

# RHB ISLAMIC GLOBAL DEVELOPED MARKETS FUND

## RESPONSIBILITY STATEMENT

This Product Highlights Sheet has been reviewed and approved by the directors of RHB Islamic International Asset Management 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 Product Highlights Sheet false or misleading.

## STATEMENT OF DISCLAIMER

The Securities Commission Malaysia has authorised the issuance of RHB Islamic Global Developed Markets Fund and a copy of this Product Highlights Sheet has been lodged with the Securities Commission Malaysia.

The authorisation of the RHB Islamic Global Developed Markets Fund and lodgement of this Product Highlights Sheet, should not be taken to indicate that the Securities Commission Malaysia recommends the RHB Islamic Global Developed Markets Fund or assumes responsibility for the correctness of any statement made or opinion or report expressed in this Product Highlights Sheet.

The Securities Commission Malaysia is not liable for any non-disclosure on the part of RHB Islamic International Asset Management Berhad, the management company responsible for the RHB Islamic Global Developed Markets Fund and takes no responsibility for the contents of this Product Highlights Sheet. The Securities Commission Malaysia makes no representation on the accuracy or completeness of this Product Highlights Sheet, and expressly disclaims any liability whatsoever arising from, or in reliance upon, the whole or any part of its contents.

RHB Islamic Global Developed Markets Fund has been certified as Shariah-compliant by the Shariah adviser appointed for the Fund i.e. RHB Islamic Bank Berhad.

## PRODUCT HIGHLIGHTS SHEET

**This Product Highlights Sheet only highlights the key features and risks of RHB Islamic Global Developed Markets Fund. Investors are advised to request, read and understand the Fund's prevailing prospectus and its supplementary(ies) (if any) before deciding to invest.**

<b>Name of Fund</b>	RHB Islamic Global Developed Markets Fund ("Fund").	<b>Fund Category</b>	Equity fund (Shariah-compliant).
<b>Manager</b>	RHB Islamic International Asset Management Berhad.	<b>Fund Type</b>	Growth.
<b>External Investment Manager</b>	Nomura Islamic Asset Management Sdn Bhd.	<b>Launch Date</b>	28 May 2015.
<b>Trustee</b>	HSBC (Malaysia) Trustee Berhad.	<b>Financial Year End</b>	31 July.
<b>Shariah Adviser</b>	RHB Islamic Bank Berhad.	<b>Base Currency of the Fund</b>	RM.

Classes under the Fund	Currency denomination of the Class	Launch Date of the Class
RM Class	RM	28 May 2015
USD Class	USD	To be determined
SGD Class	SGD	1 November 2019

## PRODUCT SUITABILITY

This Fund is suitable for investors who:

- (i) require investments that comply with Shariah requirements; and
- (ii) are willing to accept moderate risk in their investments in order to achieve long term\* growth.

*Note: \* "long term" in this context refers to a period of between 5 – 7 years.*

## KEY PRODUCT FEATURES

### INVESTMENT OBJECTIVE

This Fund aims to provide investors with long term\* capital growth by investing in Shariah-compliant global equities.

*Note: \* "long term" in this context refers to a period of between 5 – 7 years.*

### INVESTMENT STRATEGY

The Fund seeks to achieve its investment objective through a diversified portfolio of Shariah-compliant equities issued by companies listed on the stock exchanges of Developed Markets<sup>^</sup>.

The Fund's investments in such companies are not industry or sector specific. The External Investment Manager believes investments in "quality" companies will result in the Fund outperforming its benchmark over the long term. The "quality" screen filters companies that meet the three (3) following criteria:

- (1) market capitalisation of USD 500 million or above;
- (2) attractive dividends (companies with dividend yield that are higher than the respective regional indices with a track record of growing dividends progressively); and
- (3) quality income growth (consistent long term capital and dividend growth).

For investments in Shariah-compliant equities listed in Japan stock exchanges, the External Investment Manager will focus its investments in companies with:

- (1) sustainable high return on equity above the market average in the past with the expectation to maintain such high return of equity in the future; and
- (2) return on equity below the market average but are expected to sustain high return on equity compared to market average in the future.

