter period as the Manager and the trustee shall agree upon, and may appoint a new trustee in his stead or as additional trustee.

The Manager shall take reasonable steps to remove and replace a trustee as soon as practicable after becoming aware of any such circumstances:

- (a) The trustee has ceased to exist;
- (b) The trustee has not been validly appointed;
- (c) The trustee is not eligible to be appointed or to act as trustee under section 290 of the CMSA 2007;
- (d) The trustee has failed or refused to act as trustee in accordance with the provisions or covenants of the Deed or the provision of the CMSA 2007;
- (e) A receiver is appointed over the whole or a substantial part of the assets or undertaking of the existing trustee and has not ceased to act under the appointment, or a petition is presented for the winding up of the existing trustee (other than for the purpose of and followed by a reconstruction, unless during or following such reconstruction the existing trustee becomes or is declared to be insolvent); or
- (f) The trustee is under investigation for conduct that contravenes Trust Companies Act 1949, the Trustee Act 1949, the Companies Act 2016 or any securities law.

In addition to the above, the trustee may be removed and another trustee appointed by Special Resolution of the unitholders at a unitholders' meeting convened in accordance with the Deed either by the Manager or the unitholders.

7.6 TERMINATION OF THE FUND

A fund may be terminated or wound-up upon the occurrence of any of the following events:-

- (a) the SC's approval is revoked under Section 256E of the CMSA 2007;
- (b) a Special Resolution is passed at a unitholders' meeting to terminate or wind-up that Fund, following the occurrence of events stipulated under Section 301(1) of the CMSA 2007 and the court has confirmed the resolution, as required under Section 301(3) of the CMSA 2007;
- (c) a Special Resolution is passed at a unitholders' meeting to terminate or wind-up the Fund; or
- (d) the effective date of an approved transfer scheme, as defined under the SC Guidelines, has resulted in the Fund, which is the subject of the transfer scheme, being left with no asset/property.

Notwithstanding the above, a fund may be terminated or wound-up, without the need to seek unitholders' prior approval, as proposed by the Manager with the consent of the trustee (which consent shall not be unreasonably withheld) upon the occurrence of any of the following events, by giving not less than three (3) months' notice in writing to the unitholders as hereinafter provided:-

- (i) if any law shall be passed which renders it illegal or in the opinion of the Manager impracticable or inadvisable to continue the trust; or
- (ii) such circumstance of termination of the Fund is in the best interest of the unitholders; or
- (iii) if in the reasonable opinion of that Manager it is impracticable or inadvisable to continue the Fund.

7.7 UNITHOLDERS' MEETING

A unitholders' meeting may be called by the Manager, trustee and/or unitholders. Any such meeting must be convened in accordance with the Deed and/or the SC Guidelines.

Every question arising at any meeting shall be decided in the first instance by a show of hands unless a poll is demanded or if it be a question which under the Deed requires a Special Resolution, in which case a poll shall be taken. On a show of hands every unitholder who is present in person or by proxy shall have one vote.



The quorum for a meeting of unitholders of a fund is 5 unitholders of that fund, whether present in person or by proxy, provided always that for a meeting which requires a Special Resolution the quorum for that meeting shall be 5 unitholders, whether present in person or by proxy, holding in aggregate at least 25% of the units in issue for that fund at the time of the meeting. If the fund has 5 or less unitholders, the quorum required shall be 2 unitholders, whether present in person or by proxy and if the meeting requires a Special Resolution the quorum for that meeting shall be 2 unitholders, whether present in person or by proxy, holding in aggregate at least 25% of the units in issue for that fund at the time of the meeting. In the case of a fund with 1 remaining unitholder, such unitholder, whether present in person or by proxy, at the meeting shall constitute a quorum.

7.8 CLASSES OF UNITS

The Manager shall have the sole and absolute right to issue and/or establish other, different or new classes of units to a fund with different and/or similar features including but not limited to fees, charges, currency and/or distribution policy with that of the units without the need to seek unitholders' prior approval provided the issuance of other classes and the imposition of the terms shall not in the opinion of the Manager and trustee prejudice the rights of the unitholder of the current classes of units to that fund. Where a new class is established or issued, units in any existing class and any other units may be re-designated so long as there is no prejudice to the existing unitholders of such class of units as a whole.



