

# EPF-MIS: SIMPANAN SHARIAH

A Shariah-Compliant Savings Option

PRODUCED: JANUARY 2024









# Diversify Your EPF Savings with AHAM Capital

EPF Members Investment Scheme ("EPF-MIS") is a voluntary investment scheme introduced in November 1996 as an option for EPF members to boost their retirement savings.

Under this scheme, members have a choice to transfer not more than 30% from the savings in excess of the Basic Savings amount in Account 1 into unit trust products offered by the appointed Fund Management Institutions (FMI).

## Benefits of EPF-MIS

|  |   |
|--|---|
|  <p>An opportunity to diversify your retirement savings</p>   |  <p>Variety of funds to choose from depending on your objective and risk level</p> |
|  <p>No cash investment required</p>                           |  <p>Overseas investment exposure</p>   |
|  <p>Potentially boost the total value of your EPF savings</p> |  <p>Diversify your long term investments</p>                                       |

## Eligibility

|             |             |   |
|-------------|-------------|---|
| EPF members | Age 18 - 54 | Have savings above the prescribed Basic Savings amount in Account 1 |
|-------------|-------------|---|

## What is Basic Savings?

Basic Savings refer to the minimum amount of savings that members need in order to support their basic retirement needs when they reach their retirement age.

It is a pre-determined amount set according to age in Account 1 - the older a person, the higher the basic savings requirement.



## Basic Savings Table

| Age | Basic Savings (RM) | Age | Basic Savings (RM) | Age | Basic Savings (RM) |
|-----|--------------------|-----|--------------------|-----|--------------------|
| 18  | 2,000              | 31  | 39,000             | 44  | 116,000            |
| 19  | 4,000              | 32  | 43,000             | 45  | 125,000            |
| 20  | 6,000              | 33  | 47,000             | 46  | 134,000            |
| 21  | 8,000              | 34  | 52,000             | 47  | 144,000            |
| 22  | 10,000             | 35  | 57,000             | 48  | 154,000            |
| 23  | 13,000             | 36  | 62,000             | 49  | 164,000            |
| 24  | 15,000             | 37  | 68,000             | 50  | 175,000            |
| 25  | 18,000             | 38  | 74,000             | 51  | 187,000            |
| 26  | 21,000             | 39  | 80,000             | 52  | 199,000            |
| 27  | 24,000             | 40  | 86,000             | 53  | 212,000            |
| 28  | 27,000             | 41  | 93,000             | 54  | 226,000            |
| 29  | 31,000             | 42  | 101,000            | 55  | 240,000            |
| 30  | 35,000             | 43  | 108,000            |     |                    |

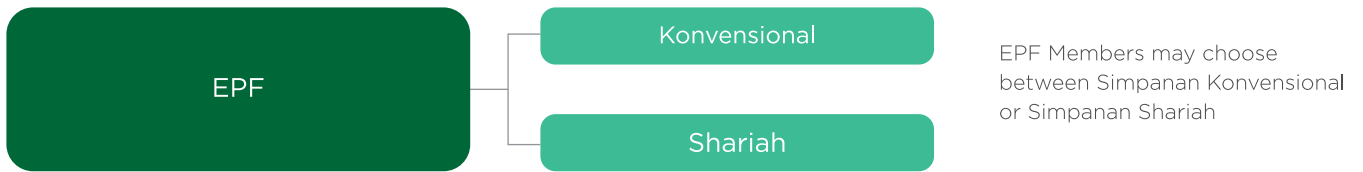
Source: EPF website, <https://www.kwsp.gov.my/member/investment>, effective 1 January 2019, as at 21 December 2023.

# How does EPF-MIS Work?

|  |  |   |
|--|--|---|
| <p>30% from the savings in excess of the Basic Savings amount in Account 1</p> | <p>Calculation:<br/>(Total savings in EPF Account 1 - Basic Savings required in EPF Account 1) x 30%</p> | <p>Example:<br/>Irina is a 35-year old EPF member and she has RM80,000 in her EPF account 1. Her Basic Savings requirement in Account 1 is RM57,000. The permitted withdrawal for EPF-MIS will be (RM80,000 - RM57,000) x 30% = RM6,900</p> |
|--|--|---|

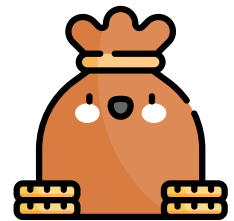
The minimum amount of savings that can be withdrawn is RM1,000 and is subject to the availability of excess savings based on the Basic Savings requirement in Account 1.

## Did You Know?





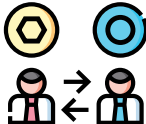


## What is Simpanan Shariah?

Simpanan Shariah is a savings option managed and invested by EPF in accordance with Shariah principles. A Shariah governance framework is established to govern the Shariah compliance aspects of EPF's Simpanan Shariah.

