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## Alfalah Investments Equity Composite

Year	Net Returns	Benchmark	Composite 3		Benchmark 3		Composite Assets	Firm Assets
			Yr Standard Deviation	Yr Standard Deviation	Number of Portfolios	Internal Dispersion		
FY15	27.48%	15.94%	19.37%	17.33%	<5	NA	2,026	23,290
FY16	14.54%	9.61%	19.20%	17.51%	<5	NA	2,613	27,118
FY17	28.99%	23.05%	18.46%	17.43%	<5	NA	3,723	40,483
FY18	-14.33%	-10.09%	16.02%	17.21%	<5	NA	3,896	38,345
FY19	-17.39%	-19.17%	17.53%	17.52%	<5	NA	2,563	41,298
FY20	-3.50%	1.35%	26.46%	25.56%	<5	NA	2,092	110,672
9MFY21	30.42%	29.38%	27.38%	-2.83%	<5	NA	2,684	118,171

### Compliance Statement

Alfalah Investments claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS standards. Alfalah Investments has not been independently verified.

### Firm Definition

Alfalah Investments was incorporated on Oct 18, 2004 as an unlisted company and is licensed by Securities and Exchange Commission of Pakistan (SECP) to undertake asset management, investment advisory and pension fund management services. The definition of Firm at Alfalah Investments encompasses the following:

- All Funds under Management (including investment plans)
- All Non-Fee Paying and Fee Paying and Discretionary and Non-Discretionary Portfolios.

### Policies

Policies for valuing Portfolios, calculating performance, and preparing compliant presentations are available upon request.

### Composite Description

Equity Composite includes Equity Portfolios that aim to provide investors long term investment return in form of capital appreciation along with dividend income. The portfolios in the composites can also place investments in fixed income instruments based on fund manager's view of volatility or as a tactical strategy. The composite currently comprises of Alfalah GHP Stock Fund, Alfalah GHP Alpha Fund, Alfalah GHP Pension Fund - Equity and one discretionary Separately Managed Accounts (SMA's). This composite was created on January 07, 2020.

### Benchmark

The Benchmark of Equity Composite is KSE100 Index. The Fund's performance will be compared to its benchmark after deducting from the return all expenses which are charged to the Fund as per the Regulations.

### List of Composites

A list of all composite descriptions is available upon request.

### Significant Event

Effective from 01 July 2011, through Sindh Sales Tax on Services Act 2011, general sales tax on fund management services has been imposed at the rate 16% effective July 1, 2011. Management fee charged during the period includes general sales tax.

### Fees

Returns are presented net of all expenses (including custodial expenses, SECP fee, Listing fee) in addition to the Management Fee and Trading Expenses. (Please refer to Schedule)

### Fee Schedule

Management fee of individual portfolios within the Equity Composite are given below:

- **Alfalah GHP Stock Fund**  
2.0% p.a.
- **Alfalah GHP Alpha Fund**  
1.75% p.a.
- **Alfalah GHP Pension Fund - Equity**  
1.25% p.a.
- **Discretionary Portfolios**  
Underlying fund fee.

The minimum portfolio size of Collective Investment Schemes (CIS) for inclusion in the composite is Rs 100 Million per Fund, which is also a regulatory requirement for starting and managing a Fund. The definition of CIS does not include Allocation Plans. For Allocation plans, minimum portfolio size is Rs 10 Million.

The minimum portfolio size for separately managed account (SMA) inclusion in the composite is Rs 3 Million per Fund, which is also a regulatory requirement for managing SMAs.

### Currency

The currency used to calculate all the returns is Pakistani Rupee (PKR).

### Ex Post Standard Deviation

The three-year annualized standard deviation measures the variability of the composite and the benchmark returns over the preceding 36 months

### Internal Dispersion

Internal dispersion is calculated using the equal-weighted standard deviation of net returns of those portfolios that were included in the composite for the entire period.

### Returns

The portfolio returns for the period have been calculated using a time-weighted, monthly, geometrically linked rate of return formula to compute percentage returns. Each portfolio's monthly rate of return is the monthly percentage change in the market value, including earned interest and dividends, after allowing for the effects of cash flows. All returns are net-of-fees calculated after the deduction of actual investment management fees and trading expenses.

## Alfalah Investments Islamic Equity Composite

Year	Net Returns	Benchmark	Composite 3	Benchmark 3	Number of Portfolios	Internal Dispersion	Composite Assets	Firm Assets
			Yr Standard Deviation	Yr Standard Deviation				
FY15	2.37%	3.49%	14.34%	14.68%	<5	NA	580	23,290
FY16	20.33%	15.53%	13.59%	16.09%	<5	NA	1,987	27,118
FY17	24.80%	18.80%	15.61%	18.27%	<5	NA	5,810	40,483
FY18	-14.43%	-9.59%	16.46%	18.86%	<5	NA	3,979	38,345
FY19	-18.80%	-23.84%	17.63%	20.15%	<5	NA	2,102	41,298
FY20	-1.24%	1.62%	27.57%	29.17%	<5	NA	1,951	110,672
9MFY21	30.83%	32.81%	28.30%	29.62%	<5	NA	2,059	118,171

### Compliance Statement

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### Firm Definition

Alfalah Investments was incorporated on Oct 18, 2004 as an unlisted company and is licensed by Securities and Exchange Commission of Pakistan (SECP) to undertake asset management, investment advisory and pension fund management services. The definition of Firm at Alfalah Investments encompasses the following:

- All Funds under Management (including investment plans)
- All Non-Fee Paying and Fee Paying and Discretionary and Non-Discretionary Portfolios.

### Policies

Policies for valuing Portfolios, calculating performance, and preparing compliant presentations are available upon request.

### Composite Description

Islamic Equity Composite includes Shariah compliant Equity Portfolios that aim to provide investors long term investment return in form of capital appreciation along with dividend income. The portfolios in the composites can also place investments in Shariah compliant fixed income instruments based on fund manager's view of volatility or as a tactical strategy. The composite currently comprises of Alfalah GHP Islamic Stock Fund and Alfalah GHP Islamic Pension Fund - Equity. This composite was created on January 07, 2020.

### Benchmark

The Benchmark of the Composite is KMI30 Index. The Fund's performance will be compared to its benchmark after deducting from the return all expenses which are charged to the Fund as per the Regulations.

### List of Composites

A list of all composite descriptions is available upon request.

### Significant Event

Effective from 01 July 2011, through Sindh Sales Tax on Services Act 2011, general sales tax on fund management services has been imposed at the rate 16% effective July 1, 2011. Management fee charged during the period includes general sales tax.

### Fees

Returns are presented net of all expenses (including custodial expenses, SECP fee, Listing fee) in addition to the Management Fee and Trading Expenses. (Please refer to Schedule)

### Fee Schedule

Management fee of individual portfolios within the Equity Composite are given below:

- **Alfalah GHP Islamic Stock Fund**  
2.0% p.a.
- **Alfalah GHP Islamic Pension Fund – Equity**  
1.25% p.a.

