



# **SUSTAINABILITY REPORT**

## **2024**



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# 1. OVERVIEW

## 1.1 About This Report

Areca Capital Sdn Bhd ("Areca" or "Areca Capital") Sustainability Report provides an overview of our sustainability journey and approach, describing how we identify and integrate sustainability initiatives into our business units and operations.

This Report has been prepared with reference to the Global Reporting Initiative ("GRI") Standards\*. The GRI Content Index can be found on page 42-44. By referring to the GRI Standards, we aim to communicate our material impacts relating to Economic, Environmental, Social and Governance ("EESG"). A materiality assessment was conducted in December 2023 to identify and prioritise the EESG topics material most relevant to Areca Capital and its stakeholders.

The Report covers information for the calendar year period 1<sup>st</sup> January 2024 through 31<sup>st</sup> December 2024, unless stated otherwise. This is in contrast with Areca Capital's financial reporting period of 1<sup>st</sup> May to 30<sup>th</sup> April, as the Report corresponds to Areca Capital's operational cycle.

The content and data in this Report mainly focus on the operations in Areca Capital's headquarters office in Petaling Jaya, Selangor. It does not include data from other branches nationwide, unless stated otherwise.

We are steadfast in our commitment to raising our sustainability performance as we work towards ongoing improvement. We aim to improve in the upcoming years to further demonstrate our commitment to ethical and sustainable business practices.

The Board of Directors and Senior Management have internally reviewed and approved the Sustainability Report 2024. Moving forward, we are committed to continuously enhance our data collection process and disclosures in future reports as we progress along our sustainability journey.

## Feedback

As part of our continuous effort to improve, we welcome feedbacks from stakeholders. If you would like to share your thoughts, you may provide your feedback to us at [sustainability@arecacapital.com](mailto:sustainability@arecacapital.com).

Our Sustainability Report is also available on our corporate website at <https://www.arecacapital.com/>.

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\*As we kickstart our sustainability journey, we remain committed to fully adhering to the GRI Standards and other sustainability standards and frameworks in the mid-to-long term.

## 1.2 About Areca Capital

Areca Capital is a private wealth management company incorporated in Malaysia, focusing on fund management and wealth advisory. We are licensed and registered with the Securities Commission Malaysia ("SC") and Federation of Investment Managers Malaysia ("FiMM").

Since our inception in 2006, we have built a reputation as an innovative and high-performing fund manager, winning new clients with our performance track records and exceptional client service qualities.

Our service encompasses a broad wealth management spectrum – from wealth protection to distribution. We pride ourselves on our professional yet friendly approach.

Areca Capital seeks to provide cost-effective wealth management services and consistent risk-adjusted returns to our clients over the long term. Our clients range from individuals to corporates, family and private trusts, foundations and other institutions.



\* As of December 2024

## Our Private Wealth Platform & Services

Investment Management	<ul style="list-style-type: none"><li>We offer Investment Management services with a range of unit trust funds: our in-house funds and funds distributed by other fund houses from our Multi-Manager Platform.</li><li>Private investment mandate services – for clients seeking a personalised and customised portfolio.</li></ul>
Financial Advisory	<ul style="list-style-type: none"><li>We provide a range of Financial Advisory and Planning services to assist clients in managing their investments that are in line with their financial goals.</li></ul>
Private Trust	<ul style="list-style-type: none"><li>Our Private Trust service not only focuses on wealth distribution, but with our Investment Management expertise, we can professionally manage their portfolio and potentially produce a return enhancement to their trust assets.</li></ul>

## Our Vision, Values and Mission

### Our Vision

- Your trusted partner in wealth management journey.
- We hope to create true wealth and endless possibilities for a lifetime as well as for generations to come, ultimately preserving your legacy and name.

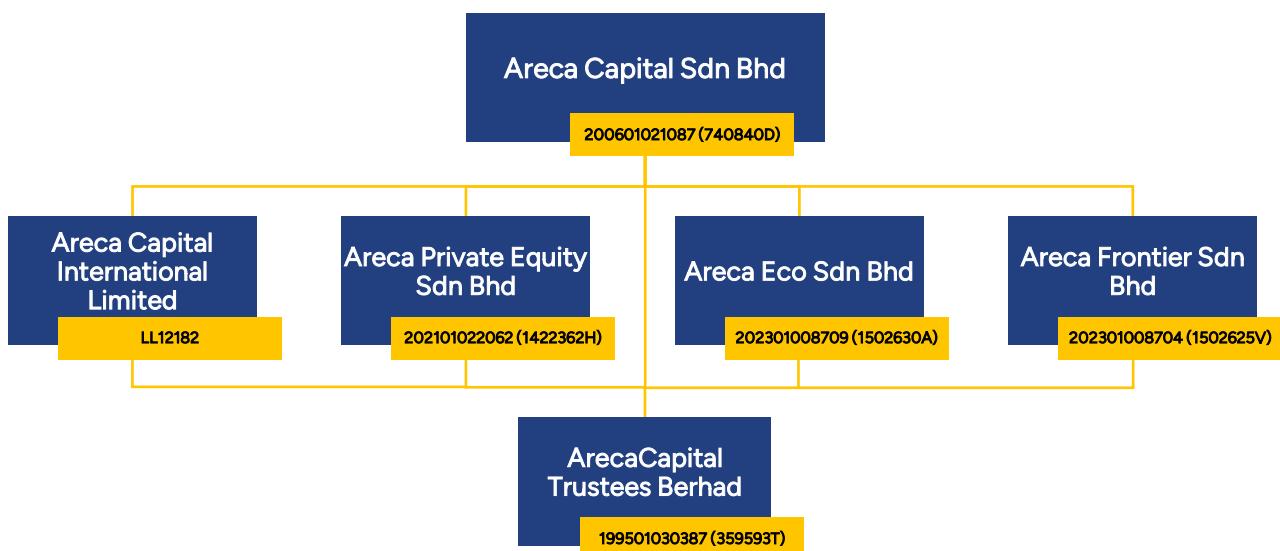
### Our Core Values

- Trustworthy, Ethical and Integrity
- Client-focused
- Friendly
- Teampower

### Our Mission

- To be the wealth management partner through generations
- To be the region's leading and innovative wealth management solutions provider
- To be Employer of Choice
- To exceed expectations of stakeholders
- To contribute towards the betterment of the financial industry

## Areca Capital Group Structure



## 1.3 CEO's Statement



**“Besides investing for profits, as a responsible fund manager, we should invest with the aim of making a positive impact to the planet and the environment”**

**– Danny Wong, CEO of Areca Capital**

2024 marks the second chapter in Areca Capital's ESG journey, which is one of progress, learning, and cultural change. Having taken our initial steps in 2023, we are now steadily embedding environmental, social, and governance (ESG) considerations into the way we operate, make decisions, and serve our clients.

We continue to take cognizance of our role, not just as a wealth manager safeguarding the long-term financial well-being of our clients, but also as an active participant in shaping a more responsible and sustainable financial ecosystem. We remain aligned with the national and regional ESG momentum championed by regulators like the Securities Commission Malaysia and Bursa Malaysia.

Our journey towards Net Zero by 2050 continues, but sustainability at Areca Capital is more than a target—it shall become part of our culture. From investment design and product development to internal operations and governance practices, ESG will progressively influence how we think and act. This shift is supported by clear direction from our Board and Management, and brought to life by teams across the company working with purpose and alignment.

That mission to be our clients' wealth management partner through generations, drives us forward. And as we move through 2024 and beyond, we will continue fostering a culture where sustainability is not a department, but a shared responsibility across every level of the organisation.

## 2. OUR SUSTAINABILITY JOURNEY

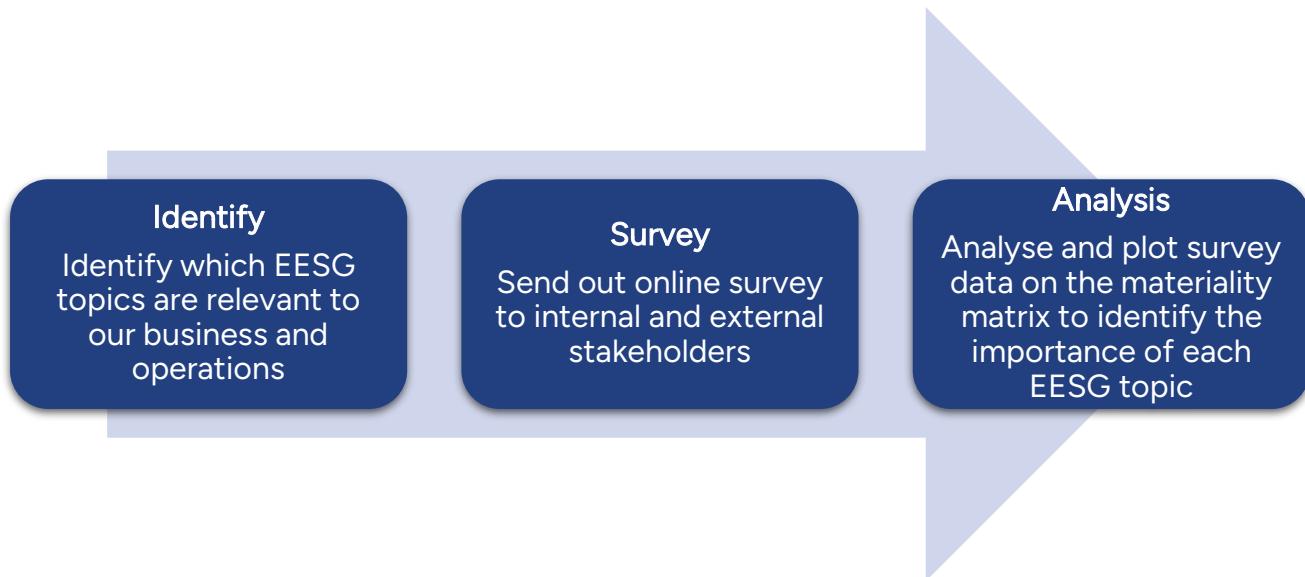
Areca Capital's Sustainability Journey	
	<p><b>Established Sustainability Committee</b> <b>ESG Training for Middle &amp; Senior Management and Board of Directors</b></p> <p><b><u>Introduction of the Sustainability Committee and Initiatives</u></b></p> <ol style="list-style-type: none"><li>1. Recycling of Plastic Types 1, 2, 4 &amp; 5</li><li>2. Reduction of Single-use Plastic: Bottles, Bags, Cutlery, Straws &amp; Food Containers</li><li>3. Energy Efficiency and Conservation</li><li>4. Sustainability Education and Awareness contents internal sharing</li></ol> <p><b>Activities:</b></p> <ol style="list-style-type: none"><li>1. First Recycling Activity</li><li>2. Earth Day Event</li><li>3. World Environment Month: Let's #BeatPlasticPollution!</li><li>4. Distribution of Areca's Reusable Bag and Metal Straw to Areca Employees</li><li>5. Launch of Areca Capital's New Private Trust Service</li><li>6. Start of Materiality Assessment and Corporate Reporting Process</li></ol>
2023	<p><b>ESG Training for Sustainability Committee members</b></p> <p><b>Activities:</b></p> <ol style="list-style-type: none"><li>1. TeamBuilding</li><li>2. Floral Celebration</li><li>3. Green Pageant</li><li>4. Sport Activities</li><li>5. Employee Wellness and Programmes</li></ol>
2024	

In 2024, the Sustainability Committee continues to lead sustainability initiatives and raising awareness across the organisation. To keep engagement fresh and meaningful, the team continues to explore creative ways to reach colleagues—through eye-catching visuals, videos, updates, and in-house sessions shared via email or WhatsApp—to promote engagement and raise awareness.

