

1st Supplement to the Offering Document of HBL KPK Islamic Pension Fund

S.no	Fund name
1	HBL KPK Islamic pension Fund

Effective Date: 15-08-2025

S.NO	Fund Name	Category	Last Supplement	New Supplement
1	HBL KPK Islamic pension fund	Shariah Compliant Pension Scheme	-	1 st SOD Dated xx



Key fact statement of

HBL KPK Islamic Pension Fund

Managed by HBL Asset Management Limited

DISCLAIMER:

This document is not a replacement of offering document (OD). Before you invest, you are encouraged to review the detailed features of each sub-fund in the funds OD and /or Monthly Fund Manager Report..

1-Investment Overview:

(i) Investment objective

Equity Sub Fund:	Debt Sub Fund:	Money Market Sub Fund:	Equity Index Sub Fund:
The Investment Objective of the Equity Sub-Fund of the Pension Fund is to earn returns from investments in Pakistani Equity Markets.	The investment objective of the Debt Sub-Fund is to earn returns from investments in debt markets of Pakistan, thus incurring a relatively lower risk than equity investments	The Investment Objective of the Money Market Sub-Fund is to earn returns from investments in Money Markets of Pakistan, thus incurring a relatively lower risk than debt investments.	The Pension Fund Manager shall place the seed capital amount of equity index sub fund in a separate bank account instead of compliance with the following requirements for first three years from the date of launch of the Pension Fund

(ii) Investment Policy

(a) Allocation Policy &

(b) Performance Benchmark

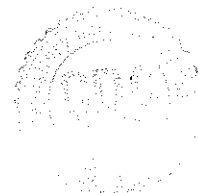
Equity Sub Fund: The Investment Objective of the Equity Sub Fund of the Pension Fund is to earn returns from investments in Pakistani Capital Markets. At least ninety percent (90%) of Net Assets of Equity Sub-fund shall remain invested in listed equity securities during the year based on rolling average investment of last ninety (90) days calculated on daily basis. . For further details please refer clause 7.3 of the offering document .

Benchmark: KMI-30 Index Or KMI all share (Total Return index).

Debt Sub Fund: The investment objective of the Debt Sub Fund is to earn returns from investments in debt markets of Pakistan, thus incurring a relatively lower risk than equity sub fund. The Debt Sub-fund shall consist of government securities, cash in bank account, money market placements, deposits, certificate of deposits (COD), certificate of musharakas (COM), TDRs, commercial paper, TFC/ Sukuk or any other mode of placement, reverse repo, deposits/placements with Microfinance Banks and any other approved debt/money market security issued from time to time. For further details please refer clause 7.4 of the offering document.



	<p>Benchmark: 75% Twelve (12) months PKISRV + 25% six (6) Months average of the highest rates on savings account of three (3) AA rated scheduled Islamic banks or Islamic windows of conventional banks as selected by MUFAP.</p> <p>Money Market Sub-Fund: The Investment Objective of the Money Market Sub-Fund is to earn returns from investments in Money Markets of Pakistan, thus incurring a relatively lower risk than debt sub fund, Investment avenues - government securities, cash and near cash instruments which include cash in bank accounts (excluding TDRs), treasury bills, money market placements, deposits, certificate of deposits (COD), certificate of musharakas (COM) or any other mode of placement, TDRs, commercial papers, reverse repo. For further details please refer clause 7.5 of the offering document.</p> <p>Benchmark: 90% three (3) months PKISRV rates+ 10% three (3) months average of the highest rates on savings account of three (3) AA rated scheduled Islamic banks or Islamic windows of conventional banks as selected by MUFAP.</p> <p>Equity Index Tracker Sub-Fund: The Index Sub-fund shall strive to remain fully invested in accordance with the stated index, however, under no circumstances shall it be invested less than 85% of its net assets in securities covered in the index or its subset during the year based on monthly average investment calculated on a daily basis. The un invested amount shall be kept in cash and/or near cash instruments where near cash instruments include cash in bank account (excluding TDRs), and Treasury bills not exceeding 90 days maturity. For further details please refer clause 7.6 of the offering document.</p> <p>Benchmark: Return of the shariah compliant index being tracked by the PFM (Total return based).</p>															
(c) Shariah Compliance	Yes															
(iii) Launch date	14 TH December 2023															
(iv) Minimum Contribution amount	500 refer to clause 6.4.1 of OD.															
(v) Total Expense Ratio	<p>The Total Expense Ratio of the Sub-Funds shall be caped as follows:</p> <table><tr><th>Sub- Funds</th><th>Maximum Total Expense Ratio excluding insurance charges and Govt levies (as % of Net Assets)</th><th>Maximum Insurance Charge (as % of Net Assets)*</th></tr><tr><td>Money Market Sub Fund</td><td>0.75% p.a.</td><td>0.25% p.a.</td></tr><tr><td>Debt Sub Fund</td><td>0.75% p.a</td><td>0.25% p.a.</td></tr><tr><td>Equity Index Sub Fund</td><td>1.00% p.a.</td><td>0.25% p.a.</td></tr><tr><td>Equity Sub Fund</td><td>1.75% p.a</td><td>0.25% p.a.</td></tr></table>	Sub- Funds	Maximum Total Expense Ratio excluding insurance charges and Govt levies (as % of Net Assets)	Maximum Insurance Charge (as % of Net Assets)*	Money Market Sub Fund	0.75% p.a.	0.25% p.a.	Debt Sub Fund	0.75% p.a	0.25% p.a.	Equity Index Sub Fund	1.00% p.a.	0.25% p.a.	Equity Sub Fund	1.75% p.a	0.25% p.a.
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Debt Sub Fund	0.75% p.a	0.25% p.a.														
Equity Index Sub Fund	1.00% p.a.	0.25% p.a.														
Equity Sub Fund	1.75% p.a	0.25% p.a.														
(vi) Subscription / Withdrawal Days and timing	9 AM to 4 PM															



