



Date: 30 April 2025

Dear Valued Investor,

AIA PRIVATE RETIREMENT SCHEME ('Scheme')

- **Modification to the Deed dated 16 January 2013 (as modified by a Supplemental Deed dated 16 August 2013, a Second Supplemental Deed dated 14 December 2015, a Third Supplemental Deed dated 8 September 2020 and a Fourth Supplemental Deed dated the 9th day of June 2023) ("Principal Deed") via the issuance of a Fifth Supplemental Deed; and**
- **Issuance of Fourth Replacement Disclosure Document ("Fourth Replacement Disclosure Document")**

First and foremost, we thank you for investing in the fund(s) under the Scheme.

We wish to inform you that we are amending the Principal Deed via a fifth supplemental deed ("**Fifth Supplemental Deed**") and we will be submitting the Fifth Supplemental Deed to the Securities Commission Malaysia ("**SC**") for registration. The amendments to the Principal Deed are to:

- (a) include a new non-core fund in the Scheme known as AIA PAM – Dividend Income Fund, which is subject to the authorisation by the SC; and
- (b) to amend the permitted investments for all the Funds in the Scheme as set out in the Seventh Schedule of the Principal Deed by deleting the last bullet point containing a catch all permissible investment.

We are of the opinion that the aforementioned amendments made via the Fifth Supplemental Deed would not materially prejudice the interests of the members.

Further to the above, we would like to further inform you that we have made several changes to the disclosure document of the Scheme via the Fourth Replacement Disclosure Document. Save and except for the information relating to the new non-core fund which is subject to the authorisation by the SC, the significant changes made in the Fourth Replacement Disclosure Document are listed in **Appendix A** which is available on our website at <https://www.aia-prs.com.my/content/dam/my-prs/en/docs/Letter-to-members.pdf>. Please note that the changes may be subject to further amendments as may be required by the SC and there may be other changes made to the Fourth Replacement Disclosure Document.

The Fourth Replacement Disclosure Document reflecting the changes will be submitted to the SC for registration and such changes will be effective from the date of the Fourth Replacement Disclosure Document after the same is registered by the SC.

Should you require any clarification relating to the aforesaid changes, or if you are unable to view the appendix from our website or you require a physical copy of this letter and/or the appendix to be sent to you, you may contact us at 1300-22-7771 or email my.APAM_Helpdesk@aia.com.

As always, we thank you for your continuous support and trust in us.

Yours sincerely,
for and on behalf of AIA Pension And Asset Management Sdn Bhd

.....
Nur Aini Ali Kasim
General Manager

APPENDIX A

Third Replacement Disclosure Document dated 31 August 2023	Proposed Amendments in the Fourth Replacement Disclosure Document
<p>Chapter 4 – Risk Factors, Specific Risk of each Fund – (f) Shariah Status Reclassification Risk, item 1</p> <p>1. Shariah-compliant equity securities</p> <p>The risk refers to the risk that the currently held Shariah-compliant equity securities in the portfolio of Islamic funds may be reclassified as Shariah non-compliant in the periodic review of the securities by the SACSC, the Shariah Adviser or the Shariah Supervisory Boards of relevant Islamic indices. If this occurs, the PRS Provider will take the necessary steps to dispose of such securities.</p> <p>Opportunity loss could occur due to the restriction on the Funds to retain the excess capital gains derived from the disposal of the reclassified Shariah non-compliant securities. In such an event, the Funds are required:</p> <p>(i) to dispose such securities with immediate effect or within one (1) calendar month if the value of the securities exceeds or is equal to the investment cost on the effective date of Reclassification of the list of Shariah-compliant securities (“Reclassification”) by the SACSC or date or review (“Review”) by the Shariah Adviser or the Shariah Supervisory Boards of relevant Islamic indices. The Funds are allowed to keep dividends received up to the effective date of Reclassification or Review and capital gains from the disposal of the Shariah non-compliant securities on the effective date of Reclassification or Review. However, any dividends received and excess capital gains from the disposal of the Shariah non-compliant securities after the effective date of Reclassification or Review should be channelled to baitulmal and/or charitable bodies as advised by the Shariah Adviser;</p>	<p>Chapter 4 – Risk Factors, Specific Risk of each Fund – (f) Shariah Status Reclassification Risk, item 1</p> <p>1. Shariah-compliant equity securities and Shariah-compliant equity-related securities</p> <p>The risk refers to the risk that the currently held Shariah-compliant equity securities and Shariah-compliant equity-related securities in the portfolio of Islamic funds may be reclassified as Shariah non-compliant in the periodic review of the securities by the SACSC, the Shariah Adviser or the Shariah authorities of the relevant Islamic indices. If this occurs, the PRS Provider will take the necessary steps to dispose of such securities.</p> <p>Opportunity loss could occur due to the restriction on the Funds to retain the excess capital gains derived from the disposal of the reclassified Shariah non-compliant securities. In such an event, the Funds are required:</p> <p>(i) to dispose of such securities with immediate effect or within one (1) calendar month if the value of the securities exceeds or is equal to the investment cost on the reclassification effective date by the SACSC or the Shariah Adviser or the Shariah authorities of the relevant Islamic indices. The Funds are allowed to keep dividends received and capital gains from the disposal of the securities up to the reclassification effective date. However, any dividends received and excess capital gains from the disposal of the Shariah non-compliant securities after the reclassification effective date should be channelled to baitulmal and/or charitable bodies as advised by the Shariah Adviser;</p>

