

Our Approach to Sustainability

At AmBank Group, we continue to integrate the principles of sustainability and Value-based Intermediation (“VBI”) into our business goals and strategy as part of our aspiration to become a Top 4 bank in Malaysia. Along with acting in an environmentally responsible manner, we also incorporate social and economic impacts of our actions to ensure they benefit and contribute to the greater good of society.

This is the first year where AmBank Group adopts an integrated reporting approach. In line with the new reporting format, efforts are taken to attribute specific sustainability contributions to each lines of business. Nonetheless, specific areas of our sustainability efforts pertaining to the overall Group initiatives are retained within this dedicated sustainability section to provide a holistic view on our sustainability journey.

In addition to following the Integrated Reporting (IR) Framework, the preparation of this sustainability section is also guided by the Sustainability Reporting Guide and Toolkits issued by Bursa Malaysia Berhad. We also based our sustainability reporting approach on internationally established sustainability frameworks such as: Global Reporting Initiative (“GRI”) Sustainability Reporting Standards; United Nations Sustainable Development Goals (“SDGs”); SDG Industry Matrix for Financial Services; and the Dow Jones Sustainability Index.

Whilst VBI is underpinned by Shariah principles, its universal values in respect of being responsible towards the environment, economy and society are an integral part of AmBank Group’s financial inclusion and responsible lending agenda.

SUSTAINABILITY STATEMENT SCOPE

The Sustainability Statement covers AmBank Group’s operations pertaining to its three main subsidiaries: AmBank (M) Berhad, AmBank Islamic Berhad and AmInvestment Bank Berhad, hereinafter referred to as AmBank or the Group for the purposes of the Sustainability Statement (the “Statement” or “SS”), for the financial year ended 31 March 2019 (“FY2019”). The three subsidiaries account for more than 96% of AmBank Group’s total assets and most of the environmental, economic and social (“EES”) impacts.

The various banking entities under AmBank Group are active participants in joint industry initiatives and regulatory compliance measures to promote and reinforce inclusive, fair and responsible practices among financial services providers in Malaysia. The following table describes the banking industry associations, which we are a member of:

Banking Entities	Membership
AmBank (M) Berhad	The Association of Banks in Malaysia (“ABM”)
AmBank Islamic Berhad	Association of Islamic Banking Institutions Malaysia (“AIBIM”)
AmInvestment Bank Berhad	Malaysian Investment Banking Association (“MIBA”)

SUSTAINABILITY GOVERNANCE

AMMB Holdings Berhad (“AMMB”)’s Board of Directors (the “Board”) hold ultimate accountability for the integration of sustainability in the Group’s operations including the monitoring and implementation of sustainability and VBI-related strategies.

A Sustainability Working Group (“SWG”) operates at the management level to reinforce our existing governance ecosystem. The Board works alongside the SWG to provide formal oversight of AmBank Group’s sustainability agenda and ensure that sustainability and VBI considerations are integrated into our decision making, where possible. This includes the relevant processes and conduct of embedding sustainability practices into AmBank’s operations by ensuring all material sustainability matters are being considered and managed throughout our business operations, (e.g. developing policies, measures or action plans).

The Board’s Risk Management Committee (“RMC”) assists in sustainability oversight by reviewing this Sustainability Statement prior to submission to the Board for approval. The Audit and Examination Committee (“AEC”) also provides support in driving sustainability initiatives at the Board level.

Sustainability Governance Structure of AmBank Group



The SWG reports to the Group Chief Executive Officer (“GCEO”) and is responsible to develop the Group’s Sustainability Statement, in line with the Amendments to the Listing Requirements of Bursa Malaysia. The Statement is also guided by the Strategy Document on ‘Value-based Intermediation: Strengthening the Roles & Impact of Islamic Finance’ issued by Bank Negara Malaysia (“BNM”) (“VBI Strategy Document”).

The SWG is supported by Sustainability Champions Teams (“SCTs”), each of which have oversight on the delivery of the sustainability strategy and are involved in reporting and reviewing the progress on the Sustainability agenda.

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ALIGNING TO GLOBAL SUSTAINABILITY GOALS

In line with the United Nations Agenda 2030 for Sustainable Development, AmBank Group strives to create a shared sustainable future for our employees, customers, shareholders and the community, as well as contributing to a sustainable future for Malaysia's present and future generations.

The SDGs aim to bring the world's countries together to end all forms of poverty, fight inequalities, protect human rights and tackle climate change. Of the 17 SDGs designed to shift the world onto a sustainable and resilient path, we have expanded our SDG reporting in FY2019 to include nine SDGs up from four in the previous year.

These interrelated global ambitions are closely linked to the Group's efforts in improving the economic, social, and environmental outcomes of communities; and ultimately reinforces Malaysia's contribution to the global collective journey to build peaceful, just and inclusive societies and ensure the tangible conservation of the planet and its natural resources.

AmBank Group's Sustainability Endeavours Contribute To Nine Out of The 17 UN SDGs



A strong advocate of sustainable development, AmBank Group continues to join the global alliance in accomplishing the goals outlined under Agenda 2030, by playing our part in improving the lives and livelihoods of Malaysians, focusing in particular on sustainable economic growth, environmental protection and social inclusion.

AmBank Group's Statement of Value Added summarises AmBank Group's economic contribution to our stakeholders, as we deliver on the larger wellbeing and integrity of the Malaysian financial sector, as outlined under the SDGs. AmBank Group aspires to continue to create sustainable value added from careful and prudent utilisation of our resources in all our decisions and processes.

For FY2019, the total value-added generated by AmBank Group amounted to RM3,524.9 million, registering an increase of 13% compared with RM3,123.2 million in FY2018. Among the stakeholders who are beneficiaries of the value-added distributed by the Group include:



Charity Programme at Shan Children's Home Association in Penang

- i. Employees (personnel expenses) accounted for a 35.8% share of value-added in FY2019, registering a 9.1 percentage points reduction from FY2018. This was mainly due to voluntary mutual separation scheme ("MSS") expenses incurred in prior year as part of the Group's strategy to enhance efficiency and productivity.
- ii. Contributions to the Malaysian Government in taxation took up 13.9% of the Group's value-added in FY2019, representing an increase of 4.7 percentage points from the preceding year;
- iii. Distributions in the form of zakat to state zakat collection centres benefiting members of the community constituted 0.1% of the total value-added for FY2019, unchanged from FY2018;
- iv. Dividends to shareholders and contributions to non-controlling interests took up 19.9% of total value-added for providers of capital in FY2019, marginally lower than the 20.9% share in FY2018; and
- v. Reinvestments back to the Group (depreciation and amortisation, as well as retained profits) absorbed 30.4% of our value-added for FY2019, compared with a 25% share in FY2018. This is to ensure the Group continues to grow sustainably in keeping with the objectives set under our Top 4 aspirations and beyond.

Further details on AmBank Group's statement of value added for FY2019, please refer to [page 42](#).

In addition to the economic dimension where we ensure that our stakeholders enjoy shared prosperity and fulfilling lives in a fair and equitable manner, our sustainability endeavours also inextricably point to how we foster a society that is peaceful and just and how we help preserve our planet through sustainable consumption in managing our natural resources.

Our Approach to Sustainability

The following table provides the relevant page references to the respective sections which highlight our key Agenda 2030 contributions for FY2019, in relation to the nine SDGs:

UN SDGs	Global SDG Targets	AmBank Group's Contributions
Goal 2 Zero Hunger	<ul style="list-style-type: none"> By 2030, end hunger and ensure access by all people, in particular the poor and people in vulnerable situations, including infants, to safe, nutritious and sufficient food all year round 	<ul style="list-style-type: none"> Please refer to our AmKasih Programme within the 'Community Investments and Developments' section on page 125.
Goal 3 Good Health and Wellbeing	<ul style="list-style-type: none"> By 2030, reduce by one third premature mortality from non-communicable diseases through prevention and treatment and promote mental health and wellbeing 	<ul style="list-style-type: none"> Read about the wellness tools, resources and benefits we provide our employees to promote their physical and mental wellbeing within the 'Improving Employee Wellbeing and Engagement' and the 'Ensuring a Conducive, Safe, and Healthy Workplace' sections on page 111 and 114, respectively.
Goal 4 Quality Education	<ul style="list-style-type: none"> By 2030, substantially increase the number of youth and adults who have relevant skills, including technical and vocational skills, for employment, decent jobs and entrepreneurship 	<ul style="list-style-type: none"> Please refer to how we equip our employees with valuable professional and soft skills, as well as how we raise the standards of education through the Financial Industry Collective Outreach ("FINCO") within the 'Providing Professional Development' and 'Building Social Equity and Improving Societal Wellbeing' sections on page 120 and 126, respectively.
Goal 5 Gender Equality	<ul style="list-style-type: none"> End all forms of discrimination against all women and girls everywhere Ensure women's full and effective participation and equal opportunities for leadership at all levels of decision-making in political, economic and public life Adopt and strengthen sound policies and enforceable legislation for the promotion of gender equality and the empowerment of all women and girls at all levels 	<ul style="list-style-type: none"> Learn about our gender equity efforts within the 'Gender Equality' section on pages 105-109.
Goal 8 Decent Work and Economic Growth	<ul style="list-style-type: none"> Achieve higher levels of economic productivity through diversification, technological upgrading and innovation, including through a focus on high-value added and labour-intensive sectors Promote development-oriented policies that support productive activities, decent job creation, entrepreneurship, creativity and innovation and encourage the formalisation and growth of micro, small and medium sized enterprises, including through access to financial services By 2030, achieve full and productive employment and decent work for all women and men, including for young people and persons with disabilities ("PWDs") and equal pay for work of equal value 	<ul style="list-style-type: none"> Please refer to how we realise our digitalisation strategy to meet future challenges and ensure sustainable growth within the 'Data Security, IT Infrastructure and Digital Transformation' section on pages 89-96. Discover how we encourage entrepreneurship and promote the growth of SMEs in Malaysia within the 'Business Review – Business Banking', 'Business Review – Retail Banking' and 'Business Review – Islamic Banking' sections on pages 59-62, 55-58 and 63-67, respectively. Find out how we inculcate a robust workforce and our non-discriminatory hiring for PWDs within the 'Supporting a Vibrant, Diverse and Inclusive Workforce' and 'Vulnerable Employment Groups' sections on page 104 and 109, respectively.

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UN SDGs	Global SDG Targets	AmBank Group's Contributions
Goal 8 Decent Work and Economic Growth	<ul style="list-style-type: none"> Protect labour rights and promote safe and secure working environments for all workers, including migrant workers, in particular women migrants and those in precarious employment 	<ul style="list-style-type: none"> Uncover how we support labour rights and how we support a safe working environment for our employees within the 'Human Rights, Freedom of Association, and Zero Discrimination' and 'Ensuring a Conducive, Safe, and Healthy Workplace' sections on pages 113-119.
	<ul style="list-style-type: none"> Strengthen the capacity of domestic financial institutions to encourage and expand access to banking, insurance and financial services for all 	<ul style="list-style-type: none"> Read more about how we enhance banking, insurance, and financial services accessibility through our digitalisation strategy within the 'Data Security, IT Infrastructure and Digital Transformation' section on pages 89-96.
Goal 9 Industry, Innovation and Infrastructure	<ul style="list-style-type: none"> Increase the access of small-scale industrial and other enterprises, in particular in developing countries, to financial services, including affordable credit and their integration into value chains and markets 	<ul style="list-style-type: none"> Uncover our innovative business lending programmes and how we support SMEs in Malaysia within the 'Business Review – Business Banking', 'Business Review – Retail Banking' and 'Business Review – Islamic Banking' sections on pages 59-62, 55-58 and 63-67, respectively.
Goal 11 Sustainable Cities and Communities	<ul style="list-style-type: none"> By 2030, ensure access for all to adequate, safe and affordable housing and basic services and upgrade slums 	<ul style="list-style-type: none"> Know how our investment and Islamic banking products support sustainable infrastructure, affordable housing the accolades we won within the 'Business Review – Investment Banking' and 'Business Review – Islamic Banking' sections on pages 49-54 and 63-67, respectively. Also learn about our environmental efforts in the 'Climate Change Actions' section on page 127.
Goal 12 Responsible Consumption and Production	<ul style="list-style-type: none"> By 2030, achieve the sustainable management and efficient use of natural resources 	<ul style="list-style-type: none"> Discover how we conserve our use of resources within the 'Resource Conservation and Waste Management' section on page 130. Details on our responsible procurement initiatives are available within the 'Responsible Sourcing and Procurement' section on pages 96-98.
	<ul style="list-style-type: none"> By 2030, substantially reduce waste generation through prevention, reduction, recycling and reuse 	
	<ul style="list-style-type: none"> Promote public procurement practices that are sustainable, in accordance with national policies and priorities 	
Goal 16 Peace, Justice and Strong Institutions	<ul style="list-style-type: none"> Promote the rule of law at the national and international levels and ensure equal access to justice for all 	<ul style="list-style-type: none"> Find out how we support a fair and equitable workplace and how we address unethical conduct in our business within the 'Ethics, Governance, and Compliance' section on pages 84-88. Information on how we engage and listen to our employees and stakeholders available within the 'Improving Employee Wellbeing and Engagement' and 'Stakeholder Engagement' sections on pages 111 and 80 respectively.
	<ul style="list-style-type: none"> Substantially reduce corruption and bribery in all their forms 	
	<ul style="list-style-type: none"> Promote and enforce non-discriminatory laws and policies for sustainable development 	
	<ul style="list-style-type: none"> Ensure responsive, inclusive, participatory and representative decision-making at all levels 	

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STAKEHOLDER ENGAGEMENT

Engaging with stakeholders is essential to the success of AmBank Group. Effective engagement helps translate our stakeholders' needs into our strategic goals and creates a shared understanding and consensus on the value we deliver.

Aligning internal and external expectations is crucial in building an effective strategy to drive AmBank Group forward and implement the changes needed along the way. We engaged in active consultation with all stakeholder groups during the financial year to develop shared ownership and a cohesive vision for our future. During the engagement process, we provided clear, consistent and transparent communication on AmBank Group's objectives and aspirations with an aim to build trusted, collaborative partnerships that generate value.

In FY2019, we used a variety of channels to engage with internal and external stakeholders to obtain feedback and hold meaningful discussions on AmBank Group's current and future direction.

The SWG identified our key stakeholder groups – those with the highest level of influence and dependence on AmBank Group as:

1. Our customers;
2. Our employees;
3. Our investors and shareholders;
4. Our regulators;
5. Our community; and
6. Our media partners.

During the year, we also engaged with the Minority Shareholders Watch Group ("MSWG") and MSCI ESG Research Inc. ("MSCI") on our EES performance and FTSE Russell on their FTSE4Good assessment of the Group. We continue to be active in the development of the Islamic banking industry's VBI initiatives.

Our methods of engagement with each stakeholder group are summarised in the following table:

<p style="text-align: center;">Customers</p> <ul style="list-style-type: none"> • Digital platforms (e.g. AmBank's corporate website, social media networks, smartphone applications and mobile messaging) • Customer Satisfaction Surveys (e.g. SMS, phone call and survey tablet at AmBank branches) • Mystery Shopping Programmes 	<p style="text-align: center;">Investors and Shareholders</p> <ul style="list-style-type: none"> • Annual General Meeting • Quarterly analyst and fund manager briefings • Focused investor presentations, meetings and discussions • Financial statements • Media releases • Investment conferences and roadshows • AmBank Group's investor relation ("IR") section and dedicated IR mailbox 	<p style="text-align: center;">Government and Regulators</p> <ul style="list-style-type: none"> • One-on-one meetings (e.g. Bank Negara Malaysia, Securities Commission Malaysia, Bursa Malaysia Berhad, Credit Guarantee Corporation Malaysia Berhad)
<p style="text-align: center;">AmBank Group Employees ("AmBankers")</p> <ul style="list-style-type: none"> • Employee surveys • Employee Induction Training • Employee Engagement Expo • Townhall meetings • AmBank Group's internal publications (e.g. Berita AmBank Group) • 'Am Connected' intranet portal • Learning and development programmes • Corporate volunteering programmes • Employee performance appraisals • Direct employee electronic feedback (e.g. Speakup!, Talk to DSMT*) • Senior Management visits to employee touchpoints (e.g. AmBank branches and buildings) • Digital platforms (e.g. social media networks, smartphone applications and digital training) • 'eHR' pool email channel <p><small>* Dato' Sulaiman Mohd Tahir</small></p>	<p style="text-align: center;">Community</p> <ul style="list-style-type: none"> • Digital platforms (e.g. social media networks and smartphone applications) • Corporate volunteering programmes (e.g. community events, knowledge-sharing initiatives and partnerships with non-governmental organisations) • Zakat contributions • Financial Industry Collective Outreach • AmBank Group Sports Club (Kelab AmBank Group) CSR activities 	<p style="text-align: center;">Media</p> <ul style="list-style-type: none"> • Media conferences and events • Media releases • Media interviews • Media engagements* <p><small>* Total Print & Electronic Media PR Value for FY2019 is RM13.2 million</small></p>

Our Approach to Sustainability

MATERIALITY ASSESSMENT

Materiality assessment enables us to identify, review and prioritise our current material EES risks and opportunities. We also identify emerging risks that may affect our businesses and our stakeholders.

During the year, the AmBank Group Sustainability Stakeholder Engagement Survey was conducted. We reviewed our material sustainability matters which form the core of our SDG contributions, and streamlined them according to AmBank Group's three key sustainability themes: Responsible Banking, Employer of Choice and Positive Societal Impact as follows:



RESPONSIBLE BANKING

We are committed to being a responsible financial services group.

Material Sustainability Matters:

1. Data Security, IT Infrastructure and Digital Transformation;
2. Customer Satisfaction;
3. Ethics, Governance and Compliance;
4. Responsible Marketing, Product and Service Design;
5. Financial Inclusion and Responsible Lending;
6. Responsible Sourcing and Procurement



EMPLOYER OF CHOICE

We recognise the need to maintain an engaging and inclusive workplace that lets people achieve their aspirations.

Material Sustainability Matters:

7. Conducive & Inclusive Workplace and Human Capital Development



POSITIVE SOCIETAL IMPACT

We contribute to a more sustainable future by considering carefully our business decisions, the environmental impacts of our activities and how we interact with our wider communities.

Material Sustainability Matters:

8. Environmentally and Socially Responsible Investments;
9. Community Investment and Development;
10. Energy, Water and Waste Management



The questions in the stakeholder engagement survey mirror those shared during our previous survey conducted two years ago, which served as our baseline and enable us to benchmark noticeable changes in stakeholders' perception.

Objectives of the stakeholder engagement survey:

- Stakeholder engagement forms a critical component of AmBank Group's sustainability agenda.
- The survey seeks to reach out to stakeholders for their feedback on the relative importance of EES sustainability matters that are relevant to AmBank Group.
- Stakeholders' feedback contributes towards the identification, prioritisation, and management of material EES risks and opportunities.
- Prioritising AmBank Group's sustainability matters directs our focus and enable the allocation of the necessary resources to areas that matter most.

Respondents for the survey comprised internal and external stakeholder groups: Investors and Shareholders, Customers, Suppliers, AmBank Group Directors, members of Senior Management and AmBankers.

During FY2019, we have enhanced our approach by prioritising our 10 material sustainability matters, taking into account its significance to our stakeholders and our businesses. AmBank Group also considered the magnitude of impact, the likelihood of occurrence of these material matters, as well as its relevance to our strategic priorities in developing the FY2019 material sustainability matters ranking.

Result of AmBank Group Sustainability Stakeholder Engagement Survey

In total of 67 respondents responded to the survey. The level of importance (ranking) of the identified material sustainability matters for the financial year are as follows:

Sustainability Matters	FY2019	FY2017	Change
	Ranking	Ranking	
Data Security, IT Infrastructure and Digital Transformation	1	3	↑
Customer Satisfaction	2	1	↓
Ethics, Governance and Compliance	3	2	↓
Conducive and Inclusive Workplace and Human Capital Development	4	4	-
Financial Inclusion and Responsible Lending (VBI to form an Integral Part)	5	7	↑
Responsible Marketing, Product and Service Design	6	9	↑
Responsible Sourcing and Procurement	7	8	↑
Environmentally and Socially Responsible Investment	8	6	↓
Community Investment and Development	9	5	↓
Energy, Water and Waste Management	10	10	-

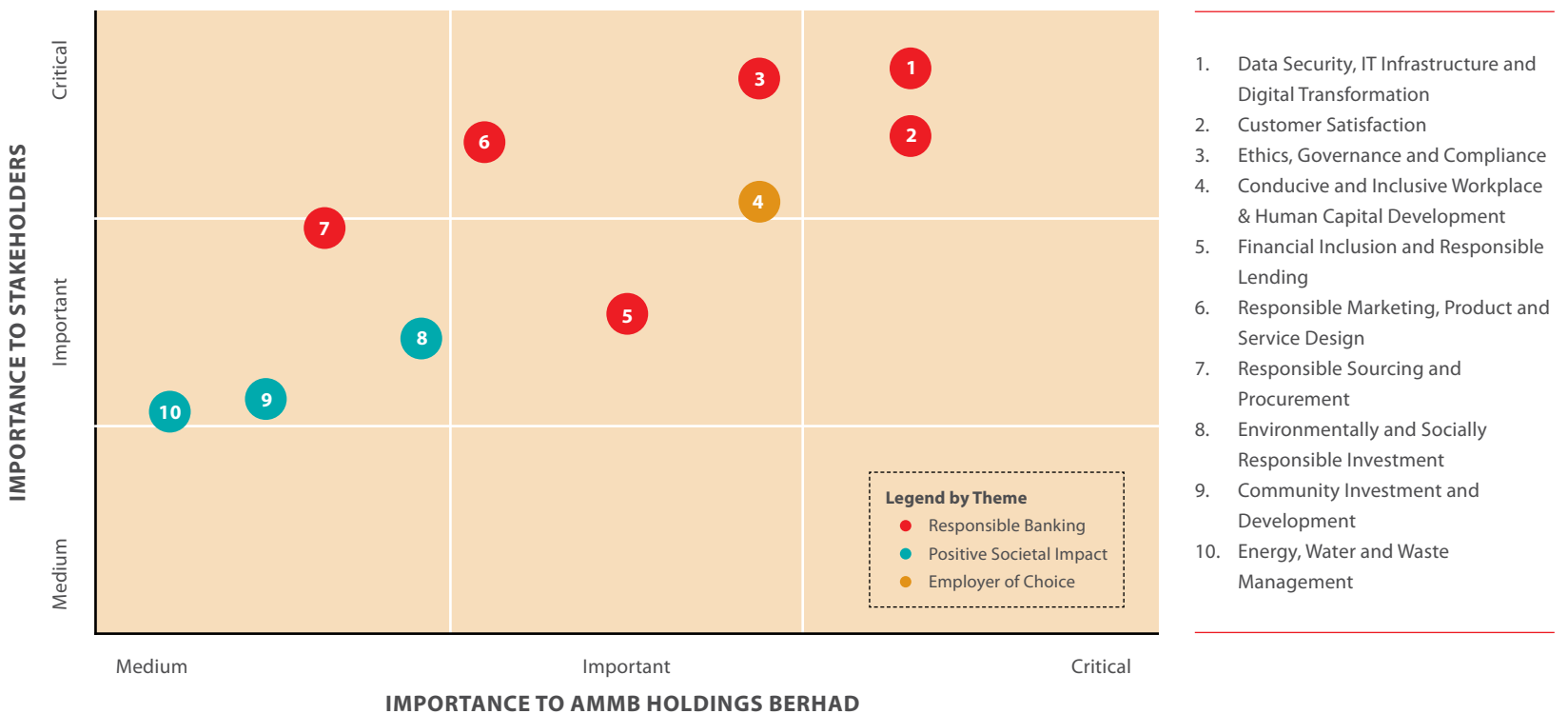
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MATERIAL SUSTAINABILITY MATTERS

Based on the result of our stakeholder engagement survey, the Board decided that particular focus should be accorded to the following material sustainability matters (in order of priority) for FY2019:

1. Data Security, IT infrastructure and digital transformation
2. Customer satisfaction
3. Ethics, governance and compliance
4. Conducive and inclusive workplace and human capital development
5. Financial inclusion and responsible lending
6. Responsible marketing, product and service design
7. Responsible sourcing and procurement

MATERIALITY MATRIX OF AMMB HOLDINGS BERHAD



1. Data Security, IT Infrastructure and Digital Transformation
2. Customer Satisfaction
3. Ethics, Governance and Compliance
4. Conducive and Inclusive Workplace & Human Capital Development
5. Financial Inclusion and Responsible Lending
6. Responsible Marketing, Product and Service Design
7. Responsible Sourcing and Procurement
8. Environmentally and Socially Responsible Investment
9. Community Investment and Development
10. Energy, Water and Waste Management

SUSTAINABILITY RECOGNITIONS AND ACCOLADES

AmBank Group’s sustainability efforts were recognised by our stakeholders during the financial year. The following provides a list of the awards and recognitions received:

- **RAMC Sustainability Rating Upgrade**

AmBank Group is committed to sustainable practices through the engagement of an annual review of its performance by an independent agency, RAM Consultancy Services Sdn Bhd (“RAMC”). RAMC rates companies based on its ESG and Positive Impact performance criteria. Based on the Group’s ESG practices and performance in FY2019, RAMC upgraded the Group’s Sustainability Rating from Silver to Gold, primarily based on improvement in the Group’s environmental performance through the establishment of an Environmental Policy and practicing a supply chain management assessment that incorporates environmental and social performance criteria.

- **RAM Sustainability Award**

AmBank Group was awarded the RAM Sustainability Award. The Group was the first banking group in Malaysia and in the ASEAN region to be accorded a RAM Sustainability Rating. The award acknowledges AmBank Group’s exemplary leadership, commitment and transparency towards sustainable development and performance.

- **Inclusion in FTSE4Good Index Series**

In June 2018, AmBank Group has met globally recognised standards for inclusion in the FTSE4GOOD Index Series, namely the FTSE4GOOD Bursa Malaysia Index, the FTSE4GOOD Emerging Markets Index and the FTSE4GOOD ASEAN 5 Index. These indices measure the performance of companies demonstrating good ESG practices.