The minimum portfolio size of Collective Investment Schemes (CIS) for inclusion in the composite is Rs 100 Million per Fund, which is also a regulatory requirement for starting and managing a Fund. The definition of CIS does not include Allocation Plans. For Allocation plans, minimum portfolio size is Rs 10 Million.

The minimum portfolio size for separately managed account (SMA) inclusion in the composite is Rs 3 Million per Fund, which is also a regulatory requirement for managing SMAs.

### Currency

The currency used to calculate all the returns is Pakistani Rupee (PKR).

### Ex Post Standard Deviation

The three-year annualized standard deviation measures the variability of the composite and the benchmark returns over the preceding 36 months

### Internal Dispersion

Internal dispersion is calculated using the equal-weighted standard deviation of net returns of those portfolios that were included in the composite for the entire period.

### Returns

The portfolio returns for the period have been calculated using a time-weighted, monthly, geometrically linked rate of return formula to compute percentage returns. Each portfolio's monthly rate of return is the monthly percentage change in the market value, including earned interest and dividends, after allowing for the effects of cash flows. All returns are net-of-fees calculated after the deduction of actual investment management fees and trading expenses.

## Alfalah Investments Money Market Composite

Year	Net Returns	Benchmark	Composite 3	Benchmark 3	Number of Portfolios	Internal Dispersion	Composite Assets	Firm Assets
			Yr Standard Deviation	Yr Standard Deviation				
FY15	8.67%	6.62%	0.44%	0.22%	<5	NA	3,832	23,290
FY16	5.32%	4.75%	0.47%	0.34%	<5	NA	5,718	27,119
FY17	6.23%	5.02%	0.78%	0.30%	<5	NA	2,671	40,487
FY18	5.36%	5.36%	0.66%	0.11%	<5	NA	5,041	38,347
FY19	9.14%	8.74%	0.83%	0.57%	<5	NA	17,982	41,305
FY20	12.62%	11.66%	0.92%	0.86%	<5	NA	21,113	110,672
9MFY21	6.70%	6.68%	0.81%	0.75%	<5	NA	28,629	118,171

### Compliance Statement

Alfalah Investments claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS standards. Alfalah Investments has not been independently verified.

### Firm Definition

Alfalah Investments was incorporated on Oct 18, 2004 as an unlisted company and is licensed by Securities and Exchange Commission of Pakistan (SECP) to undertake asset management, investment advisory and pension fund management services. The definition of Firm at Alfalah Investments encompasses the following:

- All Funds under Management (including investment plans)
- All Non-Fee Paying and Fee Paying and Discretionary and Non-Discretionary Portfolios.

### Policies

Policies for valuing Portfolios, calculating performance, and preparing compliant presentations are available upon request.

### Composite Description

This composite targets optimal returns through investing in high quality short term money market instruments. Investments authorized for the Money Market Composite include Government Securities; deposits with AA and above rated banks, money market placements and commercial papers with remaining maturity of less than six months. The weighted average maturity of portfolios in this composite cannot exceed ninety days. The composite currently comprises of Alfalah GHP Money Market Fund, Cash Fund and Alfalah GHP Pension – Money Market Sub Fund. This composite was created on January 07, 2020.

### Benchmark

The Benchmark of the Composite is 70% three (3) months average PKRV rates plus 30% three (3) months average deposit rates of three (3) AA rated scheduled Banks as selected by MUFAP. The Fund's performance will be compared to its benchmark after deducting from the return all expenses which are charged to the Fund as per the Regulations.

### List of Composites

A list of all composite descriptions is available upon request.

### Significant Event

Effective from 01 July 2011, through Sindh Sales Tax on Services Act 2011, general sales tax on fund management services has been imposed at the rate 16% effective July 1, 2011.

Management fee charged during the period includes general sales tax.

### Fees

Returns are presented net of all expenses (including custodial expenses, SECP fee, Listing fee) in addition to the Management Fee and Trading Expenses. (Please refer to Schedule)

### Fee Schedule

Management fee of individual portfolios within the Equity Composite are given below:

- **Alfalah GHP Cash Fund**  
0.21% p.a. of average daily net assets
- **Alfalah GHP Money Market Fund**  
0.35% of average daily Net Assets of the Scheme subject to the maximum limit defined in the Regulations.
- **Alfalah GHP Pension Fund – Money Market Sub Fund**  
1.25% p.a.

The minimum portfolio size of Collective Investment Schemes (CIS) for inclusion in the composite is Rs 100 Million per Fund, which is also a regulatory requirement for starting and managing a Fund. The definition of CIS does not include Allocation Plans. For Allocation plans, minimum portfolio size is Rs 10 Million.

The minimum portfolio size for separately managed account (SMA) inclusion in the composite is Rs 3 Million per Fund, which is also a regulatory requirement for managing SMAs.

### Currency

The currency used to calculate all the returns is Pakistani Rupee (PKR).

### Ex Post Standard Deviation

The three-year annualized standard deviation measures the variability of the composite and the benchmark returns over the preceding 36 months

### Internal Dispersion

Internal dispersion is calculated using the equal-weighted standard deviation of net returns of those portfolios that were included in the composite for the entire period.

### Returns

The portfolio returns for the period have been calculated using a time-weighted, monthly, geometrically linked rate of return formula to compute percentage returns. Each portfolio's monthly rate of return is the monthly percentage change in the market value, including earned interest and dividends, after allowing for the effects of cash flows. All returns are net-of-fees calculated after the deduction of actual investment management fees and trading expenses.

## Alfalsh Investments Fixed Income Composite

Year	Net Returns	Benchmark	Composite 3	Benchmark 3	Number of Portfolios	Internal Dispersion	Composite Assets	Firm Assets
			Yr Standard Deviation	Yr Standard Deviation				
FY15	12.26%	8.99%	1.34%	0.27%	<5	NA	1,111	23,290
FY16	7.56%	6.53%	1.32%	0.46%	<5	NA	639	27,119
FY17	5.17%	6.10%	1.46%	0.43%	<5	NA	538	40,487
FY18	4.68%	6.35%	0.71%	0.08%	<5	NA	370	38,347
FY19	7.55%	10.22%	0.69%	0.62%	<5	NA	309	41,305
FY20	14.48%	12.23%	1.77%	0.86%	<5	NA	1,240	110,672
9MFY21	6.59%	7.34%	1.70%	0.77%	<5	NA	1,927	118,171

### Compliance Statement

Alfalsh Investments claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS standards. Alfalsh Investments has not been independently verified.

### Firm Definition

Alfalsh Investments was incorporated on Oct 18, 2004 as an unlisted company and is licensed by Securities and Exchange Commission of Pakistan (SECP) to undertake asset management, investment advisory and pension fund management services. The definition of Firm at Alfalsh Investments encompasses the following:

- All Funds under Management (including investment plans)
- All Non-Fee Paying and Fee Paying and Discretionary and Non-Discretionary Portfolios.