This journey is a continuous learning process—not just for the Sustainability Committee, but for all of us at Areca, including top management.

## 2.1 Materiality Assessment

Our materiality assessment and corporate reporting process, which began in December 2023, covers four key areas: Economic, Environmental, Social, and Governance.



After gathering the responses from our internal and external stakeholder groups, we have determined the relative importance of several EESG subjects and topics to Areca. The results will help us prioritise and formulate our actions for the upcoming years.



## 2.2 Material Topics

Material Topics	GRI Topics	Description
<b>ECONOMIC</b>		
Responsible Investing	GRI 201: Economic Performance 2016	Integrating ESG factors into Areca's investment process while seeking to generate financial returns.
Digitalisation		Enhancing Areca's work process by leveraging technologies to enhance efficiency and innovation.
Remuneration Practice		Financial Advisors' remuneration is structured to be aligned to the interests of clients through a remuneration system that rewards an advisory-based approach and excellent client service. This reduces product churning and charging of excessive front-end fees.
Business Innovation		Creating a platform to promote and generate new ideas, methods, products and services.
<b>ENVIRONMENTAL</b>		
Waste Management	GRI 301: Materials 2016	Managing and taking steps to reduce, reuse and recycle waste within Areca's offices.
Energy Efficiency	GRI 302: Energy 2016	Managing and taking steps to reduce electricity consumption within Areca's offices.
Climate Action	GRI 305: Emissions 2016	Involves integrating climate-related issues into investment decisions, as well as managing and reducing greenhouse gas ("GHG") emissions from Areca to promote long-term sustainability and resilience in a transitioning economy.
<b>SOCIAL</b>		
Employee Wellbeing	GRI 401: Employment 2016	Fostering a supportive and fulfilling work environment.
Talent Development	GRI 404: Training and Education 2016	Enhancing the skills, knowledge and capabilities of employees for career advancement and personal development.
Diversity Inclusion	GRI 405: Diversity and Equal Opportunity 2016 GRI 406: Non-Discrimination 2016	Promoting a diverse, inclusive and non-discriminatory workplace.
Investor Education		Promoting financial literacy, risk awareness, and long-term financial well-being for Areca's investors and the public.
<b>GOVERNANCE</b>		
Corporate Governance		<ul style="list-style-type: none"> <li>Ensuring compliance with regulations, establishing oversight, and mitigating risks for Areca and investors.</li> <li>Establishing and upholding a rigorous system of rules, practices, and processes.</li> </ul>
Compliance Culture	GRI 205: Anti-Corruption 2016	Instilling a robust compliance and risk management culture across the company, involving Financial/Investment Advisors, business units, support functions, and compliance and risk management teams in risk identification, reporting, review, and control measure formulation.

Investor Experience		<ul style="list-style-type: none"> <li>Creating a positive, seamless and fulfilling relationship between Areca and its clients.</li> <li>Ultimately, our mission lies in working together with clients and their families, children or the next generation in their wealth management needs.</li> </ul>
Sales & Marketing Practice	GRI 417: Marketing and Labeling 2016	<ul style="list-style-type: none"> <li>Ensuring advisory-based approach in constructing client portfolios based on their needs and circumstances, with proper risk disclosure.</li> <li>Provide lasting value to clients and investors through strong risk-adjusted returns and excellent service.</li> </ul>
Cybersecurity & Data Privacy	GRI 418: Customer Privacy 2016	Implementing measures and practices to safeguard Areca and customer information.

## 2.3 Stakeholders Engagement

We constantly strive to enhance our methods of engagement through various communication platforms to effectively gather our stakeholders' feedback and aiming not only to meet, but also to exceed their expectations.

Stakeholder Groups	Why We Engage	How We Engage
Shareholders and Board of Directors	<ul style="list-style-type: none"> <li>To produce sustainable, long-term value for our stakeholders – developing business strategies, updates on broad initiatives and developments e.g. incorporation of ESG initiatives.</li> </ul>	<ul style="list-style-type: none"> <li>Quarterly and ad-hoc Board of Directors' meetings.</li> <li>Monthly Investment Committee meetings.</li> <li>Bi-annual discussions with the Shareholders on business progress and plans.</li> </ul>
Investors	<ul style="list-style-type: none"> <li>To keep investors informed &amp; updated on the investment performances of their mandates/accounts/funds as well as our investment or relevant business strategies.</li> <li>To seek feedback and comments to enable us to produce sustainable, long-term value.</li> </ul>	<ul style="list-style-type: none"> <li>Updates and notices issued via company announcements, press releases, market outlook or financial reports.</li> <li>Close interactions between our investors and Financial Advisors to always be ready to address their needs and meet their expectations.</li> <li>Regular market outlook briefings and roadshow sessions to allow our investors to directly engage with our CEO and CIO.</li> </ul>
Regulators	<ul style="list-style-type: none"> <li>To instill a robust compliance culture across the company and promoting the development and improvement of the industry.</li> </ul>	<ul style="list-style-type: none"> <li>Engage in industry dialogue and ensure full compliance with the latest regulations and guidelines as well as industry development.</li> </ul>
Employees	<ul style="list-style-type: none"> <li>To foster an ethical, supportive and safe work environment.</li> </ul>	<ul style="list-style-type: none"> <li>Host regular discussions via employee and management meetings, town halls, team-building activities, performance-review sessions and training.</li> </ul>

Public	<ul style="list-style-type: none"> <li>To promote financial literacy, risk awareness, and long-term financial well-being for Areca's investors and the public.</li> </ul>	<ul style="list-style-type: none"> <li>Participate in external media's market outlook and view contents.</li> <li>Regularly publish our views on the latest developments on the market and economy via our social media, public roadshow and website.</li> </ul>
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## 2.4 Sustainability Goals and Roadmap

As we work towards establishing our official ESG Corporate and Investing Frameworks, our Sustainability Committee has outlined the backbone of Areca Capital's Sustainability Goals and roadmap.

Economic	Environmental
<ul style="list-style-type: none"> <li>To set up a full ESG Investment Integration Strategy &amp; Framework.</li> <li>To increase digitalisation and automation for efficiency.</li> <li>To deliver long-term value to clients and stakeholders via existing solutions and business innovation.</li> </ul>	<ul style="list-style-type: none"> <li>To achieve Net-Zero emission by 2050.</li> <li>To promote awareness and develop skills of employees and stakeholders on effective waste management and climate action.</li> </ul>
Social	Governance
<ul style="list-style-type: none"> <li>Maintain and promote diversity and inclusion in the workplace.</li> <li>Empower and educate investors to make informed financial decisions for their total wealth.</li> </ul>	<ul style="list-style-type: none"> <li>Maintain and promote effective corporate governance to ensure transparency, accountability, and sustainable business practices</li> </ul>

### Sustainability Roadmap

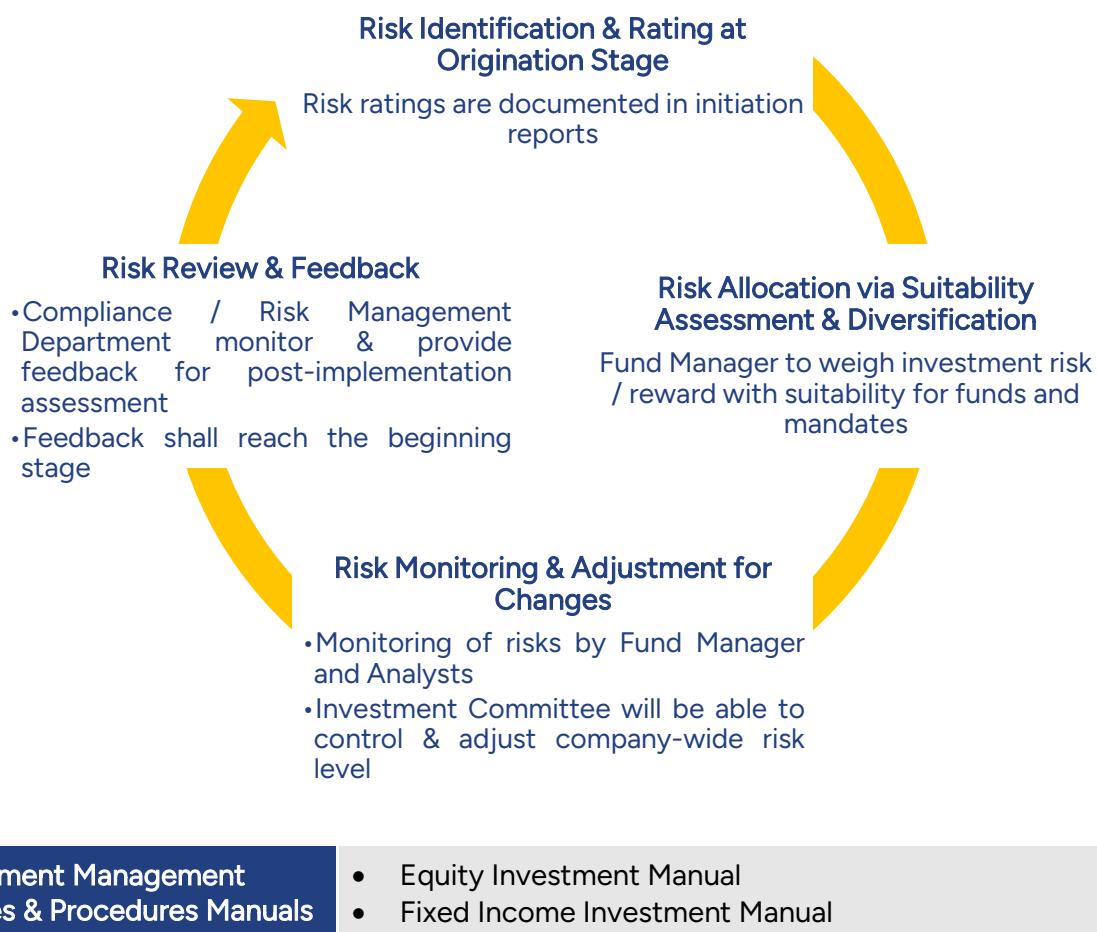


### 3. ECONOMIC

#### 3.1 Responsible Investing

By aligning our investments with ESG considerations, we can effectively manage risks and rewards related to sustainability including addressing the growing demand from investors who seek to align their values with their financial goals.

