

KHAZANAH'S AFFILIATIONS

Institutional Investor Council Malaysia (IIC)



Khazanah is a member of the IIC and a signatory of the Malaysian Code for Institutional Investors 2022 (MCI 2022), whereby we support and comply with the code. We are in line with its seven principles, as outlined below, and the Stewardship Spotlight, as outlined in our Shareholder Expectations and Investment Stewardship (SEIS) document.

1

Institutional investors should disclose the policies on their stewardship responsibilities and review the effectiveness of their stewardship activities

Our Framework of Integrity, Governance and Risk Management (FIGR) provides a clear responsibility, authority and governance structure for Khazanah and guides all our investments activities and business conduct. The FIGR is periodically reviewed and was last updated in 2021. We are also supported by our Investment Policy (IP) statement, our newly enhanced Sustainable Investment (SI) Policy and our newly developed SEIS document. We are continuously improving our process of reviewing the effectiveness of our stewardship activities.

2

Institutional investors should monitor their investee companies

Our investment portfolios are actively monitored and managed by our Investments teams in accordance with our Management and Monitoring Manual. This includes formulating a strategy to create sustainable value, which is the basis for performance monitoring.

3

Institutional investors should engage with investee companies as appropriate and collaborate with investors to enhance engagement outcomes

Our engagement framework outlines how we monitor investee companies through frequent engagements with the Board, management team and nominees, and we continuously collaborate based on our syndication process with other shareholders, investors and partners via both formal and informal platforms. Our IIC membership is a key collaboration platform for us.

4

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

We have robust policies and processes to manage conflicts, which include our Staff Code of Conduct Handbook and the Supplier Code of Business Ethics. Both documents are publicly available through our website. We also implement an 'Information Barrier' policy to effectively manage insider information.

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5

Institutional investors should incorporate corporate governance and sustainability considerations, including climate-related matters into their decision-making process while seeking to deliver sustainable returns in the long-term interest of their beneficiaries or clients

We continue to actively monitor the governance aspect of our investee companies through a diligent management and monitoring process. Our recently enhanced SI policy, newly launched Sustainability Framework and newly developed ESG FIGR will guide us in our approach to deliver sustainable value, including via our investee companies.

6

Institutional investors should publicly disclose their corporate governance policy and voting guidelines

Our FIGR outlines how we manage risks and instil a strong culture of corporate governance and risk management in Khazanah, whilst our SEIS document outlines our investment stewardship principles and our newly revised Voting Guidelines that govern our voting at general meetings of listed companies. These documents are available on our website.

7

Institutional investors should collaborate where appropriate to respond to corporate governance and sustainability concerns or risks. The collective voice and views of institutional investors are important levers in shaping behaviour and promoting good corporate governance, in particular on emerging issues such as sustainability reporting and investing

We continuously collaborate with key stakeholders of our investee companies based on our engagement framework. Formal and informal syndication with other shareholders, investors and partners ensures a collaborative approach and collective voice in addressing our concerns, both publicly and privately, depending on its nature. Examples include our IIC membership and the inaugural GLIC Integrity Event (GIE), which was jointly held by several GLICs.