- **Independent Assurance**

Our Sustainability Statement has undergone independent verification and partial external assurance by SIRIM QAS International Sdn Bhd (SIRIM QAS International). The verification process involved a review of selected contents in the Sustainability Statement where its accuracy and reliability have been validated. The assurance approach covers AmBank Group’s sustainability performance, including processes (ie. material assessment and stakeholder engagement) that support the Group’s sustainability practices.



> Please refer to the Independent Assurance Statement (partial) by SIRIM QAS International on [page 136](#).

Responsible Banking

“Shaping a Sustainable Future”



RESPONSIBLE BANKING

We are committed to being a responsible financial services group. We contribute towards the shared responsibility of a greener and more sustainable future by being transparent, accountable and clear about how our products and services create value for our customers, investors, stakeholders and the community. In delivering impactful sustainable growth, we are committed to acting responsibly and subscribing to the highest standards of ethical conduct and integrity in all areas of our operations.

Responsible Banking

AmBank Group aligns its mission to societal goals by contributing towards a sustainable banking system of Malaysia. Our mission underscores the Group's belief in holistic growth, for our customers, for our people and for our business.

Our 'Responsible Banking' sustainability pillar includes efforts directed at:

- Infusing ethical compliance and governance standards in our work to ensure we continue to deliver positive contribution to the society;
- Aligning our business objectives with the global sustainability agenda;
- Digitalising AmBank Group's service offerings to ensure a safe, secure and reliable platform for banking transactions;
- Incorporating sustainability principles in how we procure our resources; and
- Gaining and maintaining stakeholders' trust and confidence in the way we conduct ourselves in the marketing and promotion of our products and services.

ETHICS, GOVERNANCE AND COMPLIANCE

AmBank Group takes every opportunity to minimise our environmental, economic and social ("EES") impacts in every aspect of our work and this requires us to adapt to challenges and societal changes, responding to social concerns and valuing our employees.

In doing so, our ethical conduct and good governance continue to guide our behaviours in our interactions with our customers and relevant parties as we deliver value-added, transparent and responsible banking services.

Our Board is fully committed to ensuring that the Group maintains the highest standards in corporate governance, in accordance with applicable regulations and guidelines, and is aware of the importance of continuously implementing best-in-class banking practices that are in line with our corporate objectives.

Policies and Frameworks

Our ethics, governance and compliance policies and frameworks are regularly reviewed by our Group Compliance Department to ensure they reflect the latest changes in legislative requirements and to safeguard AmBank Group against illegal and unethical practices such as abuse of power, conflict of interest, bribery, corruption, insider trading and money laundering.

Some of our key policies that guide our banking operations include:

➤ Code of Conduct (including Code of Ethics)	➤ Whistleblower Protection Policy	➤ Anti-Money Laundering and Counter Financing of Terrorism Framework	➤ Trading in AmBank Shares Policy
➤ Group Compliance Framework	➤ Occupational Safety and Health Policy Statement	➤ Record Management Policy	➤ Product Approval and Management Policy
➤ No Gift Policy	➤ Management of Conflict of Interest Policy	➤ Shariah Governance Framework and Shariah-Related Policies	➤ Customer Relationship Review and Exit Guidelines
➤ Know Your Customer, Customer Identification and Due Diligence Policy	➤ Politically Exposed Person Policy	➤ Group Procurement Policy	➤ Markets Conduct Policy

Responsible Banking

Code of Conduct

The Code of Conduct, which includes our Code of Ethics, represents AmBank Group's firm commitment to uphold, maintain and demonstrate a high level of integrity, professionalism and ethical conduct. The Code provides a clear direction in conducting business, interacting with community, government and business partners as well as general workplace behaviour.

The Code of Conduct is established by AmBank Group's Board of Directors. The Board takes a leadership role in shaping and driving the governance of, and compliance with, policies and practices via the Group Management Committee, Group Risk, Group Legal, Group Compliance, Group Internal Audit, Group Information Services, Group Finance and Group Human Resource functions.

The Code of Conduct has been developed according to a value-based approach which consists of the following five key areas:

1 Message from our Chairman and Group Chief Executive Officer

Messaging from the top of AmBank Group emphasises our commitment to building a strong ethical culture that protects staff, customers and the Group by providing a common understanding of acceptable behaviours.

2 Ethical Standards

AmBank Group employees ("AmBankers") are expected to always maintain integrity and ethical standards by complying with the Code of Conduct, internal policies and related regulations. All staff must demonstrate commitment to the highest ethical and professional standards and be personally accountable for upholding the Code of Conduct. These include holding each other accountable and an obligation to immediately report unacceptable conduct or unethical behaviour such as conflict of interest, abuse of power, bribery, corruption, insider trading and money laundering, via the designated channels.

3 Company and People

AmBank Group expects its leaders and all AmBankers to act responsibly, promote open communication and treat all individuals respectfully. All staff are required to safeguard information entrusted to them, avoid potential conflicts of interest and handle their personal finances in a prudent manner.

When dealing with customers and regulators, all AmBankers must be clear in their articulation, exhibit professional conduct and exercise sound judgement in all communications. In recognition that our employees are our most valuable asset, AmBank Group is committed to providing a safe and secure workplace that is free from negative and inappropriate behaviours.

In dealing with suppliers and vendors, AmBank Group strives to apply good governance, set clear expectations on deliverables and strictly adhere to our 'No Gift Policy' to avoid potential conflicts of interest with all parties.

4 Marketplace

AmBank Group is committed to adhering to laws, rules and regulations that safeguard against money laundering, terrorist financing, bribery and corruption, as well as promoting open and fair competition in the marketplace.

5 Commitment to Sustainability

AmBank Group endeavours to create a sustainable future for our staff, customers, shareholders and the community through responsible banking practices, by being an employer of choice and by creating positive social impact through all our business activities.

Treating Our Customers Fairly

Our Code of Conduct emphasises the importance of treating our customers fairly and with respect. To ensure that this is always the case, all AmBankers shall abide by the following guidelines:

- (a) Demonstrate professionalism, transparency and integrity in all our dealings with customers in order to provide accurate information to advise them accordingly, without directly or indirectly misleading or deceiving them through actions or omissions, intentionally or otherwise;
- (b) Provide full disclosure in all our transactions with customers of all rates, terms and conditions concerning the AmBank Group products and services which they purchase;
- (c) Know our customer and obtain all mandatory customer information, as required by regulations and relevant Group policies. This is an important step to prevent identity theft, financial fraud, money laundering and terrorist financing;

Conduct due diligence by finding out customers' personal financial background and condition, such as their financial needs, knowledge of investments, investment objectives and their tolerance to risk. In addition, we inform them of the products and services that are best suited to their needs tailored to their personal financial situations;

- (d) Protect the confidentiality of all AmBank Group's customer information (past, present and prospective) by complying with the relevant privacy laws and regulations (e.g. Personal Data Protection Act 2010) that restricts the use, disclosure, storage and access to confidential customer information by unauthorised parties; and
- (e) Handle customers' complaints received via our various feedback channels in a friendly, fast, fair and effective manner. We abide by the relevant guidelines in handling customer complaints and continue to leverage on constructive feedback to enhance our products and services.

Responsible Banking

Whistleblower Protection Policy (“WPP”)

AmBank Group encourages openness, integrity and accountability in our culture and the way we perform our work. Our WPP channels provide a reliable avenue for AmBankers, suppliers, business partners and customers to voice grievances and raise concerns about malpractice (e.g. dishonesty, fraud, corruption, bribery or illegal practices, abuse of power, or conflict of interest) involving the Group without fear of repercussions.

Whistleblowers are persons including employees, shareholders and external parties (e.g. customers, consultants, vendors or suppliers) making disclosure in good faith on any improper conduct in AmBank Group.

The WPP aims to achieve the following objectives:

- (a) Safeguard AmBank Group’s reputation;
- (b) Protect Whistleblowers from detrimental actions;
- (c) Facilitate timely escalation of improper conduct in a professional manner; and
- (d) Investigate and manage disclosed or reported improper conduct through established appropriate processes to ensure consistent and timely response.



> For further information on AmBank’s WPP, please log on to: ambankgroup.com/eng/Pages/WhistleblowerProtectionPolicy.aspx

A key feature of AmBank Group’s WPP is the appointment of Ombudspersons to ensure complete protection for the whistleblower as appropriate actions are taken. Ombudspersons shall comprise an appointed Board member, full-time senior management employee(s) and/or Regulator and/or Law Enforcement Agency. The internal ‘Speak Up Feedback Forum’ and our dedicated Whistleblower email address: ombudsperson@ambankgroup.com are our primary WPP channels for reporting misconduct and ethical concerns to the Ombudspersons.

Whistleblowers may also correspond directly by writing to our designated Board Ombudspersons via a sealed envelope marked “Strictly Private & Confidential” addressed to Level 25, Bangunan AmBank Group, 55 Jalan Raja Chulan, 50200 Kuala Lumpur, Wilayah Persekutuan, Malaysia.

Anti-Money Laundering (“AML”) and Counter Financing of Terrorism (“CFT”) Framework

AmBank Group’s ‘AML/CFT Framework’ provides guidance and direction for detecting and deterring money laundering and terrorism financing activities. Our framework has been significantly enhanced following the implementation of 21 enhancement projects in FY2018, which comprise:

- (a) System-based transaction monitoring processes to identify and respond to potential money laundering or terrorism financing activities;
- (b) A comprehensive investigation approach to detect red flags, unusual transaction patterns and questionable customer activities; and
- (c) Mandatory comprehensive training for AmBankers on AML/CFT-related topics.

In FY2019, a total of 13 AML-related training programmes were conducted. These sessions were carried out either through classroom learning or via e-Learning modules.

Trading in AmBank Shares Policy

Our ‘Trading in AmBank Shares Policy’ sets out specific responsibilities and trading procedures to be complied by the Group’s Directors and designated AmBankers when trading in the Group’s shares on Bursa Malaysia.

Accordingly, all Directors and designated AmBankers who have access to price-sensitive information relating to the Group’s shares must not trade in the Group’s shares until such time that such information is publicly available.

Directors and designated AmBankers who do not have access to price-sensitive information may deal in the Group’s shares provided that the procedures set out in the Main Market Listing Requirements of Bursa Malaysia are fully complied with. Notices on the closed period for trading in the Group’s shares are shared with our Directors, Principal Officers and designated AmBankers on a quarterly basis by the Group Company Secretary.

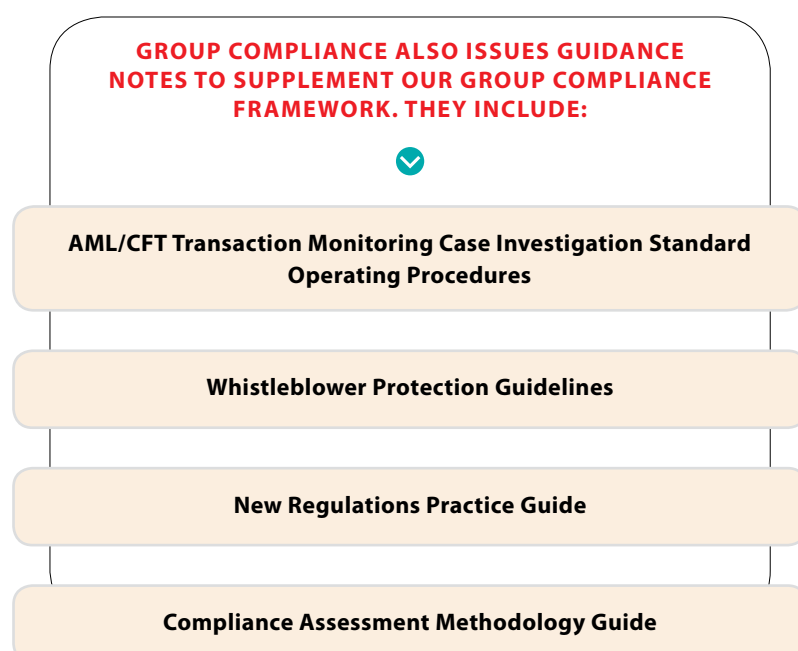
Responsible Banking

Group Compliance Framework

AmBank's Group Compliance Framework details the roles and responsibilities of the Board, Senior Management, Business Units, Group Shared Services, Group Compliance and Group Internal Audit in the area of compliance with regulatory guidelines and the law. They collectively oversee our management of compliance risk with the aim of promoting the safety and security of the Group's processes by mitigating financial, reputational and operational risks arising from potential legal violations and/or regulatory non-compliance.

The Senior Management Team is responsible for communicating the Group Compliance Framework to all AmBank Group employees and ensuring that appropriate remedial or disciplinary actions are taken for non-compliance.

Group Compliance is responsible for providing oversight on the dissemination of regulations and ensuring the implementation of the latest regulatory requirements is carried out in a timely manner. The effectiveness of implementation is assessed through risk-based reviews and testing where focus is directed at higher-risk areas of potential non-compliance.



Monitoring, testing, reviews and assessments are carried out by the Compliance Monitoring and Testing team (under Group Compliance supervision) to provide assurance that compliance risks are assessed and managed effectively and efficiently. As our second line of defence, our Compliance Monitoring and Testing team conducts:

- Adherence reviews and testing across all lines of business;
- Thematic reviews of key regulations;
- Targeted deep dives; and
- Independent validation of key submissions to regulators.

Guidance and Training

Our Group Compliance team is responsible for ensuring adequate training and awareness on key regulations is provided to all AmBankers. Group-wide policies are regularly reviewed to ensure that adequate internal training and awareness programmes are in place to support the efficient compliance of relevant key regulatory requirements governing AmBank Group's activities. Guidance is provided on the execution of internal controls to manage compliance risk. Compliance training and awareness programmes are provided to AmBankers via:

- (a) Annual and periodic e-learning;
- (b) Email communication with embedded links to relevant policies and guidance (Reminders@Within); and
- (c) Classroom training (including 'Train the Trainer') on specific compliance-related topics such as 'Know Your Customer' AML/CFT, Whistleblower Protection Policy, No Gift Policy and Foreign Exchange Administration Rules.

During the year, 11,089 participants from various employee categories attended the Group's compliance training programmes, which were conducted over a total of 75 training sessions.

Responsible Banking

Shariah Compliance

AmBank Islamic complies with the rulings of BNM's Shariah Advisory Council and we have an established Shariah Control Function Structure, formulated based on BNM's Shariah Governance Framework ("SGF"). AmBank Islamic's Shariah Control Function Structure comprises:

(a) Board of Directors	(b) Shariah Committee	(c) Management	(d) Shariah Research & Advisory	(e) Shariah Risk Management	(f) Shariah Review	(g) Shariah Audit
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The relevant policies that govern the conduct of our businesses in ensuring Shariah compliance include:

- (a) Shariah Governance Policy;
- (b) Shariah Policy on Eligibility Criteria of Underlying Assets for Islamic Financing;
- (c) Shariah Policy on Purification of Shariah Non-Compliant Income;
- (d) Shariah Policy on Financing for Business with Mixed Business Activities;
- (e) Shariah Policy on Acceptance of Funds for Deposits and Other Liabilities; and
- (f) Business Zakat Policy.

We actively align the focus of our Shariah Review and Shariah Audit functions to areas that are susceptible to Shariah risks. We then enhance our internal controls to mitigate against potential Shariah non-compliance incidences, including measures such as improvements to documentations and process flows, as well as developing manuals and guidelines.

AmBank Group aspires to continuously review the effectiveness of our internal Shariah controls and processes to ensure that our Islamic Banking business practices comply with all stipulated Shariah requirements.

No Gift Policy

AmBank Group's 'No Gift Policy' has as its primary objectives to:

- (a) Safeguard AmBank Group's reputation by countering potential conflicts of interest and bribery and corruption and ensure practices and dealings within and by the Bank are conducted in an ethical and professional manner;
- (b) Provide guidance to AmBankers to keep within acceptable practices;
- (c) Develop employees who self-regulate and are able to distinguish between acceptable practices and those that are questionable from the ethical perspective and as such to be avoided at all times; and
- (d) Avoid any potential perception that the Group encourages or condones exchanges of favours for personal gratification of any kind.

AmBankers are required to abide by the policy and ensure that there is no offering, soliciting, or receiving gifts in any form, to or from current or potential customers, vendors, agents and business partners, either directly or indirectly – which could influence impartial judgement during decision-making or places our employee in a position of conflict of interest.

Heads of Departments are required to maintain a Gift Registry in a transparent manner and must be made available for inspection or audit as and when required.

Political Donation

AmBank Group is not part of any political party and has not made any donations to any political parties.

Know Your Customer ("KYC"), Customer Identification and Due Diligence Policy

The objective of AmBank Group's 'KYC Policy' is to conduct proper customer identification to facilitate assessment of each customer's risk profile by using reliable information and documentation. KYC allows for a standardised approach to understanding the customer during onboarding process and assist in on-going due diligence reviews. Our KYC Policy outlines controls and procedures to ensure that the Group only deals with customers whose background information has been adequately verified and approved.

Politically Exposed Persons ("PEP") Policy

Our 'PEP Policy' aims to identify and manage potential risks associated with onboarding and maintaining our dealings with PEPs, Politically Exposed Corporations ("PECs"), and Relatives and Close Associates ("RCAs"). PEPs, PECs and RCAs are subject to Enhanced Customer Due Diligence processes, which involves robust assessment of, amongst other things, reputational risk issues and risk mitigation and is conducted prior to establishment of a banking relationship.

Customer Relationship Review and Exit Guidelines

AmBank Group's business units are well guided by our 'Customer Relationship Review and Exit Guidelines' which outline the review and determination of whether a customer relationship should be exited, or if closer monitoring is required, as a result of potential money laundering or terrorist financing risks, supported by internal or external trigger events or red flags.

Responsible Banking

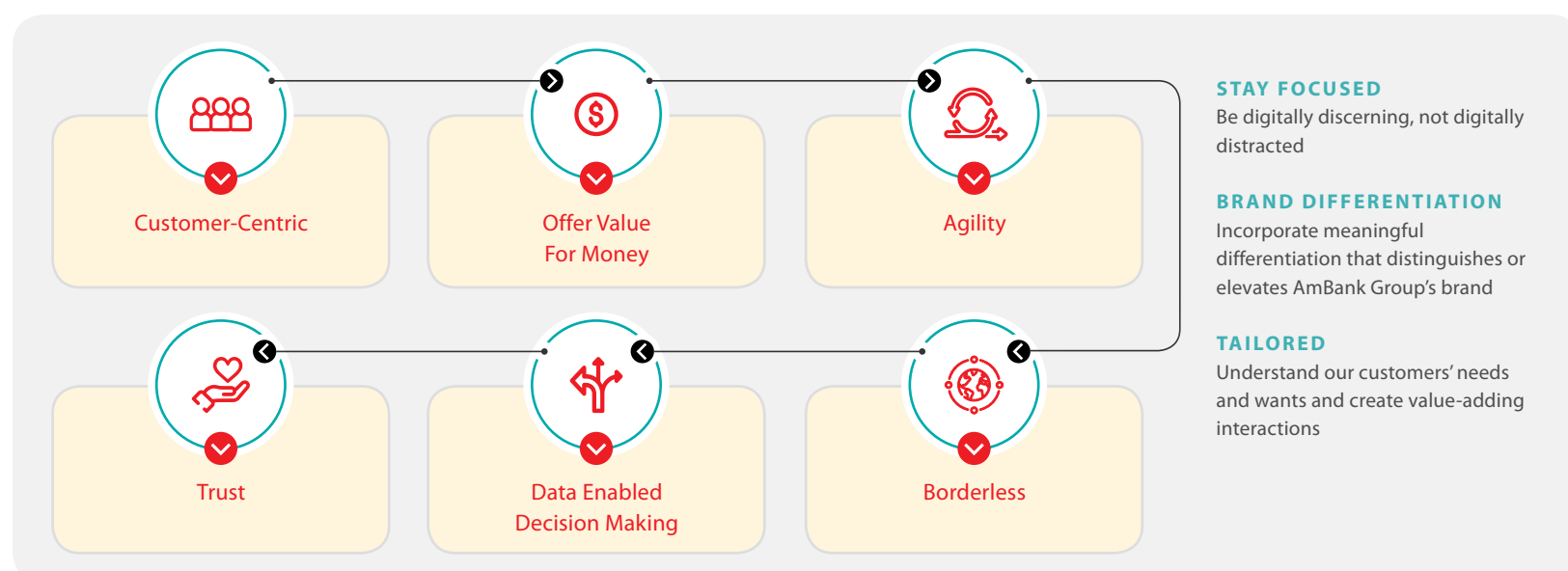
DATA SECURITY, IT INFRASTRUCTURE AND DIGITAL TRANSFORMATION

Digitalisation is driving the banking of tomorrow and AmBank Group is moving ahead with the adoption of technology to enable smarter, faster and more efficient processes with 24/7 availability. We started our digitalisation journey to automate fulfilment of customer journeys end to end and to enable self-service at our mobile and internet banking channels. We then extended digital to origination, using analytics to make the right offer at the right price to customers at online channels and enable them to avail new services entirely online. We are also exploring entirely new business models and value-added services such as our digital collection solutions that help corporate customers in digitalising their day-to-day business operations and our upcoming Pay-As-You-Grow SME financing that provides speedy and convenient working capital financing.

AmDigital – The Way Forward

AmBank Group's comprehensive digital strategy, known as AmDigital, adopts an integrated approach across all businesses. AmDigital aims to enhance our digital capabilities to simplify customer experience by leveraging on the power of data, redefine AmBank Group's operating model and advance AmBank Group as a digital-driven organisation.

DIGITAL BUSINESS PRINCIPLES



Our Group-wide digital strategy that was approved by the Board in 2018 consists of four key pillars and informs the Bank's key digital initiatives. The four key pillars are:

- 1 Pillar One – Retail Digitalisation
- 2 Pillar Two – Non-Retail Digitalisation
- 3 Pillar Three – Partnerships
- 4 Pillar Four – Ecosystem Play

1 PILLAR ONE – RETAIL DIGITALISATION

Our new retail offerings target the entire spectrum of our customers' journey and recreates AmBank Group's digital interface for a new virtual banking experience that is convenient, instant, ever-ready and secure. We call it 'Bank in the Sky'. Our all-new AmOnline launched in April 2018, offers an enhanced Internet banking experience that is analytics backed to deliver tailored products and services.

AmOnline's "Easy. Simple. Fast" banking functions are also optimised into a mobile app. It is among the first online banking platforms in Malaysia to have a multi-lingual option (accessible in English, Bahasa Melayu and Mandarin) to cater to the diverse background and preference of our customers.

AmBank Group's vision for AmOnline is to create the best e-commerce-like experience of banking, to allow customers to invest, gain access to financing and fulfil their end-to-end financial needs entirely online. Customers are now able to apply for Balance Transfer and Quick Cash at their convenience, anytime and anywhere.

Among the transacting features available include funds transfer, bill payments and JomPay, prepaid mobile top ups, credit card and loan payments, foreign remittances, eFixed Deposits and more. AmBank's credit card customers are also able to increase their credit card limit and apply for a new or supplementary card online, while our "Wealth" capability enables online investing and management of investments.

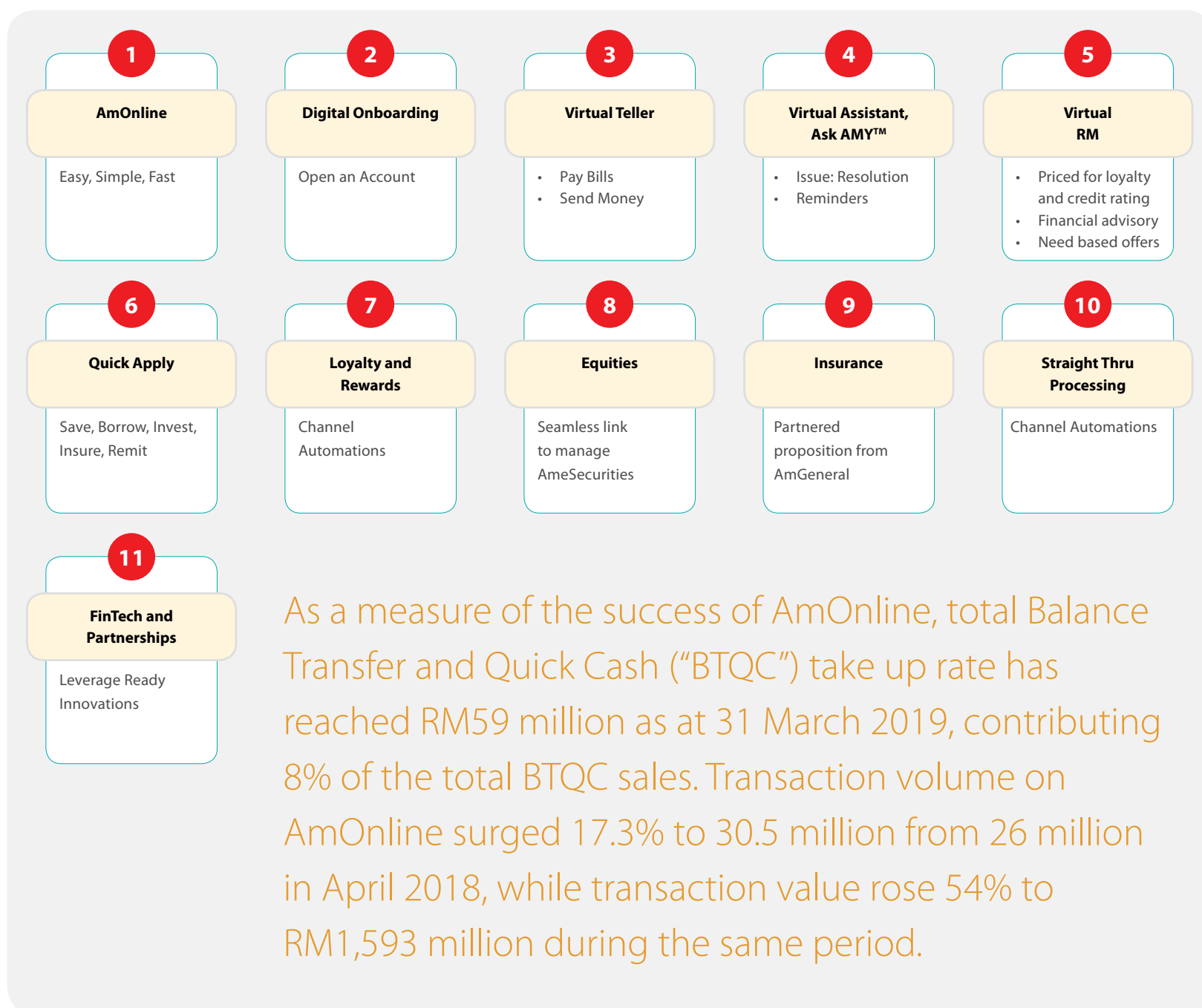
Responsible Banking

'Ask AMY™' (AMY™ is the acronym for AmBank Malaysia), our friendly, virtual customer service within the AmOnline mobile app was first released on 28 October 2018 to add value to our credit card services. Subsequent quarterly updates promise a broader and richer set of virtual capabilities.