While works are underway on developing our ESG investment framework, our current manuals on equity and fixed income investments provide adequate coverage on risk management policy and procedures. Both manuals outline the approach and measures adopted to effectively identify, monitor, evaluate, and manage the risks associated with the fund's position and their overall impact on the fund's risk profile. The following describes Areca Capital's risk management process:



In 2024, members of our Sustainability team participated in various workshops during Capital Markets Malaysia ESG Week, which the event aimed to equip Malaysian companies of all sizes with the knowledge and tools needed to strengthen their ESG practices.

The relevant sessions attended by team are as follows:

1. "ESG Essentials for SMEs"
2. "Making Sustainability Relevant to Every Department in Your Company"
3. "Small Business, Big Impact: Sustainability Reporting for SMEs"

In which the team gain significant insights into emerging ESG trends and regulatory developments.

## Future Plans:

To setup a full ESG Investment Integration Strategy and Framework	To be a United Nation Principle of Responsible Investing (UN PRI) Signatory
To implement the ESG Investment Integration Strategy and Framework on a minimum of 50% of total assets under management (AUM) by 2030	To offer more sustainable and responsible investment products consisting of both conventional and thematic funds tied to sustainability themes

## 3.2 Digitalisation

Digitalisation enables us to streamline our operations and enhance efficiency while also improving our clients' experiences. By leveraging digital tools and platforms, we can automate routine tasks and optimise processes to facilitate better decision-making.

Continuous improvement in Back-to-Middle office departmental systems	Crea8 Capital, a Malaysian WealthTech provider for one of the global funds managed	Website revamp for a more informative and user-friendly view of fund/investment information
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## Areca Mobile App Overview

In 2024, Areca Capital developed the Areca Mobile App, which is designed to be a seamless, intuitive, and user-friendly platform for both existing investors and potential clients. It aims to enhance user engagement and streamline access to Areca's resources and events.

### Key Features:

- Article Access: Browse and read a wide range of informative articles.
- Event Notifications: Stay informed with real-time updates on upcoming events.
- Event Registration: Register for events conveniently within the app.

## Future Plans:

- To conduct internal testing, make adjustments, and enhance mobile app accessibility in preparation for external launch.
- Back-office system and procedure enhancement.

### 3.3 Business Innovation

One of our mission statements is "to be the region's leading and innovative wealth management solutions provider". Our commitment to business and product innovation allows us to be agile to changing market dynamics, remain competitive and meet evolving client needs.

#### Investment Solutions

Our product development focuses on meeting client needs while considering the current investment climate. In light of the uncertainty in the market environment, we believe there are opportunities for investors to capitalize on. We have launched several funds aimed at providing both income and capital growth, eg:

Areca Premier Wealth Fund	Areca China A-share Alpha Fund	Areca Strategic Income Fund 11.0
A wholesale fund with flexible asset allocation between equity and fixed income depending on the prevailing economic conditions and market outlook	A wholesale equity fund with investments in Chinese equities which are listed in China, Hong Kong and United States.	A wholesale fund which aims to provide investors with medium to long term income with incidental capital growth

#### Private Trust Service

In 2023, we have acquired a company formerly known as Alliance Trustee Berhad, which have since been rebranded as ArecaCapital Trustee Berhad. Our newly established private trust services is dedicated to providing tailored solutions and estate planning for high-net-worth and mass-affluent clients, empowering them to secure their legacies with confidence. In 2024, ArecaCapital Trustees Berhad launched its full operation with a more aggressive strategy/approach as part of our AUM growth strategy. This approach integrates wealth and long-term investment management, offering a holistic framework that help clients to grow, preserve, and distribute their wealth across generations.

#### 3.4 Remuneration Practice

Our Financial Advisors' remuneration is structured to align with the interests of our clients through a remuneration system that rewards an advisory-based approach and excellent client service. This structure is applied to all the Advisors to reduce product churning and charging of excessive front-end fees.

The majority of our Financial Advisors are in-house employees, ensuring a professional and long-term commitment in managing the relationship with our clientele.

## 4. GOVERNANCE

As a private wealth management company, it is crucial for us to maintain strong governance standards to ensure good business conduct and effectively manage the identified EESG subjects. We have embedded robust business policies, internal controls, risk management and compliance measures to support sustainable business operations that align with our overall corporate strategy.

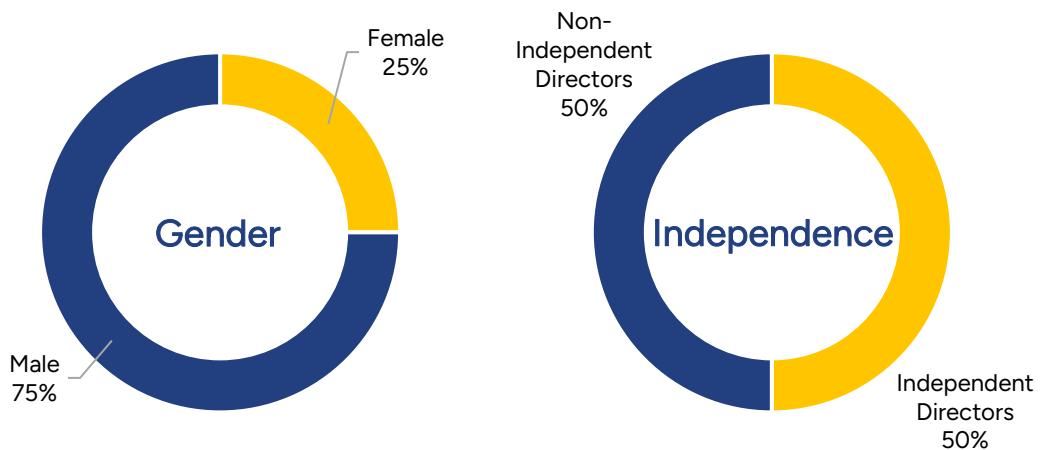
### 4.1 Corporate Governance



### Board Diversity & Composition

Being a Public-Interest-Entity, our Board of Directors composition consists of individuals with diverse range of expertise in the banking and fund management industry. Our nomination requirement for the Board of Directors is in accordance with the Securities Commission Guidelines on Unit Trust Funds, Malaysia's National Policy and Company's Terms of Reference. We ensure that at least 2 independent members or a minimum ratio of 1/3 independent members is maintained at all times. These Independent members provide necessary check and balance amongst the members of the Board. Additionally, the roles of the Board Chairperson and CEO are separated, with the Chairperson serving as an independent non-executive director.

At the company-wide level, our Board of Directors, assisted by the CEO and Senior Management will monitor and oversee the company's operations. This ensure competent and prudent management, sound planning, proper procedures for the maintenance of adequate accounting and other records and systems of internal control, and compliance with all laws, regulations and guidelines.



## Committees Roles & Responsibilities

<b>Board of Directors ("Board")</b>	Highest approval authority to monitor and oversee the operations of the company. The Board also oversees and is regularly updated on the implementation of sustainability strategies throughout the company's business and operations.	<b>Meeting Frequency:</b> Quarterly
<b>Senior Advisor</b>	Review and provide strategic guidance to the company's management and sustainability management.	
<b>Investment Committee</b>	Responsible for reviewing and approving the funds' investment strategies and guidelines. Review investment risks identified and adjust the overall firm-wide risk level, if necessary.	<b>Meeting Frequency:</b> Monthly
<b>Chief Executive Officer ("CEO")</b>	Provides the strategic direction and steering of the business. Managing the overall operations of the company.	
<b>Senior Management</b>	A team of senior executives headed by the CEO is responsible for developing company strategies, executing major business decisions and overall overseeing the activities of different parts of the business.	<b>Meeting Frequency:</b> Monthly
<b>Management Committee</b>	Comprising all department and function heads, the Committee discusses and reports on the progress and status of the company's business operations.	<b>Meeting Frequency:</b> Monthly
<b>Risk Management Committee</b>	Assist the Senior Management in assessing all aspects of risks and risk management within the company and its products and services.	<b>Meeting Frequency:</b> Ad Hoc Basis
<b>Sustainability Committee</b>	Established with a committee of advisors and comprised of representatives from departments across the company, the Committee is responsible for developing and executing sustainability initiatives and strategies.	<b>Meeting Frequency:</b> Monthly

## 4.2 Compliance Culture

Regulatory compliance is of utmost importance to Areca Capital. This is overseen by the Compliance Division, which provides checks and balances, with independent assurance from Internal Audit. To strengthen the effectiveness of the risk management function, the responsibility is functionally segregated into 3 Lines of Defence, with oversight provided from the Board and the Risk Management Committee.

Functional Segregation and Key Responsibilities	
<b>First line of Defence</b>	<b>Front and Middle Office and Other Support Units</b> Monitor activities to ensure adherence to approved policies and procedures
<b>Second line of Defence</b>	<b>Compliance and Risk Management</b> Providing an independent risk oversight and ensuring compliance to applicable laws, regulations, established policies and procedures
<b>Third line of Defence</b>	<b>Internal Audit</b> Provide independent assessments of the adequacy and effectiveness of risk processes and internal controls

## Anti-Money Laundering and Anti-Corruption

All Areca Capital employees are required to undergo annual training and complete e-assessments on Anti-Money Laundering and Anti-Terrorism Financing (AMLA), as well as Anti-Bribery and Corruption (ABC), to ensure continued familiarity with the relevant legal frameworks, internal policies, and industry best practices.

In 2024, all employees, including the Board of Directors and Senior Advisors, completed the annual AMLA and ABC training and assessment. The sessions were conducted by a certified trainer from Nature of Life and delivered through online platforms.

## Employee AMLA/ABC Training Summary

	No. of employees who participated training session	Training Hours
<b>GM/Executive Director</b>	<b>21</b>	<b>84</b>
Female	11	44
Male	10	40
<b>Managerial</b>	<b>41</b>	<b>164</b>
Female	21	84
Male	20	80
<b>Assistant Managerial</b>	<b>12</b>	<b>48</b>
Female	11	44
Male	1	4
<b>Executive</b>	<b>26</b>	<b>105</b>
Female	16	64.5
Male	10	40.5
<b>Clerical</b>	<b>6</b>	<b>24</b>

Female	4	16
Male	2	8
<b>Grand Total</b>	<b>106</b>	<b>425</b>

\*Data as of December 2024 **Prevention of Financial Crimes**

Areca Capital have zero tolerance for financial crimes. Besides having training sessions on AMLA and ABC, we have established internal manuals and procedures aimed at preventing and combat money laundering and terrorism financing. We also maintain policies and procedures addressing anti-corruption, bribery and gratification matters.

Additionally, Senior Management and Board of Directors will regularly review and ensure that all policies, procedures and controls are effective and in compliance with all relevant guidelines and laws. All Areca Capital employees are obligated to be informed and fully understand these policies to ensure that our business is conducted with the highest ethical standards.