### Policies

Policies for valuing Portfolios, calculating performance, and preparing compliant presentations are available upon request.

### Composite Description

Fixed Income Composite will pursue total return by investing in various income-producing securities. Total return is expected to arrive from a combination of income and capital appreciation, with income portion being the dominant portion of total return. Minimum Instrument and Entity ratings for Investments authorized for the Fixed Income Composite are limited to A- (A minus). The composite currently comprises of Alfalsh GHP Income Fund and Alfalsh GHP Pension – Debt Sub Fund. This composite was created on January 07, 2020.

### Benchmark

The Benchmark of the Composite is 6 Months KIBOR. The Fund's performance will be compared to its benchmark after deducting from the return all expenses which are charged to the Fund as per the Regulations.

### List of Composites

A list of all composite descriptions is available upon request.

### Significant Event

Effective from 01 July 2011, through Sindh Sales Tax on Services Act 2011, general sales tax on fund management services has been imposed at the rate 16% effective July 1, 2011. Management fee charged during the period includes general sales tax.

### Fees

Returns are presented net of all expenses (including custodial expenses, SECP fee, Listing fee) in addition to the Management Fee and Trading Expenses. (Please refer to Schedule)

### Fee Schedule

Management fee of individual portfolios within the Equity Composite are given below:

- **Alfalsh GHP Income Fund**  
10% of the Gross Earnings subject to a minimum fee of 0.25% of average daily Net Assets and maximum fee of 1.50% of average Annual Net Assets.
- **Alfalsh GHP Pension – Debt Sub Fund**  
1.25% p.a.

The minimum portfolio size of Collective Investment Schemes (CIS) for inclusion in the composite is Rs 100 Million per Fund, which is also a regulatory requirement for starting and managing a Fund. The definition of CIS does not include Allocation Plans. For Allocation plans, minimum portfolio size is Rs 10 Million.

The minimum portfolio size for separately managed account (SMA) inclusion in the composite is Rs 3 Million per Fund, which is also a regulatory requirement for managing SMAs.

### Currency

The currency used to calculate all the returns is Pakistani Rupee (PKR).

### Ex Post Standard Deviation

The three-year annualized standard deviation measures the variability of the composite and the benchmark returns over the preceding 36 months

### Internal Dispersion

Internal dispersion is calculated using the equal-weighted standard deviation of net returns of those portfolios that were included in the composite for the entire period.

### Returns

The portfolio returns for the period have been calculated using a time-weighted, monthly, geometrically linked rate of return formula to compute percentage returns. Each portfolio's monthly rate of return is the monthly percentage change in the market value, including earned interest and dividends, after allowing for the effects of cash flows. All returns are net-of-fees calculated after the deduction of actual investment management fees and trading expenses.

## Alfalah Investments Islamic Money Market Composite

Year	Net Returns	Benchmark	Composite 3	Benchmark 3	Number of Portfolios	Internal Dispersion	Composite Assets	Firm Assets
			Yr Standard Deviation	Yr Standard Deviation				
FY17	2.89%	NA	0.08%	NA	<5	NA	31	40,487
FY18	2.52%	NA	0.23%	NA	<5	NA	32	38,347
FY19	3.37%	NA	0.56%	NA	<5	NA	53	41,305
FY20	7.44%	NA	0.85%	NA	<5	NA	54	110,672
9MFY21	5.79%	3.46%	0.81%	NA	<5	NA	5,228	118,171

### Compliance Statement

Alfalah Investments claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS standards. Alfalah Investments has not been independently verified.

### Firm Definition

Alfalah Investments was incorporated on Oct 18, 2004 as an unlisted company and is licensed by Securities and Exchange Commission of Pakistan (SECP) to undertake asset management, investment advisory and pension fund management services. The definition of Firm at Alfalah Investments encompasses the following:

- All Funds under Management (including investment plans)
- All Non-Fee Paying and Fee Paying and Discretionary and Non-Discretionary Portfolios.

### Policies

Policies for valuing Portfolios, calculating performance, and preparing compliant presentations are available upon request.

### Composite Description

This composite will pursue total return by investing in various income-producing securities. Total return is expected to arrive from a combination of income and capital appreciation, with income portion being the dominant portion of total return. The securities and investments in the portfolios of this composite shall be first deemed approved by the Shariah Supervisory Board of the firm. The composite currently comprises of Alfalah GHP Islamic Pension Fund –Money Market Sub Fund. This composite was created on January 07, 2020.

### Benchmark

No specific benchmark has been assigned to this composite.

### List of Composites

A list of all composite descriptions is available upon request.

### Significant Event

Effective from 01 July 2011, through Sindh Sales Tax on Services Act 2011, general sales tax on fund management services has been imposed at the rate 16% effective July 1, 2011. Management fee charged during the period includes general sales tax.

### Fees

Returns are presented net of all expenses (including custodial expenses, SECP fee, Listing fee) in addition to the Management Fee and Trading Expenses. (Please refer to Schedule)

### Fee Schedule

Management fee of individual portfolios within the Equity Composite are given below:

- **Alfalah GHP Islamic Pension – Money Market Sub Fund**  
1.25% p.a.

The minimum portfolio size of Collective Investment Schemes (CIS) for inclusion in the composite is Rs 100 Million per Fund, which is also a regulatory requirement for starting and managing a Fund. The definition of CIS does not include Allocation Plans. For Allocation plans, minimum portfolio size is Rs 10 Million.

The minimum portfolio size for separately managed account (SMA) inclusion in the composite is Rs 3 Million per Fund, which is also a regulatory requirement for managing SMAs.

### Currency

The currency used to calculate all the returns is Pakistani Rupee (PKR).

### Ex Post Standard Deviation

The three-year annualized standard deviation measures the variability of the composite and the benchmark returns over the preceding 36 months

### Internal Dispersion

Internal dispersion is calculated using the equal-weighted standard deviation of net returns of those portfolios that were included in the composite for the entire period.

### Returns

The portfolio returns for the period have been calculated using a time-weighted, monthly, geometrically linked rate of return formula to compute percentage returns. Each portfolio's monthly rate of return is the monthly percentage change in the market value, including earned interest and dividends, after allowing for the effects of cash flows. All returns are net-of-fees calculated after the deduction of actual investment management fees and trading expenses.

## Alfalsh Investments Government Securities Composite

Year	Net Returns	Benchmark	Composite 3 Yr Standard Deviation	Benchmark 3 Yr Standard Deviation	Number of Portfolios	Internal Dispersion	Composite Assets	Firm Assets
FY15	16.38%	8.10%	2.78%	0.34%	<5	NA	7,234	23,290
FY16	7.42%	5.87%	2.32%	0.43%	<5	NA	2,987	27,119
FY17	5.54%	5.80%	2.15%	0.37%	<5	NA	1,043	40,487
FY18	4.96%	6.20%	0.72%	0.09%	<5	NA	797	38,347
FY19	7.68%	10.02%	0.78%	0.62%	<5	NA	824	41,305
FY20	16.12%	12.08%	2.19%	0.85%	<5	NA	1,354	110,672
9MFY21	6.12%	7.20%	2.14%	0.77%	<5	NA	1,277	118,171

### Compliance Statement

Alfalsh Investments claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS standards. Alfalsh Investments has not been independently verified.