With over half of AmBank's customers accessing online banking from their mobile device, we built AmOnline not only as a desktop web application, but also as a mobile app to deliver a seamless, simple and fast banking experience that is compatible with next-gen smartphones with the same comprehensive functions. Average daily sign up rate since we re-launched AmOnline went up by 109% in FY2019, compared with FY2018. As of end-March 2019, AmOnline reached a total customer base of about 716,000 users.

CUSTOMER PROPOSITION > BANK IN THE SKY

STAKEHOLDER PROPOSITION > BETTER RORWA & ROCE



Responsible Banking

2 PILLAR TWO – NON-RETAIL DIGITALISATION

Non-Retail Digitalisation initiatives delivered to our Mid Corporate, Large Corporate, Business and SME banking customers through AmAccess Corporate and AmAccess Biz encompass the following key components:

- Cash Management (AmAccess Biz and AmAccess Corporate) – provides cash, payment and liquidity management solutions to corporate and SME customers.
- Virtual accounts – works as a collection tool for customers to manage a large number of account receivables effectively. This is achieved by assigning a virtual account to each player for ease of reconciliation.
- JomPAY and JomPAY Smart Reference – a basic collection tool where AmBank integrates payment solutions with PayNet for the purpose of bill collection. AmBank has upped the ante by enhancing the basic JomPAY model (JomPAY Smart Reference), where customers can embed information such as the payment amount and validity period for total reconciliation control and minimum input fields. This will enable the consolidation of multiple bills through a single JomPAY payment. This is a unique tool offered only by AmBank.
- Electronic Invoice Presentation and Payment (“EIPP”) Host-to-Host settlement – a platform that enables sophisticated host-to-host settlements for high-volume and efficient transfers. Customers may take advantage of this facility for automated transfers, merchant settlement and other transfer solutions on a real-time basis.
- FPX Payment – another collection tool from PayNet where AmBank is able to offer collection of online payments. Widely used mainly in the e-commerce segment, FPX payments enable our customers to effectively collect payments from their buyers on a real-time basis and with easy reporting for reconciliation purposes.
- Cashless Kiosks – customers may harness the convenience of our nationwide network of 759 ATMs for round-the-clock non-cash self-service collection.

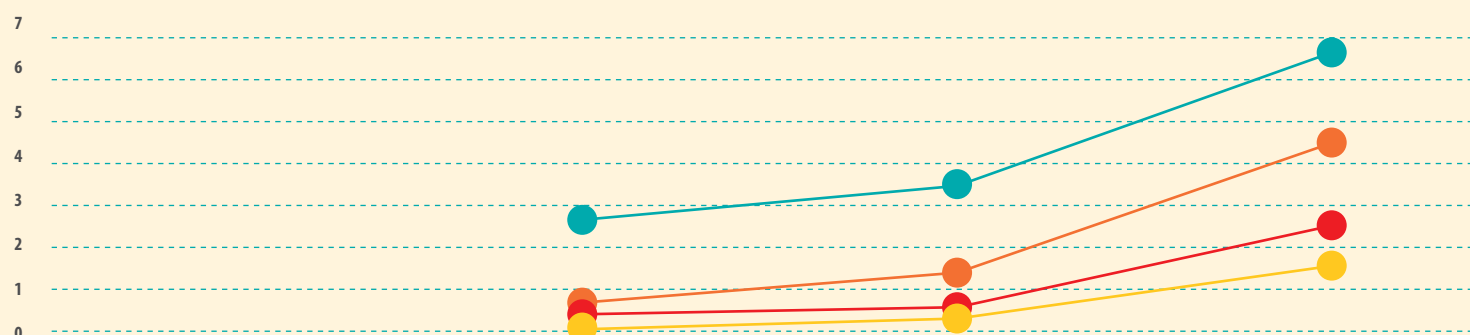
CUSTOMER PROPOSITION > PARTNER WITH US TO DIGITALISE YOUR BUSINESS

STAKEHOLDER PROPOSITION > ACQUIRE STICKY CASA

Cash Management	Virtual Accounts	JomPAY Smart Reference	EIPP H2H Settlement	FPX Payment	Cashless Kiosk
Provide cash payment and liquidity management solutions to corporate customers	Manage large number of Account Receivables effectively by assigning a virtual account to each payer	Embed amount and validity period info into Ref-1 for total reconciliation control & minimum input fields	Enable sophisticated host-to-host settlements for high volume and efficient transfer transactions	Real-Time payment platform for corporates to collect payment via internet and mobile banking of participating banks	Ride on ATM network to provide non-cash and 24x7 self-service collection channel

Our Current Account Savings Account (“CASA”) deposit performance has improved significantly as a result of the specialised payment and collection solutions we offer to our Large Corporate, Mid Corporate, Business and SME Banking customers, as shown in the chart below:

AVERAGE BALANCE (RM’MILLION)



	Inquiry	Payment	Payment and Collection
Large Corporate	2.71	3.30	6.74
Mid Corporate	0.99	1.47	4.53
Business Banking	0.38	0.39	2.45
Small Business Banking	0.11	0.15	1.55

Responsible Banking

③ PILLAR THREE – PARTNERSHIPS

At AmBank Group, we believe that partnerships and collaborations with third parties are essential in growing the business and to maintain customer 'stickiness' and enhance our digital capabilities. The following components are among the areas where AmBank Group is currently focusing on with regards to forming win-win relationships with vertical industry players:

- (a) **Business JumpStarters (or 'SME-in-a-Box')** – providing our customers with a one-stop solution where customers will get to enjoy the seamless integration between our partner's products and AmBank Group's innovative cash management solution. In addition, customers of AmBank Group also get to enjoy preferential rates for the services offered by our partners in the following areas to help "jumpstart" their business:
 - i. Payroll and Accounting
 - ii. Operations and Payments
 - iii. Connectivity
 - iv. Digital Marketing
 - v. Other Digital Solutions
- (b) **eWallet Partnerships** – AmBank Group work closely with eWallet players in Malaysia by providing essential business and financial tools to complement the existing features and functionalities of eWallet service providers. These include services such as merchant settlement, JomPAY and FPX services for eWallet reload and top-up, cashing out from eWallet into one's bank account, etc. Additionally, we also formed joint-efforts on merchant onboarding activities where AmBank Group supports account opening for merchants for our partners to onboard these merchants onto their respective QR code platforms.
- (c) **WeChat Wallet** – Leveraging on the increase in eWallet penetration in the marketplace, AmBank Group collaborates with WeChat Pay to offer cross-border merchant acquisition services, as well as creating local eWallets under WeChat Pay MY.

The Group has since launched several gamification campaigns via the WeChat Official Account and gathered close to 10,000 followers. The 'AmBank WeChat' official account serves to provide valued customers with added convenience and ease to interact with us. Apart from showcasing AmBank Group's latest promotions, events and announcements, this innovative touch-point leverages on gamification and campaigns to reach out to WeChat's large base of digital users.

Other banking features made available on the 'AmBank WeChat' official account include branch locators; application for credit cards and loans; private retirement schemes; unit trusts; as well as quick reference to the latest foreign exchange rates offered by AmBank Group.

Moving forward, the Group is looking to extend the wallet capability of WeChat to our SME customers, revolutionising the way SME businesses capitalise and leverage on the potential of eWallets. This will pave the way for AmBank Group to offer more value-added services and utility under the digital-wallet ecosystem, particularly for emerging SMEs in the near future.

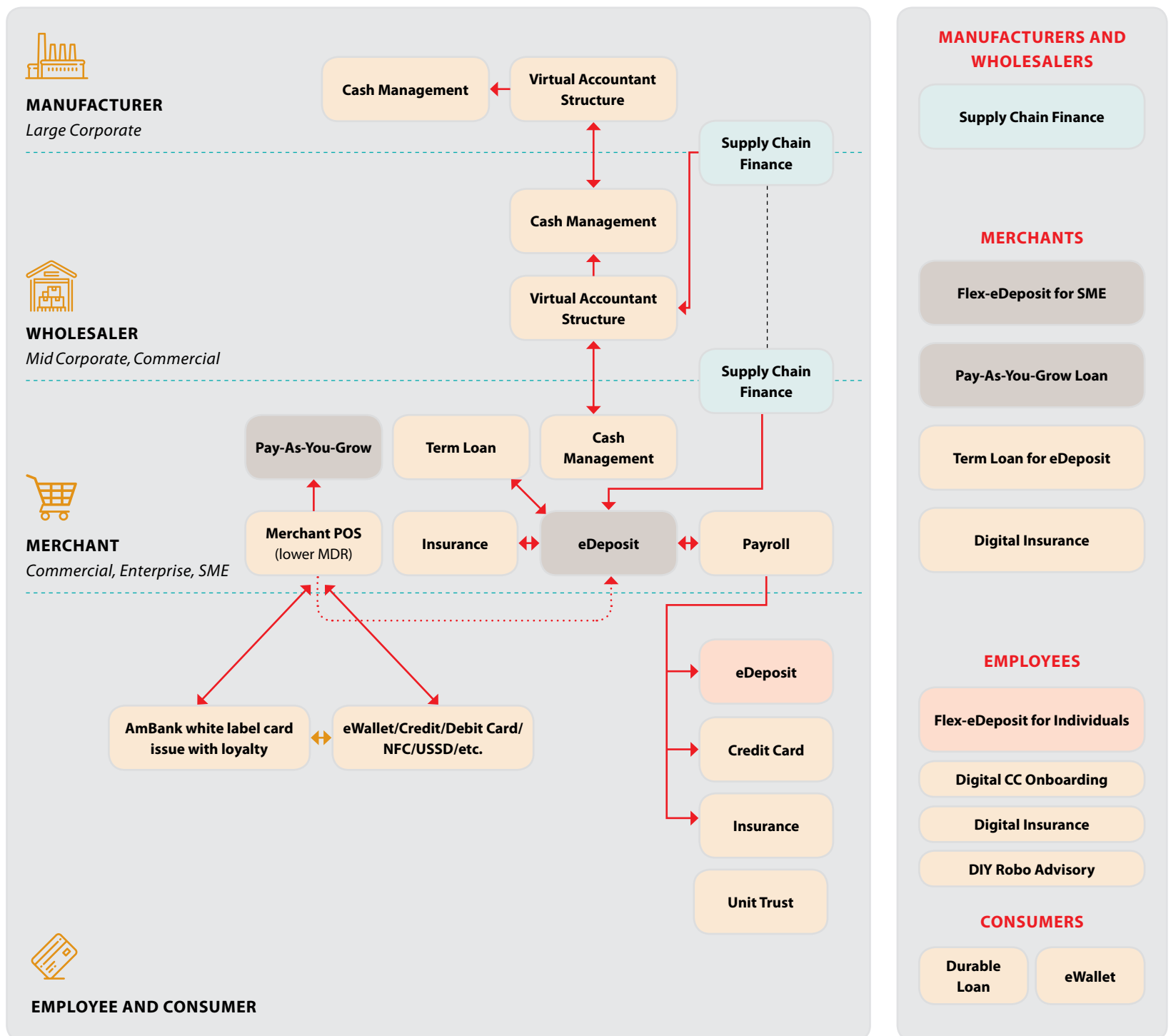
- (d) **Remittance Services** – AmBank is exploring the possibility of partnering remittance services providers where we can leverage on the corridors and footprints of these partners to ensure that the remittances performed by our customers reach its intended beneficiaries in a timely and secure manner. These remittances can be done via account-to-account, account-to-cash out points, as well as from account-to-eWallets in selected countries.
- (e) **Smart City** – AmBank Group is also actively working with State Governments and government agencies in enabling and promoting a cashless society. Together with our eWallet partners, we help Malaysian State Governments in payment collection for utility bills, quit rents, summons and parking fines and other relevant bills via our payment solutions such as JomPAY, FPX, QR codes, virtual accounts, etc.

Responsible Banking

4 PILLAR FOUR – ECOSYSTEM PLAY

The last pillar of AmDigital strategy is where we expand our business proposition to the entire value chain – from producers and manufacturers to wholesalers, merchants and their respective employees. By aggregating all our products under one roof, we aim to offer specialised and differentiated products and services to industry segments, including (but not limited to) supply chain financing for manufacturers and wholesalers; eFlex deposit accounts, Pay-As-You-Grow financing, term loans and other financing products for merchants; as well as eFlex deposit accounts, credit cards, insurance and other retail products for their employees and customers.

UNIQUE VERTICAL GO-TO-MARKET: TAP BREADTH AND DEPTH OF BANKING ACROSS THE INDUSTRY’S VALUE-CHAIN



HOLISTIC SOLUTIONS ➔ Target Segments: **F&B, Logistics & Manufacturing**

Responsible Banking

Cyber Security

AmBank Group places cybersecurity as the cornerstone of our banking platform, to maintain trust and credibility among our customers. With increasingly diverse ways in which our customers are interacting with their assets, we place great emphasis on ensuring the safety and integrity of each transaction – to safeguard our customers from potential losses and mitigate the Group against potential regulatory and reputational consequences.

To accomplish the above objectives, our three-year Cyber Security Maturity Improvement Programme made good progress in FY2019 in the areas such as Data Loss Prevention (“DLP”), Third Party Security Risk, Identity and Access Management and Technology Project Governance. Moving ahead in FY2020 – the final year of the programme implementation, we shall focus on areas such as Identity Governance and Administration (“IGA”), Remote Access Management, Advanced Security Operations Centre (“SOC”), Threat Hunting & Intelligence and Digital Asset Management.

THREE-YEAR CYBER SECURITY MATURITY DEVELOPMENT PROGRAMME (FY2018-FY2020)

Identity Governance and Administration (desktop, servers, network, security, apps)

- New IGA platform to support internal and external digital identity & access management
- End-to-end privilege ID management in mitigating cyber credentials theft
- Business Process Re-Engineering

Enhance Cyber SOC (monitor, detect, respond)

- Enhance capability to mitigate insider threats and improve incident response
- Expand security monitoring to include APT and endpoint cyber threat response
- Build threat intelligence capabilities

People and Skill Alignment, Training

- Increase security resources with right skills sets
- Re-structure security operations to address IT security goals
- Security training programmes to address security competencies and capabilities

Threat, Vulnerability Management, Hardening and Assured Patch Management

- Strengthen continuous security assurance
- Enhance security testing scope including cyber security scenarios, cyber compromise assessments

Cyber Awareness

- Comprehensive Cyber Awareness programme with dynamic content
- Effective and efficient measurement metrics
- Embed cyber security in the culture and decision making

Unified Enterprise Cyber Fraud Prevention, Detection and Response

- Establish cyber fraud prevention, detection and response systems to align with digital banking strategy

Responsible Banking

Data Science to Enhance Service Delivery

As we become a more data-driven organisation, AmBank Group's Data Science Team provides data expertise by reviewing data quality and proactively handles abnormality (exceptions) in our banking data. The team measures organisational, consumer behavioural and data governance to prevent, among others, faulty data from being recorded by internal IT systems. Doing so will help reduce costly resources employed to investigate and repair data errors, handling inaccurate metrics, misreporting and tidying data sets.

Data science is also used to solve day-to-day business challenges from safeguarding customers from fraud and cyber-attacks to enhancing our customer experience. Valuable information derived from data behavioural analysis helps AmBank introduce products that benefit our customers. By fostering data stewardship culture in AmBank Group, we strive to reduce data redundancies and improve accuracy in our data collection and data footprints.

IT Infrastructure

The bridge to deliver service transformation, involves five IT core processes that we have embraced in our continuous journey to reinvent the effectiveness and efficiency of our IT Services, and to provide infrastructure support to enable business growth. AmBank's five core IT processes include:

- (a) Daily Service Review ("DSR")
- (b) Management Escalation and Notification
- (c) Major Incident Management ("MIM")
- (d) Root Cause Analysis ("RCA")
- (e) Change Management.

These core processes are embedded into AmBank Group's DNA. Riding on these disciplines to deliver IT Service Improvement, ITIL V3 Event Management is established through Operation Command Center ("OCC") which performs proactive detection and escalation of abnormal transactions or data incidence for speedier resolution before issues are escalated.

Additionally, continual Service Level Management Improvements have boosted service levels not only across IT systems, but also in relation to internal IT services. The outcomes of the five core IT processes led to successful achievement of major IT targets – high system availability and up time. The Group maintained its ISO 27001:2013 certification during FY2019 and recorded zero non-conformities in the last certification audit.

Pushing Digital Adoption

Mobile banking and chatbot

AmOnline has come a long way in FY2019 with the introduction of many features such as Quick Apply, Quick Access and AMY™, our first Virtual Assistant for customer service on credit card related matters.

AMY™, came into existence as a solution to current credit card customers' frustration of having to call customer service to cancel or block their credit

cards, apply for a new card or a supplementary card and change PINs that they had forgotten or to see the status of their current application. The Quick Apply features are further enhanced via AMY™.

The challenge was to engage with both the current AmBank base where the majority is 40 years old and above but at the same time attract a younger demographics to sign up with AmBank.

For the first time, in an unconventional method, we injected a dose of colour and fun in the campaign content. The creative strategy played with unique Malaysian (first world) problems, that paved a humorous way to introduce AMY™. Although AMY™ will not fix every problem faced by customers, 'she' can help make customer services easier and faster.

The campaign ran predominantly on digital and social media channels, saw a series of videos that were created to educate our customers and the public. As a result, the campaign generated over 4.5 million impressions and reached out to 1.1 million people. The launch video itself chalked over 190,000 views on Facebook and YouTube, while the rest of the videos saw a combined 758,000 views across Facebook, YouTube and Instagram.

The average time spent on the branded content article was 6 Min and 46 Seconds which is 45% higher compared to the average time spent on the publisher's website. The biggest group of readers was aged 25-35 which was exactly the demographics we wanted to reach out with this article.

In October 2018, when AMY™ was launched, we saw an increase of 22% of AmOnline logins compared to the previous month. By the way, the AMY™ icon is chosen by our own employees through an internal survey that saw over 500 respondents.

Internally, we ran roadshows at our main buildings, provided fun and freebies to employees who correctly answered questions on AmOnline and AMY™. The intention was to get AmBankers to be acquainted with AmOnline. We also ran a 'Staff Campaign' where we engaged AmBankers as social media advocates by posting comments about AmOnline on their personal Facebook page. The three-week long campaign saw over 40 entries from AmBankers and a noteworthy 250 organic shares.

As yearly giveaways to staff, we created AMY™ premium items to encourage adoption.

Among the plans in the pipeline, we will be creating bite-sized videos to educate our customers and the public on all AmOnline features.

Wealth

We will launch wealth investment capability available via AmOnline by August 2019 to attract customers with unique experience on how and when they wish to invest. We are continuing this momentum with the effort to activate and re-activate our customers so they can experience the many features AmOnline will offer.

Responsible Banking

To drive digital adoption internally, we started with elevating the understanding and knowledge of our employees in our digital ambitions and implemented programmes to accelerate the learning process. These include:

(a) Change Management and Communication

- Commenced in January 2019, our on-going roadshow at AmBank branches aim to share our digital culture transformation and plans.
- Gather feedback from AmBankers, especially on how digitalisation improves AmBank Group's Employee Value Proposition.
- Regular town halls and publication of news flash and bulletins on the latest virtual milestones.

(b) Digital Learning

- Introducing digital competency framework and provided mobile learning through bite-sized learning and gamification.
- Knowledge sharing on internal platforms on digital issues such as cyber security, FinTech, and how technology improves work and service delivery.
- Digital upskilling through learning modules such as human design thinking and group learning through Agile workshops.

(c) AmBankers as Ambassadors

- Aligning AmBankers' digital expectations as a consumer with the digital experience as an employee (a strong internal customer experience leads to an awesome external customer experience).
- Continuous sharing on how digital benefits each and every AmBanker - WIIFM (What's In It For Me).
- Providing flexible and digital-enabled initiatives including flexi/staggered work hours, dress-down attire, collaborative workspaces such as AmBank Group's digital garage, mobile pharma, digital doc, My.FlexBen, mobile claim, mobile leave, digital QR biz card, digital onboarding and digital recruitment.

Green Technology

We are proud to report the success of our 'lights off' Data Centre, which embraces green technologies that consume less energy than conventional data centres. With virtualisation technology in place, AmBank Group achieved an annual cost saving of RM1.7 million in FY2019. This was achieved through approximate rental space reduction of 1,600 square feet and replacing about 800 physical servers via virtualisation, which led to significant reduction in electricity consumption. This 'light off' initiative also reduced our Data Centres' manhour cost.

Furthermore, the Data Centre utilises environment-friendly equipment, such as inverter-based computer room air-conditioning and high-efficiency Uninterruptible Power Supply ("UPS"), to provide long-term energy savings.

Our maintenance programme ensures that all our leading-edge computer room air-conditioners are using R410/R407c refrigerant, instead of R22 refrigerant, which is not ozone friendly. We have also introduced automation and remote access technology that enables our Primary and Secondary Data Centres to be unmanned, translating to further sustainable long-term cost savings for AmBank Group.

RESPONSIBLE SOURCING AND PROCUREMENT

By responsibly sourcing the materials we require to operate, we aim to minimise our ESG impacts and play a positive role in influencing the environmental, social and ethical performance of our suppliers. We recognise our responsibility to consider sustainability principles in all our procurement activities, not just within AmBank Group, but also along our supply chain and when interacting with partner organisations in the course of our business.

Supply Chain Sustainability

We promote responsible and inclusive procurement practices and apply standards of integrity and best practices in managing the social and ethical impacts of our supply chain. Selected contractors which we work with are guided by AmBank Group's 'Operations OSH Contractor Compliance Guidelines' which dictate mandatory ESG requirements, including OSH induction and safety rules and procedures for all new contractors.

Group Procurement Function

AmBank's Group Procurement function was established to provide governance and control on procurement processes, while seeking opportunities to consolidate volume for greater bargaining power and deliver sustainable savings.

We carry out due diligence processes such as vendor evaluation and selection and risk impact assessments before outsourcing. Our defined risk impact assessment criteria for outsourced products and services outline our minimum requirements for suppliers and vendors, especially in relation to customer satisfaction and reputation, ethical business practices and regulatory compliance.

AmBank Group conducts annual audits and visits the offices, factories and warehouses of outsourced suppliers to assess and evaluate relevant aspects of their business practices vis a vis BNM's outsourcing requirements.

Sourcing Policy

The principles of responsible sourcing and procurement practices are incorporated into AmBank Group's 'Sourcing Policy', which aims to:

- Set appropriate governance and accountability delegation for sourcing implementation;
- Determine appropriate and comprehensive processes, including documentation requirements to manage outsourcing arrangements;
- Outline our employee's roles and responsibilities;
- Ensure the existence of a process to adequately gauge the impact of and prepare continuity planning for externalities arising from outsourcing activities; and
- Carry out supplier and/or vendor due diligence and assessment during onboarding process. We are committed to only onboard suppliers and vendors who fulfill our requirements.

Responsible Banking

Our Sourcing Policy strictly adheres to BNM Guidelines and the Security Commission Malaysia's ("SC") Licensing Handbook. We undertake due diligence to ensure suppliers and vendors satisfy, and prove adherence to, relevant laws, regulatory requirements and policies including:

- (a) BNM Guidelines on Outsourcing of Banking Operations and Islamic Banking Operations;
- (b) BNM Guidelines on Outsourcing for Insurers;
- (c) BNM Guidelines on Management of IT Environment; and
- (d) SC Licensing Handbook on Outsourcing Arrangements by Capital Markets Services License Holders.

Consistent with our Sourcing Policy which now includes our 'Supplier Code of Conduct', we promote responsible and inclusive procurement practices and apply standards of integrity and good practices in managing ESG and ethical outcomes along our supply chain.

In 2018, we updated our Sourcing Policy to improve outsourcing management, administration of contracts and roles and responsibilities of relevant personnel. Additionally, we conducted periodic reviews and updated our contract stipulations, in line with relevant laws and regulatory requirements, including:

- (a) Cyber Security Clauses for it and Outsourcing Vendors;
- (b) Secrecy provisions under the Financial Services Acts 2013 and the Islamic Financial Services Act 2013; and
- (c) Companies Act 2016.

Supplier Code of Conduct

AmBank Group recognises the role its supply chain plays in reducing its environmental footprint and has therefore incorporated ESG considerations in the sourcing of its goods and services. When procuring office goods and other supplies, AmBank Group places priority on selecting green and environmentally-friendly products and services (e.g. energy efficient, durable, use of biodegradable and/or less hazardous substances and goods, made from recyclable materials or recyclable, green-certified products).

Our 'Supplier Code of Conduct' contains requirements for Business Ethics, Governance and Compliance, and Procurement Sustainability – which form the foundation of our current and future procurement relationships. In ensuring conformance, our Group Procurement department provides suppliers and vendors with the latest 'Supplier Code of Conduct' and all suppliers and vendors, as well all their related subcontractors, are required to state their compliance as part of our standard supplier selection procedure.