Manuals & Policies	Description
<b>Anti-Money Laundering, Anti-Terrorism Financing and Proliferation Financing Manual</b>	Policies and procedures for client identification and due diligence, retention of financial transaction documents and reporting of suspicious transactions.
<b>Anti-Corruption Manual</b>	Policies and procedures for anti-corruption practices, retention of transaction documents and reporting of suspicious activities.
<b>Framework in Relation to the Dealings with Government-Linked Company and Government-Linked Investment Company</b>	Policies and procedures to actively prevent activities promoting unethical or corrupt practices and activities through effective prevention, detection, investigative and deterrent measures in dealing with Government-Linked Company ("GLC") or Government-Linked Investment Company ("GLIC").
<b>Whistleblowing Policy and Procedures</b>	This policy provides a formal and confidential channel to enable the Company's employees and members of the public to report in good faith, serious concerns of any Improper Conduct and to protect those making such disclosures from any reprisal and / or detrimental action.
<b>Conflict of Interest Policy</b>	This policy sets clear expectations, guidelines and procedures for the Company, including its Directors, Investment Committee's Members, employees and appointed representatives to identify, disclose, evaluate, and manage conflicts of interest.

Depending on the possible conflict of interest situations that may arise, the measures that may be taken are set out in the following policies and procedures including but not limited to Policies and Procedures, Segregation of Duties, Disclosure to Clients and Chinese Wall policies. These policies measures are non-exhaustive and other relevant policies or procedures not explicitly listed herein may also apply.

Any conflicts of interest, including policies and procedures for managing such conflicts must be disclosed to clients, where applicable. All employees must avoid any actual or potential conflict of interest, or any misuse of their positions of trust in all personal investment transactions and financial transactions. This also extends to activities outside of the Company, including taking part in the management of, or hold any ownership interest in, another business entity. Annual disclosures to the Company are mandatory

In instances such as cross-board memberships in investee companies, disclosures will be made to investors of the managed funds based on materiality and other measures shall be taken, such as abstaining from participation in decision-making.

**In 2024, there were zero cases of fraud, corruption and bribery incidents recorded in Areca Capital**

## Internal Policies & Manuals

Areca Capital have implemented relevant policies & manual to ensure compliance with the regulations and securities laws. This includes establishing measures for oversight and risk mitigation for the company and our investors. Additionally, an Internal Audit is regularly conducted to provide an independent assessment of the adequacy and effectiveness of risk policies and internal controls..

Governance & Regulatory Compliance	<ul style="list-style-type: none"><li>• Anti-Money Laundering, Anti-Terrorism Financing and Proliferation Financing Manual</li><li>• Anti-Corruption Manual</li><li>• Framework in Relation to the Dealings with Government-Linked Company and Government-Linked Investment Company</li><li>• Conflict of Interest Policy</li><li>• Whistleblowing Policy and Procedures</li><li>• Compliance Framework</li><li>• Internal Control Manual</li><li>• Internal Audit Manual</li><li>• Discretionary Authority Limits Manual</li></ul>
Responsible Investing & Product Development	<ul style="list-style-type: none"><li>• Equity Investment Manual</li><li>• Fixed Income Investment Manual</li><li>• Product Development Manual</li></ul>
Sales & Marketing Practice	<ul style="list-style-type: none"><li>• Financial Planning Manual</li><li>• Investment Advice Manual</li><li>• Suitability Assessment Framework</li><li>• Marketing Manual</li><li>• Investor Care Manual</li><li>• Unit Trust Scheme Consultant ("UTSC") Manual</li><li>• Transaction Application Guidebook</li></ul>
Employee & Talent Management	<ul style="list-style-type: none"><li>• Code of Ethics and Conduct</li><li>• Employees Policies and Procedures Manual</li></ul>
Cybersecurity & Data Privacy	<ul style="list-style-type: none"><li>• Information Technology Manual</li></ul>
Business Operations	<ul style="list-style-type: none"><li>• Business Continuity Plan</li><li>• Operation Manual</li><li>• Finance Fund Accounting Manual</li></ul>

## 4.3 Investor Experience / Sales & Marketing Practice

Our mission is to serve as our clients' trusted wealth management partner through generations. We prioritize addressing our clients' needs and fulfilling their expectations, by collaborating and assisting closely with their families or next generation to ultimately preserve their wealth and legacy. We are

also committed to delivering long-term value to our clients and investors through our comprehensive range of products and services.

In accordance with the policies and guidelines from governing regulators, we are committed to ensure that the information on our marketing materials is accurate, transparent and accessible to our clients and investors. This would enable our clients and investors to be equipped with sufficient knowledge on our financial products and services before making an informed investment decisions. Our investor care as well as sales and marketing policies and procedures are also in adherence to the guidelines from the governing regulators, which may include but are not limited to the following list:

Governing Regulators	Policies / Guidelines
Securities Commission Malaysia ("SC")	<ul style="list-style-type: none"><li>• Licensing Handbook</li><li>• Guidelines on Unit Trust Funds</li><li>• Guidelines on Sales Practices of Unlisted Capital Market Products</li><li>• Guidelines on Marketing and Distribution of Unit Trust Funds</li><li>• Guidelines on Advertising for Capital Market Products and Related Services</li><li>• Guidelines on Online Transactions and Activities in Relation to Unit Trusts</li><li>• Guidelines on Conduct for Capital Market Intermediaries</li></ul>
Federation of Investment Managers Malaysia ("FiMM")	<ul style="list-style-type: none"><li>• Code of Ethics</li><li>• FiMM's Consolidated Rules</li></ul>
Companies Commission of Malaysia	<ul style="list-style-type: none"><li>• Company's Act 2016</li></ul>

#### Complaint or Enquiry Handling Process in Areca Capital

- To ensure that the voices of our clients and the public are heard, we have internal policies and procedures with regards to sales, advertising, and communications that we adhere to with the objective to uphold a consistent and high standard of conduct.
- There are detailed procedures implemented to address enquiries and complaints. Our digital communication platforms includes corporate website, Facebook and LinkedIn page as well as a WhatsApp number as our communication touchpoints with our clients. We also have physical branches present in 7 states with landline for clients to contact for enquiries.

#### Industry Dispute Resolution

- On top of internal dispute resolution, clients and stakeholders may refer their dispute via the following independent bodies if they are unsatisfied with the outcome:
  - Securities Commission Malaysia (SC) – Investor Affairs & Complaints Department
  - Securities Industry Dispute Resolution Center (SIDREC)
  - Federation of Investment Managers Malaysia (FiMM)'s Complaints Bureau
- Contact information for the above independent bodies can be found on the corporate website.

**In 2024, there were zero incidents of non-compliance concerning laws and regulations, marketing communications as well as product and service information and labelling in Areca Capital.**

## 4.4 Cybersecurity & Data Privacy

Areca Capital's cybersecurity policies are guided by the frameworks, directives and guidelines established by the Securities Commission Malaysia, which may include but are not limited to the following:

### Guidelines on Technology Risk Management

Areca Capital implements policies and measures according to this guideline. This guideline sets out the requirement on Governance and Management of Technology Risk which includes:

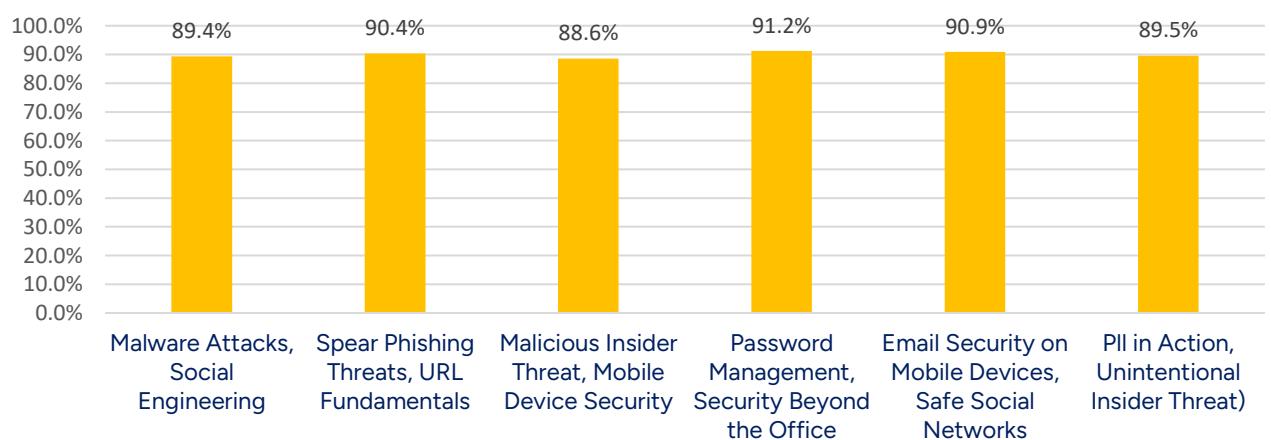
- Roles and responsibilities of the Board of Directors in the oversight and management of technology risk;
- Technology operation and cybersecurity management policies and procedures that should be developed and implemented;
- Reporting and notification requirements to the Securities Commission Malaysia; and
- AI and Machine Learning Guiding Principles

### Areca Capital Cybersecurity Measures

- Data protection is enforced through Access Control mechanism where authorization and authentication processes limit access rights by restricting the access matrix based on user roles. Access rights are granted only to authorised employees and information is provided strictly on a need-to-know basis.
- Engage security expert for cybersecurity assessment to identify and close the potential gaps.
- Phishing simulation campaign is conducted regularly to educate the employee on how to identify and respond to phishing emails to prevent potential threats and phishing attacks.
- Raising employees' awareness and improving their knowledge on data protection and cybersecurity by conducting mandatory e-learning trainings.

Security Awareness trainings have been conducted every 2 months in 2024 and the completion rate in Areca Capital is 100%. The success rate of identifying phishing emails via the employee phishing simulator is at 96%.

### Areca Capital Cybersecurity Awareness Training



**In 2024, there were zero number of substantiated complaints concerning breaches of customer privacy and losses of customer data in Areca Capital.**

### **Future Plans:**

We strive to uphold and remain committed to maintaining a high standard of corporate governance and compliance culture. We are dedicated to continuously enhance our business practices and standards of conduct, as well as regularly reviewing and updating our policies & procedures to ensure full compliance with the latest regulations and guidelines.

As part of this commitment, our future plans include the following key initiatives:

- Participate in annual cyber drill exercises organised by Securities Commission Malaysia to test the effectiveness of the Cyber Incident Response Plan towards managing scenarios of current and emerging cybersecurity threat
- Deploy security defence systems and 24x7 Security Operation Centre monitoring to protect against cybersecurity threats

## 5. SOCIAL

### 5.1 Employee Wellbeing

As part of our continuous commitment to employee well-being and our aspiration to become an Employer of Choice, Areca Capital is dedicated to supporting the physical health and mental well-being of our employees.

We strive to create an environment where employees feel valued and supported, enabling them to perform at their best. Ensuring a healthy and positive workplace is one of our top priorities, aligned with our core value of being friendliness and teampower.