The risk management strategies and techniques employed by the External Investment Manager include observing internal limits of the Fund's investments in terms of its exposure to sectors, countries and stocks, apart from complying with the investment restrictions of the Fund. Additionally, the External Investment Manager reviews the Fund's asset allocation and currency exposure with its quantitative and fixed income departments to review such exposure to the Fund. The External Investment Manager further monitors the Fund's performance and risk against other global equity portfolios to ensure commonality in the active and total risk undertaken amongst portfolios with similar investment universe and objectives.

This Fund's portfolio will be structured as follows:

70% to 98% of Net Asset Value ("NAV") - Investments in Shariah-compliant equities of companies listed on the stock exchanges of Developed Markets.  
2% - 30% of NAV - Investments in Islamic liquid assets including Islamic money market instruments and placements of cash in any Islamic deposits or Islamic investment accounts with any financial institution, which are not embedded or linked to financial derivative instruments ("Placements of Cash").

Although the Fund is actively managed, how active or the frequency of its trading strategy will very much depend on market opportunities.

The External Investment Manager may take temporary defensive positions in attempting to respond to adverse economic, political or any other market conditions. In such circumstances, the External Investment Manager may reallocate up to 100% of the Fund's equity investments into other asset classes which are defensive in nature and comply with Shariah requirements, such as Islamic money market instruments and Placements of Cash.

## KEY PRODUCT FEATURES

^Developed Markets are countries that are most developed in terms of its economy and capital markets. The countries must be high income, open to foreign ownership, and have relative ease of capital movement. Such countries, include, but are not limited to United States of America, United Kingdom, Switzerland, France, Germany, Italy, Netherlands, Spain, Sweden, Japan and Australia.

## BENCHMARK

Dow Jones Islamic Market Developed Markets Index.

## DISTRIBUTION

**DISTRIBUTION POLICY** - Distribution is of secondary importance and if any, will generally be declared annually and will be reinvested.

**DISTRIBUTION MODE** - Distributions, if any, after deduction of taxation and expenses (i.e. net distribution), will be reinvested to purchase additional units of the Fund based on the NAV per unit as at the first Business Day when units of the Fund are quoted ex-entitlement. Allotment of such units of the Fund shall be within two (2) weeks thereafter. No sales charge will be imposed for any reinvestment of distribution of the Fund.

## KEY RISKS

**EQUITY RISK** - The fluctuation in the performance of Shariah-compliant equities held by the Fund will affect the NAV. The performance of the Shariah-compliant equities is dependent on company specific factors like the company's business situation. If the company-specific factors deteriorate, the price of the specific equity may drop significantly and permanently. Such event could possibly occur even in a positive equity market trend. The risk will be managed via portfolio diversification of the Fund's investments in terms of its exposure to equity from various industries, sectors and countries. In addition, where necessary, exposure to a particular Shariah-compliant equity will also be reduced in the event of an anticipated weakness in the fundamentals of that particular Shariah-compliant equity or other factors like the company's business situation.

**CURRENCY RISK** - This risk is associated with investments that are quoted in foreign currency denomination. When a security is denominated in a foreign currency which fluctuates unfavourably against the RM, the Fund may face currency loss. This may lead to a lower NAV expressed in RM. In addition, an investor investing into a class denominated in currencies other than in RM may also be subject to further currency risk as fluctuation to the exchange rate of the respective currency of that class against RM may impact the value of the NAV per unit expressed in the currency of the relevant class. The Fund may participate in Shariah-compliant currency hedging instruments to mitigate the currency risk, if necessary.

**COUNTRY RISK** - The Fund will be investing in foreign markets. The foreign investments portion of the Fund may be affected by risks specific to the country that the Fund invests in. Such risks include changes in the country's economic fundamentals, social and political stability, currency movements and foreign investments policies. These factors may impact the prices of the securities that the Fund invests in and ultimately lower the NAV.

**RECLASSIFICATION OF SHARIAH STATUS RISK** - This risk refers to the risk that the currently held Shariah-compliant equities in the Fund may be reclassified as Shariah non-compliant in the periodic review of the equities by the Shariah Adviser. If this occurs, the Manager will take the necessary steps to dispose of such equities in accordance with the Fund's Shariah investment guidelines.