<p>(ii) to hold such securities if the value of the said securities is below the investment cost on the effective date of Reclassification or Review until the total subsequent dividends received (if any) and the market price of the securities is equal to the cost of investment at which time disposal has to take place within one (1) calendar month, excess capital gains (if any) from the disposal of the securities should be channelled to baitulmal and/or charitable bodies as advised by the Shariah Adviser; or</p> <p>(iii) to dispose such securities at a price lower than the investment cost which will result in a decrease in the Funds' value.</p>	<p>(ii) to hold such securities if the value of the said securities is below the investment cost on the reclassification effective date until the total subsequent dividends received (if any) and the market price of the securities is equal to the cost of investment at which time disposal has to take place within one (1) calendar month, excess capital gains (if any) from the disposal of the securities should be channelled to <i>baitulmal</i> and/or charitable bodies as advised by the Shariah Adviser; or</p> <p>(iii) to dispose of such securities at a price lower than the investment cost which will result in a decrease in the Funds' value.</p>
<p>Chapter 5 – Scheme Details, Shariah Investment Guidelines, Cleansing Process and Zakat for the Funds</p> <p>Shariah Investment Guidelines Adopted by BIMB Securities Sdn Bhd</p> <p>The following guidelines are adopted by BIMB Securities Sdn Bhd in determining the Shariah status of investments of the Funds:</p> <ul style="list-style-type: none"> • The Funds must at all times and all stages of its operation comply with Shariah requirements as resolved by the SACSC or in cases where no specific rulings are made by the SACSC, the decisions of the Shariah Adviser or the Shariah Supervisory Boards of relevant Islamic indices. • The Funds must be established and operated by the PRS Provider, and finally redeemed by the investors on the basis of contracts which are acceptable in Shariah. The banking facilities and short-term money market instruments used for the Funds have to be Shariah-compliant. Similarly, all the other investment instruments must be Shariah-compliant. • For Shariah-compliant securities listed on Bursa Malaysia, the Funds' investments must be strictly confined to those Shariah-compliant securities on the List of Shariah-Compliant Securities by the SACSC. 	<p>Chapter 5 – Scheme Details, Shariah Investment Guidelines and Zakat for the Funds</p> <p>1. Shariah Investment Guidelines</p> <p>The following guidelines are adopted by the Shariah Adviser in determining the Shariah status of investments of the Funds:</p> <p>1.1 Shariah Requirements for the Investments and Operations of the Funds</p> <ul style="list-style-type: none"> • The Funds must at all times and all stages of its operation comply with Shariah requirements as resolved by the SACSC or in cases where no specific rulings are made by the SACSC, the decisions of the Shariah Adviser or the Shariah authorities of the relevant Islamic indices. • The Funds must be established and operated by the PRS Provider, and finally redeemed by the investors on the basis of contracts which are acceptable in Shariah. The banking facilities and short-term money market instruments used for the Funds have to be Shariah-compliant. Similarly, all the other investment instruments must be Shariah-compliant. • For Shariah-compliant securities and Shariah-compliant equity-related securities listed on Bursa Malaysia, the Funds' investments must be strictly