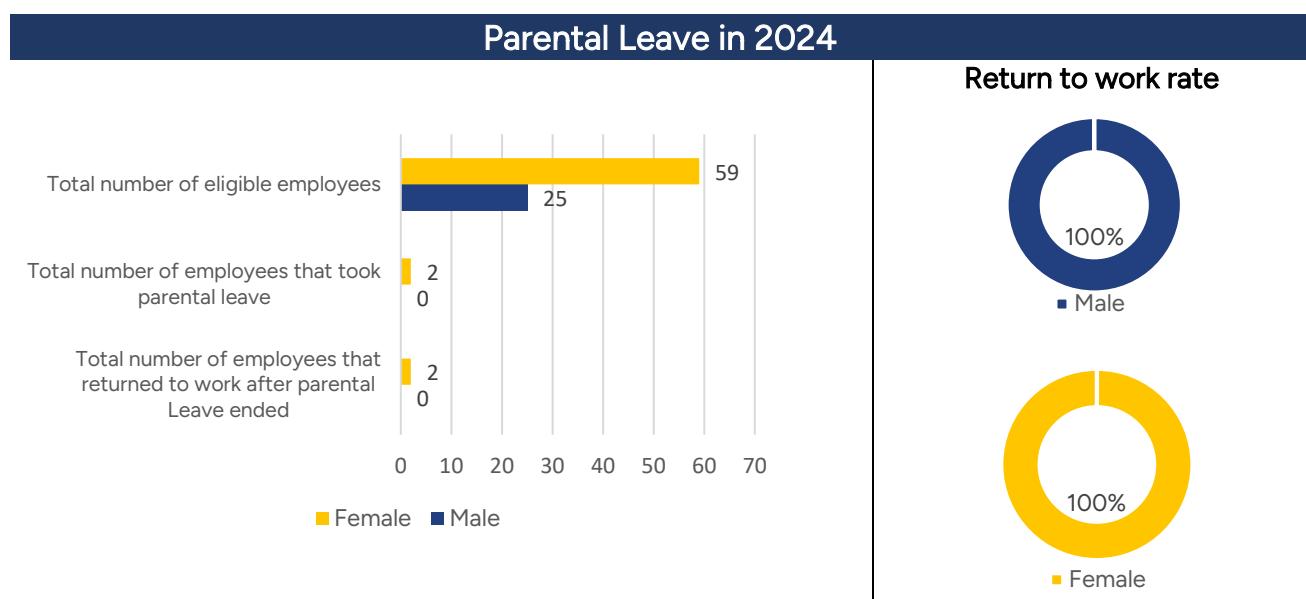
### Employee Benefits

Areca Capital's Employee Procedures and Policies are strictly aligned with local labor standards and are regularly updated to ensure compliance. This commitment ensures that our employees receive the care and support they deserve, while also contributing to the overall quality and sustainability of our workforce. As part of the 2024 review, improvements to our internal processes were made to better enhance our governing procedures and policies while also prioritising the needs and wellbeing of our employees. We introduced a health screening benefit to encourage proactive health management and support long-term wellbeing, helping employees stay active and productive.

Our employee benefits include the following:



In addition to these benefits, Areca Capital fosters connection, culture, and collaboration through employee-led activities and events that encourage engagement and offer enjoyable, relaxing moments for our team.



## 5.2 Talent Development

At Areca Capital, learning and development are recognized as strategic priorities which are essential to driving organizational performance, innovation, and long-term success. We view employee development not only as an investment in individual growth but also as a means to strengthen the company's overall capabilities and competitiveness. By equipping our workforce with the necessary skills, knowledge, and competencies, we foster a culture of continuous improvement and adaptability in an ever-evolving business environment.

To support this commitment, we provide access to various training and development opportunities through both HRDCorp training funds and internally funded programmes. In 2024, a total of 110 employees participated in these training and development.

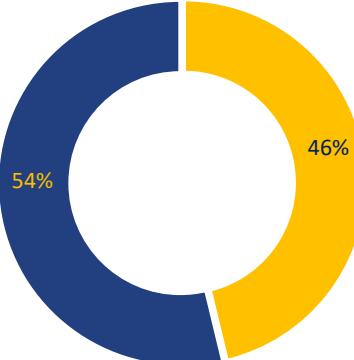
Our approach to training and development is structured around six key pillars, forming a comprehensive framework that ensures impactful and targeted learning across all levels of the organization:



### Training and Development – 2024 Highlight



Average Training Hours Per Employee By Category				
GM/Executive Director	Managerial	Assistant Managerial	Executive	Clerical
26.04	23.07	16.50	14.93	14.00

Average Training Hours Per Employee By Gender	
54% 	46% FEMALE MALE

In Areca Capital, learning and development are continuous cycles. We are dedicated to cultivating an environment where our employees engage in active continuous learning, drawing from their day-to-day tasks, formal training programs, and collaborative knowledge sharing among colleagues.

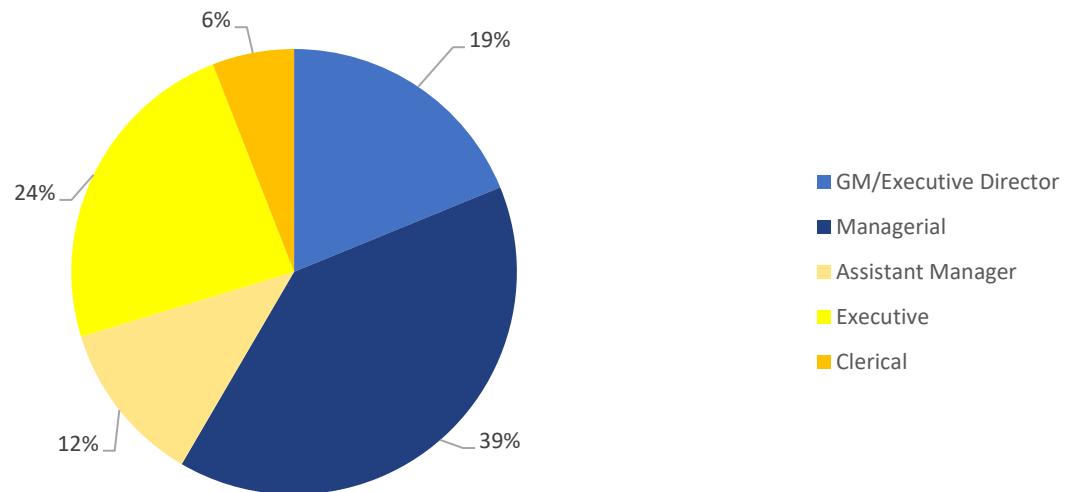
### 5.3 Employee Performance Management

Areca Capital adopts a structured Performance Management Cycle, comprising two key review periods in the second and fourth quarters each year. This framework is applicable to all levels of employees and is guided by the Performance Matrix that aligns with the company's strategic objective for growth and development.

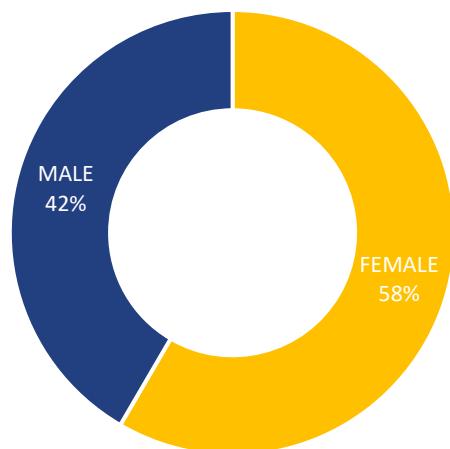
Employee performance management is a cornerstone of our approach to talent development, fostering a culture of continuous learning, and individual progress. This comprehensive process allows us to assess performance effectively by identifying both strengths and areas for improvement. It also enables employees to track their progress and gain clarity on their development journey. Where underperformance is identified, a Performance Improvement Plan (PIP) is implemented as a constructive and supportive tool to guide the employee's development.

Total Eligible Employees	Workforce %
89	90%

### By Employee Category



### By Gender



## 5.4 Diversity Inclusion

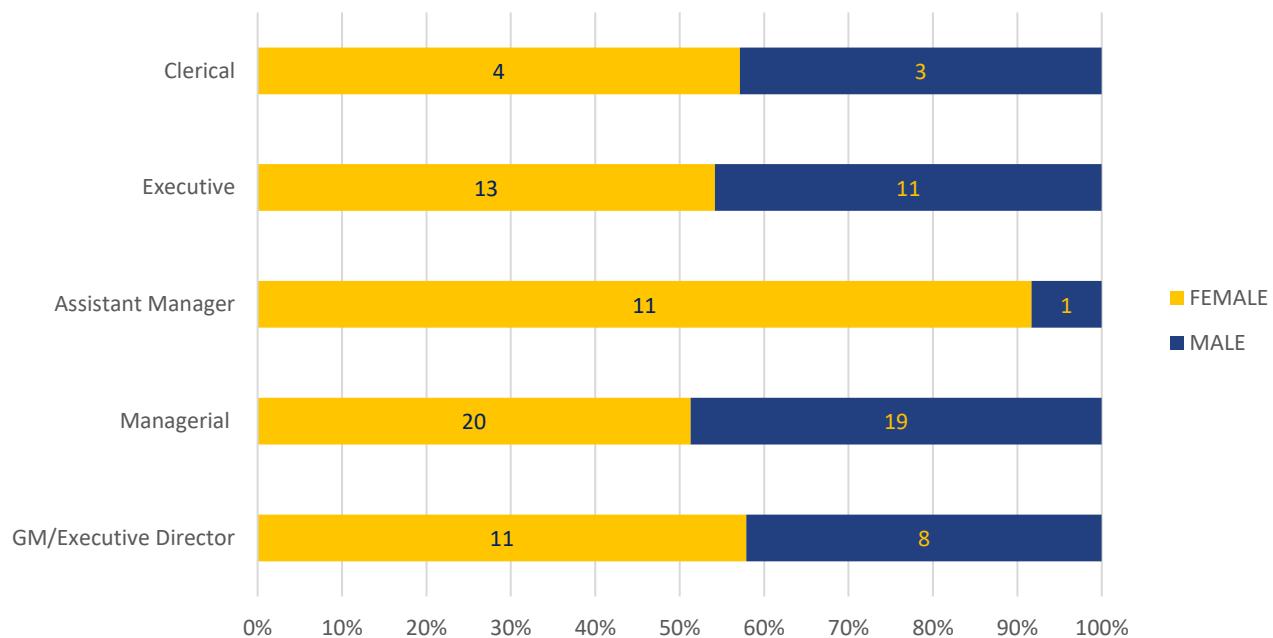
At Areca Capital, we work together as one team, united in our pursuit of shared goals, regardless of gender or age. Our core values of trustworthiness, friendliness, and teampower drive our every action and shape our culture. We are firmly committed to fostering diversity, inclusion, and anti-discrimination. Through embracing the multitude of perspectives that diversity bring, we create an environment where every individual feels respected, valued and empowered to contribute meaningfully. By providing growth opportunities and actively combating discrimination, we cultivate a workplace that encourages innovation and success for all. From recruitment processes to talent development, we practice and promote anti-discrimination and equal opportunities in every aspect of our operations. As of 2024, our team comprised of 101 employees.