**EQUITY RELATED SECURITIES RISK** - The Fund may also invest in equity related securities such as warrants provided that the underlying securities comply with Shariah requirements. As warrants are linked to the particular equity securities from which they are derived, the warrants inherit the risks linked to that underlying equity security such as market risk, currency risk, country risk, industry risk and liquidity risk. Thus, the value of the investments in warrants is also subject to the day to day movement in the prices of their underlying equity securities. Warrants also have a limited life and if they are not exercised at the maturity, they will expire. Warrants become worthless if they are not exercised before maturity, causing the value of the Fund's investments to fall. Like any other investments, the fall in the value of the Fund's investments will ultimately lower the NAV.

*Note: If your investments are made through an institutional unit trust scheme adviser ("IUTA") which adopts the nominee system of ownership, you would not be deemed to be a unit holder of the Fund ("Unit Holder") under the deed of the Fund and as a result, you may not exercise all the rights ordinarily conferred to a Unit Holder (e.g. the right to call for Unit Holders' meetings and the right to vote at a Unit Holders' meeting). Accordingly, the Manager will only recognise the IUTA as a Unit Holder and the IUTA shall be entitled to all the rights conferred to it under the deed of the Fund.*

## FUND PERFORMANCE

The Fund's benchmark has been replaced from Russell-IdealRatings Islamic Developed ex-Canada Custom Index to Dow Jones Islamic Market Developed Markets Index with effect from 1 January 2019, which is used in all performance reporting.

### AVERAGE TOTAL RETURNS

Average total returns for the following periods ended 31 July 2023

RM Class	1 Year	3 Years	5 Years	Since Launch (17/06/2015* – 31/07/2023)
RHB Islamic Global Developed Markets Fund (%)	11.30	10.48	9.98	8.23
Benchmark^ (%)	16.22	13.01	13.24	11.52
SGD Class	1 Year	3 Year	Since Launch (21/11/2019* – 31/07/2023)	
RHB Islamic Global Developed Markets Fund (%)	5.45	2.00	1.62	
Benchmark^ (%)	10.14	9.53	11.80	

### ANNUAL TOTAL RETURNS

Annual total returns for the following financial year ended 31 July

RM Class	2023	2022	2021	2020	2019	2018	2017	Since Launch (17/06/2015* – 31/07/2016)
RHB Islamic Global Developed Markets Fund (%)	11.30	-10.32	35.11	16.43	2.48	3.60	15.27	-1.03
Benchmark^ (%)	16.22	-7.51	34.26	22.87	5.03	5.07	17.02	5.88

For the latest financial year, the RM Class recorded a return of 11.30% whilst its benchmark recorded a return of 16.22%.

Source: Lipper IM, 10 August 2023. \* The last day of the RM Class's initial offer period. ^The benchmark of the Fund is the Dow Jones Islamic Market Developed Markets Index. The abovementioned performance is computed on NAV to NAV basis and has been adjusted to reflect distributions payments and unit splits, if any, and are annualised.

SGD Class	2023	2022	Since Launch (21/11/2019** – 31/07/2021)
RHB Islamic Global Developed Markets Fund (%)	5.45	-13.13	15.22
Benchmark^ (%)	10.14	-10.44	11.76

For the latest financial year, the SGD Class recorded a return of 5.45% whilst its benchmark recorded a return of 10.14%.

Source: Lipper IM, 10 August 2023. \*\* The last day of the SGD Class's initial offer period. ^The benchmark of the Fund is the Dow Jones Islamic Market Developed Markets Index. The abovementioned performance is computed on NAV to NAV basis and has been adjusted to reflect distributions payments and unit splits, if any, and are annualised.

## FUND PERFORMANCE

### PORTFOLIO TURNOVER RATIO ("PTR")

PTR (times)	Financial Year Ended 31 July		
	2023	2022	2021
	0.54	0.85	1.25

The PTR for the latest financial year was lower compared with the previous financial year due to lesser investment activities during the latest financial year.

### DISTRIBUTION RECORD

	Financial Year Ended 31 July		
	2023	2022	2021
	Gross distribution per unit (sen)	-	4.0000
Net distribution per unit (sen)	-	3.9755	4.5000

For the latest financial year, no distribution has been proposed by the Fund.