### Firm Definition

Alfalsh Investments was incorporated on Oct 18, 2004 as an unlisted company and is licensed by Securities and Exchange Commission of Pakistan (SECP) to undertake asset management, investment advisory and pension fund management services. The definition of Firm at Alfalsh Investments encompasses the following:

- All Funds under Management (including investment plans)
- All Non-Fee Paying and Fee Paying and Discretionary and Non-Discretionary Portfolios.

### Policies

Policies for valuing Portfolios, calculating performance, and preparing compliant presentations are available upon request.

### Composite Description

Government Securities Composite will pursue total return by investing in only Sovereign securities (T-bills, PIB's, Sukuks etc). Total return is expected to arrive from a combination of income and capital appreciation, with income portion being the dominant portion of total return. The composite currently comprises of Alfalsh GHP Sovereign Fund. This composite was created on January 07, 2020.

### Benchmark

The Benchmark of the Composite is 6 Months PKRV. The Fund's performance will be compared to its benchmark after deducting from the return all expenses which are charged to the Fund as per the Regulations.

### List of Composites

A list of all composite descriptions is available upon request.

### Significant Event

Effective from 01 July 2011, through Sindh Sales Tax on Services Act 2011, general sales tax on fund management services has been imposed at the rate 16% effective July 1, 2011. Management fee charged during the period includes general sales tax.

### Fees

Returns are presented net of all expenses (including custodial expenses, SECP fee, Listing fee) in addition to the Management Fee and Trading Expenses. (Please refer to Schedule)

### Fee Schedule

Management fee of individual portfolios within the Equity Composite are given below:

- **Alfalsh GHP Sovereign Fund**  
10% of the Gross Earnings subject to a minimum fee of 0.25% of average daily Net Assets and maximum fee of 1.50% of average Annual Net Assets.

The minimum portfolio size of Collective Investment Schemes (CIS) for inclusion in the composite is Rs 100 Million per Fund, which is also a regulatory requirement for starting and managing a Fund. The definition of CIS does not include Allocation Plans. For Allocation plans, minimum portfolio size is Rs 10 Million.

The minimum portfolio size for separately managed account (SMA) inclusion in the composite is Rs 3 Million per Fund, which is also a regulatory requirement for managing SMAs.

### Currency

The currency used to calculate all the returns is Pakistani Rupee (PKR).

### Ex Post Standard Deviation

The three-year annualized standard deviation measures the variability of the composite and the benchmark returns over the preceding 36 months

### Internal Dispersion

Internal dispersion is calculated using the equal-weighted standard deviation of net returns of those portfolios that were included in the composite for the entire period.

### Returns

The portfolio returns for the period have been calculated using a time-weighted, monthly, geometrically linked rate of return formula to compute percentage returns. Each portfolio's monthly rate of return is the monthly percentage change in the market value, including earned interest and dividends, after allowing for the effects of cash flows. All returns are net-of-fees calculated after the deduction of actual investment management fees and trading expenses.



## Alfalsh Investments Aggressive Fixed Income Composite

Year	Net Returns	Benchmark	Composite 3	Benchmark 3	Number of Portfolios	Internal Dispersion	Composite Assets	Firm Assets
			Yr Standard Deviation	Yr Standard Deviation				
FY15	14.18%	9.27%	3.94%	0.28%	<5	NA	1,706	23,290
FY16	8.38%	6.83%	2.35%	0.47%	<5	NA	1,505	27,119
FY17	5.90%	6.40%	1.95%	0.42%	<5	NA	1,548	40,487
FY18	4.90%	6.69%	0.83%	0.09%	<5	NA	355	38,347
FY19	6.26%	10.75%	0.95%	0.64%	<5	NA	112	41,305
FY20	15.22%	12.27%	2.05%	0.84%	<5	NA	72	110,672
9MFY21	2.95%	7.60%	2.73%	0.76%	<5	NA	156	118,171

### Compliance Statement

Alfalsh Investments claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS standards. Alfalsh Investments has not been independently verified.

### Firm Definition

Alfalsh Investments was incorporated on Oct 18, 2004 as an unlisted company and is licensed by Securities and Exchange Commission of Pakistan (SECP) to undertake asset management, investment advisory and pension fund management services. The definition of Firm at Alfalsh Investments encompasses the following:

- All Funds under Management (including investment plans)
- All Non-Fee Paying and Fee Paying and Discretionary and Non-Discretionary Portfolios.

### Policies

Policies for valuing Portfolios, calculating performance, and preparing compliant presentations are available upon request.

### Composite Description

Aggressive Fixed Income Composite will pursue maximum total return by investing in various income-producing securities. Total return is expected to arrive from a combination of income and capital appreciation. No Minimum Instrument and Entity ratings shall apply for this composite. The composite currently comprises of Alfalsh GHP Income Multiplier Fund. This composite was created on January 07, 2020.

### Benchmark

The Benchmark of the Composite is 12 Months KIBOR. The Fund's performance will be compared to its benchmark after deducting from the return all expenses which are charged to the Fund as per the Regulations.

### List of Composites

A list of all composite descriptions is available upon request.

### Significant Event

Effective from 01 July 2011, through Sindh Sales Tax on Services Act 2011, general sales tax on fund management services has been imposed at the rate 16% effective July 1, 2011. Management fee charged during the period includes general sales tax.

### Fees

Returns are presented net of all expenses (including custodial expenses, SECP fee, Listing fee) in addition to the Management Fee and Trading Expenses. (Please refer to Schedule)

### Fee Schedule

Management fee of individual portfolios within the Equity Composite are given below:

- **Alfalsh GHP Income Multiplier Fund**  
1.25% p.a.

The minimum portfolio size of Collective Investment Schemes (CIS) for inclusion in the composite is Rs 100 Million per Fund, which is also a regulatory requirement for starting and managing a Fund. The definition of CIS does not include Allocation Plans. For Allocation plans, minimum portfolio size is Rs 10 Million.

The minimum portfolio size for separately managed account (SMA) inclusion in the composite is Rs 3 Million per Fund, which is also a regulatory requirement for managing SMAs.

### Currency

The currency used to calculate all the returns is Pakistani Rupee (PKR).

### Ex Post Standard Deviation

The three-year annualized standard deviation measures the variability of the composite and the benchmark returns over the preceding 36 months

### Internal Dispersion

Internal dispersion is calculated using the equal-weighted standard deviation of net returns of those portfolios that were included in the composite for the entire period.

### Returns

The portfolio returns for the period have been calculated using a time-weighted, monthly, geometrically linked rate of return formula to compute percentage returns. Each portfolio's monthly rate of return is the monthly percentage change in the market value, including earned interest and dividends, after allowing for the effects of cash flows. All returns are net-of-fees calculated after the deduction of actual investment management fees and trading expenses.