As part of our commitment to this inclusion, we have organised various events and celebration which include everyone, regardless of gender, and age. These initiatives are organised to promote harmony, mutual respect and reinforce our stance against anti-discrimination.

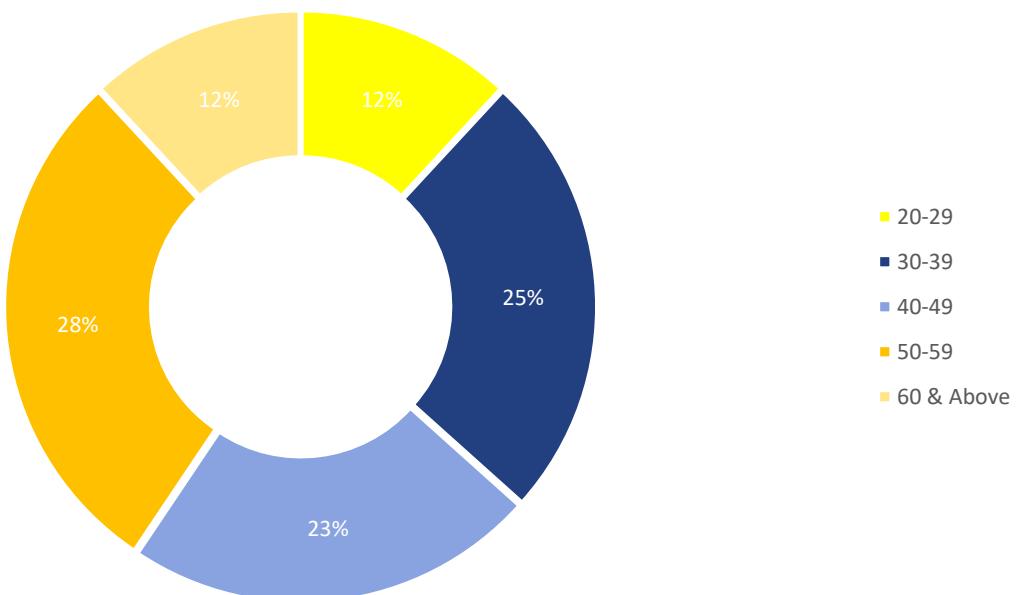
### Areca Capital's Employees

Age Group	FEMALE	Male	Grand Total
GM/Executive Director	11	8	19
30-39		1	1
40-49	4		4
50-59	6	4	10
60 & above	1	3	4
Managerial	20	19	39
30-39	2	8	10
40-49	7	4	11
50-59	8	4	12
60 & above	3	3	6
Assistant Managerial	11	1	12
30-39	4	1	5
40-49	3		3
50-59	4		4
Executive	13	11	24
20-29	6	6	12
30-39	4	3	7
40-49	3	2	5
Clerical	4	3	7
30-39	2		2
50-59		3	3
60 & above	2		2
<b>Grand Total</b>	<b>59</b>	<b>42</b>	<b>101</b>

## By Gender



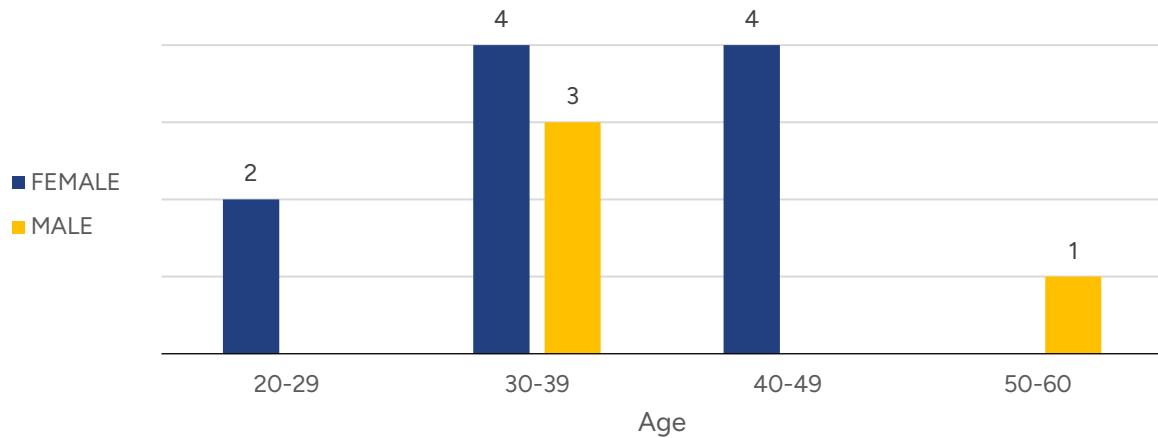
## By Age



### Number of New Hires in 2024

12

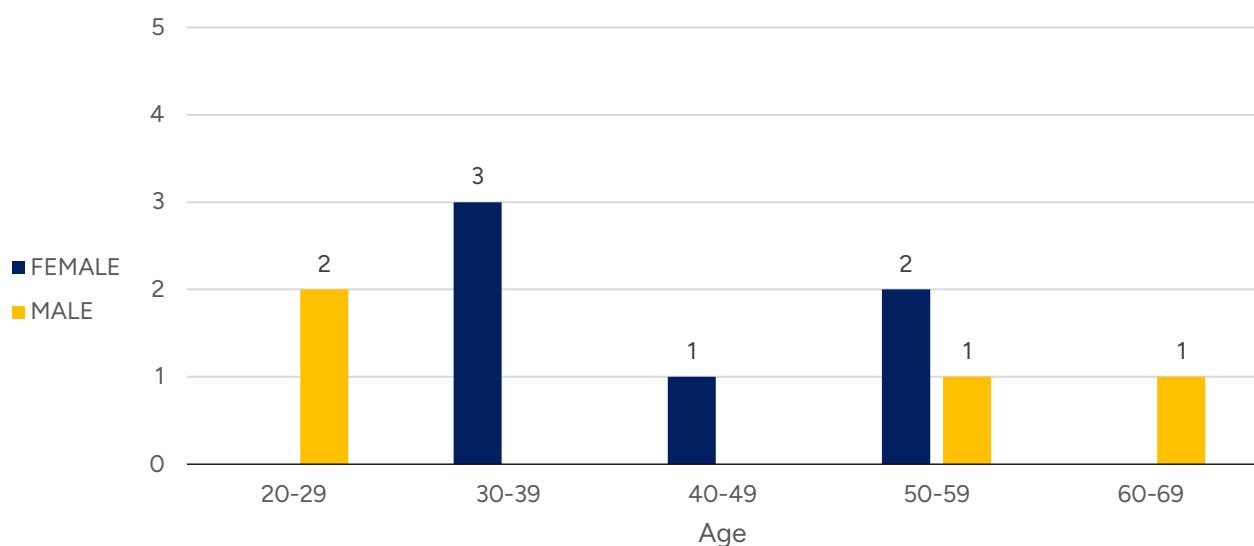
(Retention Rate = 89%)



### Number of Employee Turnover in 2024

11

(Turnover Rate = 11%)



Note: Both Retention Rate and Turnover Rate are calculated using the number of employees at the start of the reporting period i.e. 1<sup>st</sup> Jan 2024 as the denominator. The calculation for Retention Rate excludes the new hires during the reporting period.

**In 2024, there were zero cases of discrimination, bullying and harassment reported in Areca Capital.**

## Fostering Connection, Culture, and Collaboration at Areca Capital

At Areca Capital, we believe that a positive and supportive workplace culture goes beyond daily tasks—it's about building meaningful connections, encouraging personal growth, and promoting well-being among our employees. In 2024, we reinforced our commitment to fostering and creating a positive and engaging work environment through a series of initiatives focused on team building, sports, environmental awareness, and festive celebrations.

### Team-Building Retreat at Club Med Bali

In 2024, we brought together 74 employees for a 3-day company trip and team-building retreat at Club Med Bali. The programme featured a lively and engaging mix of outdoor activities aimed at strengthening teamwork, resilience and leadership. Kicking off with an energising icebreaker, employees were grouped across departments, promoting cross-functional collaboration and forging fresh new connections. The retreat concluded with a powerful final challenge where all teams united to raise the flag—symbolising our shared purpose, unity, and collective achievement.



### Areca Sports Club

Our dedicated Sports Committee continues to play a key role in encouraging a healthy, balanced lifestyle among employees. Organised every one to two months, the sports activities—such as badminton, volleyball, and futsal—provide a fun and stress-relieving opportunity for staff to connect outside of work. These events not only strengthen and foster camaraderie but also support and enhance teamwork and inclusivity across all levels of the organisation.



## Staff Engagement and Environmental Initiatives

Beyond physical wellness, our engagement efforts also extended to creative and environmental conscious programmes. Two standout events in 2024 were "A Floral Celebration: Embracing Earth's Beauty" and the "Green Pageant". These activities encouraged sustainable practices and artistic expression while bringing teams closer together.

The "*A Floral Celebration*" event brought employees together to learn the art of "flower ball" origami—an activity that sparked creativity while deepening appreciation for the natural world, while fostering a sense of unity and mindfulness. The event led to the creation of a collective 'flower ball,' symbolising harmony, collaboration, and a shared sense of unity.

The "Green Pageant" event was organised to raise awareness about upcycling and the importance of sustainable plant care. The initiative focused on repurposing plastic materials into functional and decorative plant containers. Employees showcased their creativity by designing unique and personalised homes for plants, reflecting both environmental responsibility and individual expression.

At Areca Capital, we celebrate different festive gatherings like *makan makan*—shared meals that unite colleagues from various backgrounds, including remote branches joining virtually via Zoom. These moments of togetherness embody our commitment to inclusion, community, and shared values.

Together, these initiatives support our mission to be an Employer of Choice, exceeding stakeholder expectations, and nurturing a work culture defined by inclusivity, teamwork and friendliness.



## Employee Wellness and Programmes

In 2024, Areca Capital organized a series of employee engagement programmes in collaboration with third-party partners such as EPF and AIA. These initiatives aimed to provide employees with valuable knowledge and convenient access to relevant services.

As part of the EPF Outreach Session, EPF personnel visited our office to deliver informative briefings and offer on-site assistance with various EPF-related matters. The session not only enhanced our employees' understanding of EPF services but also improving convenience through direct support.

Additionally, Areca Capital collaborated with AIA to organize a session on the Private Retirement Scheme (PRS). This programme aimed to raise awareness about PRS and encourage employee participation by highlighting its benefits, including eligibility for tax deductions.

Beyond these financial wellness initiatives, Areca Capital also organized a flu vaccination session for employees participating in the company's overseas trip to Bali. This proactive health measure reflects our ongoing commitment to employee well-being and workplace safety.