1 SUPPLIER SCREENING AND ONBOARDING

Since January 2019, potential AmBank Group suppliers (and existing suppliers during contract renewal) are required to complete a questionnaire, as part of our "Responsible Sourcing and Green Procurement for Supplier's Onboarding Programme", which outlines key expectations with regard to business integrity and ethics, safety and social performance and environmental sustainability. Sections in the questionnaire are outlined as below:

- **Section 1: Business Integrity and Governance;** which requires the supplier to adopt a policy governing anti-bribery, extortion, corruption, fraud, money laundering and conduct relating to offering anything of value and inappropriate behaviour with an intention to influence decision-making.
- **Section 2: Safety and Social Performance;** which among others requires the supplier to have a written Safety Policy in place which complies with industry, national, and international standards and procedures to ensure that all employees are employed on free will and all forms of employment are free of forced labour, bonded labour, slavery, human trafficking and child labour.
- **Section 3: Environmental Sustainability;** which requires the supplier to promote the use of sustainable products (ie. recyclable, reusable, non-toxic, bio-degradable, made from 100% recycled materials) and practices in the delivery of the types of products or services to AmBank Group. For example, the use of environmentally-friendly products in janitorial services, refrigerants with lower ozone depleting potential and effective use of energy-efficient equipment.
- **Section 4: Product Performance Testing;** which among others require the supplier's products to meet AmBank Group's required performance and technical specifications.
- **Section 5: Resource Efficiency and Waste Reduction;** where applicable, requires a take-back programme by the supplier for reuse or recycling for the products supplied.
- **Section 6: Energy Efficiency;** where applicable, requires the products to have employ energy savings features during use and/or on standby.
- **Section 7: Environmental Hazardous Substance Management;** where a supplier is responsible to collect scheduled waste generated as a result of its activities (e.g. collecting and disposing used fluorescent lamps, disposal of empty paint cans after painting activities, disposal of e-wastes, etc.) from AmBank Group's premises, shall require the supplier to use a licensed waste collector or to be registered with the Department of Environment for the collection and disposal of scheduled and hazardous wastes.

Responsible Banking

Each of our suppliers will be required to score a minimum of 40% under the 'Responsible Sourcing & Green Procurement' criteria for consideration to be included in AmBank Group's list of suppliers. Should the supplier meet other requirements set by Group Procurement, but failed to meet the minimum 'Responsible Sourcing and Green Procurement' requirement – and are within the 35% to 39% bracket, a "Supplier Improvement Plan" will be developed to assist the supplier to meet the 40% requirement within 12 months from the time of assessment.

A supplier that scores below 35% shall be categorised as "Not Meeting Requirements" and their application will not be considered, despite meeting all price, technical specifications and quality requirements.

During the trial run of the "Responsible Sourcing and Green Procurement for Supplier's Onboarding Programme" conducted between October 2018 and January 2019, responses were received from 85 existing vendors. Of these, 100% of our existing vendors were able to score the minimum 40% score. However, we noted that seven vendors experienced minor issues with non-compliance of environmental, safety, labour codes and other practices. These vendors have been included under our watch list to ensure the minor issues are resolved.

eProcurement Portal

By digitalising our procurement practices, we increased our processing efficiency, cost savings and enhanced the transparency of our operations. To-date, AmBank Group's Request for Information ("RFI"), Request for Quotation ("RFQ"), Request for Proposal ("RFP") and Bidding processes are fully conducted online. Our purchase orders are issued online and suppliers are able to upload their invoices directly to our system for payment. We also use an eContracting module to better manage our contractual commitments and supplier and vendor deliverables.

Sustainable Supply and Conservation of Resources

In keeping with our digitalisation and green efforts, our 'Notice of Annual General Meeting' to shareholders beginning this financial year shall be delivered in the form of a post card – without the accompanying CD-ROM and abridged copy of our report. In doing so, we have made the necessary amendments to our Company Constitution to reflect this change in our stakeholder engagement practice. We will also convert contents in the printed copy of our Integrated Report into digital version, which is available on our Group website.



> For further information on AmBank Group's Integrated Annual Report FY2019, please log on to: <https://ambankgroup.com/eng/InvestorRelations/AnnualReport/Pages/2019.aspx>

Social Procurement

We adopted the principles of social procurement by purchasing from socially-conscious enterprises, namely 'The Silent Teddies Bakery' and 'The Picha Project'. The former is a bakery run by the deaf and mute and the latter is a catering services company that empowers marginalised segments of society to earn a living by distributing home-cooked meals prepared by them. Besides

procuring festive cookies from both social entities for our Hari Raya Aidilfitri and Chinese New Year celebrations as gifts, we also purchase meals from 'The Picha Project' for in-house meetings and events.

Supporting Local Suppliers

We believe in continuing to add value to the communities in which we operate. We are committed to contribute to our local economy by sourcing our materials and services from local suppliers, in our bid to support local employment and spur economic growth in Malaysia. By purchasing from local suppliers, we also lower our operating costs and minimise our carbon footprint on logistics. Local suppliers made up 94% of our active suppliers in FY2019 and constituted 86% of our total supplier spending during the financial year.

OSH Compliance on Procured Services Involving Human Labour

Services delivered by our cleaning services provider is guided by AmBank Group's 'Operations OSH Contractor Compliance Guidelines', where it is mandatory that all new contractors undergo the necessary OSH induction and comply with relevant OSH guidelines in carrying out their work, in relation to:

- (a) General Safety Rules and Procedures;
- (b) Use of Personal Protective Equipment;
- (c) Tools, Machines and Fire Safety;
- (d) Working at Height;
- (e) Handling of Flammable or Explosive Materials, Chemicals and Oil; and
- (f) Fire Safety, Emergency and Accident Response.

RESPONSIBLE MARKETING, PRODUCT AND SERVICE DESIGN

AmBank Group's business ethics and responsible conduct extends to how we market our products and services to our customers. Ethical marketing, including responsible product and service design, forms the foundation of our communication efforts which focus on building trust and confidence, and enhance our reputation, while continuously innovating solutions to help individuals and businesses in Malaysia grow and win together.

Communication Governance on Products and Services

We take the design and communication of our product information seriously and strive to be clear and concise in our messaging to our customers and employees. We have a robust branding and advertising framework, which guides our promotional efforts for brand differentiation and ethical product elaboration, as well as AmBank Group's corporate branding and marketing campaigns.

Our marketing communication initiatives undergo extensive scrutiny based on our 'Campaign Marketing Review Checklist', in addition to ensuring strict compliance with regulatory guidelines, as follows:

- (a) BNM Guidelines on Product Transparency and Disclosure; and
- (b) AmBank Group Shariah Guidelines on Marketing and Promotional Materials.

Responsible Banking

An accountability and governance process govern the development of our products and services by the respective lines of business to ensure all regulatory requirements, ethical marketing, information transparency and AmBank Group's brand values are intact. We also adopt an integrated approach that considers ESG impacts of the products and services that we introduce.

The Group's Product Approval and Management Policy articulates the overarching principles and minimum requirements for the management of AmBank Group's products throughout the product lifecycle, balancing the need for product governance and safety with commercial considerations within the Group's risk appetite. The Group Product Forum, a delegated sub committee of the Group Management Committee, has oversight to ensure adherence to the policy by the product owners.

Social Media Marketing and Corporate Website

AmBank Group's primary modes of customer engagement includes through our social media channels, which encompass Facebook, Instagram, Twitter, LinkedIn and our corporate webpage – ambankgroup.com. The future of banking is digital and social media will play an important role in shaping the banks of the future.

Leveraging the power of social media as an effective medium of communication and engagement, we strive to give our customers a voice to help us understand their needs better, as we endeavour to provide the necessary support in a faster and more efficient way.

Social Media Networks	TARGET (friends and followers)			ACTUAL (friends and followers)		
	FY2019	FY2018	FY2017	FY2019	FY2018	FY2017
Facebook (AmBankMalaysia)	165,000	150,000	138,000	154,203	148,396	128,524
Instagram (@AmBankMY)	3,000	2,500	2,000	4,492	3,163	2,007
Twitter (@AmBankMY)	2,500	300	100	3,446	453	189
LinkedIn (AmBank Group)	30,500	18,150	7,750	40,599	28,045	16,500

2 SOCIAL MEDIA

We continue to be committed to social media ethics and etiquette, while ensuring information shared on our products and services are accurate at the time of release, easily understandable, concise, genuine, compliant and mitigates potential reputational risk or damage to the organisation. Our Social Media Guidelines and relevant content checklist ensures all outgoing collaterals are carefully vetted through appropriate processes prior to publication.

Our Social Media Framework guides our brand voice and establishes a polite and respectful reply protocol for our Contact Centre team, in responding to customers' inquiries on social media. Our Contact Centre web team abides by an internal service benchmark requiring all customer complaints or suggestions to be responded to within four hours. The maximum tolerable timeframe is 12 hours. This has been identified as a key operational and reputational risk in our Top 4 transformation journey.

Aside from Facebook, Instagram, Twitter and LinkedIn, our customers and the community can also find us on popular forums, blogs, social messaging and blogs, as follows:

- Video and photo sharing websites such as Flickr and YouTube;
- Blogs hosted by corporates, individuals and media outlets in Blogspot, Wordpress, as well as the comment section in blog sites;
- Wikis and open-source online content collaborations such as Wikipedia, Dropbox and Google Docs;
- Forums and discussion groups such as Lowyat.Net and Cari.com.my;
- Geo-spatial tagging such as Foursquare;
- Chat messaging applications such as WhatsApp, Line, WeChat and Short Messaging Service; and
- Other emerging electronic and/or digital applications.

Our open and honest social media communication approach fared well in FY2019, garnering strong engagement and followers. For example, our Facebook friends increased by 8.7% to almost 10% and our new LinkedIn connections went up by 45% to 40,599.

Responsible Banking

TYPE OF SOCIAL MEDIA AND MARKETING ACTIVITIES

Social Media and Video Updates

1 April 2018

Launched AmBank Credit Card campaign – Win A Porsche Macan. During the event, we recorded a video featuring Dato' Sulaiman Mohd Tahir, our Group CEO, driving the Porsche Macan. We also launched the all-new AmOnline to the public. In conjunction with the launch, we ran a 4.28% p.a. fixed deposit campaign on AmOnline. On the health front, we launched AmBank Group's 'Health & Wellness Campaign' for our employees. We encouraged our staff to start taking the stairs and they will be rewarded. Meanwhile, we were awarded 'Outstanding Contribution Bank to JomPAY' and 'Outstanding Contribution to MyDebit' at the Malaysian e-Payments Excellence Awards 2018.

2 May 2018

Winners of the AmBank BizRACE were unveiled at a glamorous dinner event at Kuala Lumpur. We launched the 'AmBank WeChat Tipi Tap Raya' campaign! The biggest campaign since we partnered with WeChat, the interactive campaign where members of the public played a game to "tap" offers. We also launched a 'Win Holiday Campaign' for our AmBank credit card customers.

3 June 2018

It is Hari Raya Aidilfitri month. We published a Hari Raya greeting video featuring Tan Sri Azman Hashim, our Group Chairman, Dato' Sulaiman Mohd Tahir, our Group CEO and other senior management members. Organised by our sports club, Kelab AmBank Group, we took AmBankers to Terengganu for the second 'Candat Sotong' event. On AmOnline, we continued to run FD promo and unveiled free instant transfer fees for all AmBank customers for any amount.

4 July 2018

We organised the AmBank Group Raya Open House for customers and guests. Our sports club, Kelab AmBank Group, organised a Hari Raya Open House for our staff and students from S.K. Bangsar, AmBank's adopted school. We also covered the AmOnline's Win a MINI prize giving event where we gave away the brand new car to Mr Francis Ung! The video interview with Mr Ung saw over 2,500 views and 28 shares. In the same month, Phase 2 of the 'AmAssurance on Tour' roadshow was launched.

5 August 2018

The official launch of Azman Hashim International Business School ("AHIBS") was covered LIVE on Universiti Teknologi Malaysia's Facebook page. AmBank BizCLUB's CEO Chats featured Tan Sri Azman Hashim, our chairman where he gave advice on entrepreneurship and business to those in attendance. The event was covered on social media. In the same month and our Transaction Banking team ran a series of customer engagement events where we provided insights, advice and mingled with our customers. We also launched AmMoneyLine personal financing where we provided cash rebates, no early settlement fees and a free travel luggage for our customers.

6 September 2018

AmBank Group garnered the 'Digital Transformation' award at the Red Hat Innovation Awards 2018. We launched a remittance campaign where customers stood a chance to win RM50 petrol gift cards.

7 October 2018

We launched a rebranded AmEquities, formerly known as AmeSecurities. The launch campaign, themed "Start small. Start trading" focused on targeting millennials who are interested in trading. At the end of October 2018, we launched AMY™, the first Virtual Assistant on customer experience, to the media and public. The event was LIVE on our Facebook channel and garnered over 3,300 views, 39 shares and 105 likes. AMY™ is a permanent feature in the AmOnline mobile app on iOS and Android platforms.

8 November 2018

We hosted and organised a post-budget talk – "Budget 2019 - Doing Business in the New Malaysia" where YB Tony Pua and other respected leaders joined the talk. We also launched the AmBank BizRACE in Kuala Lumpur. During the event, we ran an 'Up, Close & Personal' session with Tan Sri Azman Hashim, our Group Chairman. Meanwhile, we sponsored the MRCA Charity Run 2018, chalked up awareness on AMY™ and AmOnline, and ran a teaser campaign to give away VIP passes to the Big Bad Wolf book sale, which garnered massive response with over 250 shares on Facebook.

9 December 2018

AmBank sponsored the Big Bad Wolf popular book sale and provided priority lanes for our customers and discount vouchers. We covered the launch event at the MIECC, The Mines. The month also saw the 13th AmBank Group SportExcel International Junior Golf Championship. It was AmBank Group's 13th year being Title Sponsor for the prestigious sporting event. Meanwhile, we continued to run awareness campaigns, especially #PayWinCelebrate, AmOnline and DuitNow, which was launched to the public on 8 December 2018.

10 January 2019

AmBank and Credit Guarantee Corporation ("CGC") formed a strategic collaboration with Proton to provide financing access via Portfolio Guarantee worth RM100 million, launched AmOnline – only FD & Term Deposit-i 4.28%p.a. promotion and increased awareness on AmBank Cards' 'Level Up Your Lifestyle' campaign where customers stood a chance to win brand a new Mercedes-Benz A-Class.

11 February 2019

AmBank Group won the 'Best SME Bank Award' for Malaysia by Global Banking & Finance Review. Global Banking & Finance Review is a leading United Kingdom-based financial portal and print magazine offering news, analysis, opinion, reviews, interviews and videos from the world of banking, finance, business, trading, technology, investing, brokerage, foreign exchange, tax and legal, Islamic finance, as well as asset and wealth management.

12 March 2019

AmBank Group won the '2018 National OSH Excellence Award' for the financial institution category at the National Occupational Safety and Health ("NOSH") Excellence Awards 2018 presentation ceremony, which was held at the Mövenpick Hotel and Convention Centre KLIA in Sepang, Selangor.

Responsible Banking

TYPE OF SOCIAL MEDIA AND MARKETING ACTIVITIES

AmBank Group Corporate Website

All activities on our one-stop corporate website (ambankgroup.com) abides by AmBank Group's Corporate Website Management Framework, which governs and provides our web content team with the relevant approval and review processes prior to publication. Our Group Corporate Communications and Marketing team ensures that all contents follow AmBank Group's brand guidelines and is compliant with our Corporate Website Management Framework.

Work is underway to continuously upgrade and improve the functionality and aesthetics of our corporate website to remain relevant with our young millennial audience.

Branding

Strong branding is critical to our success in today's challenging and competitive banking environment. For AmBank Group, our brand is not just our logo, slogan, or how hard we market and advertise our products and services. For us, our brand is about how we stay true to our identity – our personality, our values and our promise.

Our branding building efforts, which strive to create 'stickiness' in our audience's mind focuses on delivering AmBank Group as a memorable brand that relates to our customers' success, captures strong value and likeable in our Malaysian context.

AmBank Group's branding strategy, encompassing our branding, communications and marketing activities are governed by our Brand Governance to ensure a consistent brand message across our lines of business. The unified brand messaging ensures that all AmBankers understand and adhere to established brand practices, both internally and externally. While safeguarding our brand from unethical use, our Brand Governance ensures that all marketing communications are synergistic, relevant, purposeful and socially responsible.

In maintaining compliance, our Brand Council leads the enforcement of our Brand Governance. The council consists of representatives from varied functional teams and business units as brand stakeholders to drive robust brand enhancement initiatives that upholds customers' trust and confidence in AmBank Group.

Concurrently, the Brand Council Manifesto expedites the Group's decision-making approach in relation to branding initiatives and affirms the Brand Council's ownership and accountability to the success of the AmBank Group brand.

Employer of Choice

“Growing and Winning Together with AmBankers”



EMPLOYER OF CHOICE

We recognise the need to maintain an engaging and inclusive workplace that allows our people to achieve their aspirations.

Employer of Choice

The banking environment continues to undergo profound changes. Shifts in the expectations of our customers, stakeholders and employees, the emergence of new technologies and changing regulatory frameworks are transforming our business lines and the skills required to provide banking services.

At AmBank Group we believe that to deliver a purpose and values-led transformation for the Group, we need to maintain an engaging and inclusive workplace that empowers AmBankers to achieve their aspirations with the appropriate support.

Our focus as an “Employer of Choice”, therefore, is to:

- Create strong alignment of culture and conduct;
- Support a vibrant, diverse and inclusive workforce;
- Improve employee wellbeing and engagement; and
- Provide targeted professional development.

CREATING A STRONG CULTURE AND CONDUCT ALIGNMENT

AmBank Group’s corporate culture, through the decades, has evolved into a deep, relationship-centric model, focused on quality service and offerings.

This year, we engaged our workforce and our leadership team to review, shape and translate our culture into bite-sized pragmatic day-to-day practices – to convey what it means to each individual AmBanker and the critical role they play in reinforcing our corporate culture. Our culture integrates our purpose, values, Code of Conduct (“CoC”) and Code of Ethics (“CoE”) to ensure we are continuously aligned, improving and adapting for our customers.



We took steps to support our culture and conduct review on outcome and alignment, with a focus on increasing workplace and enterprise collaboration, rewarding proactive people who lead customer first practices and improving customer satisfaction through respectful and ethical services.

We also encouraged innovation and continued to develop key capabilities essential for our digital transformation. Our progress this year includes:

- Co-creation of interventions and solutions for an improved workplace with the use of technology and data (Culture Alignment Survey), as well as high-touch, open and authentic Focus Group Discussions (“FGDs”), and Leader-Skip Level sessions across AmBank Group’s multi-generational and multi-disciplinary workforce. A total of 71 FGDs and Leader-Skip Level sessions were carried out in FY2019;
- Strengthening workplace accountability and consequence management to ensure that employees are held accountable when things go wrong with proportionate consequences consistently applied. This includes improving our performance benchmarking and monitoring tools and enhancing information gathering and consequence matrix which our leaders, the independent Group Disciplinary Committee and the Audit and Examinational Committee have access to, to make informed decisions on employee performance and remuneration (including deferred remuneration, claw backs and forfeiture);
- Introducing a Board-approved market competitive pay-for-performance framework that rewards and balances performance with appropriate risk taking and long term sustainability;
- On-going assessment of employees’ awareness and adherence to AmBank Group’s culture, values, CoC, and compliance requirements; and

Employer of Choice

- Launching our “Digital Garage” to empower and nurture innovative ideas, encourage capability development, and foster rapid learning through project and activity reviews to evolve our approach to continuously deliver better outcomes.

CODE OF CONDUCT AND CODE OF ETHICS

AmBank Group’s CoC and CoE set the expected standard of behaviour, which is closely linked to our values. Our CoC and CoE requires all employees and contractors to act with honesty and integrity and to comply with all laws, as well as all the Group’s policies and procedures in carrying out their responsibilities.

The CoC and CoE is supported by a suite of Guidelines that are reviewed regularly to ensure they reflect applicable changes in law, or otherwise remain fit for purpose. We also expect AmBank Group’s partners (including suppliers, service providers and other third parties) to adopt and maintain similar conduct and ethics principles to those outlined in the CoC, CoE and supporting Guidelines.

All AmBankers are required to complete the CoC and CoE mandatory training courses within one month after commencement of work, followed by annual refreshers.

The CoC and CoE training courses reinforce the importance of AmBank Group’s values and seeks a declaration of compliance with the CoC. By completing the courses, participants confirm they understand the CoC’s principles and have complied with the principles over the past 12 months. In addition to the CoC and CoE, all employees are required to complete a mandatory training on Compliance, which covers among others, Anti-Money Laundering, Know Your Customer and Operational Risk.

In FY2019, we introduced email and supervisor reminders in addition to desktop wallpapers, resulting in 100% of our employees completing their training in a timely manner.

We also made Compliance a compulsory key result indicator in our Performance Management with a Performance Assessment Guide made available to all AmBankers. The guide clearly articulates the impact to overall performance outcome and remuneration when an employee’s behaviour does not meet expectations. Where there is evidence that an individual may have breached our CoC, CoE, or other relating Guidelines, and where such allegations are substantiated upon investigation, appropriate disciplinary action will be taken. This includes formal warnings, dismissal and where relevant for our senior employees, bonuses will be reduced.

SUPPORTING A VIBRANT, DIVERSE AND INCLUSIVE WORKFORCE

As at March 2019, AmBank Group provides employment to a total workforce of over nine thousand employees. The composition of employees by employment status and gender are as follows:

BREAKDOWN OF TEMPORARY AND PERMANENT STAFF*				
Staff Status (As at 31 March)	FY2019		FY2018	
	Female	Male	Female	Male
Temporary	1%	1%	1%	1%
Permanent	61%	37%	60%	38%
Subtotal	62%	38%	61%	39%
Total	100%		100%	

* Note: Comprise only employees (inclusive of AmMetLife and AmMetLife Takaful), who are employed as at 31 March 2019 and 31 March 2018

We believe in the inherent strength of a vibrant, diverse and inclusive workforce where the backgrounds, perspectives and life experiences of our people help us forge strong connections with our customers, to innovate and make better decisions for our business. Workforce diversity is taken into consideration across AmBank Group, including when we are recruiting new staff and promoting current employees.

At AmBank Group, we support a workforce which reflects the diversity of the communities in which we live and operate. Our hiring, reward, recognition and retention processes recognise diversity in its broadest sense throughout the entire organisation, including one’s gender, gender expression and identity, sexual orientation, age, caring responsibilities, disability, family and relationship status, cultural identity, ethnicity, religious beliefs, education and socio-economic background.

We have a shared responsibility to foster a work environment that promotes equal opportunities and mitigates discrimination. This is achieved through the following actions:

- Valuing individual abilities, such as language skills and international experience that may help to broaden our overall market knowledge and business connections;
- Identifying and addressing any unconscious bias in recruitment, retention and promotion that may be preventing any particular group of people from joining or continuing to serve the Group;
- Enforcing human rights, employees’ right for protection and zero tolerance for discrimination through AmBank Group’s CoC, CoE, Group Disciplinary Committee and Whistleblower Policy;
- Being aware and appreciate different cultural practices and special needs of employees and making the necessary workplace adjustments to support such practices and needs where appropriate;
- Catering for individualised needs via flexible employee benefits and workplace policies; and
- Observing and celebrating Malaysia’s unique multicultural and multi-religious festivities across AmBank Group.

Employer of Choice

GENDER EQUALITY

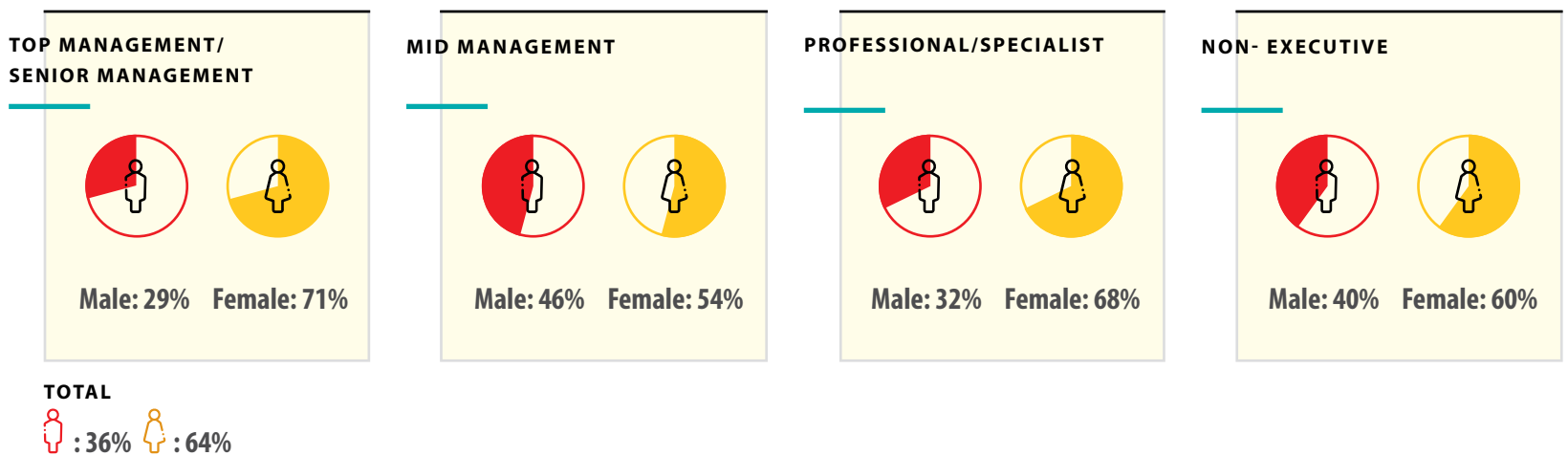
Women in leadership remains our focus this year to improve gender equity at the most senior and influential levels of the organisation. We have a 29% female representation at our Board and four women as members of our Top Management (“C-Suites”) – the Managing Director for Wholesale Banking, Managing Director for Retail Banking, Group Chief Compliance Office and Group Chief Human Resources Officer.