### Alfalah Investments Islamic Income Composite

Year	Net Returns	Benchmark	Composite 3 Yr Standard Deviation	Benchmark 3 Yr Standard Deviation	Number of Portfolios	Internal Dispersion	Composite Assets	Firm Assets
FY15	6.85%	6.45%	0.65%	0.15%	<5	NA	112	23,290
FY16	4.91%	4.66%	0.67%	0.28%	<5	NA	100	27,119
FY17	5.34%	3.20%	0.65%	0.42%	<5	NA	900	40,487
FY18	4.15%	2.44%	0.44%	0.30%	<5	NA	1,575	38,347
FY19	7.54%	3.69%	0.59%	0.25%	<5	NA	2,787	41,305
FY20	11.49%	6.33%	0.98%	0.51%	<5	NA	9,274	110,672
9MFY21	6.31%	3.72%	0.84%	0.44%	<5	NA	5,453	118,171

#### Compliance Statement

Alfalah Investments claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS standards. Alfalah Investments has not been independently verified.

#### Firm Definition

Alfalah Investments was incorporated on Oct 18, 2004 as an unlisted company and is licensed by Securities and Exchange Commission of Pakistan (SECP) to undertake asset management, investment advisory and pension fund management services. The definition of Firm at Alfalah Investments encompasses the following:

- All Funds under Management (including investment plans)
- All Non-Fee Paying and Fee Paying and Discretionary and Non-Discretionary Portfolios.

#### Policies

Policies for valuing Portfolios, calculating performance, and preparing compliant presentations are available upon request.

#### Composite Description

This composite will pursue total return by investing in various income-producing securities. Total return is expected to arrive from a combination of income and capital appreciation, with income portion being the dominant portion of total return. The securities and investments in the portfolios of this composite shall be first deemed approved by the Shariah Supervisory Board of the firm. The composite currently comprises of Alfalah GHP Islamic Income Fund and Alfalah GHP Islamic Pension – Debt Sub Fund. This composite was created on January 07, 2020.

#### Benchmark

The Benchmark of the Composite is Six (6) months average deposits rates of three (3) A rated Scheduled Islamic Banks or Islamic windows of Conventional Banks as selected by MUFAP. The Fund's performance will be compared to its benchmark after deducting from the return all expenses which are charged to the Fund as per the Regulations.

#### List of Composites

A list of all composite descriptions is available upon request.

#### Significant Event

Effective from 01 July 2011, through Sindh Sales Tax on Services Act 2011, general sales tax on fund management services has been imposed at the rate 16% effective July 1, 2011. Management fee charged during the period includes general sales tax.

#### Fees

Returns are presented net of all expenses (including custodial expenses, SECP fee, Listing fee) in addition to the Management Fee and Trading Expenses. (Please refer to Schedule)

#### Fee Schedule

Management fee of individual portfolios within the Equity Composite are given below:

- **Alfalah GHP Islamic Income Fund**  
10% of the Gross Earnings subject to a minimum fee of 0.25% of average daily Net Assets and maximum fee of 1.5% of average Annual Net Assets.
- **Alfalah GHP Islamic Pension – DSF**  
1.25% p.a.

The minimum portfolio size of Collective Investment Schemes (CIS) for inclusion in the composite is Rs 100 Million per Fund, which is also a regulatory requirement for starting and managing a Fund. The definition of CIS does not include Allocation Plans. For Allocation plans, minimum portfolio size is Rs 10 Million.

The minimum portfolio size for separately managed account (SMA) inclusion in the composite is Rs 3 Million per Fund, which is also a regulatory requirement for managing SMAs.

#### Currency

The currency used to calculate all the returns is Pakistani Rupee (PKR).

#### Ex Post Standard Deviation

The three-year annualized standard deviation measures the variability of the composite and the benchmark returns over the preceding 36 months

#### Internal Dispersion

Internal dispersion is calculated using the equal-weighted standard deviation of net returns of those portfolios that were included in the composite for the entire period.

#### Returns

The portfolio returns for the period have been calculated using a time-weighted, monthly, geometrically linked rate of return formula to compute percentage returns. Each portfolio's monthly rate of return is the monthly percentage change in the market value, including earned interest and dividends, after allowing for the effects of cash flows. All returns are net-of-fees calculated after the deduction of actual investment management fees and trading expenses.

## Alfalah Investments Dynamic Asset Allocation Composite

Year	Net Returns	Benchmark	Composite 3	Benchmark 3	Number of Portfolios	Internal Dispersion	Composite Assets	Firm Assets
			Yr Standard Deviation	Yr Standard Deviation				
FY16	6.65%	8.92%	4.03%	5.57%	<5	NA	630	27,119
FY17	11.63%	12.59%	5.15%	5.72%	<5	NA	1,833	40,487
FY18	-3.28%	0.18%	5.63%	6.15%	<5	NA	1,535	38,347
FY19	-0.19%	1.42%	5.64%	5.83%	<5	NA	888	41,305
FY20	7.55%	8.99%	6.97%	6.35%	7	6.64%	761	110,672
9MFY21	11.30%	12.36%	6.97%	5.98%	<5	NA	775	118,171

### Compliance Statement

Alfalah Investments claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS standards. Alfalah Investments has not been independently verified.

### Firm Definition

Alfalah Investments was incorporated on Oct 18, 2004 as an unlisted company and is licensed by Securities and Exchange Commission of Pakistan (SECP) to undertake asset management, investment advisory and pension fund management services. The definition of Firm at Alfalah Investments encompasses the following:

- All Funds under Management (including investment plans)
- All Non-Fee Paying and Fee Paying and Discretionary and Non-Discretionary Portfolios.

### Policies

Policies for valuing Portfolios, calculating performance, and preparing compliant presentations are available upon request.

### Composite Description

Dynamic Asset Allocation Composite seeks absolute total return by dynamically allocating exposure to multiple asset categories (Equity & Fixed Income) which include plans varying between Active, Moderate and Conservative strategies premised on their expected sensitivity to economic conditions. The composite currently comprises of Alfalah GHP Active Prosperity Planning Fund, Alfalah GHP Moderate Prosperity Planning Fund, Alfalah GHP Conservative Prosperity Planning Fund and six discretionary Separately Managed Accounts (SMA's). This composite was created on January 07, 2020.

### Benchmark

No specific benchmark has been assigned to this composite.

### List of Composites

A list of all composite descriptions is available upon request.

### Significant Event

Effective from 01 July 2011, through Sindh Sales Tax on Services Act 2011, general sales tax on fund management services has been imposed at the rate 16% effective July 1, 2011. Management fee charged during the period includes general sales tax.