2. Risk Profile & Product Suitability		
(i)	Who is this product suitable for?	Pension plans are extremely essential for an individual to maintain his/her current lifestyle, post retirement It is a flexible savings-cum-investment scheme which facilitates individuals to save for their retirement in a systematic way.
(ii)	Risk profile of the fund	(iii) High volatility – High risk (iv) Medium volatility – Medium Risk (v) Low volatility –Low risk (vi) Lower volatility – Very low risk
(iii)	Funds investment Risk	Please refer to clause 8.10 of OD.
3. Withdrawals, drawdowns and benefits		
(i)	Minimum Retirement Age	60 or 70 refer to clause 6.24 of OD.
(ii)	Options available to participants upon retirement	(a) withdraw up to 20% of the accumulated balance or such amount from his Individual Pension Account as specified in the KPK Rules; and (b) to use the remaining amount to purchase an annuity from Insurance /Takaful Company or to subscribe to a Pension Annuity Fund as approved by the Commission, as the case may be, of his choice; or © to enter into an agreement with the Pension Fund Manager to withdraw from the remaining amount in monthly installments according to an income payment plan approved by the Commission with a minimum tenure of at least 20 years or such other period as prescribed by the Employer. Details of the Approved Income Payment Plan are disclosed in this Offering Document of the plan. For further details please Refer to clause 5.8 of Offering Document.
(iii)	Early withdrawal conditions and implications	On any Business Day and from time to time before the date of retirement an Employee may withdraw from his balance in the Employee Individual Pension Account, subject to KPK Rules, where such withdrawal shall be subject to the conditions laid down in the Income Tax Ordinance, 2001 (XLIX of 2001). The withdrawals may be liable to withholding tax or tax penalty, and in case any such liability exists the amount of withholding tax or tax penalty shall be deducted by the Pension Fund Manager from the amount withdrawn and such deducted amount shall be paid to the relevant Authority. Moreover, if so prescribed by the Employer, such withdrawal may also result in withholding of the future contributions by the Employer or such other repercussions as prescribed by the Employer. .
(iv)	Any other key information which would help investors to determine if the product is suitable for them.	for further details refer to clause 5.10 of Offering Document.
4. Brief Information on the product charges		
1-FRONT END LOAD (FEL)	Distribution channel	Percentage
NIL	Direct investment through PFM	NIL
	Digital Platform of PFM /third party	NA

Total Expense Ratio (TER)

Participants are advised to consult the Fund Manager Report (FMR) of the respective Pension fund for the latest information pertaining to the updated TER.



5. KEY STAKEHOLDERS:

- (a) Pension Fund Manager HBL Asset Management Limited
- (b) CDC Trustee
- (c) AL-Hilal Shariah Advisors (Pvt) Limited

1. Allowable expenses HBL KPK Islamic Pension Fund has been amended in offering document.

The following text shall replace the existing text under the clause 7.4 of the Offering Document, clause 7.5 shall be deleted and rest of the clauses shall be renumbered accordingly; (a) remuneration of the Asset Management Company or the Pension Fund Manager;

- (a) remuneration of the Asset Management Company or the Pension Fund Manager;
- (b) remuneration of trustee or custodian;
- (c) charges and levies of stock exchange, national clearing and settlement company and central depository company;
- (d) auditors' fees and out of pocket expenses as billed by them;
- (e) fees payable to the Commission;
- (f) In case of Pension Fund, formation cost shall not exceed 1.5 per cent of the seed capital of each Sub-Fund which shall be amortized over a period of five years;
- (g) brokerage and transaction costs related to investing and disinvesting of the assets of the CIS or Pension Funds;
- (h) expenses incurred by trustee in affecting registration of all registerable assets in the name of the trustee;
- (i) legal and related costs incurred in protecting the interests of the unit, certificate, shareholders of the CIS or participants of Pension Funds;
- (j) bank charges, borrowing and financial costs;
- (k) hedging costs including forward cover, forward purchase or option purchase costs;
- (l) taxes, fees, duties and other charges applicable to the CIS or Pension Funds on its income or its properties, including taxes, fees, duties and other charges levied by a foreign jurisdiction on investments made overseas;
- (m) Shariah advisory fee;
- (n) Any other expense or charge as may be allowed by the Commission."

