



Hejaz Engagement Policy

Hejaz Asset Management

Engagement

External monitoring

To ensure that investee companies continue to meet our Sharia Ethical Standards, our Investment Management Team monitor them on an ongoing basis to understand all aspects of their business operations, both financial and non-financial.

Generally, business operations are monitored through publicly disclosed information. However, through our monitoring and analysis, we may gain access to information that has not been publicly disclosed as a result of our engagement activities with investee companies.

If the uncovered information causes the company to contravene our Sharia Ethical Principles, the company will be removed from our active portfolios as well as our lists of investable companies. Ongoing monitoring will be carried out to determine the status of the company moving forward, as to whether it will be investable.

Engagement with Management

For escalation of issues, on a case-by-case basis, in instances where initial engagements have not been adequately responded to, our Investment Management Team engage with company management and the board (where required).

Engagement with stakeholders

To effect change in matters which are critical to our Sharia Ethical Principles, we may engage with broader stakeholders of an investee company, such as other investors, industry groups and associations.

Voting

At Hejaz Asset Management, we believe in creating a positive impact which integrates moral values and socio-economic justice. In selecting our investee companies, our goals are not merely materialistic but a balance between the financial and spiritual need through incorporating ethical foundations which are based on achieving prosperity and fair distribution of income and wealth, without negatively impacting society.

Our philosophy is to refrain from all forms of economic activities which are considered to be morally or socially injurious. We achieve this by avoiding investment in companies which primarily operate in sectors such as alcohol, military, conventional banking and financial services, media/adult entertainment, tobacco, and gambling.

We recognise that the exercise of voting rights may have the potential to influence corporate behaviours, activities, governance, and policies. Our voting and engagements record is disclosed and publicly available.

As a signatory to the United Nations' Principles for Responsible Investment (UNPRI), we are committed to being an "active" owner, by voting on shareholder issues and participating in collective engagement activities.

Advocacy

It is our responsibility as Sharia Ethical Investment Managers to be actively engaged with investee companies, industry bodies, and regulators, as advocates for the investment principles which we ascribe to. We achieve this through various activities:

- Engagement with companies that we invest in when we're concerned about something they are doing. Unsatisfactory outcomes from engagement could lead to divestment.
- Engagement with policy makers and Government on issues of concern
- Engagement with members, both existing and prospective, to inform them about our Sharia Ethical investment philosophy and what we seek to achieve through it.
- Signatory to the UN Principles for Responsible Investment (UNPRI) since 2022.
- Membership with Responsible Investment Association Australasia (RIAA) since 2022.