Public Mutual Berhad
8th Floor, Menara Public Bank 2
No. 78, Jalan Raja Chulan
50200 Kuala Lumpur

30 November 2023

Dear Sirs

Re: Taxation of the Fund and Unit Holders

This letter has been prepared for inclusion in this First Prospectus of Public Islamic Sustainable Growth Fund in connection with the offer of units in the Public Islamic Sustainable Growth Fund ("the Fund").

Taxation of the Fund

Income Tax

The Fund is a unit trust for Malaysian tax purposes. The taxation of the Fund is therefore governed principally by Sections 61 and 63B of the Income Tax Act, 1967 ("the Act").

Any reference to interest in the Act shall apply, mutatis mutandis, to gains or profits received and expenses incurred, in lieu of interest, in transactions conducted in accordance with the principles of Shariah. The effect of this is that any gains or profits received and expenses incurred, in lieu of interest, in transactions conducted in accordance with the principles of Shariah, will be accorded the same tax treatment as if they were interest.

Subject to certain exemptions, the income of the Fund in respect of investment income derived from or accruing in Malaysia is liable to income tax at the rate of 24% effective Year of Assessment ("YA") 2016.

The Fund may receive dividends, interest and other income from investments outside Malaysia. Income derived from sources outside Malaysia and received in Malaysia was previously exempt from Malaysian income tax. However, such income may be subject to tax in the country from which it is derived.

Based on the Finance Act 2021, income derived by a resident unit trust from foreign sources and received in Malaysia from 1 January 2022 onwards will be subject to Malaysian income tax. A transitional tax rate of 3% is accorded on the gross amount of the foreign income received in Malaysia from 1 January 2022 to 30 June 2022. From 1 July 2022, the prevailing tax rate of 24% will apply to the chargeable income computed in respect of the foreign source income remitted into Malaysia by the Fund.

Where the same foreign income has been taxed in both Malaysia and the foreign country, a tax credit in the form of bilateral relief under a Double Tax Agreement ("DTA") or unilateral relief under the domestic law (if there is no available DTA or a limited DTA which does not provide such relief) may be given in respect of such income, subject to conditions.

Currently, gains from the realisation of investments by the Fund will not be subject to income tax in Malaysia. However, such gains may be subject to tax in the country from which it is derived.

Based on the Finance (No. 2) Bill 2023, it is proposed that with effect from 1 January 2024, gains or profits from the disposal of capital assets will be subject to income tax in Malaysia under the newly introduced Section 4(aa) of the Act (i.e. Capital Gains Tax ["CGT"]). Further to the proposed introduction of CGT, gains from the realisation of investment by the Fund will be regarded as income subject to tax under the CGT regime, effective from 1 January 2024. However, gains from the realisation of investments by the Fund which relate to real property as defined in the Real Property Gains Tax ("RPGT") Act, 1976 will not be subject to CGT under the Act and will remain to be subjected to RPGT.



For capital assets situated in Malaysia that are acquired prior to 1 January 2024, the following CGT tax rate may be applied:-

- 10% on the chargeable gain of the disposal of the capital assets; or
- 2% on the gross sales value of the capital assets.

For capital assets situated in Malaysia that are acquired on or after 1 January 2024, CGT tax rate of 10% will apply on the chargeable gain of the disposal of the capital assets.

Gains from disposal of all types of capital assets situated outside Malaysia and received in Malaysia will be subject to CGT based on the prevailing income tax rate of the Fund (i.e. 24%). The relevant DTAs need to be studied to ascertain whether any relief or exemption is available over such gains as DTAs prevail over the domestic law. In addition, it is proposed that tax exemption may be given to the disposer if substance requirements are met. Subsidiary legislation may be enacted to provide for such exemption. Nonetheless, it remains to be seen whether such proposed tax exemption would be extended to the Fund.

CGT exemption is granted on gains from the disposal of a capital asset situated in Malaysia, other than:-

- the gains on the disposal of unlisted “shares” of a company incorporated in Malaysia^{N1}; and
- the gains on the disposal of shares of a controlled company incorporated outside Malaysia that owns real property in Malaysia, or shares of another real property company (as defined), or both, that exceeded the prescribed threshold, which shall be deemed to be derived from Malaysia under the Act.

Based on the announcement in the 2024 Budget, CGT exemption will also be given on disposal of shares related to approved initial public offering, venture companies and group restructuring. However, this exemption was not included in the Finance (No. 2) Bill 2023. Subsidiary legislation may be enacted to provide for such exemption.