We are fully committed to maintaining a balanced gender composition in executive and managerial positions and we continue to make systematic efforts to attract best-suited individuals to fill gaps within the business and ensure adequate succession planning, internal development and progression are in place to achieve a well-balanced management and executive team that delivers value-added ideas and innovation.

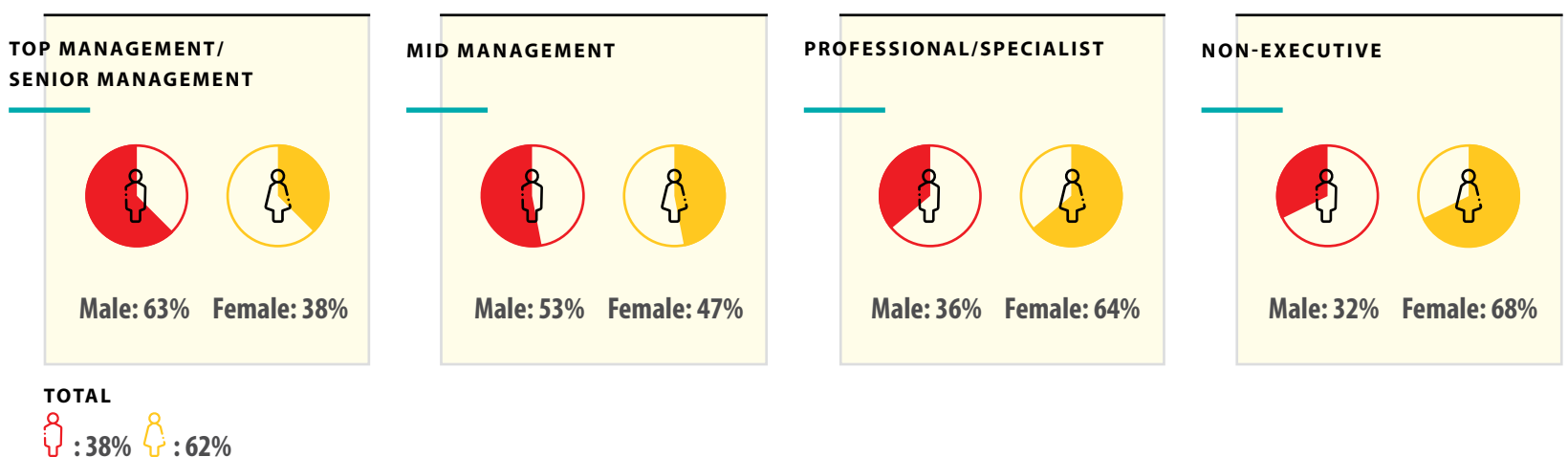
To-date, the majority of employees in AmBank Group are women with 64% of promotees being women this year.



INTERNAL PROMOTION BY GENDER & EMPLOYEE LEVEL (WORKFORCE CATEGORY)



EMPLOYEE DISTRIBUTION BY GENDER & EMPLOYEE LEVEL (WORKFORCE CATEGORY)



Employer of Choice

Gender Pay Equity

AmBank Group recognises that in order to attract, retain and motivate the best talent, we need to measure and reward our talents' performance. We also need to ensure we have a considered and equitable approach to how we determine remuneration that aligns to local financial services industry's practices. As such, the Board approved a performance and remuneration framework that is aligned with Bank Negara Malaysia's Corporate Governance stipulations and is focused on addressing two key objectives:

1. To attract, recognise, motivate and retain the right employees; and
2. To align the interests of AmBankers with our shareholders through equity ownership to ensure long term performance sustainability and appropriate levels of risk taking.

In guiding the performance of our people and business, each AmBanker is assessed in accordance with a Performance Management Plan, which aligns achievements with stretch goals to enable them to deliver, develop and grow.

We also dedicate significant focus on ensuring equal pay for work of equal value to compete for talents within the employment market at large. Hence, we strive to streamline our remuneration package by:

- Participating in independent wage and employee benefit surveys annually by WillisTowersWatson, McLagan, and Mercer;
- Conducting regular pay and employee benefit reviews across similar roles within the industry (to ensure market pay equity) and within AmBank Group as a whole (to ensure internal pay equity);
- Setting the right variable reward targets for performance contribution and alignment with organisation objectives in a fair and transparent manner;
- Ensuring annual remuneration recommendations across all roles are performance-driven with each AmBanker living up to the Group's values; and
- Cross-examining performance outcomes across the Group each year to eliminate assessment bias.

AmBank Group have voluntarily reported on our gender pay gap for several years as we work to actively address real barriers to equal pay among our male and female employees. While there appears to be a pay gap in the average salaries of male and female employees across all reported entities within the Group and to ensure that our disclosures are transparent, meaningful, and focused on areas that are of most relevance, we believe it is important to recognise:

1. The interdependencies at play when it comes to gender equality;
2. Factors that influence an individual's remuneration package such as their unique skills, experience, qualifications and performance; and
3. Methodologies used in reporting gender pay equity.

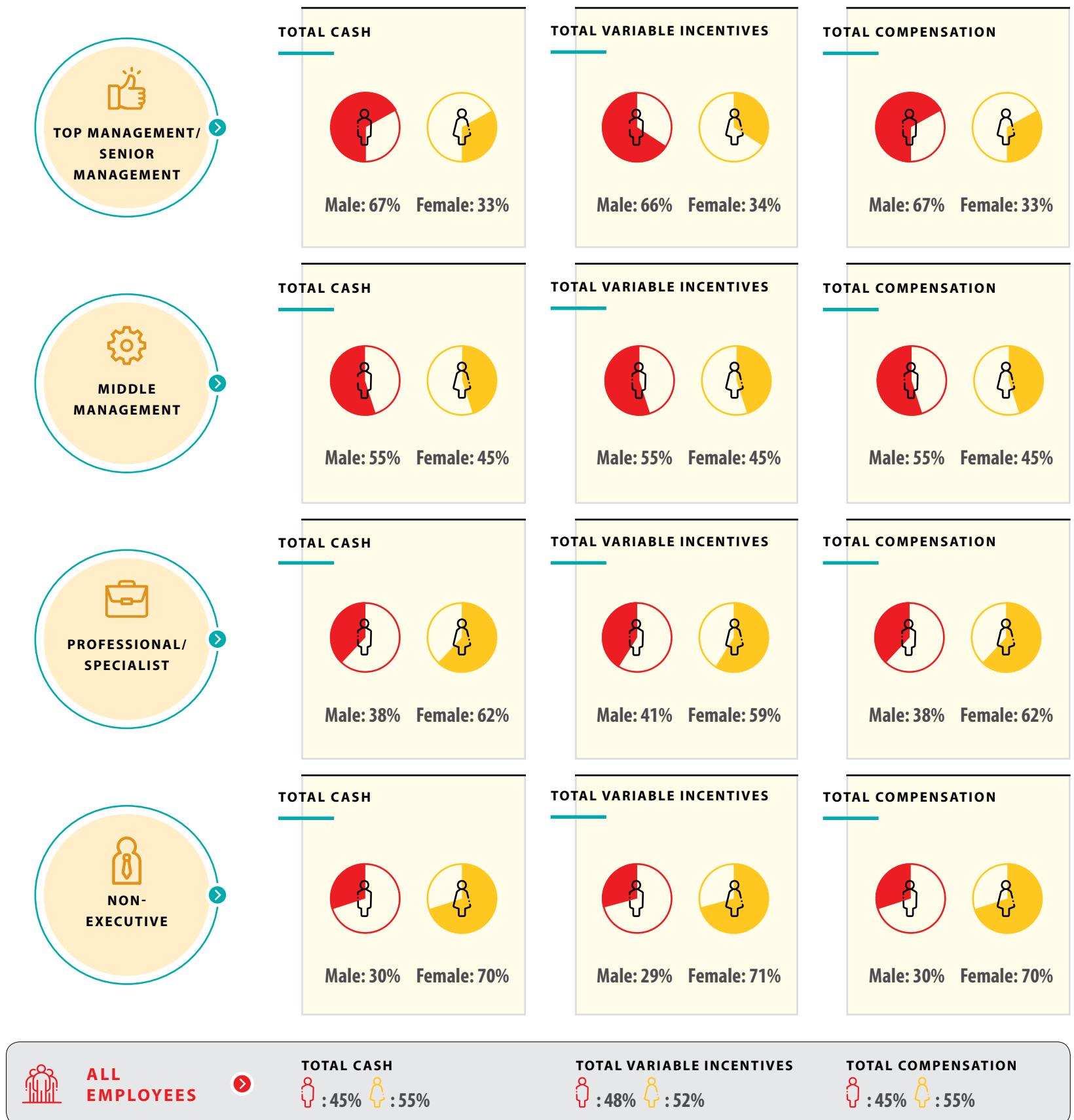
AVERAGE MONTHLY BASIC SALARY FOR FEMALE VS MALE EMPLOYEES*										
Company Name	2014		2015		2016		2017		2018	
	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female
	Average Basic Salary (RM)									
AmBank (M) Berhad	6,002	4,631	6,163	4,763	6,224	5,040	6,567	5,338	6,714	5,360
AmInvestment Bank Berhad	9,971	7,426	9,793	8,098	9,698	8,320	9,721	8,741	10,016	8,103
AmBank Islamic Berhad	8,608	6,526	11,419	6,781	11,988	7,032	13,234	7,304	14,430	8,356
AmGeneral Insurance Berhad	5,077	4,003	5,454	4,345	6,093	4,589	6,380	4,832	6,213	4,655

* Figures reported are as per calendar year basis

Employer of Choice

Using the “Average Basic Salary” methodology as reported above, a lower representation of women in senior and high-paying roles within the Group’s entities is discernible. However, the “Like-for-Like” methodology, which compares both genders’ pay in similar hierarchy levels, suggests disparity of a lesser extent between male and female employees.

EMPLOYEE REMUNERATION BY GENDER AND EMPLOYMENT LEVEL IN FY2019



Employer of Choice

This two-pronged pay assessment approach allows us to better understand and evaluate the root causes of our gender pay gap – where the primary drivers of AmBank Group’s gender pay gap comprise the level of representation of women in leadership roles and specific (niche) job functions that yield higher salaries. For example, when we review our non-management employee category, the average pay for women is higher than that of men on a “Like-For-Like” basis, whereas at the Management level the reverse holds true.

Committed to ensuring that there are no conscious or unconscious bias in our pay decisions, we are focused on initiatives to close the gender pay gap including the removal of systemic bias from our processes, such as our performance and remuneration review.

We also provide enhanced support for our line managers to make fair and equitable remuneration decisions. This includes specific guidance for line managers during performance and remuneration reviews on employees who are absent on, or recently returned from parental, sabbatical, unpaid, or prolonged sick leave to ensure their remuneration remains aligned with their overall performance and productivity, and market pay rates.

Age Distribution and Seniority

Gender diversity goes beyond rank at AmBank Group, where roles and functions – in our lines of business across age groups and seniority – have a fair representation of both genders, while ensuring all requisite work criteria are met.

Being a banking and financial services group that has a relatively balanced employee distribution by age and seniority, with 10 years being the average length of tenure, we firmly believe that all of our employees are valuable to us and they bring a range of perspectives and skills to the organisation.

AGE DISTRIBUTION BY GENDER		
Age	Female	Male
< 20 years old	86%	14%
20-25 years old	63%	37%
26-30 years old	61%	39%
31-35 years old	65%	35%
36-40 years old	67%	33%
41-45 years old	63%	37%
46-50 years old	61%	39%
> 50 years old	58%	42%
Total	62%	38%

SENIORITY YEARS OF SERVICE (“YOS”) BY GENDER		
Year of Service	Female	Male
Less 2 years	56%	44%
2-5 years	61%	39%
6-10 years	67%	33%
11-15 years	70%	30%
16-20 years	59%	41%
> 20 years	64%	36%
Total	62%	38%

Employer of Choice

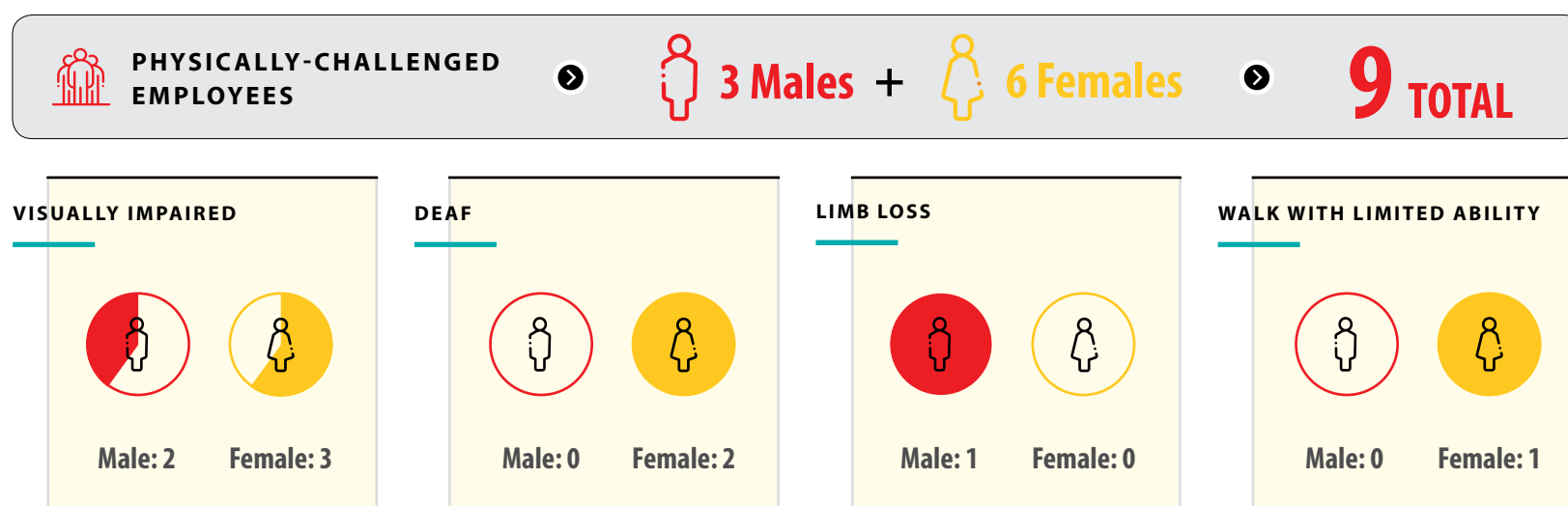
VULNERABLE EMPLOYMENT GROUPS

When we recruit for a role, a candidate is deemed best-suited based on the required qualifications, knowledge, work and life experience, with the right behavioral competencies that are aligned to AmBank Group's Culture and Values. Guided by these criteria and our diversity and inclusion mindset, we continuously promote the participation of under-represented groups in our workforce.

We provide employment opportunities to individuals who otherwise may find it challenging to secure permanent employment due to physical limitation or impairment. AmBank Group is an equal opportunity employer and we welcome and include employees from diverse backgrounds and physical conditions, thus helping to facilitate their social and economic participation. For example, we:

- Consider the gender and geographical representation of employees in our succession plans to ensure a broad representation of the population in which we operate;
- Regularly monitor the representation and engagement of our workforce in terms of age, cultural and ethnic background, physical capacity, gender and sexual orientation; and
- Utilise flexible work arrangements, and/or ensure the provision of workplace facilities and relevant support to enable them to perform at their best.

Our diverse, open and inclusive work environment provides employment opportunities for loyal, involved and committed employees who contribute to the shared success of the Group. This financial year, we continue to employ nine individuals with varied physical disabilities within the Group. We also reskilled and provided the necessary workplace support and guidance to 46 unskilled individuals via our RB Cares programme.



CULTURAL AND ETHNIC INCLUSION

Being a Malaysian bank that supports a multi-cultural and multi-ethnic workforce, AmBank Group is committed to ensuring our workplace reflects the diverse cultural composition of our community. As such we are mindful that:

- All employee-related policies, frameworks and practices are removed from systemic biasness, including due to race or religion;
- Line managers are equipped to access each AmBanker's performance, development and progression opportunity and make pay decisions based on facts and merit; and
- We pay close attention to ensuring the cultural practices, celebrations and festivities of all ethnicities are equally represented by the Group, both internally and externally.

Employer of Choice

MULTI-ETHNIC EMPLOYEE COMPOSITION

Ethnicity	Female	Male
Malay	30%	18%
Chinese	25%	15%
Indian	5%	4%
Others	2%	1%

As such, in FY2019 we:

- Hosted 10 events which celebrated major cultural festivities, as we drive awareness, education and understanding on cultural diversity;
- Created new/additional communal prayer facilities in our primary office buildings and business locations; and
- Introduced Hajj pilgrimage leave for our Muslim employees.

PROMOTING A FLEXIBLE AND CROSS-GENERATIONAL WORK ENVIRONMENT

With more than half of our employees indicated that they would like the flexibility needed to accommodate priorities at work, home and in the community, AmBank Group had introduced a flexible work policy in January 2019, allowing AmBankers the freedom to tailor their work hours. Our new flexible work policy provides a formal framework for employees to discuss their need for flexible work arrangements with their respective line managers and provides a sense of comfort that the Group is supportive of workplace flexibility which increases productivity, promotes work-life balance and helps keep talented people on board.

EMPLOYEE BY GENERATION (%)

Generation	Female	Male
Baby Boomers (1946 - 1964)	2%	3%
Generation X (1965 - 1980)	28%	17%
Generation Y (1981 - 1996)	32%	18%
Total	62%	38%

Additionally, we recognise that our workforce comprises of Baby Boomers, Generation X and Generation Y with different needs. As a responsible employer, we have designed various employee initiatives to deliver our employer value proposition in a meaningful way, centred around our digital culture transformation.

INITIATIVES LAUNCHED IN FY2019 INCLUDE:

DRESS-DOWN ATTIRE

Business casual attire for all AmBankers from Monday to Friday. Discretion is provided to AmBankers whose roles are customer-facing and/or when attending formal meetings (external or internal).

RECREATIONAL BREAK-OUT SPACES

Generous spaces to 'chill' with facilities that encourage AmBankers to take short breaks and participate in social and networking activities. This helps to promote self-care and an increased sense of wellbeing in a fast-paced, performance-driven work environment.

COLLABORATIVE WORKSPACE

Circa 40% of AmBankers have adopted open work environment with ergonomic seating, mobile connectivity and 'hot desk-ing' to foster better workplace collaboration, teamwork and relationship building.

INNOVATION LAB

Launched two pilot programmes this financial year to promote innovation and out-of-the-box ideas around our customers, employees and AmBank Group's strategy.

REMOTE INTERNET CONNECTIVITY

We stepped-up and increased our provision of remote Internet connectivity and wireless mobility to support workplace flexibility.

DIGITAL GARAGE AND AGILE TEAM

Developed two digital garages and formed agile work teams to support product and service innovation for AmBank Group's Retail Banking, Business Banking and Wholesale Banking customers, while strengthening the Group's digital culture and capability.

Employer of Choice

IMPROVING EMPLOYEE WELLBEING AND ENGAGEMENT

In AmBank Group, employee wellbeing extends beyond health and wellness or engagement. It includes freedom of association, fair and equitable treatment, a non-discriminatory culture, protection from whistleblowing and a safe and secure work environment.

Employee Wellbeing

AmBank Group's employee wellbeing vision is to have all employees well at the workplace by creating a healthy environment where they can perform, are resilient in times of change, feel engaged and are productive in their roles.

We offer a range of tools, resources, services and programmes to help our employees manage their physical health and mental wellbeing. These include a strong focus on early intervention for physical or psychological malaise and/or injury, through a number of wellness initiatives and flexible and convenient platforms that empowers AmBankers to take charge of their lives.

Some of the initiatives introduced in FY2019 include:

- **Revised Compulsory Leave and Leave Policy** – To facilitate our employees to take adequate time off from work without the need to accumulate earned vacation time.
- **Mobile Doctor and Prescription** – Extended 24/7 general practitioner medical consultation and free prescription delivery for AmBankers and eligible family members. Discounts are extended to non-covered prescriptions, over-the-counter drugs and supplements.
- **Flexible Benefit enhancement with Lifestyle and Wellness Market Place** – Enhancement to our four years running flexible benefit programme with the introduction of a marketplace that offers discounted lifestyle and wellness products available for purchase by AmBankers.
- **Wellness Campaign** – A series of healthy living activities held over a period of two months, with complimentary health screening and diagnosis, bite-sized health talks tailored to AmBankers' medical history, face-to-face training on mental health awareness and support (includes stress management and stress-coping skills), nutrition campaign with discounted organic and superfood products, preferred Employee Screening Programme pricing for AmBankers' family members and company-paid health checks.
- **AmGames** – A month of sporting activities and tele-matches leading up to a three-day AmGames involving more than 1,500 AmBankers.
- **Financial wellbeing** – Supports the financial wellbeing of AmBankers via personalised financial planning and advice, "0%" or preferential interest/financing rate as well as a range of enterprise discounts for AmBankers as part of their employment benefits.

Employee Engagement

Engaging our people starts with listening to their feedback. At the core of our culture is open and transparent communication and easy access to Senior Management, where various feedback channels are constantly available for employees to communicate and provide suggestions – not only to improve the workplace, but also to innovate our business practices.

These channels include SpeakUp! (108 employees contributed their thoughts in FY2019 with 19% related to workplace improvements and 81% relating to business or product betterment), the Group Chief Executive Officer's dedicated email 'Talk to DSMT', as well as our 24/7 Whistleblower channel.

INTERNAL COMMUNICATIONS AND FEEDBACK CHANNELS (SPEAK UP, TOWNHALL, ETC)



Suggestions for better workplace and business practices:

19%

Suggestions on product and service improvement ideas:

81%

Real-time feedback via mobile app such as 'Sli.do' continues to be featured in all townhall activities within the Group to encourage employees to voice their opinions and concerns.

Recognising the need to break down hierarchies, and give our employees direct access to leaders and other teams across the organisation, countless of face-to-face employee engagement sessions were organised nationwide with the Group Chairman, the Group Chief Executive Officer and Senior Management, comprising townhalls, skip-level lunches, branch network tours and talent reward and recognition events.

Our annual employee engagement survey, conducted by Gallup Organisation, was another way our employees tell us how they feel about working with us. For FY2019, our overall employee engagement score was 70.6%, a marked improvement from FY2018 score.

EMPLOYEE ENGAGEMENT SCORE: FEEDBACK



Where we did well

Sense of Belonging

Collaboration and a caring work place

Empowerment and Growth Opportunities

Having the freedom to express views and opportunity to learn and grow

Mission and Purpose

How leaders help connect, communicate and lead our purpose and vision



Where we can improve

Enablement

Making it easy to get the job done and having the right tools to succeed

Recognition

Appreciation and timely performance feedback

Employer of Choice

The result of our annual employee engagement survey was a culmination of three Senior Leadership Strategy Sessions, 12 Teambuilding Offsites and localised action plans implemented by appointed Employee Engagement Champions and sponsored by the respective businesses' Senior Leadership teams. This was supplemented by Group-wide engagement initiatives led by the Group Chairman, Group Chief Executive Officer and AmBank's Sports Club.

Our improved employee engagement score for FY2019 translates to the following tangible business impacts:

HIGH PERFORMER RETENTION

Total High Performer
Retention Rate
95%



**TOP MANAGEMENT/
SENIOR MANAGEMENT**
97%



MID MANAGEMENT
95%



PROFESSIONAL/SPECIALIST
94%



NON-EXECUTIVE
98%

TURNOVER RATE BY LEVEL

Voluntary
TurnOver
17%

Involuntary
Turnover
7%



**TOP MANAGEMENT/SENIOR
MANAGEMENT**

Voluntary
Turnover
11%

Involuntary
Turnover
3%



MID MANAGEMENT

Voluntary
TurnOver
15%

Involuntary
TurnOver
3%



PROFESSIONAL/SPECIALIST

Voluntary
TurnOver
21%

Involuntary
TurnOver
8%



NON-EXECUTIVE

Voluntary
TurnOver
4%

Involuntary
TurnOver
7%

HIRING SOURCE

Total
Hiring Source
100%



REFERRAL-EXTERNAL
12%



REFERRAL-INTERNAL
25%



UNSOLICITED
24%



OTHERS
39%

HIGH PERFORMER RETENTION RATE BY WORKFORCE CATEGORY

Workforce Category	Female	Male	Overall
Top Management/Senior Management	100%	95%	97%
Mid Management	95%	95%	95%
Professional/Specialist	94%	94%	94%
Non-Executive	98%	97%	98%
Total	95%	94%	95%

OVERALL TURNOVER RATE BY WORKFORCE CATEGORY

Workforce Category	Female		Male		Overall	
	Voluntary	Involuntary	Voluntary	Involuntary	Voluntary	Involuntary
Top Management/Senior Management	0%	0%	18%	5%	11%	3%
Mid Management	15%	3%	15%	3%	15%	3%
Professional/Specialist	19%	7%	24%	10%	21%	8%
Non-Executive	3%	6%	4%	9%	4%	7%
Total	16%	7%	20%	9%	17%	7%

Employer of Choice

HUMAN RIGHTS, FREEDOM OF ASSOCIATION, AND ZERO DISCRIMINATION

AmBank Group recognises the spirit of the International Labour Organisation conventions with respect to Human Rights and the need for its protection, by freely allowing individual freedom of association as enshrined in the various labour laws of the country.

The Right to Freedom of Association

AmBank Group's human capital practices fully complies with Malaysia's labour laws, including the Trade Union Act 1959. In line with our compliance, we have granted recognition to the following in-house and National Labour Unions to represent various AmBank Group employees within their respective scope of representation, as approved by the Registrar of Trade Unions:


- **Kesatuan Pekerja-Perkerja AmBank (M) Berhad ("KEPPA")** – an in-house union that represents all AmBank non-executives (clerical and non-clerical) in Peninsular Malaysia.
- **Kesatuan Eksekutif AmBank (M) Berhad** – an in-house union that represents all AmBank executives (Grade EX1, SE2 and SE1).
- **Sarawak Bank Employees' Union** – a national union that represents all non-executives (clerical and non-clerical) under the employment of banks operating in the state of Sarawak.
- **Sabah Bank Employees' Union** – a national union that represents all non-executives (clerical and non-clerical) under the employment of banks operating in the state of Sabah.
- **Association of Bank Officers, Peninsular Malaysia ("ABOM")** – a national union that represents all executives (Grade E and EX2) under the employment of banks operating in Peninsular Malaysia.