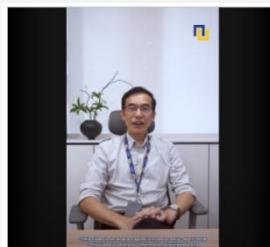
## Future Plans:

Our mission is to become the Employer of Choice by fostering employee well-being, growth, and inclusivity. We actively pursue and achieve local standards to ensure our workplace is dynamic, where every individual is valued, empowered to grow, and feels a sense of belonging. Through continuous improvement and a commitment to diversity, we aim to create a culture where our employees flourish, innovate, and contribute to our collective success.

## 5.5 Investor Education

We believe that an informed public on financial planning and education is important. As part of our investor education initiatives, we participate in various talks, interviews and forums organised by media outlets like The Edge and The Star, as well as other platforms. These efforts complement our regular investor updates and engagements, including any invitation from our partners to speak on topics of interest.

We actively engage with regulators and relevant associations, such as Securities Commission Malaysia, Federation of Investment Managers Malaysia and Financial Planning Association Malaysia and through these collaboration we are able to contribute to the development of the industry for the benefit of all stakeholders. Additionally, our CEO is an elected Director of FiMM.

<b>Investor Education section on corporate website</b>	<a href="https://arecacapital.com/introduction-to-capital-market-and-unit-trust/">https://arecacapital.com/introduction-to-capital-market-and-unit-trust/</a>
<b>Areca Flash (E-Magazine)</b>	<a href="https://arecacapital.com/article-and-resources/?ar_search&amp;ar_type%5B0%5D=27&amp;ar_date#panel">https://arecacapital.com/article-and-resources/?ar_search&amp;ar_type%5B0%5D=27&amp;ar_date#panel</a>   <p>29 January 2024   Areca Flash Areca Flash: Issue 27, January – June 2024 <a href="#">Read More</a></p>  <p>19 August 2024   Areca Flash Areca Flash: Issue 28, July – December 2024 <a href="#">Read More</a></p>
<b>Quarterly Equity &amp; Fixed Income Market Outlook (YouTube Video)</b>	<a href="https://arecacapital.com/article-and-resources/?ar_search&amp;ar_type%5B0%5D=28&amp;ar_date#panel">https://arecacapital.com/article-and-resources/?ar_search&amp;ar_type%5B0%5D=28&amp;ar_date#panel</a>   <p>5 April 2024   Half Yearly/Quarterly Market Outlook 2024 Equity Market Outlook by Danny Wong   April 2024 <a href="#">Read More</a></p>



13 April 2024 | Half Yearly/Quarterly Market Outlook  
**2Q24 Fixed Income Market Outlook by Edward Iskandar Toh | April 2024**

[Read More](#)



15 July 2024 | Half Yearly/Quarterly Market Outlook  
**3Q24 Equity Market Outlook by Danny Wong | July 2024**

[Read More](#)



22 July 2024 | Half Yearly/Quarterly Market Outlook  
**3Q24 Fixed Income Market Outlook by Edward Iskandar Toh | July 2024**

[Read More](#)



29 October 2024 | Half Yearly/Quarterly Market Outlook  
**4Q24 Equity Market Outlook by Ch'ng Cheng Siew | October 2024**

[Read More](#)



31 October 2024 | Half Yearly/Quarterly Market Outlook  
**4Q24 Fixed Income Market Outlook by Edward Iskandar Toh | October 2024**

[Read More](#)

## Annual Roadshow on Market Outlook / Fund Updates

Annual Roadshow in November 2024 in states such as Kuala Lumpur, Penang, Ipoh, Malacca, Johor Bahru, Kuching and Kota Kinabalu, where all our physical branches are present.



## Media Appearances / Investment Talks / Sponsorship Events

1. Our Chief Investment Officer, Ch'ng Cheng Siew, shared her expertise at **FIMMAC 2024** in the session 'Clarity Through Noise on 12 September 2024.



2. Advertorials on TheEdge and StarBiz7

24 June 2024:

<https://arecacapital.com/article-insights/we-are-taking-all-your-life-savings/>



23 August 2024:

<https://arecacapital.com/article-insights/investment-planning-and-trust-for-generational-wealth-starbiz7/>



30 December 2024:

<https://arecacapital.com/article-insights/one-stop-centre-for-private-wealth-solutions-the-edge/>

# ONE-STOP CENTRE FOR PRIVATE WEALTH SOLUTIONS

## 6. ENVIRONMENTAL

In 2024, Areca Capital continues to build on the foundation laid in the previous year by maintaining and deepening awareness of our sustainability initiatives across the organisation. Our focus remains on cultivating and fostering an environmentally conscious workplace and embedding sustainable practices into our daily operations.

To further strengthen our sustainability initiatives and raise awareness, a series of internal events and activities were organised at our headquarters and extended to branch offices. These efforts reflect our ongoing commitment to fostering a unified, environmentally conscious and well informed workforce.

We remain anchored in our three core focus areas: Waste Management, Climate Action, and Energy Efficiency. As we advance in our sustainability journey, we also remain committed to identifying opportunities to strengthen our initiatives, broaden awareness, and embed meaningful, lasting actions throughout the organisation.

Areca Capital continues to advance our sustainability journey—one that evolves through collaboration, innovation, and shared sense of responsibility.

Additionally, we seek to achieve the following long-term climate-related goal:

Achieve NET-ZERO Emissions by

2050

The data collected is based on Areca Capital's headquarter ("HQ") office, unless stated otherwise.

### 6.1 Waste Management

#### Paper Consumption

A4 Paper Reams Bought in 2023	300
A4 Paper Reams Bought in 2024	320

\*1 Ream = 500 sheets of paper

Paper continues to play a vital roles in the company's day-to-day operations, particularly for new clients' account opening forms and other legally binding financial documents. However, in an effort to reduce our usage, we have progressively digitalising our operations and processes. In 2023, Areca Capital introduced e-statements and e-advises to support paperless communication with clients, an initiatives aimed at reducing waste and enhancing data efficiency and accessibility across the organisation.

While a slight increase in paper ream purchases was recorded in 2024, we are actively managing our paper usage responsibly. We will continue to explore and adopt digital alternatives while maintaining operational efficiency and regulatory compliance. To further support our sustainability goals, a shredded paper recycling initiative has been implemented, ensuring secure disposal and responsible recycling of used paper.

## Materials Collected and Recycled

Materials	Total Weight Recycled (Kg)	
	2023	2024
Plastic	43.2	18.9
Cardboard	61.7	37.7
Paper		383.7
<b>Grand Total</b>	<b>104.9</b>	<b>440.3</b>

Materials were primarily obtained from waste produced by day-to-day operations at Areca HQ as well as personal waste products from employees. In 2024, a total of 440.3kg of materials were recycled at Areca HQ.

## 6.2 Climate Action

### Greenhouse Gas Emissions (“GHG”)

2023 marked the first year that Areca Capital began tracking its greenhouse gas emissions,:

Scope 1	Direct emissions from company-owned vehicles
Scope 2	Electricity usage in Areca HQ office

Note: Scope 3 GHG Emissions will be considered in future reports.

In 2024, Areca Capital continued its efforts under the Energy Efficiency and Conservation Initiative, first introduced in July 2023. We maintained regular data tracking to gain better understanding of our energy use and emissions, to enable us identifying areas for improvement and plan targeted actions to reduce our environmental impact.

### Direct (Scope 1) GHG Emissions

For Scope 1 GHG emissions, the total fuel consumption amount is retrieved from company-owned vehicles, throughout the years.

Year	2023	2024
Total Fuel Consumption	3,036.3 L	3,705.32 L
Total Carbon Emissions	7.05 tCO <sub>2</sub> e	8.69 tCO <sub>2</sub> e

## Indirect (Scope 2) GHG Emissions

For Scope 2 GHG emissions, the total electricity consumption amount is derived from Areca HQ office electricity bills, throughout the years.

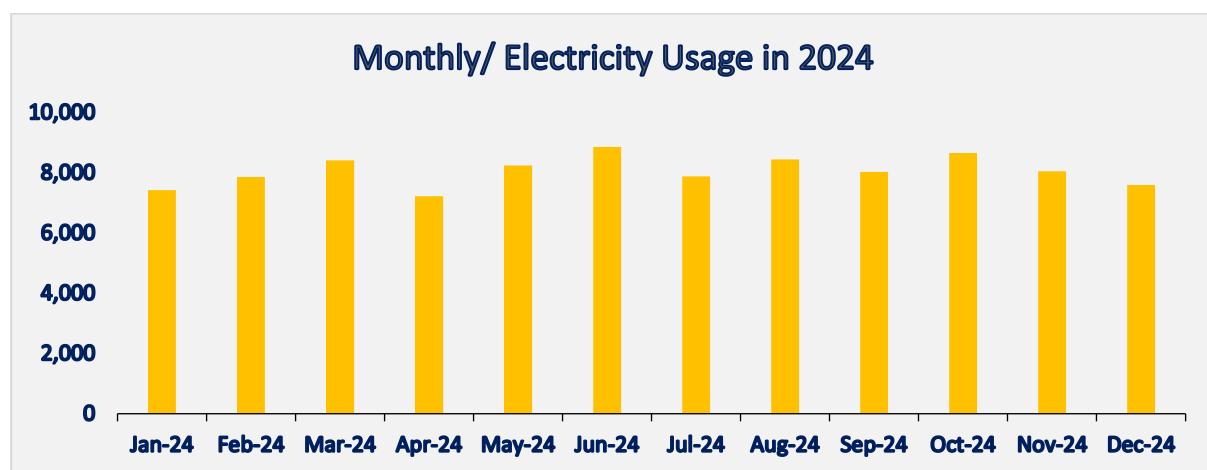
Year	2023	2024
Total Electricity Consumption	92,270 kWh	96,656 kWh
Total Carbon Emissions	71.97 tCO <sub>2</sub> e	73.27 tCO <sub>2</sub> e

Note: Scope 1 and 2 GHG emissions calculations are sourced from Malaysian Green Technology and Climate Change Corporation (MGTC) website\*

## 6.3 Energy Efficiency

### Energy Consumption

Year	2023	2024
Total Electricity Consumption	92,270 kWh	96,656 kWh

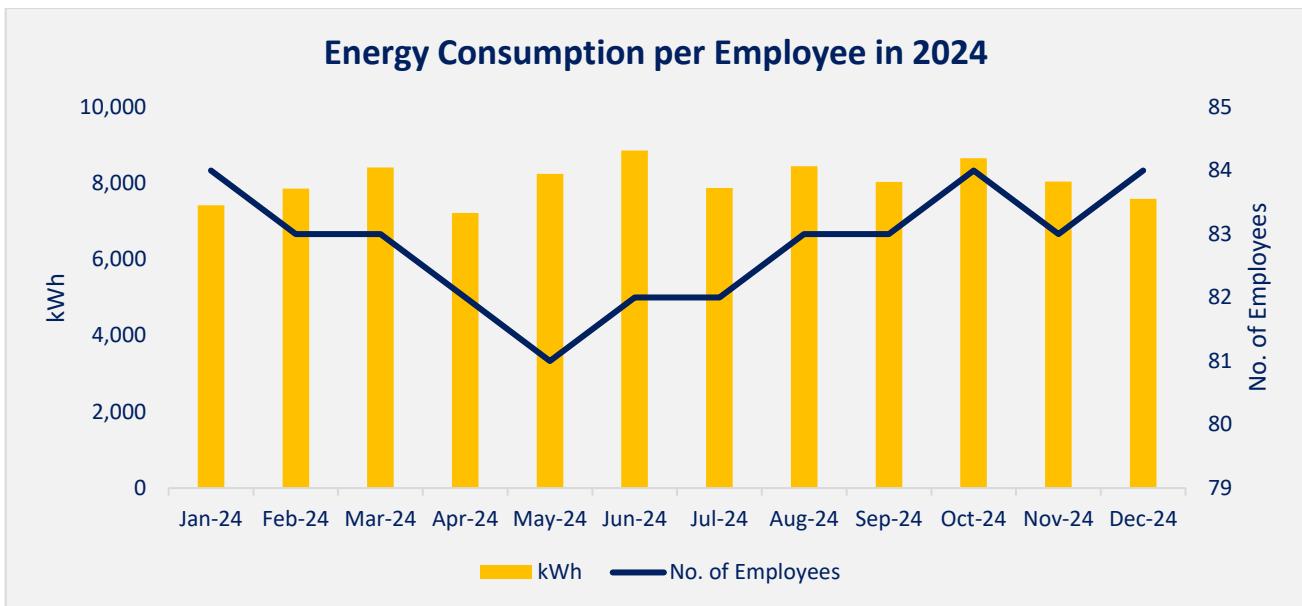


### Energy Intensity Per Employee

To assess the intensity of our electricity usage, we measure energy consumption on a per employee basis.