Notwithstanding the above, gains or profits earned by the Fund from the following are exempt from tax:-

- any savings certificates issued by the Government; or
- securities or bonds issued or guaranteed by the Government; or
- debentures or sukuk, other than convertible loan stock, approved or authorized by, or lodged with, the Securities Commission; or
- Bon Simpanan Malaysia issued by the Central Bank of Malaysia; or
- a bank or financial institution licensed under the Financial Services Act 2013 or Islamic Financial Services Act 2013^{N2}; or
- any development financial institution regulated under the Development Financial Institutions Act 2002^{N2}; or
- sukuk originating from Malaysia, other than convertible loan stocks, issued in any currency other than Ringgit and approved or authorized by, or lodged with, the Securities Commission, or approved by the Labuan Financial Services Authority^{N3}.

Discounts earned by the Fund from the following are also exempt from tax:-

- securities or bonds issued or guaranteed by the Government; or
- debentures or sukuk, other than convertible loan stock, approved or authorized by, or lodged with, the Securities Commission; or
- Bon Simpanan Malaysia issued by the Central Bank of Malaysia.

^{N1} It is noted that the proposed implementation date on CGT in respect of gains arising from the disposal of unlisted shares of a company incorporated in Malaysia is 1 March 2024 based on the announcement in 2024 Budget. The Ministry of Finance has clarified that this will be implemented through the subsidiary legislation. In addition, further confirmation from the authority is required whether the definition of “shares” will include loan stock and debentures issued by a company incorporated in Malaysia.

^{N2} Effective from 1 January 2019, the exemption shall not apply to the interest paid or credited to a unit trust that is a wholesale fund which is a money market fund.

^{N3} Effective from YA 2017, income tax exemption shall not apply to interest paid or credited to a company in the same group, licensed banks and prescribed development financial institutions. Based on the Finance Act 2021, income tax exemption shall also not apply to interest paid or credited by a special purpose vehicle to a company pursuant to the issuance of asset-backed securities lodged with the Securities Commission or approved by the Labuan Financial Services Authority from 1 January 2022 where the company and the person who established the special purpose vehicle solely for the issuance of the asset-backed securities are in the same group.



Tax deductions in respect of the Fund's expenses such as manager's remuneration, expenses on maintenance of register of unit holders, share registration expenses, secretarial, audit and accounting fees, telephone charges, printing and stationery costs and postage ("permitted expenses") are allowed based on a prescribed formula subject to a minimum of 10% and a maximum of 25% of the total permitted expenses.

Single tier Malaysian dividends received by the Fund are exempt from tax and expenses in relation to such dividend income are disregarded.

RPGT

Currently, gains on disposal of investments by the Fund will not be subject to income tax in Malaysia. However, such gains may be subject to RPGT in Malaysia, if the gains are derived from sale of Malaysian real properties and shares in Malaysian real property companies (as defined). Such gains would be subject to RPGT at the applicable rate depending on the holding period of the chargeable assets.

Based on the Finance (No. 2) Bill 2023, it is proposed that with effect from 1 January 2024, gains from the disposal of shares in real property companies (as defined) by the Fund would no longer be subject to RPGT. The gains would be subject to CGT under the Act unless CGT exemption is available. Gains from the realisation of investments which relate to real property as defined in the RPGT Act, 1976 will remain to be subjected to RPGT.

Sales Tax and Service Tax

The Goods and Services Tax ("GST") has been replaced by Sales Tax and Service Tax effective from 1 September 2018.

Under the Sales Tax Act 2018, Service Tax Act 2018 and subsidiary legislation, the sales tax rate for taxable goods is 5% or 10% while the service tax rate for taxable services is generally 6%^{N4}. There are certain goods which are exempted from sales tax.

The issue, holding or redemption of any unit under a trust fund does not fall within the list of taxable services under the First Schedule of the Service Tax Regulations 2018 and hence, is not subject to service tax. The investment activities of the Fund such as buying and selling of securities and deposits in financial institutions are also not subject to service tax. As such, if the Fund is only deriving income from such activities, the Fund is not liable to be registered for service tax.

However, certain expenses incurred by the Fund such as legal fees, consultancy fees and management fees may be subject to service tax at 6%^{N4}. For management fees, this specifically excludes fees charged by any person who is licensed or registered with the Securities Commission for carrying out the regulated activity of fund management under the Capital Markets and Services Act 2007. The service tax incurred by the Fund is a cost to the Fund and is not recoverable, unlike the GST input tax which was claimable under the GST regime.