Collective Bargaining Agreements

AmBank Group is engaged in three active Collective Agreements ("CAs") covering our non-executives (clerical and non-clerical) through KEPPA, the Sabah Bank Employees' Union, and the Sarawak Bank Employees' Union.

In the case of ABOM the case was heard at the Industrial Court and is still on-going. In the case of our In-House Executive Union, which represents employees under the Grades EX1, SE2 and SE1, the Management has yet to receive a Collective Agreement proposal from the union. We shall begin negotiations with the executive union upon receiving their proposal.

In FY2019, a total of 12% of our total employees are covered by collective bargaining agreements, compared with 12.3% in FY2018.

 TOTAL STAFF UNDER CAs (% VS TOTAL POPULATION)	
FY2019	FY2018
12%	12.3%

Compliance with Malaysian Laws on Working Hours and Overtime

Our established human resources practices are in full compliance with the requirements and stipulations stated under the Employment Act 1955. In keeping with our compliance, no employee is allowed to work excessive hours beyond those required under the law.

Overtime work is only permitted as and when required based on operational needs. In general, AmBank Group is adequately staffed to carry out the work required, and the need for overtime hours does not arise on a frequent basis. Notwithstanding the aforesaid, the existing CAs provide the relevant provision/protection for staff who clock overtime hours.

Compliance with Minimum Wage

The basic salaries of all AmBank Group employees were already set above the minimum wage requirement, prior to the country-wide implementation of the present minimum wage requirement, as announced by the Malaysian Government during Budget 2019. The minimum starting salary is periodically reviewed by the Management and through CA negotiations. Additionally, AmBank Group's non-executive employees' basic salaries are supplemented by Cost-Of-Living Adjustment ("COLA") allowance, with the relevant terms as stipulated in the respective CAs.

Furthermore, the Group does not tolerate any form of discrimination. The Group has robust independent processes – including a disciplinary committee to review cases that are raised directly. Our whistleblower channels are accessible round-the-clock. Here, employees may raise their grievances directly to the Top Management through the appointed ombudsperson. Whistleblower's identity and personal details are protected and each complaint will be treated with the strictest confidence.

Employer of Choice

ENSURING A CONDUCTIVE, SAFE AND HEALTHY WORKPLACE

We place significant value on the principle of 'Prevention is better than cure' in our approach towards workplace safety. AmBank Group has put in place a comprehensive Occupational Safety and Health ("OSH") Management System. Regular health and relationship-building activities are organised by the Group to promote employee wellbeing, which contributes towards the Group's performance and competitiveness.

Occupational Safety and Health ("OSH") Management System

AmBank Group believes that safe and healthy employees are productive employees who lead more rewarding lives, both inside and outside the office. We invest substantial attention and focus on OSH matters and ensuring the safety, health and welfare of all our employees is our priority.

All members of our OSH committees are equipped with the competencies and knowledge to identify potential OSH risks and implement controls to minimise the occurrence of OSH incidents. In addition to setting measurable objectives and targets through strategic and operational safety and health plans, we conduct OSH inspection audits, which involve yearly site inspections at AmBank Group premises across Malaysia.

Lost Time Injury Frequency Rate

As a result of careful implementation of our OSH Management Plan, we successfully maintained a zero fatality track record in FY2019 and reduced our 'Lost Time Injury Incident Rate' and 'Lost Time Injury Frequency Rate' to 1.44 and 0.58, respectively.

We have also increased our safety and health training programmes to six programmes during the year with 156 AmBankers trained with the right skills in safety and health. Going forward, demonstrable efforts are underway to increase the number of AmBankers who are equipped with such skills.

Occupational Safety and Health Indicator	FY2019*	FY2018	FY2017	FY2016	FY2015
Accident with Fatality	0	0	0	0	0
Accident with Lost Workdays	14	21	18	17	8
Total of Lost Workdays	469	1,279	807.5	461	101
Accident without Lost Workdays	1	0	0	0	0
Total Numbers of Accidents	15	21	18	17	8
Fatality Rate	0	0	0	0	0
Lost Time Injury Frequency Rate ("LTIFR")	0.58	0.74	0.64	0.59	0.27
Lost Time Injury Incident Rate ("LTIIR")	1.44	1.84	1.6	1.48	0.68
Numbers of Safety & Health Training Programmes	6	4	5	4	3
Numbers of Employees Trained in Safety and Health	156	210	409	418	162

* Covers the period from 1 Jan 2018 – 31 Dec 2018, as per the Department of Occupational Safety & Health's (DOSH) calendar year for yearly incident reporting through JKKP Form 8

Employer of Choice

Throughout FY2019, AmBank Group invested approximately RM250,000 in safety and health related training programmes.

1. Basic Fire Fighting & Emergency Response

➤ **Date:** 16-17 August 2018
Target Audience: Northern Region
Attendees: 30

➤ **Date:** 26-27 November 2018
Target Audience: Southern Region
Attendees: 22

➤ **Date:** 26-27 February 2019
Target Audience: Central Region
Attendees: 28

2. ISO 45001:2018 Certification Training

➤ **Date:** 21 June 2018
Target Audience: Central Region (OSH Committee and invitees)
Attendees: 19

3. Safety and Health Committee Roles and Responsibility

➤ **Date:** 11-12 July 2018
Target Audience: New and refresher OSH Committee
Attendees: 32

4. Permit To Work ("PTW") Training for Contractors

➤ **Date:** 1-2 August 2018
Target Audience: Central Region – Project Manager and/or Business Unit's Person-In-Charge
Attendees: 25

OSH Activities

1. OSH E-Learning

As at 31 March 2019, 98% of AmBankers have completed the mandatory Safety and Health module in our Workplace e-learning portal.

2. Regional (Branch) OSH Inspection Audit

All planned OSH inspection on branches in all 12 retail banking regions have been carried-out and the outcomes and relevant OSH risk mitigation recommendations were tabled to the respective OSH Committees, including the Group OSH Committee.

Employer of Choice

ENSURING A CONDUCTIVE, SAFE AND HEALTHY WORKPLACE

FY2019 Regional (Branch) OSH Inspection Audit

No.	Region	FY2019 Branch Visit	FY2019 OSH IA Date	OSH Fire Rescue & ERT Training Date	FY2018 Branch Visit	FY2018 OSH IA Date	
1	Northern Region 1 - NR1 + Kedah + Perlis	1. Balik Pulau 2. Bukit Mertajam 3. Jitra	15 August 2018 14 August 2018 13 August 2018	16 & 17 August 2018	1. Pulau Tikus 2. Gelugor 3. Sungai Bakap	18 July 2017 19 July 2017 20 July 2017	
2	Northern Region 2 - NR2 + Perak	1. Batu Gajah 2. Silibin 3. Kuala Kangsar	12 November 2018 13 November 2018 14 November 2018		1. Bercham 2. Menglembu 3. Kampar	25 July 2017 26 July 2017 27 July 2017	
3	Southern Region 1	1. Johor Jaya 2. Kota Tinggi 3. BP Jalan Rugayah	26 November 2018 27 November 2018 28 November 2018		26 & 27 November 2018	1. BP Jalan Rahmat 2. Pontian 3. JB Melodies	15 August 2017 16 August 2017 17 August 2017
4	Southern Region 2	1. Tangkak 2. Jasin 3. Ayer Keroh	7 November 2018 8 November 2018 9 November 2018			1. Port Dickson 2. Bandar Utama Cheng 3. Muar	22 August 2017 23 August 2017 24 August 2017
5	Southern Region 3	1. Semenyih 2. Nilai 3. Rasah	11 January 2019 12 January 2019 13 January 2019			1. Balakong 2. Bandar Mahkota Cheras 3. Seremban Jdify	12 September 2017 13 September 2017 14 September 2017
6	Sabah Region	1. Bandar Pasaraya 2. Tawau 3. KK Plaza Shell	11 December 2018 12 December 2018 13 December 2018	To be conducted on 2 & 3 September 2019	1. Keningau 2. Kudat 3. Lahad Datu	3 October 2017 4 October 2017 5 October 2017	
7	Sarawak Region (RD's request for 2 nd week)	1. Serian 2. Sibu JTO 3. Miri Boulevard	8 October 2018 9 October 2018 10 October 2018	To be conducted on 20 & 21 November 2019	1. Miri BJC 2. Bau 3. Kuching Tabuan Jaya	24 October 2017 25 October 2017 26 October 2017	
8	East Coast Region	1. Pasir Mas 2. Dungun 3. Kuala Terengganu	26 January 2019 27 January 2019 28 January 2019	To be conducted on 14 & 20 August 2019	1. Jerteh 2. Triang 3. Jerantut	14 November 2017 15 November 2017 16 November 2017	
9	Central Region 1	1. YKS 2. Menara Dion 3. Jalan Klang Lama	Done 11 October 2018 12 October 2018	26 & 27 February 2019	1. Puchong Kinrara 2. Bandar Sri Permaisuri 3. OUG	14 June 2017 15 June 2017 16 June 2017	
10	Central Region 2	1. Taman Tun Dr Ismail 2. Kelana Jaya 3. Subang Jaya	16 October 2018 17 October 2018 18 October 2018		1. PJ New Town 2. Solaris Mont Kiara 3. USJ Taipan	20 June 2017 21 June 2017 22 June 2017	
11	Central Region 3	1. Port Klang Palmbase 2. Kota Kemuning 3. Banting	4 December 2018 5 December 2018 6 December 2018		1. Shah Alam 13 2. Bukit Tinggi Klang 3. Bandar Puteri Klang	4 July 2017 5 July 2017 6 July 2017	
12	Central Region 4	1. Wangsa Maju 2. Kepong Baru 3. Selayang	11 December 2018 12 December 2018 13 December 2018		1. Rawang Country Homes 088 2. Bandar Baru Rawang 132 3. Ampang Point 075	11 July 2017 12 July 2017 13 July 2017	

3. Group OSH Committee Meeting

Chaired by the Chief Executive Officer ("CEO") of AmBank Islamic Berhad, Encik Eqhwan Mokhzanee, a total of four meetings were held in 2018.

First meeting was held on
2 April 2018

Second meeting was held on
3 July 2018

Third meeting was held on
25 September 2018

Fourth meeting was held on
21 December 2018

Employer of Choice

4. Group OSH Committee Courtesy Visit to Petronas Twin Tower in KLCC

A visit by AmBank Group OSH Committee to Petroliaam Nasional Berhad (“PETRONAS”)’s headquarters at the Petronas Twin Tower was held on 12 March 2018, as part of knowledge sharing on OSH best practices.

5. Group-wide OSH Communication

- Monthly OSH Bulletins were published in the AmBank Group OSH Portal available to all employees within AmBank’s internal intranet, ‘Am Connected’
- Carried out the biannual ‘OSH Feedback Solicitation’ initiative, the formal process where OSH-related feedback from employees are sought
- Published periodic OSH memos, prohibitions and updates within ‘Am Connected’
- OSH incident investigation, inspection and briefing updates published in AmBank Group OSH Portal

OSH Projects and Special Events

1. AmBank Group organised its third annual **OSH Seminar** on 3 July 2018 at Bangunan AmBank Group, which saw an attendance of 230 participants. Invited guests included speakers from the Department of Occupational Safety and Health (“DOSH”), PETRONAS and our OSH consultant. OSH Awards were presented to AmBank buildings and branches that exhibited best OSH practices.
2. To drive OSH awareness and inculcate wellness practices throughout AmBank, two OSH Health & Wellness Campaigns were conducted at Bangunan AmBank Group from 16 April to 11 May 2018 and at Menara AmBank from 6 August to 10 August 2018.

Among the activities carried out during the campaigns for the health benefit of AmBankers included health screening, safety and health products booth display, health talks and the Staircase Challenge Campaign.

- Other than on-ground activities, AmBank Group continued to invest in the wellbeing of our employees through comprehensive healthcare coverage and the provision of gym facilities in our main office buildings, health club memberships and health-oriented initiatives by our Kelab AmBank Group (“KAG”). Wellness programmes which were introduced in 2017 continued to be implemented to ensure all our employees receive the best possible attention and resources needed to keep their health at optimal condition:
 - i. AmBank Group Fat Loss Programme;
 - ii. Executive Screening Campaign; and
 - iii. AmBank Group Flexible Benefits Programme where employees may opt for gym memberships of their choice and alternative healing treatments like Ayurveda treatment, as part of their entitled benefits.



Staircase Challenge Campaign



Health and Wellness Campaign 2018

Employer of Choice

ENSURING A CONDUCTIVE, SAFE AND HEALTHY WORKPLACE

- KAG is AmBank Group's sports and recreation club for all AmBankers. The club provides a wide range of sports and social capital activities, as well as competitive challenge events to cultivate a balanced and healthy working environment in the Group. Below is the list of activities carried out by KAG in FY2019:

No.	KAG Activities and Programmes	Date
1	Northern Region KAG Chinese New Year Dinner 2018	9 Mar 2018
2	KAG 37 th Annual Grand Meeting (AGM)	29 Mar 2018
3	Southern Region KAG Dinner 2018	10 April 2018
4	Karnival Candat Sotong 2018 (first session)	29 June 2018
5	Karnival Candat Sotong 2018 (second session)	1 July 2018
6	Central Region Raya Open House 2018 in Kuala Lumpur	11 July 2018
7	East Coast Region Raya Open House 2018 in Kuantan, Pahang	20 July 2018
8	AmGames 2018	10-11 Aug 2018
9	KAG participated in #AnakAnakMalaysiaWalk by Star Media Group	2 Sep 2018
10	KAG Penalty League	30 Sep 2018
11	KAG participated in 2018 Mind Run & Carnival	3 Oct 2018
12	KAG Bowling Tournament 2018	13-14 Oct 2018
13	KAG participated in ScamBuster Run 2018	14 Oct 2018
14	Staff Engagement Dinner for Northern Region and CX Launch (Ipoh, Perak) in conjunction with Deepavali Celebration	19 Oct 2018
15	Staff Engagement Dinner for Southern Region and CX Launch (Melaka) in conjunction with Deepavali Celebration	26 Oct 2018
16	KAG Treasure Hunt 1	10 Nov 2018
17	KAG participated in Danajamin Mighty Run 2018	24 Nov 2018
18	KAG Treasure Hunt 2	1 Dec 2018
19	Staff Engagement Dinner for Sabah Region (Kota Kinabalu, Sabah) in conjunction with Christmas Celebration	7 Dec 2018
20	Staff Engagement Dinner for Sarawak Region and CX Launch (Kuching, Sarawak) in conjunction with Christmas Celebration	14 Dec 2018
21	Staff Engagement Dinner for Northern Region and CX Launch (Alor Setar, Kedah) in conjunction with New Year Celebration	11 Jan 2019
22	KAG Food Hunt 2018	19 Jan 2019
23	Zumba and Yoga	Weekly classes

- The **Occupational Safety and Health of the Group's premises were audited by DOSH in FY2019**. Satisfactory safety and health ratings were accorded to all branches which were audited.

No.	Branch	Region	Date Audit	Grade	%
1	Serian Branch	Sarawak	20/2/18	A	86.10
2	Ipoh Greentown	NR 2	21/6/18	B	79.60
3	Yap Kwan Seng	CR 1	5/7/18	A	97.00
4	Jasin	SR 2	28/6/18	A	80.10
5	Jalan Ipoh BY3	CR 3	18/7/18	A	97.00
6	Solaris Mont Kiara	CR2	19/7/18	A	93.96
7	Taman Connaught	CR 3	26/7/18	A	93.96
8	Taman Maluri	CR 3	16/8/18	A	94.94
9	Jalan Raja Chulan	CR 1	15/8/18	A	92.03
10	Bandar Sri Pemasuri	CR 3	14/8/18	A	94.94
11	Jalan Sultan Ismail Kuala Terengganu	EC	8/10/18	B	83.63
12	Medan Pasar, KL	CR 1	8/11/18	B	81.57
13	Jalan Sagunting, KK	Sabah	12/11/18	B	81.33
14	OUG KL	CR 3	14/11/18	A	98.97
15	Kepong Baru, KL	CR 3	15/11/18	A	98.97
16	Plaza Shell, KK	Sabah	26/3/19	A	90.12

- In 2018, **AmBank Group became the first financial institution in Malaysia to be certified with the latest internationally recognised OSH standard – the ISO 45001:2018 certification (OSH Management System)**. The prestigious ISO 45001:2018 certification was awarded by the National Institute of Occupational Safety & Health Sdn Bhd.

Occupational Safety and Health



Let's work together towards
ISO 45001:2018
Certification

The globally-benchmarked ISO 45001:2018 aims to help organisations achieve the intended purpose of its OSH Management System. Consistent with AmBank Group's OSH Policy, the objectives of our OSH Management System include:

- Continuous improvement of OSH performance throughout the organisation;
- Fulfillment of legal OSH requirements and other requirements related to OSH; and
- Achievement of AmBank Group's OSH targets and objectives.

Employer of Choice

An ISO 45001:2018 Certification Ceremony was held on 9 November 2018 at Bangunan AmBank Group. The event was officiated by the Chairman of AmBank Group Tan Sri Azman Hashim, who received the certificate from Tan Sri Lee Lam Thye, the Chairman of the National Institute of Occupational Safety & Health (“NIOSH”), in the presence of the CEO of AmBank Islamic, Encik Eqhwan Mokhzanee, who is also the Group OSH Chairman, as well as members of the Senior Management and AmBank Group OSH building committee members.



5. AmBank Group was recognised for excellence in our OSH practices by winning the **2018 National Occupational Safety & Health (“OSH”) Excellent Award (“NCOSH”)**, under the Financial Institution category. The award was presented by the Deputy Prime Minister of Malaysia and was witnessed by Minister of Human Resources. The details of the award presentation ceremony are as follows:

6. To reinforce our first-aid readiness and ensure our employees are prepared in the event of a sudden cardiac arrest (“SCA”) in the office, we **installed seven units of Automated External Defibrillator (“AED”) at AmBank Group buildings** during FY2019.



Date: 27th February 2019

Venue: Movenpick Hotel & Convention Centre KLIA, Jalan Masjid KLIA, Sepang, Selangor.

Time: 7.00pm – 10.30pm

What is an AED?

An AED is a portable electronic device that automatically diagnoses the life-threatening cardiac arrhythmias of ventricular fibrillation and pulseless ventricular tachycardia and is able to treat them through defibrillation, the application of electricity which stops the arrhythmia, allowing the heart to re-establish an effective rhythm.

Studies show that the survival rate of SCA outside the hospital is below 10%, whilst with an AED, the chances of survival are increased significantly. SCA victims need to be defibrillated within the first two to three minutes for an effective survival rate following a cardiac attack.

With simple audio and visual commands, AEDs are designed to be simple to use for the layperson and the use of AEDs is taught in many first aid, certified first responder and basic life support (“BLS”) level cardiopulmonary resuscitation (“CPR”) classes.

AEDs are installed at the following locations:

No.	AmBank Group Buildings	No. of AED units	AED Installation Area
1	Menara AmBank	2	Control Room Area & Gymnasium (Level 11)
2	Bangunan AmBank Group	2	Control Room Area & Gymnasium (Level 7)
3	Damansara Fairway 3	1	Guard Counter Main Lobby
4	Wisma AmFirst Kelana Jaya	1	Guard Counter Main Lobby
5	MBF Office	1	Reception Area (Level 2)

Future OSH Initiatives

As part of continuous OSH improvement, we plan to organise targeted OSH activities in the coming years and implement effective OSH programmes and events that will help further raise OSH awareness and competency among our employees. Among the future initiatives in our planning include:

- AmBank OSH Committee Team Building Events
- First Aid, CPR, and AED Training (target seven sessions)
- OSH Day for all AmBank Group buildings

Employer of Choice

PROVIDING PROFESSIONAL DEVELOPMENT

We believe in investing in the growth of our people. AmBank Group achieves this by equipping our employees with not only job-ready technical competencies, but also transferable skills and nurturing a continuous learning mindset that will enable them to access a range of career options across the Group, with our partners and beyond.

In recognising that we operate in an increasingly digital savvy and disrupted business environment, we strive to offer our employees a range of formal and informal ways from which to learn, develop and grow. These include:

- Knowledge, skills and competency-based training (classroom/online);
- Bite-sized digital learning;
- Coaching and mentoring;
- Tertiary education for core banking disciplines;
- Industry accreditation and continuing professional development;
- Technical/tool/platform certifications;
- Projects/secondments/assignments and other 'on-the-job' experiences;
- Peer-to-peer coaching;
- Social collaborations and knowledge sharing; and
- Library for online research, tools and articles.

We employ learning technologies to deliver relevant learning at point of need and develop programmes in partnership with leading institutions that focus on building strategic capabilities in the areas of Leadership, Customer Focus, Data, Digital, Go-To Market, Innovation, Process Optimisation and Technology.



AmBank Group's Leadership programmes

Capability Development

In 2018, with learning made easier and more accessible, a total of 576,753 training hours were provided across the Group with RM23.9 million spent. This translates to an average of 55 hours of training per employee during the year of which an average 54 hours of training per female employee and 56 hours of training per male employee.

KEY HIGHLIGHTS INCLUDE:



13

Chartered Bankers

9

Chartered Professionals in Islamic Finance

95

Completed AICB Professional Certification

24%

Completion of 5-core AICB Certification

40

Future Talents FSTEP & AmGraduates

YoY 60%

increase in Talent Pool

33%

of Promotions and Transfers in FY2019

AVERAGE TRAINING HOURS PER EMPLOYEE BY GENDER AND WORKFORCE CATEGORY*

Workforce Category	Female	Male	Average per employee
Top Management/Senior Management	76	70	72
Mid Management	63	63	63
Professional/Specialist	54	55	54
Non-Executive	39	36	38
Total	54	56	55

* Note: All data related to the training programmes are reported on calendar year basis ie. 1 January 2018 until 31 December 2018. Figures include employees who were actively employed, resigned and transferred

Employer of Choice

TOTAL TRAINING COST (TRAINING FEES ONLY) BY GENDER*		
Workforce Category	Female	Male
Top Management/Senior Management	278,874	469,137
Mid Management	4,424,050	3,797,014
Professional/Specialist	7,074,916	4,050,970
Non-Executive	2,555,531	1,230,346
Total	14,333,370	9,547,467

NO. OF PARTICIPANTS BY COMPANY (NOT UNIQUE)*				
Workforce Category	AmBank (M) Bhd	AmBank Islamic Bhd	AmInvestment Bank Bhd	Total
Top Management/Senior Management	2,878	126	546	3,550
Mid Management	40,339	595	2,389	43,323
Professional/Specialist	56,335	365	1,272	57,972
Non-Executive	12,483	-	362	12,845
Total	112,035	1,086	4,569	117,690

TOTAL TRAINING HOURS BY COMPANY*				
Workforce Category	AmBank (M) Bhd	AmBank Islamic Bhd	AmInvestment Bank Bhd	Total
Top Management/Senior Management	16,986	852	3,357	21,194
Mid Management	206,209	3,600	12,676	222,485
Professional/Specialist	259,816	2,273	6,570	268,659
Non-Executive	62,606	-	1,809	64,415
Total	545,617	6,725	24,412	576,753

NO. OF PARTICIPANTS BY TRAINING TYPE (NOT UNIQUE)*				
Workforce Category	Leadership	Compliance	Certification	Total
Top Management/Senior Management	260	415	2,875	3,550
Mid Management	1,533	2,585	39,205	43,323
Professional/Specialist	674	2,532	54,766	57,972
Non-Executive	3	292	12,550	12,845
Total	2,470	5,824	109,396	117,690

* Note: All data related to the training programmes are reported on calendar year basis ie. 1 January 2018 until 31 December 2018. Figures include employees who were actively employed, resigned and transferred

Employer of Choice

PROVIDING PROFESSIONAL DEVELOPMENT

TOTAL TRAINING COST BY TRAINING TYPE (RM)*

Workforce Category	Leadership	Compliance	Certification	Total
Top Management/Senior Management	3,299,924	318,806	1,245,201	4,863,931
Mid Management	2,128,502	1,771,225	6,149,712	10,049,438
Professional/Specialist	362,089	1,405,423	5,344,054	7,111,566
Non-Executive	4,441	228,173	1,623,289	1,855,903
Total	5,794,955	3,723,626	14,362,255	23,880,837

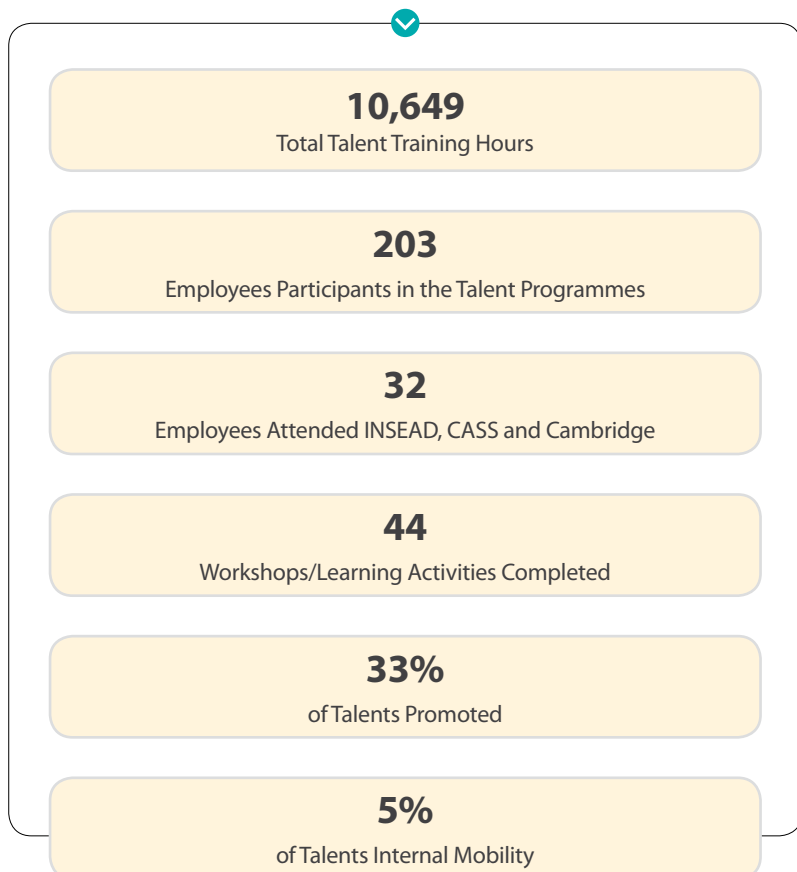
* Note: All data related to the training programmes are reported on calendar year basis ie. 1 January 2018 until 31 December 2018. Figures include employees who were actively employed, resigned and transferred

Leadership Development and Succession Planning

AmBank Group supports and encourages our employees to perform at their best and to reach their full potential. Through a range of targeted programmes and focused learning, we aim to differentiate AmBank Group as having the best talents in the Malaysian financial services industry and to accelerate the development of our talented individuals through world-class learning.