<ul style="list-style-type: none"> For Islamic money market instruments, sukuk and Islamic deposits, they shall be based on the data readily available on Bank Negara Malaysia, the SC and the financial institutions' websites. The SACSC has adopted a standard methodology to determine the Shariah compliance for the securities of companies listed on Bursa Malaysia. This methodology takes into consideration both the quantitative and qualitative aspects of the listed companies. <p>a) Quantitative Analysis ...</p> <p>b) Qualitative Analysis ...</p> <ul style="list-style-type: none"> For investment in foreign securities, the Funds are only allowed to invest in Shariah-compliant securities which are on the approved lists maintained by the Shariah Adviser. In the event of reclassification of foreign Shariah-compliant securities to be Shariah non-compliant, the Funds are to abide by the rules as laid down by the SACSC and by this Shariah Investment Guidelines. In the event that the Funds wish to invest in foreign Shariah-compliant securities not covered by the approved lists by the Shariah Adviser, the PRS Provider must submit to the Shariah Adviser the latest information pertaining to the issuer's business activities, its complete financial statements and other related information to enable the Shariah Adviser to carry out Shariah screening. The Shariah Adviser applies the screening methodology of the SACSC. <p>...</p> <p>Cleansing Process for the Funds</p> <p>a) Wrong investment</p> <p>i) <u>Investment in Shariah non-compliant equity securities</u></p>	<p>confined to those Shariah-compliant securities on the <u>list of Shariah-compliant securities</u> by the SACSC.</p> <ul style="list-style-type: none"> For initial public offering, the Funds shall invest in securities that are <u>classified as Shariah-compliant by the SACSC.</u> For Islamic money market instruments, sukuk and Islamic deposits, they shall be based on the data readily available on Bank Negara Malaysia, the SC and the financial institutions' websites <u>respectively.</u> <p>-Deleted-</p> <p>-Deleted-</p> <ul style="list-style-type: none"> For investment in foreign <u>Shariah-compliant securities and Shariah-compliant equity-related securities</u>, the Funds are only allowed to invest in Shariah-compliant securities which are on the approved <u>lists</u> by the Shariah Adviser. In the event of reclassification of foreign Shariah-compliant securities to be Shariah non-compliant, the Funds are to abide by the rules as laid down by the SACSC and by this Shariah Investment Guidelines. In the event that the Funds wish to invest in foreign Shariah-compliant securities not covered by the approved lists by the Shariah Adviser, the PRS Provider must submit to the Shariah Adviser the latest information pertaining to the issuer's business activities, its complete financial statements and other related information to enable the Shariah Adviser to carry out Shariah screening. The Shariah Adviser applies the screening methodology of the SACSC <u>in its Shariah screening.</u> <p>...</p> <p>1.2 Cleansing Process for the Funds</p> <p>(a) Wrong investment</p> <p>(i) <u>Investment in Shariah non-compliant equity securities and Shariah non-compliant equity-related securities</u></p>
---	---

The said investment shall be disposed of or withdrawn with immediate effect, if possible, or otherwise within one (1) calendar month of knowing the status of the investment. In the event that the investment resulted in any gain in the form of capital gain or dividend received before or after the disposal of the investment, it has to be channelled to *baitulmal* and/or charitable bodies as advised by the Shariah Adviser. The Shariah Adviser advises that this cleansing process (namely, channelling of income from wrongful investment to *baitulmal* and/or charitable bodies as advised by the Shariah Adviser) shall be carried out within two (2) calendar months from the said disposal or withdrawal date. The Funds have a right to retain only the investment cost. If the disposal of the investment resulted in losses to the Funds, the losses are to be borne by the PRS Provider.

ii) **Investment in other Shariah non-compliant instruments (namely, fixed income instruments, money market instruments, deposits or collective investment schemes)**

The said investment shall be disposed or withdrawn with immediate effect, if possible, or otherwise within one (1) calendar month of knowing the status of the investment. In the event that the investment resulted in Shariah non-compliant income received before or after the disposal or withdrawal of the investment, it has to be channelled to *baitulmal* and/or charitable bodies as advised by the Shariah Adviser. The Shariah Adviser advises that this cleansing process (namely, channelling of income from wrongful investment to *baitulmal* and/or charitable bodies as advised by the Shariah Adviser) shall be carried out within two (2) calendar months from the said disposal or withdrawal date. The Funds have a right to retain only the investment cost. If the disposal of the investment resulted in losses to the Funds, the losses are to be borne by the PRS Provider.

b) Reclassification of Shariah Status of the Fund's Investments

This refers to Shariah non-compliant investment made by the PRS Provider. The said investment shall be disposed of or withdrawn with immediate effect, if possible, or otherwise within one (1) calendar month of knowing the status of the investment. In the event that the investment resulted in any gain in the form of capital gain or dividend received before or after the disposal of the investment, it has to be **channelled** to *baitulmal* and/or charitable bodies as advised by the Shariah Adviser. **The Funds have a right to retain only the investment cost.** The Shariah Adviser advises that this cleansing process (namely, channelling of income from wrongful investment to *baitulmal* and/or charitable bodies as advised by the Shariah Adviser) shall be carried out within **one (1) calendar month upon confirmation by the Shariah Adviser.** If the disposal **or withdrawal** of the investment resulted in losses to the Funds, the losses are to be borne by the PRS Provider.