Based on the Finance Act 2018, the imposition and scope of service tax has been widened to include any imported taxable service. This is effective from 1 January 2019.

Taxation of Unit Holders

Income Tax

Unit holders are taxed on an amount equivalent to their share of the total taxable income of the Fund, to the extent that this is distributed to them. The income distribution from the Fund may carry with it applicable tax credits proportionate to each unit holder's share of the total taxable income in respect of the tax paid by the Fund. Unit holders will be entitled to utilise the tax credit as a set off against the tax payable by them. Any excess over their tax liability will be refunded to the unit holders.

^{N4} It has been proposed in the 2024 Budget that the Service Tax rate for all taxable services (with certain exception) will be increased from 6% to 8% effective 1 March 2024. The scope of taxable services is also proposed to be expanded to cover karaoke, delivery services, brokerage and underwriting services and logistic services. The amendment laws for these proposals have not been released.



Based on the Finance (No.2) Bill 2023, CGT will apply to a company, limited liability partnership, trust body (including unit trust) and co-operative society excluding an individual. The income distributed to unit holders out of the gains arising from the realisation of investments will continue to be not taxable in the hands of unit holders and unit holders may not claim a tax credit on any CGT paid by the Fund, effective 1 January 2024.

Corporate unit holders, resident or non-resident in Malaysia, would be taxed at the corporate tax rate of 24% (effective from YA 2016), on distributions of income from the Fund to the extent of an amount equivalent to their share of the total taxable income of the Fund. Corporate unit holders in Malaysia with paid-up capital in the form of ordinary shares of RM2.5 million and below will be subject to a tax rate of 17% on chargeable income of up to RM600,000, effective from YA 2020. This concessionary income tax rate is given only to corporate unit holders having gross business income for the relevant year of assessment of not more than RM50 million, in addition to the share capital requirement. For chargeable income in excess of RM600,000, the tax rate of 24% is still applicable.

However, the said tax rate of 17% on chargeable income of up to RM600,000 would not apply if more than 50% of the paid up capital in respect of ordinary shares of that corporate unit holder is directly or indirectly owned by a related company which has a paid up capital exceeding RM2.5 million in respect of ordinary shares, or vice versa, or more than 50% of the paid up capital in respect of ordinary shares of both companies are directly or indirectly owned by another company.

Based on the Finance Act 2023, the tax rate of 17% will be reduced to 15% for chargeable income of up to RM150,000, while the tax rate for chargeable income from RM150,001 up to RM600,000, will remain unchanged at 17%. For chargeable income in excess of RM600,000, the tax rate of 24% will apply. This is effective from YA 2023.

In addition to the current conditions as mentioned above, the preferential tax rate would not apply if more than 20% of the paid-up capital in respect of ordinary shares of the company at the beginning of the basis period for a YA is directly or indirectly owned by a company or companies incorporated outside Malaysia or an individual or individuals who are not Malaysian citizens. This is effective from YA 2024.

Individuals and other non-corporate unit holders who are resident in Malaysia will be subject to income tax at scale rates. The scale tax rates range from 0% to 30% with effect from YA 2020.

Individuals and other non-corporate unit holders who are not resident in Malaysia, for tax purposes, are subject to Malaysian income tax at the rate of 30% with effect from YA 2020. Non-resident unit holders may also be subject to tax in their respective jurisdictions and depending on the provisions of the relevant tax legislation and any double tax treaties with Malaysia, the Malaysian tax suffered may be creditable in the foreign tax jurisdiction.

The distribution of single-tier Malaysian dividends and tax exempt income by the Fund will not be subject to tax in the hands of the unit holders in Malaysia. Units split by the Fund will also be exempt from tax in Malaysia in the hands of the unit holders.

However, based on the Finance Act 2021, the income distributed to a unit holder other than an individual, out of the interest income exempt from tax of a unit trust that is a retail money market fund which is paid or credited by a bank or financial institution licensed under the Financial Services Act 2013 or Islamic Financial Services Act 2013, or any development financial institution regulated under the Development Financial Institutions Act 2002, will be subjected to tax. This is effective from 1 January 2022. Further, a new withholding tax mechanism is applicable on the above distribution. The income distributed to the unit holder other than an individual will be subject to withholding tax at the rate of 24% and the tax deducted can be utilised to set off against the tax payable by a tax resident unit holder. Withholding tax deducted on the income distributed to a non-individual unit holder who is not a tax resident in Malaysia will be regarded as a final tax. This is effective from 1 January 2022.