## PAST PERFORMANCE OF THE FUND IS NOT AN INDICATION OF ITS FUTURE PERFORMANCE.

## FEES & CHARGES

*This table describes the charges that you may directly incur when you buy or redeem units of this Fund:*

	RM Class	USD Class	SGD Class
<b>Charges</b>			
Sales Charge <sup>1</sup>	Up to 5.50% of the investment amount. An investor can expect differing sales charge to be levied when buying units of the Fund from the various distribution channels and within each distribution channel, subject to the maximum sales charge stipulated above. This is due to the different levels of services provided by each distribution channel and/or the size of the investment undertaken. <i>Note: Investor who invests via the Employees Provident Fund ("EPF") Members' Investment Scheme ("MIS"), where applicable will be levied a sales charge of up to 3.00% of the investment amount (or such other rate that may be determined by the EPF from time to time).</i>		
Repurchase charge	None.		
Dilution fee or transaction cost factor	None.		

### Other charges payable directly by the investors

Switching fee <sup>1</sup> (per switch or the difference in sales charge between switching funds, where applicable)	RM 25.00	USD 10.00	SGD 10.00
The Manager reserves the right to vary this switching fee or to vary the terms of the switching facility.			
Transfer fee <sup>1</sup> (per transfer)	RM 5.00	USD 5.00	SGD 5.00

*This table describes the fees that you may indirectly incur when you invest in the Fund:*

### Fees and Expenses

Annual management fee <sup>1</sup>	1.80% per annum of the NAV calculated on a daily basis before deducting the Manager's and Trustee's fees for that particular day.
Annual trustee fee <sup>1</sup>	Up to 0.08% per annum of the NAV calculated on a daily basis before deducting the Manager's and Trustee's fees for that particular day (excluding foreign custodian fees and charges).
Expenses directly related to the Fund	Auditors' fees and other relevant professional fees, foreign custodial charges, cost of distribution of semi-annual and annual reports, tax certificates, reinvestment statements and other notices to Unit Holders, commissions paid to brokers, other transaction costs and taxes.
Other fees payable indirectly by an investor (if any)	None.

<sup>1</sup> All fees and charges payable to the Manager and the Trustee are subject to any applicable taxes and/or duties and at such rate as may be imposed by the Malaysian government from time to time.

Note 1: The Manager may, for any reason at any time, waive or reduce the amount of its management fee only or other charges directly payable by the Unit Holder or investor in respect of the Fund, either generally (for all Unit Holders or investors) or specifically (for any particular Unit Holder or investor) and for any period or periods of time at its absolute discretion.

Note 2: Any bank charges imposed by the relevant banks / financial institutions will be borne by the Unit Holders.

## TRANSACTION INFORMATION

	RM Class	USD Class	SGD Class
Minimum Initial Investment	RM100.00	USD100.00	SGD100.00
Minimum Additional Investment	RM100.00	USD100.00	SGD100.00
Minimum Investment Balance	100 units or such other lower quantity as the Manager may from time to time decide.		
Minimum Redemption of Units	Any number of units.		
Frequency of Redemption of Units	No restriction.		
Switching Facility and Frequency of Switching	Available. Unit Holders may switch to units of any unit trust fund under the management of the Manager that are of the same currency and that allow for switching. The minimum amount for a switch into another fund is one hundred (100) units or such other quantity as the Manager may from time to time decide. There is no restriction as to the number of switches a Unit Holder may perform or the frequency of switching. The minimum investment balance must be at least one hundred (100) units or such other lower quantity as the Manager may from time to time decide after the switch. Following a switching transaction, if the quantity of units held by a Unit Holder in the Fund falls below its minimum investment balance, the Manager can switch the entire investment and forward the proceeds to the fund that the Unit Holder intends to switch into. The Manager however, reserves the right to vary these terms.		