### Fees

Returns are presented net of all expenses (including custodial expenses, SECP fee, Listing fee) in addition to the Management Fee and Trading Expenses. (Please refer to Schedule)

### Fee Schedule

Management fee of individual portfolios within the Equity Composite are given below:

- **Alfalah GHP Prosperity Planning Fund**  
1.0% p.a.
- **Discretionary Portfolio**  
Underlying fund fee

The minimum portfolio size of Collective Investment Schemes (CIS) for inclusion in the composite is Rs 100 Million per Fund, which is also a regulatory requirement for starting and managing a Fund. The definition of CIS does not include Allocation Plans. For Allocation plans, minimum portfolio size is Rs 10 Million.

The minimum portfolio size for separately managed account (SMA) inclusion in the composite is Rs 3 Million per Fund, which is also a regulatory requirement for managing SMAs.

### Currency

The currency used to calculate all the returns is Pakistani Rupee (PKR).

### Ex Post Standard Deviation

The three-year annualized standard deviation measures the variability of the composite and the benchmark returns over the preceding 36 months

### Internal Dispersion

Internal dispersion is calculated using the equal-weighted standard deviation of net returns of those portfolios that were included in the composite for the entire period.

### Returns

The portfolio returns for the period have been calculated using a time-weighted, monthly, geometrically linked rate of return formula to compute percentage returns. Each portfolio's monthly rate of return is the monthly percentage change in the market value, including earned interest and dividends, after allowing for the effects of cash flows. All returns are net-of-fees calculated after the deduction of actual investment management fees and trading expenses.

### Alfalah Investment Asset Allocation Composite

Year	Net Returns	Benchmark	Composite 3		Benchmark 3		Composite Assets	Firm Assets
			Yr Standard Deviation	Yr Standard Deviation	Number of Portfolios	Internal Dispersion		
FY15	25.06%	13.10%	15.38%	8.82%	<5	NA	595	23,290
FY16	12.17%	5.08%	15.01%	8.85%	<5	NA	2,187	27,118
FY17	19.01%	14.29%	14.19%	9.00%	6	8.56%	4,009	40,483
FY18	-6.86%	-3.19%	10.95%	9.07%	6	8.30%	4,050	38,345
FY19	-3.58%	-3.84%	9.68%	8.86%	6	9.61%	3,207	41,298
FY20	7.55%	8.35%	11.14%	11.54%	<5	NA	2,812	110,672
9MFY21	16.46%	16.03%	10.92%	11.19%	<5	NA	2,649	118,171

#### Compliance Statement

Alfalah Investments claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS standards. Alfalah Investments has not been independently verified.

#### Firm Definition

Alfalah Investments was incorporated on Oct 18, 2004 as an unlisted company and is licensed by Securities and Exchange Commission of Pakistan (SECP) to undertake asset management, investment advisory and pension fund management services. The definition of Firm at Alfalah Investments encompasses the following:

- All Funds under Management (including investment plans)
- All Non-Fee Paying and Fee Paying and Discretionary and Non-Discretionary Portfolios.

#### Policies

Policies for valuing Portfolios, calculating performance, and preparing compliant presentations are available upon request.

#### Composite Description

Asset Allocation Composite seeks higher absolute total return by dynamically allocating exposure to multiple asset categories (Equity & Fixed Income) based on their expected sensitivity to economic conditions. The composite currently comprises of Alfalah GHP Value Fund and five discretionary Separately Managed Accounts (SMAs). This composite was created on January 07, 2020.

#### Benchmark

No specific benchmark has been assigned to this composite.

#### List of Composites

A list of all composite descriptions is available upon request.

#### Significant Event

Effective from 01 July 2011, through Sindh Sales Tax on Services Act 2011, general sales tax on fund management services has been imposed at the rate 16% effective July 1, 2011. Management fee charged during the period includes general sales tax.

#### Fees

Returns are presented net of all expenses (including custodial expenses, SECP fee, Listing fee) in addition to the Management Fee and Trading Expenses. (Please refer to Schedule)

#### Fee Schedule

Management fee of individual portfolios within the Equity Composite are given below:

- **Alfalah GHP Value Fund**  
2.0% p.a.
- **Discretionary Portfolio**  
Underlying fund fee

The minimum portfolio size of Collective Investment Schemes (CIS) for inclusion in the composite is Rs 100 Million per Fund, which is also a regulatory requirement for starting and managing a Fund. The definition of CIS does not include Allocation Plans. For Allocation plans, minimum portfolio size is Rs 10 Million.

The minimum portfolio size for separately managed account (SMA) inclusion in the composite is Rs 3 Million per Fund, which is also a regulatory requirement for managing SMAs.

#### Currency

The currency used to calculate all the returns is Pakistani Rupee (PKR).

#### Ex Post Standard Deviation

The three-year annualized standard deviation measures the variability of the composite and the benchmark returns over the preceding 36 months

#### Internal Dispersion

Internal dispersion is calculated using the equal-weighted standard deviation of net returns of those portfolios that were included in the composite for the entire period.

#### Returns

The portfolio returns for the period have been calculated using a time-weighted, monthly, geometrically linked rate of return formula to compute percentage returns. Each portfolio's monthly rate of return is the monthly percentage change in the market value, including earned interest and dividends, after allowing for the effects of cash flows. All returns are net-of-fees calculated after the deduction of actual investment management fees and trading expenses.

## Alfalah Investments Dynamic Islamic Asset Allocation Composite

Year	Net Returns	Benchmark	Composite 3 Yr Standard	Benchmark 3 Yr Standard	# of Portfolios	Internal Dispersion	Composite Assets	Firm Assets
			Deviation	Deviation				
FY17	10.68%	8.15%	6.87%	7.88%	<5	NA	8,742	40,487
FY18	-4.34%	-2.45%	6.72%	7.44%	7	4.67%	6,083	38,347
FY19	-2.99%	-6.07%	6.54%	7.41%	7	8.31%	2,138	41,305
FY20	2.15%	1.28%	8.51%	9.18%	7	2.93%	890	110,672
9MFY21	13.86%	14.00%	8.77%	9.48%	7	7.36%	955	118,171

### Compliance Statement

Alfalah Investments claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS standards. Alfalah Investments has not been independently verified.

### Firm Definition

Alfalah Investments was incorporated on Oct 18, 2004 as an unlisted company and is licensed by Securities and Exchange Commission of Pakistan (SECP) to undertake asset management, investment advisory and pension fund management services. The definition of Firm at Alfalah Investments encompasses the following:

- All Funds under Management (including investment plans)
- All Non-Fee Paying and Fee Paying and Discretionary and Non-Discretionary Portfolios.

### Policies

Policies for valuing Portfolios, calculating performance, and preparing compliant presentations are available upon request.

### Composite Description

Dynamic Islamic Asset Allocation Composite seeks absolute total return by dynamically allocating exposure to multiple asset categories (Islamic Equity & Islamic Income) based on their expected sensitivity to economic conditions. However, the exposures in this composite will be mainly tilted towards Islamic Income securities. The composite currently comprises of Alfalah GHP Islamic Prosperity Planning Fund – Islamic Moderate, Islamic Balance, Islamic Active Plan II, Islamic Active Plan III, Capital Preservation Plan IV, Capital Preservation Plan V and three discretionary Separately Managed Account (SMA). This composite was created on January 07, 2020.

