



AmInvest

Growing Your Investments in a Changing World

Statement of Compliance with the Malaysian Code for Institutional Investors

On 1 April 2021, AmFunds Management Berhad and AmIslamic Funds Management Sdn Bhd became signatories of the Malaysian Code for Institutional Investors (MCII), which sets out six broad principles of effective stewardship by institutional investors, to provide long-term value to our investors.

Principle 1

Institutional investors should disclose the policies on their stewardship responsibilities.

We acknowledge our stewardship responsibilities which are firmly embedded in our work practices and policies. Specifically, we have measures in the governance of investee companies as a responsible institutional fund manager on behalf of our clients.

Principle 2

Institutional investors should monitor their investee companies.

We perform active assessment of the investee companies, before and after investing - activities such as company visits and interviews and engagements with management and board, analyst briefings, attending general meetings and exercising rights in line with the institutions' voting policy.

Principle 3

Institutional investors should engage with investee companies as appropriate.

We have regular engagements with the investee companies. Whilst the monitoring activities of the investee companies are made by the Investment team together with the asset class heads and led by our Chief Investment Officers (CIOs), the team is supported by a strong framework comprising of an Investment Committee made up of internal executives and external independent members with related experience, board members with Risk Management and Compliance units.

The factors of the investee companies that are looked into include:

- Business fundamentals and financial performance
- Management and staff
- Governance
- Environmental, Social and Governance (ESG)

Principle 4

Institutional investors should adopt a robust policy on managing conflicts of interest which should be publicly disclosed.

We have in place robust procedures and policies to manage conflicts of interest to protect the interests of our investors, where potential for personal interests may clash with fiduciary duties. Dealings on behalf of clients should take precedence and to be made at arm's length basis.

Principle 5

Institutional investors should incorporate corporate governance and sustainability considerations into the investment decision-making process.

Our organisation is committed to be a responsible financial group and has listed our sustainability matters under Responsible Banking - to make sustainability integral to financial and investing activities. AmFunds Management Berhad and AmIslamic Funds Management Sdn Bhd are business divisions under the AmBank Group and similarly adheres to conduct our business and engage customers in a responsible manner, commits to ensure our own conduct reflect our aspiration to become a sustainable organisation whilst contributing to a more sustainable future within our wider community.

Principle 6

Institutional investors should publish a voting policy.

We have the appropriate procedures which allow us to exercise the investee companies' proxy voting in line with our investors' interest; simultaneously balancing sustainable growth while improving company value.