To this end, we continued our outstanding talent management programmes that accelerate the development of high potentials, equipping them with critical business skills and the exposure needed to support and lead our goals. Our targeted talent programmes covering the junior, mid- to senior-management levels are designed using best-in-class learning approaches from reputable training partners, business schools and management institutes with regional and global presence and proven track records.

In FY2019, more than 200 employees took part in various talent accelerator programmes aimed at honing their capabilities, leadership skills and personal potential to fast-track their career progression into more senior roles.



Pertiwi Soup Kitchen Programme

Aimed at developing holistic leaders with empathy, our potential leaders are expected to not only sustain the mentoring culture in AmBank Group, but lead Sustainability, Value Based Intermediary and Corporate Social Responsibility (“CSR”) projects. Project implementation scope ranges from fundraising to project immersion with our partners.

For FY2019, non-governmental organisations such as Pertiwi Soup Kitchen and Projek Ihsan partnered with our junior-level AmGraduates in their CSR projects.

Employer of Choice

Leadership Development and Succession Planning (Cont'd)

AmGraduate	FY2019
Number of Training Hours	2,016
Number of Employees Undergo Programmes	18
Number of Workshops/Learning Activities Completed	8

Through a systematic and consistent approach guided by our internal Talent and Succession Management Policy, we identified and monitored key positions held by our mission-critical talents and put the relevant succession plans in place.

As at 31 March 2019, 100% of crucial positions have identified successors. Notable internal successions for key positions by AmBank Group's existing talent pool includes the Group Chief Internal Auditor, Group Chief Human Resource Officer and the Chief Executive Officer of AmInvestment Bank.

MCP and Successor	FY2019	FY2018
Total Mission Critical Position ("MCP")	13	13
Total Successors	50	77
MCP: Successor Ratio	1 MCP: 3.9	1 MCP: 5.9

EMPLOYER BRANDING

Our increased presence and visibility on social media platforms have led to positive outcomes for our employer branding, particularly in providing easier access to careers and employment insights for potential employees.

In FY2019, AmBank garnered a total of 40,599 LinkedIn followers, utilised three major online recruitment platforms and participated in career roadshows locally and abroad to attract our employees and future leaders.

The results were strongly encouraging with 30% of new employees recruited by our Talent Acquisition team via career fairs and digital employment platforms.

Partnerships with renowned tertiary education institutions and professional bodies in the country and on-campus career counselling sessions further cemented AmBank Group's commitment to building our human capital pipeline amongst Malaysian graduates.

Our on-going employer branding initiatives and AmBank Group's employee value proposition culminated in various recognitions and awards won by the Group during the financial year:

TALENT ATTRACTION
 (LinkedIn, Online Platform)


LinkedIn followers:
40,599

Hiring from Online Platforms and Jobs Fairs:
30%

**TALENT PARTNERSHIPS WITH ESTABLISHED
 UNIVERSITIES AND PROFESSIONAL BODIES**


- Universiti Malaya
- UniRazak
- International Islamic University Malaysia (IIUM)
- Universiti Teknologi MARA (UiTM)
- Sunway University
- HELP University
- INTI University
- TalentCorp
- Institute of Chartered Accountants in England and Wales (ICAEW)


**Malaysia Best Employer
 Brand Awards 2018**

(3rd Consecutive Year)


TOP 75

Most Attractive Companies to Work for 2018


**Malaysia's 100 Leading
 Graduate Employers**

**Graduate Recruitment and
 Development**

Positive Societal Impact

“Enhancing the Wellbeing of Our Society and Environment”



POSITIVE SOCIETAL IMPACT

We contribute to a more sustainable future by considering carefully our business decisions, the environmental impacts of our activities and how we interact with our wider communities.

ENVIRONMENTALLY AND SOCIALLY RESPONSIBLE INVESTMENT (“SRI”)

The global demand for socially responsible and ethical investments continues to present opportunities, particularly for Islamic Finance to generate positive and sustainable impacts for the economy, community and environment in addition to financial returns to stakeholders.

As part of the Malaysian government’s initiatives to spur green investment and the ecosystem in the country, the Malaysian government is coming up with a green financing roadmap by 3Q2019, to create business opportunities for local industry players as well as to propel Malaysia to become the green financing hub in the region. In the recent Budget 2019, RM2.0 billion has been allocated for the Green Technology Financing scheme to incentivise investments in green technology. The Malaysian government is also envisioned to achieve a 20% Renewable Energy (excluding hydro) contribution to the nation’s electricity generation mix by 2025 from the current level of 2%.

The Securities Commission of Malaysia (“SC”) launched the Socially Responsible Investments (“SRI”) framework in 2014 to finance sustainable and responsible investment initiatives. In December 2017, SC introduced SRI Funds Guidelines to facilitate and encourage greater growth of SRI Funds in Malaysia.

In November 2017, the ASEAN Capital Markets Forum (“ACMF”) introduced the ASEAN Green Bond Standards (“ASEAN GBS”) to drive sustainable investments in ASEAN countries and support the growth of sustainable financing. The ASEAN GBS is also aligned with the Green Bond Principles (“GBP”) which was introduced earlier by the International Capital Market Association (“ICMA”) in January 2014.

In line with the initiatives of the SC and Malaysian government, SRI or Green Bonds/ Sukuk is one area of our focus, especially for the Capital Markets Group within AmInvestment Bank and we are committed to provide innovative products and to support our clients who embark on green or sustainable projects.

In terms of market leadership, AmInvestment Bank has been involved in almost all of RAM Consultancy Services Sdn Bhd’s second opinion GBP reports to date.

Positive Societal Impact

COMMUNITY INVESTMENTS AND DEVELOPMENT

In today's socially and environmentally conscious society, the banking and financial sector plays a larger role than just being an intermediary in the economy.

We are enablers of economic growth and have the power to influence environmental and social outcomes.

AmBank Group is a strong advocate of sustainable economic growth and prosperity, built on the foundation of trust, integrity and transparency. Since our inception over four decades ago, we have stayed true to our spirit of togetherness, relationship-building, and impacting positive imprints in the community through our thoughtful social and environmental investments and innovative green practices.

Among the key efforts which fall under our 'Positive Societal Impact' sustainability pillar includes:

- Societal and environmental philanthropy; and
- Building social equity and improving societal wellbeing.

SOCIETAL AND ENVIRONMENTAL PHILANTHROPY

AmBank Group takes a leading role in reaching out to the society as it continues to be a caring, connected and committed partner in addressing a wide range of issues pertaining to the development of sustainable communities. The community investment programme will enable us to connect with local communities and help them build a sustainable future.

The Group believes in giving back to the community in which we operate. Our community investments aim to improve living standards and enabling social mobility. These goals are carried out through a number of programmes to engage various segments of the less fortunate including single mothers, orphans, the hardcore poor, the homeless, the physically challenged and senior citizens of Malaysia.

Celebrating Festive Togetherness

- (a) Kelab AmBank Group ("KAG") invited 100 children from Sekolah Kebangsaan Desa Tasik for Hari Raya shopping on 25 May 2018 and hosted a '*Majlis Berbuka Puasa Kumpulan AmBank Bersama Tan Sri Azman Hashim*' on 30 May 2018.

The school is one of our adopted schools under the School Adoption Programme, assigned by Bank Negara Malaysia. In the spirit of Ramadan, AmBank Group organised this annual charity event to bring festive cheer to the children. 100 children aged between seven and 12 years old, were ushered to Mydin Wholesale Hypermarket in USJ, Subang Jaya, to shop for their new *baju Melayu* and *baju kurung* (traditional Malay attire).

The buka puasa (breaking of fast) with AmBank Group Chairman Tan Sri Azman Hashim, together with members of the Senior Management and other AmBankers was held at Dewan Perdana Felda, Kuala Lumpur.

- (b) We celebrated Deepavali, the biggest and the brightest of all Hindu festivals, with 85 students from Sekolah Jenis Kebangsaan Ladang Diamond Jubilee in Jasin, Malacca. The '**AmBank Group Deepavali Charity Programme**' in southern peninsular region brought joy and smiles to the recipients as they were presented with cash contribution and school necessities such as school uniform, school shoes, school bags and stationeries.

- (c) For the Sabah region, we organised the '**AmBank Group Christmas Charity Programme**' for 45 mentally and physically challenged children among the underprivileged residents of Bukit Harapan Therapy Community in Menggatal, Sabah. During the event, we presented a new television set and educational DVDs to the charity home for edutainment and provided school necessities for the school-going children.

- (d) In Sarawak, we held the '**AmBank Group Christmas Charity Programme**' with the Salvation Army Children's Home and Salvation Army Boy's Home in Kuching, Sarawak. Besides, contributing school supplies, the Group took the opportunity to replace faulty electrical appliances such as ceiling fan, standing fan, water heaters and refrigerator to improve the residents' living standards.

Extending a Helping Hand to Vulnerable and Lower-Income Groups

Our '**AmKasih Urban Hard-Core Food Aid Programme**' serves as an outreach platform to the community to provide food aid through monthly allowance to help offset the cost of daily food items.

AmBank Group identifies poor and needy families with the help of local non-governmental organisations under the town council and credits RM100 monthly into the recipients' account through their national identification card ("MyKad") for a period of two years. Primary recipients of the monthly food aid were single mothers or housewives in the family, who are able to draw the allowance by using their MyKad at participating retailers.

Going forward, a series of programmes will be carried out to improve needy families' finances, such as initiatives focusing on women empowerment, entrepreneurship, financial literacy and personal motivation. Additionally, we endeavour to provide free tuition and English proficiency classes for underprivileged young children to elevate their education standards.

Preserving Eco-Diversity

AmBank Group organised its annual 'Zoo Negara Corporate Social Responsibility Programme', themed 'Grow, Green and Glow' on 7 April 2018, where activities such as landscaping, cleaning, and painting took place, as part of our support towards biodiversity and the environment.

Participated by AmBank Group Chairman, Group Chief Executive Officer and other members of Senior Management, more than 150 AmBankers planted 800 shrubs to green the surroundings, washed animal enclosures and painted road curbs to improve road safety at the zoo.

The AmGroup Foundation has been supporting Zoo Negara for the last 26 years, contributing to various initiatives, together with an annual sponsorship of RM40,000.00 for the upkeep of its dromedary camels.

For FY2019, we increased our sponsorship amount to RM50,000. We were proud to be given the privilege to name three of the camels in the zoo and we decided to name them: AmY, AmAN and AmANAH. Our AmBank Group Chairman Tan Sri Azman Hashim is a life member of Zoo Negara.

Positive Societal Impact

Promoting Sports and Sportsmanship

Health is the cornerstone of a productive and happy community. AmBank Group encourages our employees to engage in regular exercise within and outside the office to improve quality of life and reduce health risks associated with a sedentary lifestyle. In supporting national sports development and providing opportunities for AmBankers to 'sweat it out', we partake and sponsor events related to physical activity and/or exercise as means to strengthen employee interaction within the AmBank Group family, cultivate leadership qualities and improve the wellbeing of Malaysian youths.

- (a) Four AmBankers from AmInvestment Bank Berhad participated in 'The Bursa Bull Charge 2018' – Malaysia's premier capital market charity run on 27 September 2018, organised by Bursa Malaysia Berhad as a means to raise awareness and promote inclusiveness, financial literacy and social entrepreneurship, and at the same time contribute towards the betterment of underprivileged communities, in line with the United Nations' 2030 Sustainable Development Agenda. Dubbed 'the day the capital markets run for others', the funds raised from the run were distributed to 30 beneficiaries representing a range of different vulnerable and under-represented segments of society including the disabled, youth, the underprivileged and single mothers.
- (b) The 'AmBank Group-SportExcel International Junior Golf Championships 2018', which took place from 4 to 6 December 2018 at the Glenmarie Golf & Country Club in Shah Alam, Selangor, entered its 13th year with more than 10 participating countries, including top-tier junior golf talents in the region. The annual tournament serves as an excellent platform to promote golf among Malaysian youths and showcase the sportsmanship of some of the best golf juniors in the Asia Pacific. Through this golf tournament, golf juniors gain access to also compete in other international championships. The AmBank Group-SportExcel International Junior Golf Championships is part of the Asia Pacific Junior Golf Association ("APJGA") series.
- (c) AmBank Group contributed RM5,000.00 to the Olympic Council of Malaysia to support the Malaysian contingent under Persatuan Hoki Veteran Sultan Ahmad Shah ("SAS"), where young Malaysians played under the flagship of the Malaysian Hockey Confederation in the '2018 EXIN Masters World Cup' held at Club Egara in Spain.

BUILDING SOCIAL EQUITY AND IMPROVING SOCIETAL WELLBEING

In addition to the climate change actions and responsible economic development, advancing sustainable communities constitute AmBank Group's social justice measures to deliver a more livable, socially mobile, and viable society today and for generations to come. A number of projects and contributions were made during the financial year, where we endeavoured to better the lives of the less fortunate and acknowledge contributors who play a role in advancing social equity in Malaysia and other parts of the world.

- 1 Through the 'Mahathir Science Award' administered by the Mahathir Science Award Foundation, AmBank Group is a strategic partner committed to an annual contribution of RM100,000.00 for five years to support and recognise exceptional achievements made by scientists and/or institutions worldwide for contributions, breakthroughs and innovations in tropical research that improve societal wellbeing.

- 2 About 107 financial institutions and industry associations in the country, including AmBank Group, collectively formed the 'Financial Industry Collective Outreach (FINCO)'; which is the industry's vehicle to implement community outreach initiatives nationwide. It is aimed at providing underprivileged children and youth with educational tools and inspiration to achieve their life goals and build a better future. The initiative is conducted through series of programmes that positively impact livelihoods and raise the standards of education. FINCO has two flagship programmes which are FINCO Reads and FINCO Mentor, of which AmBank Group has been an active participant.
- 3 Being a firm believer in giving a second chance, AmBank Group contributed RM50,000.00 to the Home Ministry (KDN) for the establishment of 'Yayasan Koreksional Malaysia' under the Malaysian Prison Department to inculcate literacy among Malaysian prisoners. The foundation aims to assist the department in implementing a holistic rehabilitation and development programme that will be of benefit to prisoners when they step out from jail.
- 4 The 'Kelab AmBank Group Blood Donation Drive 2018' was carried out at AmBank Group's five main office buildings in the Klang Valley – Menara AmBank, Wisma AmBank, Menara Shell, Menara MBF and Tropicana Fairway 3. We also extended the blood donation drive to our branches in Melaka, Ipoh, Perak; and Kota Kinabalu, Sabah. The programme aimed to raise awareness amongst AmBankers on the importance of blood donation in saving lives, while highlighting the need to replenish blood supply at the National Blood Centre. An impressive 354 donors donated their blood selflessly during the campaign.
- 5 We donated RM10,000.00 and supported 'Yayasan Sultanah Bahiyah' for their noble initiative in helping the underprivileged community celebrate Ramadhan and Hari Raya Aidilfitri during 2018.
- 6 We also contributed RM1,000.00 to 'Persatuan Pemulihan Orang-Orang Cacat Selangor & Wilayah Persekutuan' to support the association, which provides rehabilitation support and shelter for the physically challenged.



Health and Wellness Campaign 2018

Positive Societal Impact

ENERGY, WATER AND WASTE MANAGEMENT

To ensure sustainability and positive long-term value creation, we measure and aim to reduce our impacts by implementing environmental initiatives that are valued by our customers and our employees and beneficial to our bottom line.

We continue to evolve our practices in this area and shall actively identify measures and put in place guidelines and processes to make improvement in our energy and waste management.

Climate Change Actions

Limiting global warming to well below the targeted 2°C above pre-industrial levels, or even limiting further temperature increase to below 1.5°C as targeted under the Paris Agreement, requires an urgent and fundamental change in crucial areas within the economy and society. This includes generating renewable energy, increasing energy efficiency, sustainable resource consumption and smart mobility.

AmBank Group has adopted steps to reduce one of the key causes of global warming – greenhouse gas (“GHG”) emissions.

Mitigating Greenhouse Gas (“GHG”) Emissions

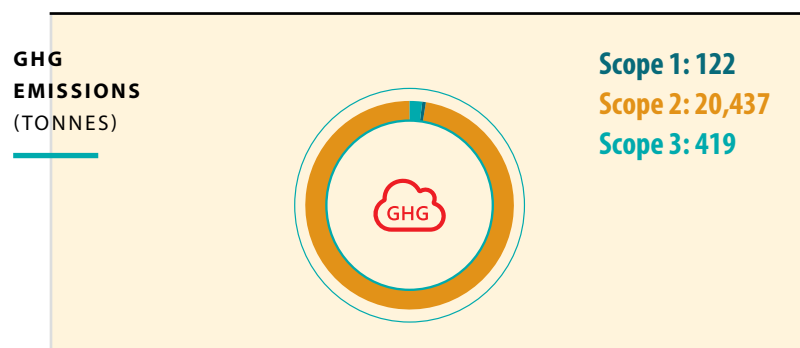
AmBank Group’s Environmental Policy was established in April 2019 to formalise our commitment to meet all environmental laws, regulations, related policies, and set the guiding principles for our Environmental Management System (“EMS”).

The year 2019 marks the first year where AmBank Group starts aligning its GHG emissions accounting and reporting with the GHG Protocol and IPCC (Intergovernmental Panel on Climate Change) Guidelines. Beginning from FY2019, our GHG emissions disclosure shall be systematically documented in terms of scopes (Scope 1, Scope 2 and Scope 3). This represents an enhanced GHG emission reporting compared with only Scope 1 reporting in FY2018. Additionally, the reporting period shall also be changed from calendar year to financial year to align with our financial reporting period.

➤ **Total GHG emission for FY2019**
= 20,978 tCO₂e

The total GHG Emissions for FY2019 is 20,978 tonnes and was largely contributed by Scope 2 emission due to electricity consumption.

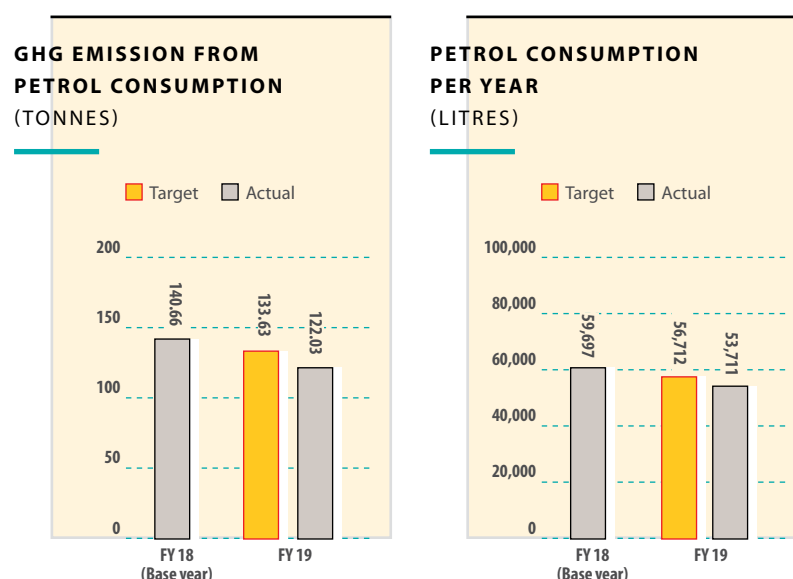
Throughout the financial year, we have continued to retrofit our buildings with more energy-efficient equipment and system. We also optimised our vehicle fleet and started using more energy-efficient vehicle to mitigate carbon emissions from petrol consumption.



SCOPE 1 (DIRECT EMISSIONS AS A RESULT OF PETROL AND DIESEL CONSUMPTION FROM COMPANY-OWNED VEHICLES)

➤ **Scope 1 GHG emission**
= 122.03 tCO₂e*

* Source for Scope 1 GHG emissions factors: Annex C; pg C7 of MyCarbon GHG Reporting Guidelines

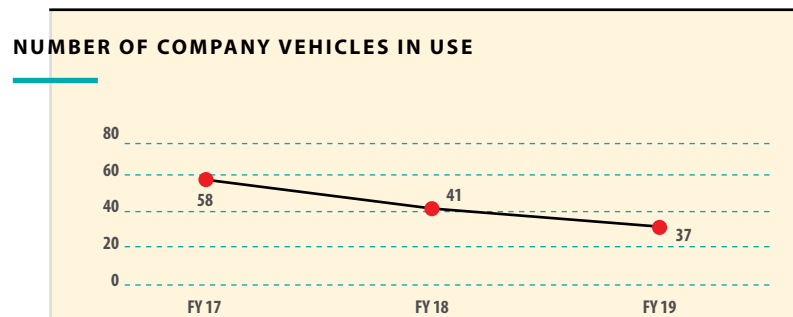


The Group has set a target to reduce our carbon emissions from petrol consumption over the next five years by 5% every year with FY2018 as the base year.

We have successfully lowered our carbon emissions from petrol consumption to 122.03 tonnes in FY2019 (FY2018: 140.66 tonnes), exceeding the target set for the year at 133.63 tonnes by 8%. The Group’s total petrol consumption has also reduced from approximately 60,000 litres per annum to 54,000 litres. This was achieved through the following initiatives:

(a) Vehicle Fleet Rationalisation

The Group continued to minimise its fleet of vehicles by disposing five motor vehicles in FY2019 and replaced one of our existing vehicles with a hybrid car. Total number of vehicles in use by the Group decreased from 41 to 37 during the year.



Positive Societal Impact

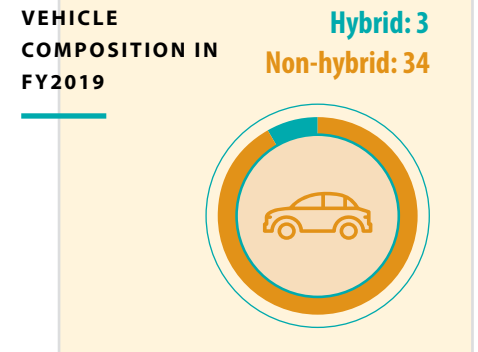
(b) Shuttle Service

The Group provides shuttle service between Menara AmBank and Bangunan AmBank Group with total annual passenger capacity of 8,835 in FY2019. The carbon dioxide generated by the shuttle service was 6.21 tonnes.

(c) Energy Efficient Vehicles

To sustainably reduce our carbon footprint, we began to procure hybrid cars as a more fuel efficient and environmentally friendly alternative to conventional cars. As at end-FY2019, three out of 37 company vehicles were hybrid and contributed 17% of the total carbon emissions produced from petrol consumption for the year at 21.13 tonnes.

The number of hybrid vehicles in use by the Group is expected to grow over time, consistent with the aim of our Group Environmental Policy.



SCOPE 2 (INDIRECT EMISSIONS AS A RESULT OF ELECTRICITY CONSUMPTION)

➤ Scope 2 GHG emission

= 20,437 tCO₂e*

* Source for Scope 2 GHG emissions factors: GreenTech Malaysia's Study on Grid Connected Electricity Baselines in Malaysia (Year 2014), pg 7 of 43

AmBank Group is currently operating from seven office buildings and 170 branches throughout Malaysia. The Group had vacated Wisma AmBank in Jalan Pudu since April 2019 and had terminated its lease in Menara Dion since September 2018, as part of our initiative to improve business efficiency by maximising available space within our own buildings.

We have set a target to reduce our indirect carbon emissions from electricity consumption over the next five years by 30% for main buildings and 20% for branches over the next five years with FY2019 as the base year.

Total electricity consumption from our office buildings and branches for FY2019 was approximately 10,029,000 kWh and 19,681,000 kWh, respectively. The carbon emissions breakdown for each office building and AmBank branches, as well as AmBank Group's entities in FY2019 are as follows:

Building	Building Code	RM('000)	kWh('000)	kWh/m ²	kWh/FTE	tCO ₂ e
Menara AmBank, Jalan Yap Kwan Seng	MAB	947	1,860	65	945	1,290
Bangunan AmBank Group, Jalan Raja Chulan	BAG	837	1,645	60	843	1,141
Menara MBF, Jalan Sultan Ismail	MBF	251	493	38	1,188	342
Plaza See Hoy Chan, Jalan Raja Chulan	PSC	105	207	56	1,255	144
Damansara Fairway 3, Persiaran Tropicana	DF3	2,037	4,001	247	13,610	2,777
Wisma AmFirst, Kelana Jaya	WAF	84	164	20	204	114
Plaza Damansara, Jalan Medan Setia	PD	75	146	117	2,122	102
Subtotal		4,336	8,516	87	1,503	5,910
Wisma AmBank, Jalan Pudu	WAB	645	1,267	260	3,290	879
Menara Dion, Jalan Sultan Ismail	MD	123	242	43	624	168
Wisma Kim Sean, Jalan Punchak	WKS	2	4	7	-	3
Subtotal		770	1,513	137	1,959	1,050
Total		5,106	10,029	92	1,557	6,960

Branches	RM('000)	kWh('000)	kWh/m ²	kWh/FTE	tCO ₂ e
Peninsular Malaysia	7,864	15,449	135	9,891	10,722
Sabah	490	1,240	141	8,917	664
Sarawak	897	2,992	184	9,378	2,091
Subtotal	9,251	19,681	141	9,743	13,477

No.	Entities	RM('000)	kWh('000)	tCO ₂ e
1	AmBank	13,536	28,007	19,255
2	AmBank Islamic	22	43	30
3	AmInvestment Bank	712	1,490	1,035
4	AmFunds Management	82	160	111
5	AmIslamic Funds Management	4	9	6
	Total	14,356	29,709	20,437

Positive Societal Impact

The Group is committed to reduce our indirect GHG emissions from electricity consumption by implementing the following initiatives:

(a) Energy Efficiency Initiative (“EEI”) at Office Buildings

EEI efforts by AmBank Group involve energy saving measures for replacement of fluorescent light bulbs to LED lights and air-conditioning system improvement.