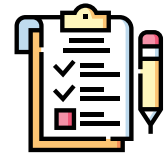


## Differences between Simpanan Shariah and Simpanan Konvensional

| Simpanan Shariah  |   | Simpanan Konvensional   |
|---|---|---|
| EPF members may choose to switch their account to Simpanan Shariah      | <br>Membership   | Simpanan Konvensional is the default option for EPF members if they do not opt for Simpanan Shariah |
| Applicable  | <br>Akad (Shariah Contract)                                | Not applicable  |
| Based on performance of shariah compliant investment                    | <br>Dividend Rate  | Based on performance of the conventional investment and is subject to minimum dividend of 2.5%      |
| Applicable  | <br>Endorsement by Shariah Advisory Committee (SAC) of EPF | Not applicable  |
| Not allowed to revert to Simpanan Konvensional after the effective date | <br>Account Conversion                                     | Members may choose to switch from Simpanan Konvensional to Simpanan Shariah                         |

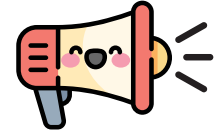
# How to Register for Simpanan Shariah?

EPF Members are required to be present at any EPF counter and they should bring along their MyKad for Malaysians, and Passport for foreigners for identity verification.



## Important Note

Members who have chosen Simpanan Shariah are not allowed to revoke their decision and revert to Simpanan Konvensional after the effective date.



## Shariah Investment Solutions

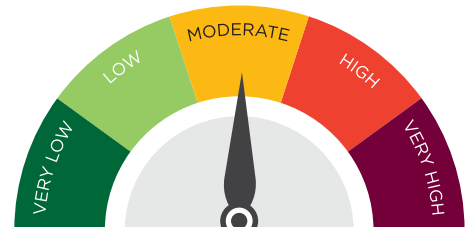
Our Shariah investment solutions are externally managed by AIIMAN Asset Management Sdn. Bhd. ("AIIMAN"), a wholly-owned subsidiary and Shariah-compliant investment arm of AHAM Asset Management Berhad ("AHAM Capital").

AIIMAN is an Islamic investment management company managing assets for pension funds, institutions, corporates, high net worth and mass affluent individuals. Headquartered in the world's Islamic financial hub Kuala Lumpur, Malaysia, AIIMAN is focused on providing clients exceptional and innovative Shariah investment solutions that focus on Asian equities and global Sukuk. AIIMAN has more than ten (10) years of experience in the fund management industry.



## AHAM Capital's Shariah Funds under EPF-MIS

Active funds for year 2023/2024 (effective 1 August 2023)



| FUND TYPE | VERY LOW  | LOW | MODERATE | HIGH  | VERY HIGH |
|-----------|---|-----|----------|---|-----------|
| Shariah   | <b>AHAM Aiiman Money Market Fund<sup>#</sup></b> <ul style="list-style-type: none"> <li>Islamic Money Market / Income</li> <li>Invests in Malaysia</li> </ul> |     |          | <b>AHAM Aiiman Quantum Fund</b> <ul style="list-style-type: none"> <li>Islamic Equity / Capital Growth</li> <li>Invests in Malaysia</li> </ul>    |           |
|           |   |     |          | <b>AHAM Aiiman Growth Fund</b> <ul style="list-style-type: none"> <li>Equity (Shariah Compliant) / Growth</li> <li>Invests in Malaysia</li> </ul> |           |

Note:

- For funds with multiple currency classes, EPF Members are allowed to invest in MYR-class only.
- Effective 1 January 2022, **no initial investment is allowed in any money market funds via EPF-MIS.** Switching from other non-money market funds approved under EPF-MIS into money market funds approved under EPF-MIS is allowed but is subject to the following criteria: a) The investment holdings must not be retained for more than six (6) consecutive months, calculated on a first-in, first-out basis. b) Upon the expiry of the time limit mentioned in item (ii)(a), if there are any balance units in the money market fund under EPF-MIS, EPF Members have the option to either fully redeem the investment and credit back to proceeds to EPF Account 1, or switch out the remaining units into a non-money market fund under EPF-MIS. c) Upon failing of item (ii)(b), AHAM Asset Management reserves the right to fully liquidate the investments and return the redemption proceeds back to the EPF Account 1 of respective EPF Members.

### WARNING STATEMENT:

A copy of the Prospectus and Product Highlights Sheet ("PHS") can be obtained at AHAM Asset Management Berhad's ("AHAM Capital") sales offices or at [aham.com.my](http://aham.com.my). Investors are advised to read and understand the contents of AHAM Aiiman Growth Fund's (formerly known as Affin Hwang Aiiman Growth Fund) Prospectus dated 14 April 2023; AHAM Aiiman Money Market Fund's (formerly known as Affin Hwang Aiiman Money Market Fund) Prospectus dated 31 March 2023; AHAM Aiiman Quantum Fund's (formerly known as Affin Hwang Aiiman Quantum Fund) Prospectus dated 28 April 2023, and corresponding PHS before investing. There are fees and charges involved when investing in the Fund. Investors are advised to consider and compare the fees and charges as well as the risks carefully before investing. Investors should make their own assessment of the risks involved in investing and should seek professional advice, where necessary. The price of units and distribution payable, if any, may go down as well as up and the past performance of the Fund should not be taken as indicative of its future performance. The Securities Commission Malaysia has not reviewed this marketing/promotional material and takes no responsibilities for the contents of this marketing/promotional material and expressly disclaims all liability, however arising from this marketing/promotional material.

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