

AHAM Capital's Climate Policy Statement

Objective

As a responsible steward of capital, AHAM Asset Management Berhad ("AHAM Capital") is committed to generating long-term sustainable financial returns, while supporting the global transition to a low-carbon and climate-resilient economy. We recognise that climate change presents material financial risks and opportunities, which must be considered alongside traditional financial returns. As such, where applicable, we aim to leverage our influence, investment processes, and engagement practices to advance climate action, in accordance with our fiduciary duties.

Our Climate Policy outlines AHAM Capital's approach to integrating climate considerations into our investment activities and business operations. It forms a key pillar of our broader sustainability strategy and aligns with global frameworks such as the International Financial Reporting Standards ("IFRS"), the UN Sustainable Development Goals ("SDGs"), and our Responsible Investing ("RI") Policy.

Our Climate Commitments

Our Climate Policy applies to investment activities where AHAM Capital exercises discretion, as well as to the company's business operations.

Investment Activities

We recognise that most of our climate impact arises from the investments we manage on behalf of our clients. We are committed to incorporating climate considerations into our investment decision-making processes. Our key measures include:

- **ESG Integration:** Climate considerations are embedded in our proprietary ESG assessment frameworks, allowing our investment team to evaluate material environmental risks, such as carbon emissions, energy usage and climate vulnerability across sectors and geographies.
- **Portfolio Emissions Management:** We aim to measure and manage the carbon footprint of our portfolios using recognised methodologies such as the Partnership for Carbon Accounting Financials ("PCAF").
- **Stewardship and Engagement:** We actively engage investee companies to advocate for credible climate transition strategies, better climate disclosures, and improved environmental practices. In addition, we exercise our voting rights in a manner that promotes long-term value creation for our clients and aligns with our core principles. This includes advocating for sound corporate governance, environmental stewardship, and socially responsible business practices.
- **Screening and Exclusion:** We avoid direct investments in single coal-fired power generation assets that lack carbon capture technologies and screen out project financing that contributes to unabated coal development.
- **Net Zero by 2050:** We support the global goal of aspiring to achieve net-zero greenhouse gas emissions by 2050 for our listed equity and corporate bonds of our in-scope portfolio holdings.

Business Operations

Beyond investments, AHAM Capital is committed to reducing our own environmental footprint. Our operational climate strategy includes:

- **Carbon Management:** We measure and track our Scope 1 and 2 emissions and work towards incorporating Scope 3 emissions data where feasible.
- **Energy Efficiency and Waste Management:** We continuously enhance our office energy efficiency and promote paperless initiatives, recycling programmes and responsible waste disposal to minimise landfill impact.

- **Sustainable Procurement:** We engage suppliers that share our environmental values and encourage responsible sourcing and waste reduction.
- **Corporate Social Responsibility (CSR):** We aim to support projects that contribute to climate adaptation and resilience. These efforts reflect our commitment to driving meaningful change beyond our business operations.
- **Employee Engagement:** Cultivating a workforce that understands and champions climate action is fundamental to our internal ESG strategy. We foster this through initiatives such as training, capacity-building and employee volunteering.

Governance

AHAM Capital has established a robust governance structure to ensure climate-related issues are embedded into our operations and investments. Oversight is provided by the Board of Directors, with implementation driven by the Group Sustainability Management Committee (“GSMC”) and the Investment Sustainability Committee (“ISC”).

Stakeholder Engagement

We are committed to communicating our climate efforts to our key stakeholders including clients, regulators, employees, and the wider public. This may include:

- Regular climate-related disclosures in line with the International Financial Reporting Standards (“IFRS”)
- Ongoing engagement with clients to align investment products with sustainability preferences.
- Collaboration with industry peers, regulators, and sustainability partners to advance best practices.

Looking Ahead

Climate change poses systemic risks, but it also opens up new investment opportunities in renewable energy, sustainable infrastructure, low-carbon technologies, and climate adaptation. AHAM Capital is committed to seizing these opportunities while helping our clients and communities transition to a more sustainable future.

Our Climate Policy is not static. We will continue to refine our approach in response to new data, regulatory changes, and stakeholder expectations. Through responsible investing and climate stewardship, AHAM Capital aims to create long-term value for all stakeholders and contribute meaningfully to a more resilient world.

Disclaimer:

This document is published by AHAM Asset Management Berhad ("AHAM Capital") for informational purposes only. The content herein, including all text, design, and layout belongs to AHAM Capital. No part of this document may be copied, reproduced, republished, uploaded, posted, transmitted, or distributed in any form or by any means without the prior written permission of AHAM Capital.

While AHAM Capital has taken reasonable care to ensure the accuracy and reliability of the information provided as of the date of publication, we make no representations or warranties, express or implied, regarding the completeness, accuracy, or suitability of the contents for any purpose. The information does not constitute and should not be construed as legal, regulatory, tax, or investment advice.

Neither AHAM Capital nor any of its directors, employees or representatives are to have any liability (including liability to any person by reason of negligence or negligent misstatement) from any statement, opinion, information or matter (expressed or implied) arising out of, contained in or derived from or any omission from this presentation, except liability under statute that cannot be excluded.