(ii) **Investment in other Shariah non-compliant instruments (namely, fixed income instruments, money market instruments, deposits or collective investment schemes)**

The said investment shall be disposed **of** or withdrawn with immediate effect, if possible, or otherwise within one (1) calendar month of knowing the status of the investment. In the event that the investment resulted in Shariah non-compliant income received before or after the disposal or withdrawal of the investment, it has to be **channelled** to *baitulmal* and/or charitable bodies as advised by the Shariah Adviser. **The Funds have a right to retain only the investment cost.** The Shariah Adviser advises that this cleansing process (namely, channelling of income from wrongful investment to *baitulmal* and/or charitable bodies as advised by the Shariah Adviser) shall be carried out within **one (1) calendar month upon the confirmation by the Shariah Adviser.** If the disposal **or withdrawal** of the investment resulted in losses to the Funds, the losses are to be borne by the PRS Provider.

(b) Reclassification of Shariah Status of the Funds' Investments

i) Shariah-compliant equity securities

Reclassification of Shariah status refers to securities which were earlier classified as Shariah-compliant securities but due to failure to meet the set benchmark criteria, are subsequently reclassified as Shariah non-compliant by the SACSC, the Shariah Adviser or the Shariah Supervisory Boards of relevant Islamic indices. If on the effective date of Reclassification or Review, the value of the securities held exceeds or is equal to the investment cost, the Funds which hold such Shariah non-compliant securities must liquidate them. To determine the time frame to liquidate such securities, the Shariah Adviser advises that such securities should be disposed of within one (1) calendar month of Reclassification or Review.

Any dividends received up to the effective date of Reclassification or Review and capital gains arising from the disposal of the said reclassified Shariah non-compliant securities made with respect to the closing price on the effective date of Reclassification or Review can be kept by the Funds. However, any dividends received and excess capital gain derived from the disposal after the effective date of Reclassification or Review at a market price that is higher than the closing price on the effective date of Reclassification or Review shall be channelled to baitulmal and/or charitable bodies as advised by the Shariah Adviser. The Shariah Adviser advises that this cleansing process should be carried out within two (2) calendar months from the above disposal date.

...

ii) Sukuk, Islamic money market instruments, Islamic deposits or Islamic collective investment schemes

...

If on the effective date of Reclassification or Review, the value of the Shariah non-compliant instruments held exceeds or is equal to the

(i) Shariah-compliant equity securities and Shariah-compliant equity-related securities

Reclassification of Shariah status refers to securities which were earlier classified as Shariah-compliant securities but due to failure to meet the set benchmark criteria, are subsequently reclassified as Shariah non-compliant by the SACSC, the Shariah Adviser or the Shariah authorities of the relevant Islamic indices. If on the reclassification effective date, the value of the securities held exceeds or is equal to the investment cost, the Funds which hold such Shariah non-compliant securities must liquidate them. To determine the time frame to liquidate such securities, the Shariah Adviser advises that such securities should be disposed of within one (1) calendar month of reclassification.

Any dividends received up to the reclassification effective date and capital gains arising from the disposal of the said reclassified Shariah non-compliant securities made with respect to the closing price on the reclassification effective date can be kept by the Funds. However, any dividends received, and excess capital gains derived from the disposal after the reclassification effective date at a market price that is higher than the closing price on the reclassification effective date shall be channelled to baitulmal and/or charitable bodies as advised by the Shariah Adviser. The Shariah Adviser advises that this cleansing process should be carried out within one (1) calendar month upon confirmation by the Shariah Adviser.

...

(ii) Sukuk, Islamic money market instruments, Islamic deposits or Islamic collective investment schemes

...

If on the reclassification effective date, the value of the Shariah non-compliant instruments held exceeds or is equal to the

investment cost, the Funds which holds such Shariah non-compliant instruments must liquidate them. To determine the time frame to liquidate such instruments, the Shariah Adviser advises that such reclassified Shariah non-compliant instruments should be disposed of within one (1) calendar month of Reclassification or Review.

Any income received up to the effective date of Reclassification or Review and capital gains arising from the disposal of the said reclassified Shariah non-compliant instruments made on the effective date of Reclassification or Review can be kept by the Funds.