**TRANSACTION INFORMATION**

Transfer Facility	Available. Investors may transfer their holdings of units of the Fund to another investor by forwarding the completed form of transfer to the Manager's registered/principal office or any of its branch offices, or to any of its participating IUTAs or any other authorised distributors before their respective cut-off times. However, the Manager may decline to register any partial transfer of units if the registration would result in the transferor or the transferee holding less than one hundred (100) units or such other lower quantity as the Manager may from time to time accept. The Manager may also refuse an entry of transfer during the fourteen (14) days preceding an income distribution date.
An investor may request for a lower minimum initial investment, lower minimum additional investment, lower minimum investment balance or lower minimum amount for a switch which the Manager may accept at its absolute discretion from time to time. <i>Note: If the Fund is an EPF-MIS approved fund and you invest via EPF-MIS, the minimum initial investment shall be RM1,000.00 (or any other amount as may be determined by EPF).</i>	
Subscription Settlement	Payment must be made in the currency of the class subscribed on subscription date.
Redemption Settlement	Units of the Fund can be redeemed by forwarding the completed form of request to repurchase to the Manager's registered/principal office or any of its branches, or to any of its participating IUTAs and any other authorised distributors before their respective cut-off times on any Business Day. All redemption requests will be processed in accordance with the redemption conditions for the Fund. The redemption monies will be paid within seven (7) Business Days after receipt by the Manager of the request to repurchase. <i>Note: If you have invested via the EPF-MIS, the redemption monies will be credited back into your EPF accounts.</i>
Cooling-off Period	Unit Holders have the right to request for a refund of their investments within six (6) Business Days which shall be effective from the date of receipt of the application by the Manager, subject to eligibility. <i>Note: If you have invested via the EPF-MIS, the cooling-off period shall be subject to EPF's terms and conditions.</i>
Business Day	A day (other than Saturdays, Sundays and public holidays) on which the stock exchange managed or operated by Bursa Malaysia Securities Berhad is open for trading or banks in Kuala Lumpur are open for business; and the markets in which at least 50% of the Fund's NAV (in aggregate) invested therein, are also open for trading.
Dealing Hours	9:00 a.m. to 4:00 p.m. (Malaysia time) on any Business Day or such later time as the Manager may determine provided always the complete applications for the Fund are received before the next valuation point. The Manager may also vary the dealing hours as it may deem appropriate. Investors will be notified on the change of dealing hours via email or notification published on the Manager's website.
Other Information	<ul style="list-style-type: none"> <li>• The assets of the Fund are pooled and invested as a single fund and are not segregated in respect of each class.</li> <li>• Classes differ in terms of currency denominations.</li> <li>• Unit Holders of each class have the same rights and obligations under the deed of the Fund, unless otherwise stated in the prospectus.</li> <li>• US Person is not eligible to subscribe to the units of the Fund. If a Unit Holder is a US Person or subsequently becomes a US Person, the Manager will issue a notice to that US Person requiring him/her to either redeem all the units of the Fund or transfer all the units of the Fund to a non-US Person, within thirty (30) days from the date of the notice. The Manager shall have the right to compulsorily redeem all the units held by the said US Person after thirty (30) days from the date of notice if the US Person fails to redeem or transfer his/her units within the stipulated period.</li> <li>• If the Fund is eligible to be invested via the EPF-MIS and you transfer your moneys from your EPF account to invest in the Fund, the investments made by the Fund as well as your investment in the Fund from your EPF account will be subject to the EPF's requirements. Please refer to the website at <a href="http://www.kwsp.gov.my">http://www.kwsp.gov.my</a> for updated information.</li> </ul>

**YOU SHOULD NOT MAKE PAYMENT IN CASH TO A UNIT TRUST CONSULTANT OR ISSUE A CHEQUE IN THE NAME OF A UNIT TRUST CONSULTANT.**

**VALUATIONS AND EXITING FROM INVESTMENT****VALUATION OF ASSETS**

The assets of the Fund must be valued at least once every Business Day. As the Fund invests in foreign markets, which may have different time zones from that of Malaysia, the valuation of the Fund for a Business Day will be conducted by 5:00 p.m. (or such other time as may be determined by the Manager from time to time) on the following day on which the Manager is open for business. Accordingly, the price of the Fund for a particular Business Day will not be published online on the Manager's website on the next day but will instead be published the next following day (i.e. price will be two (2) days old). This will be specifically indicated on the Manager's website, [www.rhbgroup.com](http://www.rhbgroup.com).