	Electricity Usage	Average Number of Employees	Average Energy Consumption per Employee
2023	92,270 kWh	81	1,139.14 kWh
2024	96,656 kWh	84	1,150.67 kWh

\* <https://www.mgtc.gov.my/lcos-sme-calculator/>



In 2024, Areca Capital continuously monitors monthly energy consumption as part of its Energy Efficiency and Conservation Initiative. Although the number of employees remained stable, energy usage fluctuated throughout the year. A year-on-year comparison shows a noticeable increase in electricity consumption as compared to 2023. These trends guide our ongoing efforts to optimise energy use and strengthen our commitment to reducing environmental impact. Despite the increase, Areca Capital remains focused on enhancing energy efficiency through continuous monitoring and targeted improvement.

## 6.4 Reduction of Emissions and Consumption

Areca Capital began its sustainability journey in 2023 by implementing initiatives aimed at reducing our environmental impact and fostering greater awareness. In 2024, our focus shifted towards increasing awareness through internal communications, such as emails, WhatsApp messages, and interactive employee engagement events.

We actively encourage employee participation in all sustainability efforts, recognising every contribution, no matter how small, helps drive meaningful change. The Sustainability Committee, together with employee involvement, plays a vital role in driving these efforts forward.

Looking ahead, we are dedicated to continuous improvement, empowering our team to grow and deliver exceptional results together. Our initiatives focus on four key areas: Reduction, Recycling, Energy Efficiency & Conservation, and Education & Awareness. These areas continue to shape and guide our efforts to embed sustainable practices across the organisation.

Reduction	<p>Providing alternatives to single-use plastics, such as reusable or paper bags as a substitute for plastic bags, metal straws for plastic straws.</p> <ul style="list-style-type: none"><li>• Single-use Plastic Bottle Reduction</li><li>• Single-use Plastic Cutlery &amp; Straw Reduction</li><li>• Single-used Plastic Food Container Reduction</li></ul>
Recycling	<p>Establish a dedicated recycling section in Areca HQ office for recycling.</p> <ul style="list-style-type: none"><li>• Plastic Recycling:<ul style="list-style-type: none"><li>• Type 1 &amp; 2</li><li>• Type 4 &amp; 5</li></ul></li><li>• Cupboard</li><li>• Shredded Paper</li></ul>
Energy Efficiency & Conservation	<p>Encourage employees to adopt energy-saving practices.</p> <ul style="list-style-type: none"><li>• Conduct regular reviews of energy consumption throughout the HQ offices to identify areas where energy saving can be done and increase energy efficiency</li><li>• Implement energy efficiency practices and monitor the impact of consumption</li></ul>
Education & Awareness	<p>Raise awareness around the workplace.</p> <ul style="list-style-type: none"><li>• Organising events &amp; workshops in regard to special days, such as Earth Day and sustainability.</li><li>• Placing reminders throughout the workplace to encourage sustainability practices</li><li>• Sharing awareness emails in regard to sustainability initiatives as well as sustainability knowledge</li></ul>

### Future Plans:

The company is still exploring other avenues where we can enhance our data collection methods and sustainability strategies and raising awareness. Currently, we are working on promoting awareness and developing the skills of employees and stakeholders in effective waste management and climate action. Additionally, once we observe continuous improvements in our reduction efforts at the HQ office, we will gradually incorporate these initiatives to other branches nationwide following the example set by our HQ office. We strive to continuously play our part in reducing environmental impacts, in an effort to ultimately achieve our climate-related goal of Net-Zero Emissions by 2050.

## 7. OUR AWARDS & RECOGNITION

2024	Areca equityTrust - Best Equity Malaysia Fund, 5 years Areca equityTrust - Best Equity Malaysia Fund, 10 years
2023	Areca equityTrust - Best Equity Malaysia Fund, 5 years Areca equityTrust - Best Equity Malaysia Fund, 10 years Areca Dividend Income Fund - Best Equity Malaysia Income Fund, 3 years Areca Dividend Income Fund - Best Equity Malaysia Income Fund, 5 years
2022	Areca equityTrust - Best Equity Malaysia Fund, 3 years Areca equityTrust - Best Equity Malaysia Fund, 5 years Areca equityTrust - Best Equity Malaysia Fund, 10 years
2021	Areca equityTrust - Best Equity Malaysia Fund, 3 years Areca equityTrust - Best Equity Malaysia Fund, 5 years Areca equityTrust - Best Equity Malaysia Fund, 10 years Areca Dividend Income Fund - Best Equity Malaysia Income Fund, 3 years
2020	Areca equityTrust - Best Equity Malaysia Fund, 3 years Areca equityTrust - Best Equity Malaysia Fund, 5 years Areca equityTrust - Best Equity Malaysia Fund, 10 years
2019	Areca equityTrust - Best Equity Malaysia Fund, 3 years Areca equityTrust - Best Equity Malaysia Fund, 5 years Areca equityTrust - Best Equity Malaysia Fund, 10 years
2018	Areca equityTrust - Best Equity Malaysia Fund, 3 years Areca equityTrust - Best Equity Malaysia Fund, 5 years Areca equityTrust - Best Equity Malaysia Fund, 10 years
2017	Areca equityTrust - Best Equity Malaysia Fund, 3 years Areca equityTrust - Best Equity Malaysia Fund, 5 years



Scan or Click this QR Code to find out more

## 8. GRI CONTENT INDEX

Statement of Use	Areca Capital Sdn Bhd has reported the information cited in this GRI content index for the period 1 January 2024 to 31 December 2024 with reference to the GRI Standards.
GRI 1 Used	GRI 1: Foundation 2021

GRI Standards & Disclosures	Topics Description	Page Number	Omissions & Explanation
<b>GRI 2: GENERAL DISCLOSURES 2021</b>			
2-1	Organizational details	2-3	
2-2	Entities included in the organization's sustainability reporting	1	
2-3	Reporting period, frequency and contact point	1	
2-4	Restatements of information	-	Not Applicable
2-5	External assurance	-	Not Applicable
2-6	Activities, value chain and other business relationships	2	
2-7	Employees	24-25	
2-8	Workers who are not employees	-	Not Applicable
2-9	Governance structure and composition	13-14	
2-10	Nomination and selection of the highest governance body	13	
2-11	Chair of the highest governance body	13	
2-12	Role of the highest governance body in overseeing the management of impacts	14	
2-13	Delegation of responsibility for managing impacts	14	
2-14	Role of the highest governance body in sustainability reporting	14	
2-15	Conflicts of interest	16	
2-16	Communication of critical concerns	15	
2-17	Collective knowledge of the highest governance body	10	
2-18	Evaluation of the performance of the highest governance body	13	
2-19	Remuneration policies	-	Unable to disclose due to confidentiality constraints
2-20	Process to determine remuneration	-	Unable to disclose due to confidentiality constraints
2-21	Annual total compensation ratio	-	Unable to disclose due to confidentiality constraints
2-22	Statement on sustainable development strategy	4	
2-23	Policy commitments	16-18	

2-24	Embedding policy commitments	16-18	
2-25	Processes to remediate negative impacts	18	
2-26	Mechanisms for seeking advice and raising concerns	17-18	
2-27	Compliance with laws and regulations	18	
2-28	Membership associations	2, 18, 31	
2-29	Approach to stakeholder engagement	8	
2-30	Collective bargaining agreements	-	Not Applicable
<b>ECONOMIC</b>			
<b>GRI 201: ECONOMIC PERFORMANCE 2016</b>			
201-2	Financial implications and other risks and opportunities due to climate change	10	
<b>GOVERNANCE</b>			
<b>GRI 205: ANTI-CORRUPTION 2016</b>			
205-2	Communication and training about anti-corruption policies and procedures	15-16	
205-3	Confirmed incidents of corruption and actions taken	17	
<b>GRI 417: MARKETING AND LABELING 2016</b>			
417-1	Requirements for product and service information and labeling	17-18	
417-2	Incidents of non-compliance concerning product and service information and labeling	18	
417-3	Incidents of non-compliance concerning marketing communications	18	
<b>GRI 418: CUSTOMER PRIVACY 2016</b>			
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	20	
<b>SOCIAL</b>			
<b>GRI 401: EMPLOYMENT 2016</b>			
401-1	New employee hires and employee turnover	27	
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	21	
401-3	Parental leave	21	
<b>GRI 404: TRAINING AND EDUCATION 2016</b>			
404-1	Average hours of training per year per employee	15-16, 22-23	
404-2	Programs for upgrading employee skills and transition assistance programs	22-23	
404-3	Percentage of employees receiving regular performance and career development reviews	23-24	
<b>GRI 405: DIVERSITY AND EQUAL OPPORTUNITY 2016</b>			
405-1	Diversity of governance bodies and employees	13-14, 25-26	

**GRI 406: NON-DISCRIMINATION 2016**

406-1	Incidents of discrimination and corrective actions taken	27
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**ENVIRONMENTAL****GRI 301: MATERIALS 2016**

301-1	Materials used by weight or volume	36
301-2	Recycled input materials used	37

**GRI 302: ENERGY 2016**

302-1	Energy consumption within the organization	38
302-3	Energy intensity	38
302-4	Reduction of energy consumption	38-39

**GRI 305: EMISSIONS 2016**

305-1	Direct (Scope 1) GHG emissions	37
305-2	Energy indirect (Scope 2) GHG emissions	38
305-5	Reduction of GHG emissions	40