However, any income received and excess capital gain derived from the disposal after the effective date of Reclassification or Review at a price that is higher than the price on the effective date of Reclassification or Review shall be channelled to baitulmal and/or charitable bodies as advised by the Shariah Adviser. The Shariah Adviser advises that this cleansing process should be carried out within two (2) calendar months from the above disposal date.

investment cost, the Funds which holds such Shariah non-compliant instruments must liquidate them. To determine the time frame to liquidate such instruments, the Shariah Adviser advises that such reclassified Shariah non-compliant instruments should be disposed of **or withdrawn** within one (1) calendar month of **reclassification**.

Any income received up to the **reclassification** effective **date** and capital gains arising from the disposal **or withdrawal** of the said reclassified Shariah non-compliant instruments made on the **reclassification** effective **date** can be kept by the Funds.

However, any income received, and excess capital gain derived from the disposal **or withdrawal** after the **reclassification** effective **date** at a price that is higher than the price on the **reclassification** effective **date** shall be **channelled** to *baitulmal* and/or charitable bodies as advised by the Shariah Adviser. The Shariah Adviser advises that this cleansing process should be carried out within **one (1) calendar month upon confirmation by the Shariah Adviser**.

1.3 Maqasid Al-Shariah Aspirations and Principles

The Funds are designed in accordance with the following aspirations and guiding principles as outlined in the Maqasid Al-Shariah Guidance issued by the SC:

(a) Aspiration 1: Humanity

Principle 1: Cultivating Attainment of Basic Needs

The maqasid al-Shariah fosters human well-being and harmony in conformity with the main principles of Islamic law by fostering and sustaining the fulfilment of basic needs.

By investing in the Funds, investors will be able to ensure the attainment of their basic needs upon their retirement period, as the objective of PRS investment is to offer a competitive benefit that helps

<p>Zakat for the Funds</p> <p>...</p>	<p>the investors to save for their retirement and diversify their investments.</p> <p>(b) Aspiration 3: Clarity and Transparency Principle 8: Enhancing Disclosure and Documentation</p> <p>The Funds ensure quality disclosure and documentation of information by providing comprehensive and accurate details regarding its investments in the Disclosure Document as well as the performance of the Funds through the periodic Funds' reports.</p> <p>Through these channels, unit holders are able to access insights into the Funds' performance, enabling them to make informed decision. This commitment to transparency also ensures a clear understanding of the Funds' trajectory and potential opportunities.</p> <p>(c) Aspiration 6: Accessibility and Inclusivity Principle 13: Broadening the Circulation of Wealth and Participation</p> <p>Providing opportunities to invest in diversified portfolios that cater to both moderate and moderate to high risks appetites aligns with the aspiration of accessibility and inclusivity. This approach accommodates investors with varying levels of risk tolerance, encouraging broader participation.</p> <p>Not only does it support effective risk management and the potential for enhanced returns, but it also promotes inclusivity by enabling a wider range of investors to participate in the Funds. Ultimately, this contributes to a broader circulation of wealth within the Islamic Capital Market ecosystem.</p> <p>2. Zakat for the Funds</p> <p>...</p>
---------------------------------------	---

Note: The Shariah Adviser confirms that the investment portfolios of AIA PAM-Islamic Moderate Fund and AIA PAM - Global Islamic Growth Fund comprise instruments that have been classified as Shariah-compliant by the SACSC, the Shariah Advisory Council of Bank Negara Malaysia or by the Shariah Supervisory Boards of relevant Islamic indices. For instruments that are not classified as Shariah-compliant by the SACSC, the Shariah Advisory Council of Bank Negara Malaysia or by the Shariah Supervisory Boards of relevant Islamic indices, the Shariah status of the instruments shall be reviewed and determined in accordance with the ruling issued by the Shariah Adviser.

Note: The Shariah Adviser confirms that the investment portfolios of AIA PAM-Islamic Moderate Fund and AIA PAM - Global Islamic Growth Fund comprise instruments that have been classified as Shariah-compliant by the SACSC, the Shariah Advisory Council of Bank Negara Malaysia or by the Shariah **authorities** of **the** relevant Islamic indices. For instruments that are not classified as Shariah-compliant by the SACSC, the Shariah Advisory Council of Bank Negara Malaysia or by the Shariah **authorities** of **the** relevant Islamic indices, the Shariah status of the instruments shall be reviewed and determined in accordance with the ruling issued by the Shariah Adviser.