### Benchmark

No specific benchmark has been assigned to this composite.

### List of Composites

A list of all composite descriptions is available upon request.

### Significant Event

Effective from 01 July 2011, through Sindh Sales Tax on Services Act 2011, general sales tax on fund management services has been imposed at the rate 16% effective July 1, 2011. Management fee charged during the period includes general sales tax.

### Fees

Returns are presented net of all expenses (including custodial expenses, SECP fee, Listing fee) in addition to the Management Fee and Trading Expenses. (Please refer to Schedule)

### Fee Schedule

Management fee of individual portfolios within the Equity Composite are given below:

- **Alfalah GHP Islamic Prosperity Plan**  
1.25 % p.a.
- **Discretionary Portfolio**  
Underlying fund fee

The minimum portfolio size of Collective Investment Schemes (CIS) for inclusion in the composite is Rs 100 Million per Fund, which is also a regulatory requirement for starting and managing a Fund. The definition of CIS does not include Allocation Plans. For Allocation plans, minimum portfolio size is Rs 10 Million.

The minimum portfolio size for separately managed account (SMA) inclusion in the composite is Rs 3 Million per Fund, which is also a regulatory requirement for managing SMAs.

### Currency

The currency used to calculate all the returns is Pakistani Rupee (PKR).

### Ex Post Standard Deviation

The three-year annualized standard deviation measures the variability of the composite and the benchmark returns over the preceding 36 months

### Internal Dispersion

Internal dispersion is calculated using the equal-weighted standard deviation of net returns of those portfolios that were included in the composite for the entire period.

### Returns

The portfolio returns for the period have been calculated using a time-weighted, monthly, geometrically linked rate of return formula to compute percentage returns. Each portfolio's monthly rate of return is the monthly percentage change in the market value, including earned interest and dividends, after allowing for the effects of cash flows. All returns are net-of-fees calculated after the deduction of actual investment management fees and trading expenses.

### Alfalah Investment Islamic Asset Allocation Composite

Year	Net Returns	Benchmark	Composite 3	Benchmark 3	# of Portfolios	Internal Dispersion	Composite Assets	Firm Assets
			Yr Standard	Yr Standard				
FY18	0.53%	1.52%	6.04%	6.70%	<5	NA	290	38,345
FY19	-10.80%	-11.42%	8.31%	8.93%	<5	NA	143	41,298
FY20	-0.36%	1.86%	15.64%	15.48%	<5	NA	747	110,672
9MFY21	5.54%	2.83%	13.87%	13.69%	<5	NA	2,239	118,171

#### Compliance Statement

Alfalah Investments claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS standards. Alfalah Investments has not been independently verified.

#### Firm Definition

Alfalah Investments was incorporated on Oct 18, 2004 as an unlisted company and is licensed by Securities and Exchange Commission of Pakistan (SECP) to undertake asset management, investment advisory and pension fund management services. The definition of Firm at Alfalah Investments encompasses the following:

- All Funds under Management (including investment plans)
- All Non-Fee Paying and Fee Paying and Discretionary and Non-Discretionary Portfolios.

#### Policies

Policies for valuing Portfolios, calculating performance, and preparing compliant presentations are available upon request.

#### Composite Description

Islamic Asset Allocation Composite seeks higher absolute total return by dynamically allocating exposure to multiple asset categories (Equity & Shariah Compliant Income) based on their expected sensitivity to economic conditions. The securities and investments in the portfolios of this composite shall be first deemed approved by the Shariah Supervisory Board of the firm. The composite currently comprises of Alfalah GHP Islamic Value Fund. This composite was created on January 07, 2020.

#### Benchmark

The Benchmark of the Composite is KMI 30 Index and Six (6) months average deposit rates of three (3) A rated Scheduled Islamic Banks or Islamic Banking windows of Conventional Banks as selected by MUFAP on the basis of actual proportion held by the scheme. The Fund's performance will be compared to its benchmark after deducting from the return all expenses which are charged to the Fund as per the Regulations.

#### List of Composites

A list of all composite descriptions is available upon request.

#### Significant Event

Effective from 01 July 2011, through Sindh Sales Tax on Services Act 2011,

General sales tax on fund management services has been imposed at the rate 16% effective July 1, 2011. Management fee charged during the period includes general sales tax.

#### Fees

Returns are presented net of all expenses (including custodial expenses, SECP fee, Listing fee) in addition to the Management Fee and Trading Expenses. (Please refer to Schedule)

#### Fee Schedule

Management fee of individual portfolios within the Equity Composite are given below:

- **Alfalah GHP Islamic Value Fund**  
0.15% p.a.

The minimum portfolio size of Collective Investment Schemes (CIS) for inclusion in the composite is Rs 100 Million per Fund, which is also a regulatory requirement for starting and managing a Fund. The definition of CIS does not include Allocation Plans. For Allocation plans, minimum portfolio size is Rs 10 Million.

The minimum portfolio size for separately managed account (SMA) inclusion in the composite is Rs 3 Million per Fund, which is also a regulatory requirement for managing SMAs.

#### Currency

The currency used to calculate all the returns is Pakistani Rupee (PKR).

#### Ex Post Standard Deviation

The three-year annualized standard deviation measures the variability of the composite and the benchmark returns over the preceding 36 months

#### Internal Dispersion

Internal dispersion is calculated using the equal-weighted standard deviation of net returns of those portfolios that were included in the composite for the entire period.

#### Returns

The portfolio returns for the period have been calculated using a time-weighted, monthly, geometrically linked rate of return formula to compute percentage returns. Each portfolio's monthly rate of return is the monthly percentage change in the market value, including earned interest and dividends, after allowing for the effects of cash flows. All returns are net-of-fees calculated after the deduction of actual investment management fees and trading expenses.

## Alfalsh Investment Capital Preservation Composite

Year	Net Returns	Benchmark	Composite 3 Yr	Benchmark 3 Yr	# of Portfolios	Internal Dispersion	Composite Assets	Firm Assets
			Standard	Standard				
			Deviation	Deviation				
FY18	-0.20%	0.10%	1.76%	1.59%	<5	NA	1,119	38,347
FY19	2.91%	5.01%	2.58%	2.02%	<5	NA	1,049	41,305
FY20	2.81%	4.85%	5.09%	4.52%	<5	NA	969	110,672

### Compliance Statement

Alfalsh Investments claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS standards. Alfalsh Investments has not been independently verified.

### Firm Definition

Alfalsh Investments was incorporated on Oct 18, 2004 as an unlisted company and is licensed by Securities and Exchange Commission of Pakistan (SECP) to undertake asset management, investment advisory and pension fund management services. The definition of Firm at Alfalsh Investments encompasses the following:

- All Funds under Management (including investment plans)
- All Non-Fee Paying and Fee Paying and Discretionary and Non-Discretionary Portfolios.