Any gains realised by the unit holders (other than financial institutions, insurance companies and those dealing in securities) from the transfer or redemption of the units are generally treated as capital gains. Based on the Finance (No. 2) Bill 2023, such gains may be exempt from CGT. However, certain unit holders may be subject to income tax in Malaysia on such gains, due to specific circumstances of the unit holders.



Service Tax

Only taxable services listed in the First Schedule of the Service Tax Regulations 2018 are subject to service tax, which exclude investment income or gains.

However, certain expenses such as legal fees, consultancy fees and management fees may be subject to service tax at 6%^{N4}. For management fees, this specifically excludes fees charged by any person who is licensed or registered with the Securities Commission for carrying out the regulated activity of fund management under the Capital Markets and Services Act 2007.

Based on the Finance Act 2018, the imposition and scope of service tax has been widened to include any imported taxable service. This is effective from 1 January 2019.

The tax position is based on our understanding and interpretation of the Malaysian tax legislations and proposals as they stand at present. All prospective investors should not treat the contents of this letter as advice relating to taxation matters and are advised to consult their own professional advisers concerning their respective investments.

Yours faithfully

Ong Guan Heng
Executive Director

KPMG Tax Services Sdn Bhd



DIRECTORY OF PUBLIC MUTUAL BRANCH OFFICES AND CUSTOMER SERVICE CENTRES

Head Office

Menara Public Bank 2,
No. 78, Jalan Raja Chulan,
50200 Kuala Lumpur.
☎: 03-20226800 📠: 03-20226900
📞: 03-20225000
🌐: www.publicmutual.com.my

Mutual Gold Centre

Menara Public Bank 2,
No. 78, Jalan Raja Chulan,
50200 Kuala Lumpur.
📞: 03-20225000

Branches and Customer Service Centres

West Malaysia

Northern Region

Alor Setar

8G, Samila Business Centre,
Lebuhraya Darulaman,
05100 Alor Setar, Kedah.
☎: 04-7366500 📠: 04-7364655

Ipoh

37 & 39, Persiaran Greentown 4,
Greentown Business Centre,
30450 Ipoh, Perak.
☎: 05-2462500 📠: 05-2559859

Sungai Petani

9D & 9E, Jalan Kampung Baru,
08000 Sungai Petani, Kedah.
☎: 04-4558500 📠: 04-4230663

Seberang Perai

1797-G-04, Kompleks Auto World,
Jalan Perusahaan, Juru Interchange,
13600 Prai, Penang.
☎: 04-5407500 📠: 04-5050005

Penang

16, Lintang Burma,
10250 Pulau Tikus, Penang.
☎: 04-2196500 📠: 04-2295171

Central Region

1 Utama Shopping Centre

Lot LG-313-E,
1, Lebuhraya Bandar Utama,
Bandar Utama City Centre,
47800 Petaling Jaya, Selangor.
☎: 03-20225000 📠: 03-77263811

Bangsar

11, 15 & 17, Jalan Bangsar Utama 3,
Bangsar Utama, 59000 Kuala Lumpur.
☎: 03-20225000 📠: 03-22835739

Cheras

G-3 & G-3A,
Wisma Aman Elite,
3, Jalan Desa Aman 1,
Desa Aman, Cheras,
56100 Kuala Lumpur.
☎: 03-20225000 📠: 03-91321022

Klang

28, 30 & 32, Lorong Batu Nilam 3B,
Bandar Bukit Tinggi,
41200 Klang, Selangor.
☎: 03-20225000 📠: 03-33235632



DIRECTORY OF PUBLIC MUTUAL BRANCH OFFICES AND CUSTOMER SERVICE CENTRES (CONT'D)

Central Region (cont'd)

Damansara Perdana

1 & 3, Jalan PJU 8/5 I,
Perdana Business Centre,
Bandar Damansara Perdana,
47820 Petaling Jaya, Selangor.
☎: 03-20225000 📠: 03-77222475

