

Statement of Compliance with the Malaysian Code for Institutional Investors (MCII)



Principle 01 Disclosing Policies on Stewardship

ARIM strives to execute our fiduciary duty to act in the best interest of our clients and to help them achieve their investment objectives. ARIM is fully committed to becoming a Responsible Investor as it believes that responsible corporate behavior concerning environmental, social, and governance (ESG) factors brings positive influences to long-term financial performance. Companies that take into account ESG factors are likely to have sustainable business models and an ability to enhance shareholders' value. We, therefore, endeavor to integrate ESG considerations in our investment process which aims to deliver sustainable returns to our clients as part of our investment stewardship. ARIM's investment stewardship approach includes ESG integration and active ownership through engagement as well as proxy voting.



Principle 02 Monitoring Investee Companies

ARIM believes that the monitoring of investee companies is an essential part of our stewardship role. We closely monitor investee companies to ensure that they act in the best long-term interest of our clients. As part of our investment process, our investment team members actively monitor our investee companies to assess their financial performance, corporate governance, corporate sustainability, short and long-term strategies, ESG issues as well as risk management. The monitoring process is conducted through regular meetings with management, analysis of annual reports, external reports, company announcements, and news sources.



Principle 03 Engaging Investee Companies

ARIM believes in active engagement with investee companies to enhance the value of our investment in line with our objective to maximize the long-term interests of our clients. We actively engage with their board of directors and senior management on issues such as corporate governance, corporate strategy, financial performance, ESG, and risk management. We use a constructive dialogue approach in our engagement process with investee companies. This is aimed at gaining insights and strategies of investee companies, communicating our views and concerns as well as advocating change and improvement to their current practices. However, should the engagement fail to meet our expectations, particularly for issues that will materially impact the long-term value of the investment, we may escalate engagement through other means such as taking voting action, engagement with the board, collective engagement with other investors as well as divestment of investment.



Principle 04

Managing Conflicts of Interest

ARIM strives to ensure that we act in the best interest of our clients in managing conflicts of interest. We have put in place measures to prevent, mitigate and manage potential conflicts of interest which include the following policies and guidelines:

- Personal dealing
- Directorship declaration
- Asset declaration
- Code of Business Ethics
- No gift policy
- Equity transaction declaration
- Insider trading
- Anti-bribery and anti-corruption
- Cross trade



Principle 05

Incorporating Sustainability Considerations

ARIM recognizes the importance of corporate governance and sustainability factors in delivering the best long-term return to its clients. ESG considerations are integrated throughout the investment decision-making process from research, and portfolio management to engagement with investee companies. ESG factors form an integral part of our investment decision-making along with other financial and non-financial inputs. Material ESG factors are taken into consideration when evaluating investment opportunities and risks.



Principle 06

Publishing Voting Policy

In our role as stewards of our client's investment, ARIM has a responsibility to monitor and provide feedback to companies to promote good corporate governance and corporate sustainability. ARIM does this through engagement with investee companies and voting proxies. We endeavor to exercise our voting rights in the best interests of our clients in line with our fiduciary duty. We will vote in accordance with ARIM's Voting Policy and Guidelines unless otherwise instructed by our client. ARIM's Voting Guidelines can be found at www.arim.com.my.