### Policies

Policies for valuing Portfolios, calculating performance, and preparing compliant presentations are available upon request.

### Composite Description

The investment objective of the Capital Preserved Composite is to earn potentially high absolute returns through dynamic asset allocation between Equity and Fixed Income Mutual funds while providing capital preservation of the Initial Investment Value, at completion of the duration of the fund. The portfolios in the composite aim to preserve the principal amount through the use of the Constant Proportion Portfolio Insurance ("CPPI") Model, which is widely recognized internationally for its credibility. The composite currently comprises of Alfalsh GHP Capital Preservation Fund -2. This composite was created on January 07, 2020.

### Benchmark

The Benchmark of the Composite is weighted average daily return of KSE-100 Index and 3 Months Deposit Rate of a Double A or above rated Bank as selected by MUFAP and 6 months PKRV Rates based on the Fund's actual Proportion invested in the Investment Segment and Capital Protection Segment calculated on monthly basis. The Fund's performance will be compared to its benchmark after deducting from the return all expenses which are charged to the Fund as per the Regulations.

### List of Composites

A list of all composite descriptions is available upon request.

### Significant Event

Effective from 01 July 2011, through Sindh Sales Tax on Services Act 2011,

General sales tax on fund management services has been imposed at the rate 16% effective July 1, 2011. Management fee charged during the period includes general sales tax.

### Fees

Returns are presented net of all expenses (including custodial expenses, SECP fee, Listing fee) in addition to the Management Fee and Trading Expenses. (Please refer to Schedule)

### Fee Schedule

Management fee of individual portfolios within the Equity Composite are given below:

- **Alfalsh GHP Capital Preservation Fund II**  
1.50% p.a.

The minimum portfolio size of Collective Investment Schemes (CIS) for inclusion in the composite is Rs 100 Million per Fund, which is also a regulatory requirement for starting and managing a Fund. The definition of CIS does not include Allocation Plans. For Allocation plans, minimum portfolio size is Rs 10 Million.

The minimum portfolio size for separately managed account (SMA) inclusion in the composite is Rs 3 Million per Fund, which is also a regulatory requirement for managing SMAs.

### Currency

The currency used to calculate all the returns is Pakistani Rupee (PKR).

### Ex Post Standard Deviation

The three-year annualized standard deviation measures the variability of the composite and the benchmark returns over the preceding 36 months

### Internal Dispersion

Internal dispersion is calculated using the equal-weighted standard deviation of net returns of those portfolios that were included in the composite for the entire period.

### Returns

The portfolio returns for the period have been calculated using a time-weighted, monthly, geometrically linked rate of return formula to compute percentage returns. Each portfolio's monthly rate of return is the monthly percentage change in the market value, including earned interest and dividends, after allowing for the effects of cash flows. All returns are net-of-fees calculated after the deduction of actual investment management fees and trading expenses.



## Key Assumptions for Portfolio valuation

Following are key assumptions are used in Portfolio valuation:

### Financial instruments

All the financial assets and financial liabilities are recognized at the time when the Portfolio becomes a party to the contractual provisions of the instrument. Financial assets are derecognized when the contractual rights to receive cash flows related to the asset expire. Financial liabilities are derecognized when they are extinguished, that is, when the obligation specified in the contract is discharged, cancelled, or expires. Any gain or loss on derecognizing of the financial assets and financial liabilities is taken to the income statement in the period in which it arises.

Profit on bank deposits is recorded on accrual basis.

### Revenue recognition

Gains / (losses) arising on sale of investments are accounted for in the period in which they arise. Dividend income is recognized when the right to receive the dividend is established. Income on reverse repurchase, certificates of investment, placements, government securities and investments in debt securities are recognized at rate of return implicit in the instrument/ arrangement on a time proportionate basis.

### Subjective Unobservable Inputs

ALFALAH INVESTMENTS uses subjective unobservable inputs for valuing some of its debt instruments i.e., Sukuks and Term Finance Certificates. The criteria used for valuation is in accordance with the Guidelines issued by Regulator through Circular 1 of 2009 (as amended from time to time) and unobservable inputs are disclosed through "Provisioning Policy" on the website of the company. The Provisioning Policy will also be made available to clients upon request.

### Proprietary Assets in the Composite

The Composite also contains investments of ALFALAH INVESTMENTS and its management.

### Liability for Income Tax

Under the income tax law in Pakistan, the Fund is regarded as a public company for tax purposes. The income of the Fund is taxable, if 90% distribution is not made among the unit holders as the case may be. The tax is chargeable at the rate applicable to a public company, which is presently as under:

(a) Dividend income is taxable at the applicable tax rate as provided in Income Tax Ordinance, 2001 for public companies on gross income basis.

Capital gains arising on sale of securities, listed on any stock exchange in Pakistan at applicable tax rates in accordance with the Income Tax Ordinance, 2001; Return from all other sources/instruments are taxable at the rate applicable to a public company.

### Liability for Income Tax, if ninety per cent (90%) of the Fund's income is paid as dividend

Notwithstanding the tax rates and withholding tax the income of the Fund will be exempt from tax, if not less than ninety per cent (90%) of the income for the year is distributed amongst the Unit Holders as dividend. This includes only cash dividend as consequent to amendments in Income Tax Ordinance, 2001 through Finance Act, 2014, for the purpose of determining distribution of at least 90% of accounting income, the income distributed through bonus shares, units or certificates as the case may be, shall not be taken into account. The ninety per cent (90%) of the income shall be calculated after excluding capital gains and as reduced by such expenses as are chargeable to the Fund under the Regulations.

### Withholding Tax

Under the provisions of Clause 47(B) of Part 4 of the Second Schedule to the Income Tax Ordinance, 2001, the Fund's income namely, dividend, profit on government securities, return on deposits/certificates of investment with banks/financial institutions, profits from money market transactions, profit from Profit or Loss sharing accounts with Banks of the Fund will not be subject to any withholding tax.

Taxation of Unit Holders and Liability to Zakat

#### (a) Withholding Tax:

Unless exempted from such taxation or at a reduced rate under any law or Avoidance of Double Taxation Agreement, cash dividend paid to Unit holders of the Fund will be subject to withholding tax as per the prevailing tax law.

In terms of the provisions of the Income Tax Ordinance, 2001, the withholding tax shall be deemed to be full and final liability in respect of such distribution.

#### (b) Capital Gains:

Capital Gains arising on disposition of Units of the Fund subject to withholding Capital Gains Tax (CGT) at the applicable rates given in the Income Tax Ordinance, 2001 (ITO). There shall be no CGT, if holding period is more than 48 months (4 years). As per section 37(A) of the Income Tax Ordinance, 2001, Capital gains shall be treated as a separate block of income and losses under this head can be adjusted by the unit holder from the capital gains in the same tax year. Any unadjusted loss under this head is not allowed to be carried forward to the subsequent tax years.