Shah Alam

54 & 56, Jalan Pahat G15/G,
Kompleks Otomobil,
Persiaran Selangor,
Seksyen 15,
40200 Shah Alam, Selangor.
☎: 03-20225000 📠: 03-55139288

Puchong

39 & 41, Jalan Puteri 1/4,
Bandar Puteri Puchong,
47100 Puchong, Selangor.
☎: 03-20225000 📠: 03-80653010

Southern Region

Batu Pahat

119, Jalan Chengal,
Taman Makmur,
83000 Batu Pahat, Johor.
☎: 07-4363500 📠: 07-4326588

Kluang

3, Jalan Dato Teoh Siew Khor,
86000 Kluang, Johor.
☎: 07-7391500 📠: 07-7736195

Muar

46, Jalan Sayang,
84000 Muar, Johor.
☎: 06-9562500 📠: 06-9536830

Johor Bahru

B-19, Jalan Molek 1/5A,
Taman Molek,
81100 Johor Bahru, Johor.
☎: 07-3607500 📠: 07-3548600

Melaka

929 & 930, Jalan Merdeka,
Taman Melaka Raya,
75000 Melaka.
☎: 06-2855500 📠: 06-2837354

Seremban

1A & 1B, Jalan Tuanku Munawir,
70000 Seremban, Negeri Sembilan.
☎: 06-6372500 📠: 06-7644237

East Coast Region

Kota Bharu

PT 304 & PT 305, Jalan Kebun Sultan,
15300 Kota Bharu, Kelantan.
☎: 09-7263500 📠: 09-7476026

Kuantan

71 & 73, Jalan Haji Abdul Aziz,
25000 Kuantan, Pahang.
☎: 09-5118500 📠: 09-5161223

Kuala Terengganu

1-C, Jalan Air Jernih,
20300 Kuala Terengganu, Terengganu.
☎: 09-6321500 📠: 09-6317030

Temerloh

10, 11 & 12, 2nd Floor,
Jalan Ahmad Shah,
Bandar Sri Semantan,
28000 Temerloh, Pahang.
☎: 09-2955500 📠: 09-2968060



DIRECTORY OF PUBLIC MUTUAL BRANCH OFFICES AND CUSTOMER SERVICE CENTRES (CONT'D)

East Malaysia

Sabah

Kota Kinabalu

Lot 1-0-10,
Lorong Api-Api 1,
Api-Api Centre,
88000 Kota Kinabalu, Sabah.
☎: 088-327500 📠: 088-238389

Tawau

TB 4437, Lot 28, Block D,
Sabindo Square,
Jalan Dunlop,
91000 Tawau, Sabah.
☎: 089-982500 📠: 089-765326

Sandakan

Lot 16, Block B,
Bandar Maju Commercial Centre,
Mile 1.5, North Road,
90000 Sandakan, Sabah.
☎: 089-231500 📠: 089-222889

Sarawak

Bintulu

4, Lot 2646,
Jalan Tun Ahmad Zaidi,
97000 Bintulu, Sarawak.
☎: 086-859500 📠: 086-330221

Miri

D-G-16, Miri Times Square,
Marina Parkcity,
98000 Miri, Sarawak.
☎: 085-323500 📠: 085-416195

Kuching

Lot 205 & 206, Section 49,
Jalan Tunku Abdul Rahman,
93100 Kuching, Sarawak.
☎: 082-226500 📠: 082-239825

Sibu

10, Lorong 2,
Jalan Tuanku Osman,
96000 Sibu, Sarawak.
☎: 084-363500 📠: 084-330269

Public Mutual offices are open on Mondays to Fridays, except public holidays; Mondays to Thursdays from 8:30 a.m. to 5:30 p.m. and Fridays from 8:30 a.m. to 4:30 p.m. The service centre at 1 Utama Shopping Centre is open daily from 10:00 a.m. to 10:00 p.m.



DIRECTORY OF PUBLIC MUTUAL AGENCY OFFICES

Penang (Bayan Baru)

Liang Wing Sim Agency Office
104, 1st Floor, Jalan Mayang Pasir,
Taman Sri Tunas,
Bayan Baru,
11950 Bayan Lepas, Penang.
☎: 04-6422170/1 📠: 04-6411268

Sarawak (Sarikei)

Ling Chai Kua Agency Office
1st Floor, No.28, Jalan Nenas Lrg 2,
96100 Sarikei, Sarawak.
☎: 084-652094

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MANAGER OF THE FUND

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