**EXITING FROM THIS INVESTMENT**

The repurchase price shall be the NAV per unit of the respective class as at the next valuation point of the Fund's relevant Business Day after the request for units of the Fund is received by the Manager ("forward pricing"). The Manager does not charge any repurchase charge for this Fund. Units of the Fund can be redeemed by forwarding the completed form of request to repurchase to the Manager's registered/principal office or any of its branches, or to any of its participating IUTAs and any other authorised distributors before their respective cut-off times on any Business Day. All redemption requests will be processed in accordance with the redemption conditions for the Fund. The redemption monies will be paid within seven (7) Business Days after receipt by the Manager of the request to repurchase. Where applicable, if you have invested via the EPF-MIS, the redemption monies will be credited back into your EPF accounts.

For partial redemption, the balance of units held after the redemption must be at least one hundred (100) units or such other lower quantity as the Manager may from time to time decide (the "minimum investment balance"). There is no restriction on the number of units a Unit Holder can redeem out of the Unit Holder's investments or the frequency of redemptions in a year. If the balance of units held after the redemption is less than the minimum investment balance, the Manager can withdraw the entire investment and forward the proceeds to the Unit Holder.

## CONTACT INFORMATION

To contact the Manager or to find out about the distribution channels of the Fund, you may call us at 03-9205 8000 at any time during office hours: Mondays through Fridays from 9.00 a.m. – 5.00 p.m. or e-mail your enquiries to [rhbiham.enquiry@rhbggroup.com](mailto:rhbiham.enquiry@rhbggroup.com).

### HOW DO YOU LODGE A COMPLAINT?

1. For internal dispute resolution, you may contact:

❖ **via Unit Holders Services Toll-Free Hotline at:** 1-800-88-3175

❖ **via phone to:** 03-9205 8000

❖ **via fax to:** 03-9205 8107

❖ **via e-mail to:** [rhbiham.enquiry@rhbggroup.com](mailto:rhbiham.enquiry@rhbggroup.com)

❖ **via letter to:** RHB Islamic International Asset Management Berhad, Level 8, Tower 2 & 3, RHB Centre, Jalan Tun Razak, 50400 Kuala Lumpur.

2. If you are dissatisfied with the outcome of the internal dispute resolution process, please refer your dispute to the Securities Industry Dispute Resolution Center (SIDREC):

❖ **via phone to:** 03-2282 2280

❖ **via fax to:** 03-2282 3855

❖ **via e-mail to:** [info@sidrec.com.my](mailto:info@sidrec.com.my)

❖ **via letter to:** Securities Industry Dispute Resolution Center (SIDREC), Unit A-9-1, Level 9, Tower A, Menara UOA Bangsar, No. 5, Jalan Bangsar Utama 1, 59000 Kuala Lumpur.

3. You can also direct your complaint to the Securities Commission Malaysia ("SC") even if you have initiated a dispute resolution process with SIDREC. To make a complaint, please contact the SC's Consumer & Investor Office:

❖ **via phone to the Aduan Hotline at:** 03-6204 8999

❖ **via fax to:** 03-6204 8991

❖ **via online complaint form available at:** [www.sc.com.my](http://www.sc.com.my)

❖ **via e-mail to:** [aduan@seccom.com.my](mailto:aduan@seccom.com.my)

❖ **via letter to:** Consumer & Investor Office, Securities Commission Malaysia, No 3 Persiaran Bukit Kiara, Bukit Kiara, 50490 Kuala Lumpur.

4. Federation of Investment Managers Malaysia (FIMM)'s Complaints Bureau:

❖ **via phone to:** 03-7890 4242

❖ **via e-mail to:** [complaints@fimm.com.my](mailto:complaints@fimm.com.my)

❖ **via online complaint form available at:** [www.fimm.com.my](http://www.fimm.com.my)

❖ **via letter to:** Legal & Regulatory Affairs, Federation of Investment Managers Malaysia, 19-06-1, 6<sup>th</sup> Floor Wisma Tune, No. 19, Lorong Dungun, Damansara Heights, 50490 Kuala Lumpur.