• LED Lights Replacement

After the successful replacement of LED lights in Menara AmBank’s (“MAB”) Levels 22, 23, 25 and 45, we are implementing the same initiative to the remaining floors in MAB, Bangunan AmBank Group (“BAG”), Wisma AmFirst (“WAF”) and Damansara Fairway 3 (“DF3”) to be completed by year 2021. This is in accordance with our five-year Energy Efficiency Plan.

For AmBank Group’s branches, we are conducting proof of concept (“POC”) for two branches at PJ New Town in Petaling Jaya, Selangor, and Taman Maluri in Kuala Lumpur. Continuous monitoring is being carried out for the POC project on energy saving feasibility. If the results are feasible, the LED lights replacement initiative shall be implemented at all remaining AmBank branches in phases.

• Air-Conditioning System

We are also conducting POC for two branches at PJ New Town in Petaling Jaya, Selangor and Taman Maluri in Kuala Lumpur, where we are improving electricity consumption by installing an air conditioning intelligent system that detects room temperatures and cooling coil temperatures to improve the system’s efficiency and minimise energy wastage.

If the results are feasible, the air-conditioning system improvement initiative shall be implemented at all remaining AmBank branches in phases.

As reported in FY2018, we achieved 27% reduction in an electricity consumption savings initiative for MAB and BAG. Following the completion of the initiative, on-going efforts were implemented in FY2019 to maintain the electricity reduction results achieved.

AmBank Group Five-Year Energy Efficiency Plan

FY	Main Office Buildings	Number of Branches	Savings Target (RM)	Savings Target (kWh)	Savings Target (tCO ₂ e)	Actual Savings (RM)	Actual Savings (kWh)	Actual Savings (tCO ₂ e)
2019	Menara AmBank (Levels 22,23,25 and 45)	-	411,715	808,870	561	425,780	836,503	581
2020	Wisma AmFirst and Damansara Fairway 3, Persiaran Tropicana	42	1,098,682	2,233,811	1,541	-	-	-
2021	Menara AmBank (the remaining floors) and Bangunan AmBank Group	43	997,645	2,035,309	1,403	-	-	-
2022	-	43	462,542	984,026	674	-	-	-
2023	-	42	462,542	984,026	674	-	-	-

(b) Earth Hour 2019 Campaign

In raising awareness among our employees, we participated in the global Earth Hour 2019 Campaign on 30 March 2019 by switching off our main buildings’ lights for an hour. This campaign is part of the Group’s environmental initiative to demonstrate the Group’s commitment and efforts in addressing global climate change and sustainability.

A list of our offices that participated in the Earth Hour 2019 campaign comprised of the following:

No	AmBank Group Buildings
1	Bangunan AmBank Group, Jalan Raja Chulan
2	Menara AmBank, Jalan Yap Kwan Seng
3	Wisma AmBank, Jalan Pudu
4	Wisma AmFirst, Kelana Jaya
5	Damansara Fairway 3, Persiaran Tropicana
6	Bangunan AmBank Group, Jalan Hj. Taha

(c) Clean Energy

We are commissioning a study on the installation of solar photovoltaic panels at one of our main office buildings – Damansara Fairway 3, Persiaran Tropicana – as part of the Group’s initiatives to support the use of renewable energy at our premises.

Positive Societal Impact

SCOPE 3 (INDIRECT EMISSIONS AS A RESULT OF EMPLOYEE TRAVEL AND COMMUTING IE. BUSINESS AIR TRAVEL – NOT INCLUDED IN SCOPE 2)

➔ Scope 3 GHG emission
= 419 tCO₂e

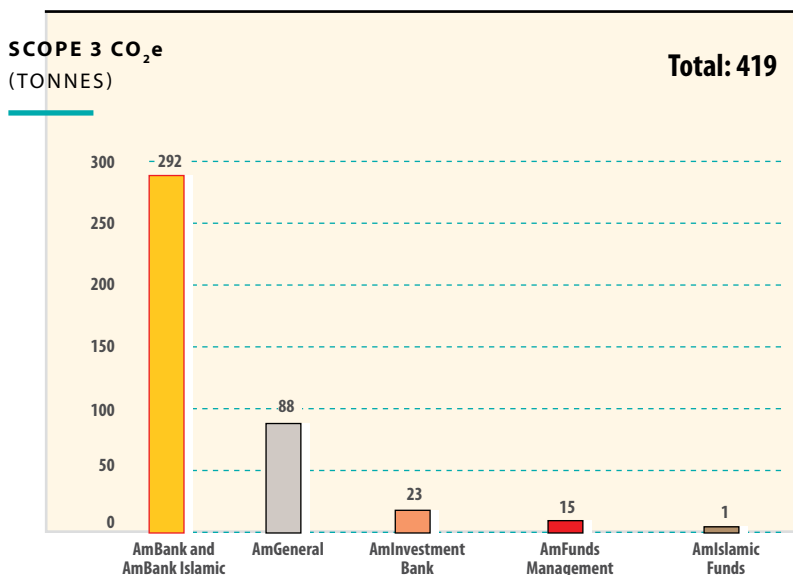
FY2019 marks the first year where AmBank Group reports our business air travel related emissions. The Group has worked with its appointed travel agent to track our air travel bookings in the present financial year and used the International Civil Aviation Organisation's 'Carbon Emissions Calculator' to quantify our carbon emissions from business air travel.

The following entities are included in our scope and the total carbon emissions from each entity are as follows:

AmBank Group Entities	tCO ₂ e (FY2019)
AmBank and AmBank Islamic	292
AmGeneral	88
AmInvestment Bank	23
AmFunds Management	15
AmIslamic Funds Management	1
Total	419

Moving forward, the Group will work towards reducing our indirect carbon emissions from business air travel. This will be achieved by implementing measures to manage our need for commuting by air and employing technology as a means for greater connectivity and to increase our work productivity.

We will encourage AmBankers to utilise conference call and video call facilities wherever possible, rather than travelling by air. Consequently, our travelling policy and budget will also be reviewed to reduce GHG emissions from business air travel.



Resource Conservation and Waste Management

Activities carried out in our office buildings and branches generate waste, which are paper, metal and plastic-based. Most of the solid wastes generated will be recycled given that proper waste segregation bins are installed at two of our main premises. Here are some of the waste management initiatives that were introduced and its related achievements:

Paperless Environment

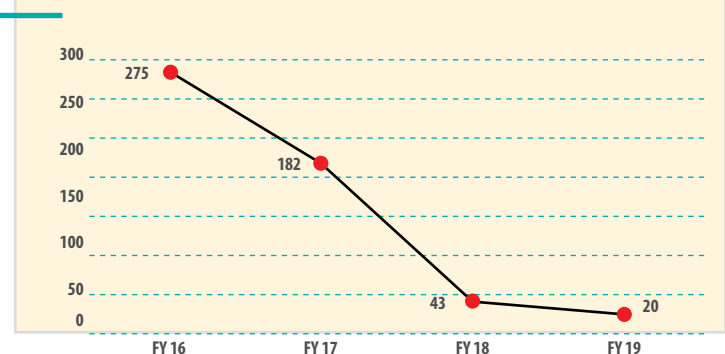
(a) e-FD and Term Deposit Receipts and Passbook-less Transactions

In our journey to become a paperless bank, we have continued to encourage our customers to opt for electronic receipts for their Fixed Deposits ("FDs") and Term Deposits, as well as ATMs and AmOnline transactions in place of passbooks.

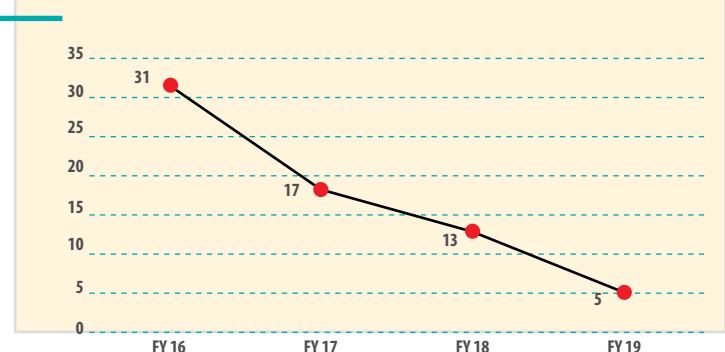
As a result, the number of receipts issued for FDs and Term Deposits has decreased tremendously by 65% to 4,590 pads (FY2018: 13,085) in FY2019.

Similarly, the number of savings passbooks issued by AmBank has also decreased significantly by 52% to 20,340 books (FY2018: 42,660) in FY2019.

PAPERLESS BANKING (SAVINGS & PASSBOOK) ('000)



PAPERLESS BANKING (FD & TERM DEPOSIT RECEIPTS) ('000)



(b) Minimise Paper Consumption

Adopting e-statements and communicating with our customers via email has further reduced our paper consumption, and consequently lowered the amount of paper waste generated throughout the year. The Group successfully reduced our consumption of A3 and A4-sized paper usage from 72 million sheets to 60 million sheets in FY2019, exceeding our reduction target by 7% (equivalent to a savings of 5 million sheets).

Positive Societal Impact

This was mainly contributed by the use of multi-functional printers in our offices:

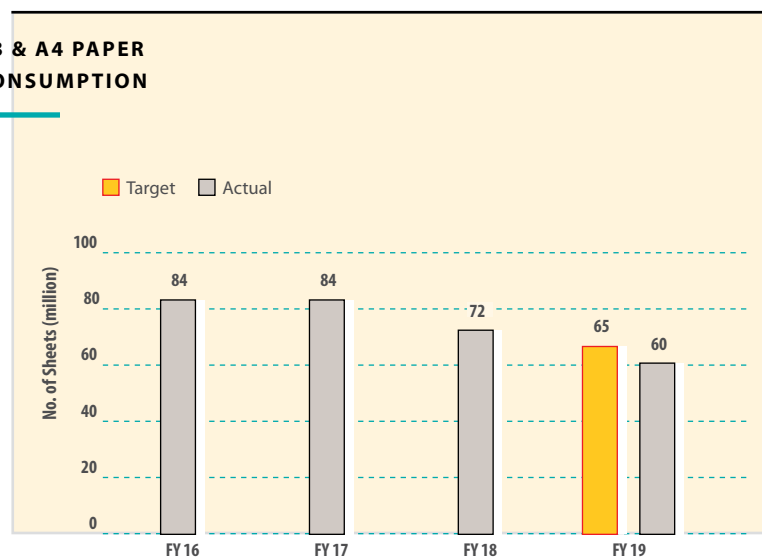
- Multi-Functional Printers

We began to replace our legacy printers throughout our office nationwide with multi-function printers and introduced a standard printing operations manual to manage the use of printers and promote environmental consciousness among our employees.

The operations manual, among others, include practical paper-saving measures such as double-sided printing, sharing of documents in softcopy (rather than hardcopy), a dedicated recycled paper tray, reminders to evaluate the need for paper printing, proofread and preview documents to be printed to avoid re-printing, and storing documents electronically (instead of keeping hardcopy printouts).

A total of 219 units and 635 units of printers will be replaced in our main office buildings and branches, respectively, and this will be carried out in stages. Printer replacement commenced at our Bangunan AmBank Group at Jalan Raja Chulan in March 2019 and is targeted to be completed by end-May 2019. Replacement of printers at AmBank branches will be implemented as and when the current printers are due for replacement.

A3 & A4 PAPER CONSUMPTION



Recycling Bins

We encourage our office cleaners to carry out waste segregation at source to isolate recyclables prior to sending wastes for disposal. This will not only reduce the amount of wastes sent to the landfills but will also help to reduce transportation costs related to waste collection and disposal.

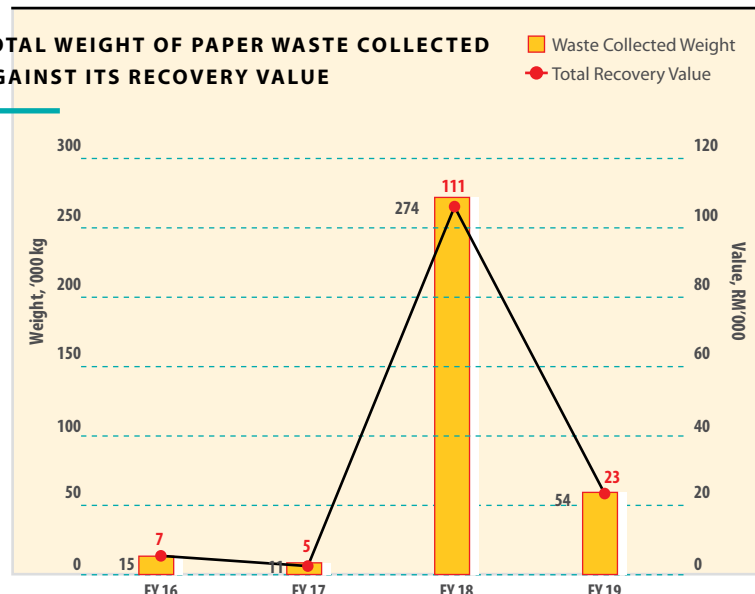
To encourage our employees and members of the public to adopt the habit of recycling, we provide colour-coded recycling bins at the lobby of Menara AmBank and were also placed at Bangunan AmBank Group's lobby beginning April 2019.

Paper Recycling

'Green Bins' are currently being placed at certain floors in Menara AmBank and Wisma AmFirst to collect used paper for recycling. The Group is planning to place 'Green Bins' in every floor in Menara AmBank and Bangunan AmBank Group in stages beginning FY2020.

The paper waste collected will be disposed by a licensed third-party vendor who will ensure that all documents are shredded under close security supervision to ensure data confidentiality and integrity is preserved at all times. The majority of the paper waste collected in FY2019 comprised documents and records that were more than seven years old and were due for destruction. The documents and records were collected from our Record Management service providers. The high amount of paper waste collected in FY2018 at 274,490 kg also comprised primarily old records and documents that had past the seven-year retention period.

TOTAL WEIGHT OF PAPER WASTE COLLECTED AGAINST ITS RECOVERY VALUE



BREAKDOWN OF PAPER WASTE COLLECTED FROM AmBank Group's BUILDINGS AND THIRD PARTY SERVICE PROVIDER (KG)



Positive Societal Impact

'AmBank Group "Go Green" Campaign" 2019

During FY2019, the Group Strategic Transformation Office initiated AmBank Group's 'Go Green Campaign' to intensify our collective environmental behaviour and mindset, while instilling a resource-conscious culture among AmBankers. To drive the Group's commitment towards sustainability, we have set a RM2 million annual savings target to benchmark the effectiveness of our Group-wide green efforts. Total savings achieved in FY2019 exceeded our target at RM2,831,712.

We are focusing our resource conservation efforts on the following four focus areas:

- (a) **Go Virtual** – print less or go virtual where paper usage is not required, prioritise virtual archiving over hard copies

- (b) **Carbon Footprint** – use conference call to supplement meetings, car pool where possible, use email instead of courier for internal correspondence
 (c) **Sundry and Stationery Supplies** – managing sundry and stationery orders to minimise wastage, recycle where possible
 (d) **Electricity and Utilities** – switch off when not in use

Organised in partnership with the Group Finance Department, billing figures for each category were reflected in the respective departments' monthly operational expenditure reports to enable accurate tracking. Top monthly achievers are highlighted in our intranet 'Am Connected'.

Savings achieved during the financial year are as follows:

Electricity						
Electricity Bills (Aggregate TNB billings)						
FY2018		FY2019		Total Savings		
Offices	Branches	Offices	Branches	Offices	Branches	Offices and Branches
RM 5,313,508	RM 8,408,136	RM 4,370,218	RM 7,635,201	RM 943,291	RM 772,935	RM 1,716,226

Savings Initiatives

- Consolidate electricity consumption of our Data Centre by reducing its cooling requirement and optimising the use of lightings.
- Turn off branch signage and air-conditioning, as well as lightings at the Electronic Banking Centre (Automated Teller Machines and Cash and Cheque Deposit Machines area) from 12.00am - 6.00am.
- Switching to energy-saving LED lighting.

Sundry Supply		
Refreshment & Pantry Supplies (Offices & Klang Valley Branches only)		
FY2018	FY2019	Total Savings
RM 325,228	RM 150,829	RM 174,399

Savings Initiatives

- Reorganise the sundry ordering process from centralised to individual departments, reduced the consumption of condensed milk, tea, coffee, sugar, etc.
- Installation of water dispenser in the common pantry to replace bottled drinking water.

Printing							
Meter Reading (Vendor Billing)							
	FY2018		FY2019		Savings		
Print Type	Black & White	Color	Black & White	Color	BW	Color	Black & White + Color
Volume	86,795,975	1,290,786	69,323,021	842,007	17,472,954	448,779	17,921,733
Value	RM 3,471,839	RM 516,314	RM 2,772,921	RM 336,803	RM 698,918	RM 179,512	RM 878,430

Savings Initiatives

- Practice double sided printing and minimise colour printing.
- Promote and encourage the use of PDF softcopy for individual safekeeping and reference to replace hardcopy print before attending discussions and meetings.
- Process improvement to reduce the need for printing under centralised loan processing and optimise front office branch operations.

Stationery					
Ink Cartridge and Ink Toner (ARIBA – Offices and Klang Valley Branches Only)			Office Stationery (ARIBA – Offices and Klang Valley Branches)		
FY2018	FY2019	Total Savings	FY2018	FY2019	Total Savings
RM 592,568	RM 566,884	RM 25,684	RM 234,829	RM 197,856	RM 36,974

Savings Initiatives

- Proper safekeeping of stationeries so as not to expose stationeries that can be dried up to minimise wastages.
- Use existing technology solutions to reduce wastages e.g. virtual archiving instead of hard copy files, whilst maintaining the high level of compliance.
- Recycle used stationeries where possible, such as envelopes and one-sided printouts.
- Utilise stationery supplies optimally before re-ordering.

GRI Content Index

GRI Standard	Disclosure	Page Number (or Link)	Omission (Parts omitted, reason omitted and explanation)	External Assurance Indicate if the Standard Disclosure has been externally assured If yes, include the page reference for the External Assurance Statement in the report.
GRI 101: Foundation 2016				
General Disclosures				
GRI 102: General Disclosures 2016	102-1 Name of organisation	AMMB Holdings Berhad	-	
	102-2 Activities, brands, products and services	4,7	-	
	102-3 Location of headquarters	9	-	
	102-4 Location of operations	5	-	
	102-5 Ownership and legal form	6	-	
	102-6 Markets served	5	-	
	102-7 Scale of the organisation	2,4	-	
	102-8 Information on employees and other workers	104	-	
	102-9 Supply chain	98	-	
	102-10 Significant changes to the organisation and its supply chain	-	No significant changes in the organisation and supply chain	
	102-11 Precautionary Principle or approach	We support a precautionary approach to environmental risks and impacts	-	
	102-12 External initiatives	65	-	
	102-13 Membership of associations	76	-	
	102-14 Statement from senior decision-maker	11	-	
	102-16 Principles, standards, and norms of behaviour	103,181	-	
	102-18 Governance structure	76	-	
	102-40 List of stakeholder groups	80,191	-	
	102-41 Collective bargaining agreements	113	-	
	102-42 Identifying and selecting stakeholders	80,191	-	
	102-43 Approach to stakeholder engagement	80	-	
	102-44 Key topics and concerns raised	81	-	
	102-45 Entities included in the consolidated financial statements	Refer to AmBank Group's Financial Report 2019	-	
	102-46 Defining report content and topic Boundaries	About This Report, 76,81	-	
	102-47 List of material topics	81	-	
	102-48 Restatements of information	The Standard Disclosure or part of the Standard Disclosure is not applicable	There are no restatements of information in this report	
	102-49 Changes in reporting	81	-	
	102-50 Reporting period	This report covers the financial year 1 April 2018 to 31 March 2019, unless otherwise specified.	-	
102-51 Date of most recent report	The most recent Sustainability Statement was included in the FY2018 Annual Report, dated 29 June 2018	-		
102-52 Reporting cycle	Annual reporting cycle, as per financial year	-		
102-53 Contact point for questions regarding the report	About This Report	-		
102-54 Claims of reporting in accordance with the GRI Standards	About This Report	-		
102-55 GRI content index	133-135	-		
102-56 External assurance	136-140	-		

GRI Content Index

GRI Standard	Disclosure	Page Number (or Link)	Omission (Parts omitted, reason omitted and explanation)	External Assurance Indicate if the Standard Disclosure has been externally assured If yes, include the page reference for the External Assurance Statement in the report.
Material Topics				
Data Security, It Infrastructure and Digital Transformation				
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary 103-2 The management approach and its components 103-3 Evaluation of the management approach	89-96	-	
Non-GRI Indicator	Transaction volume on internet banking platform	90	-	
Customer Satisfaction				
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary 103-2 The management approach and its components 103-3 Evaluation of the management approach	47, 51, 55-57, 60, 64	-	
Non-GRI Indicator	Customer satisfaction rate	57	-	
Ethics, Governance and Compliance				
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary 103-2 The management approach and its components 103-3 Evaluation of the management approach	84-88, 183	-	
GRI 205 Anti-Corruption 2016	205-2 Communication and training about anti-corruption policies and procedures	86-87	-	
Conducive and Inclusive Workplace and Human Capital Development				
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary 103-2 The management approach and its components 103-3 Evaluation of the management approach	103-111, 113, 114-119 120-123	-	
GRI 405 Diversity & Inclusion 2016	405-1 Diversity of governance bodies and employees	104, 110	-	
GRI 405 Diversity & Inclusion 2016	405-2 Ratio of basic salary and remuneration of women to men	106-107	-	
GRI 405 Employment 2016	401-1 New employee hires and employee turnover	112	-	
GRI 404 Training & Education 2016	404-1 Average hours of training per year per employee	120	-	
GRI 403 Occupational Health & Safety 2018	403-5 Worker training on occupational health and safety	114-115	-	
GRI 403 Occupational Health & Safety 2018	403-9 Work-related injuries	114	-	
Financial Inclusive and Responsible Lending (Includes VBI)				
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary 103-2 The management approach and its components 103-3 Evaluation of the management approach	65, 67	We plan to include a non-GRI disclosure related to this material topic in the next report	
Responsible marketing & product service design				
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary 103-2 The management approach and its components 103-3 Evaluation of the management approach	98-101	-	
Responsible Sourcing and Procurement				
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary 103-2 The management approach and its components 103-3 Evaluation of the management approach	96-98	-	
GRI 308: Supplier Environmental Assessment 2016	308-1 New suppliers that were screened using environmental criteria	Pg 98-All of our suppliers were screened on the environmental criteria of our Responsible Sourcing and Green Procurement requirements	-	
GRI 414: Supplier Social Assessment 2017	414-1 New suppliers that were screened using social criteria	Pg 98-All of our suppliers were screened on the social criteria of our Responsible Sourcing and Green Procurement requirements	-	

GRI Content Index

GRI Standard	Disclosure	Page Number (or Link)	Omission (Parts omitted, reason omitted and explanation)	External Assurance Indicate if the Standard Disclosure has been externally assured If yes, include the page reference for the External Assurance Statement in the report.
Environmentally and Socially Responsible Investment				
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	51-52, 63-64, 124-126	-	
	103-2 The management approach and its components			
	103-3 Evaluation of the management approach			
Community Investment and Development				
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	124-126	-	
	103-2 The management approach and its components			
	103-3 Evaluation of the management approach			
GRI 413 Local Community	413-1 Operations with local community engagement, impact assessments, and development programmes	124-126	-	
Energy, Water and Waste Management				
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	127-132	-	
	103-2 The management approach and its components			
	103-3 Evaluation of the management approach			
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	127	-	
	305-2 Energy indirect (Scope 2) GHG emissions	128	-	
	305-3 Other indirect (Scope 3) GHG emissions	130	-	
Non-GRI Indicators	Weight of paper waste collected	131	-	

Independent Assurance Statement



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INDEPENDENT ASSURANCE STATEMENT (PARTIAL)

Scope and Objective

SIRIM QAS International Sdn. Bhd., a third party Conformity Assessment Body in Malaysia, with extensive expertise and experience in the provision of sustainability-related assurance services, was engaged by AMMB Holdings Berhad (hereafter referred to as AmBank Group) to perform an independent verification and provide partial assurance of AmBank Group Sustainability Statement 2019. The main objective of verification process is to provide assurance to AmBank Group and its stakeholders of the accuracy and reliability of the selected information presented in the Sustainability Statement. This was confirmed through checking and verifying claims made in the statement. The verification audit by SIRIM QAS International covered only sustainability-related activities selected by AmBank Group which had been included in AmBank Group Sustainability Statement of the Integrated Annual Report 2019.

The management of AmBank Group was responsible for the preparation of the Sustainability Statement. The objectivity and impartiality of this verification statement is assured as no member of the verification team and no other employee of SIRIM QAS International was involved in the preparation of any part of the AmBank Group Integrated Annual Report 2019.

Verification team

The verification team from SIRIM QAS International consisted of:

- 1) Ms. Aernida Abdul Kadir : Team Leader
- 2) Mr. Shaiful Azmir A. Rahman : Team Member



Independent Assurance Statement

Methodology

The verification process was carried out by SIRIM QAS International in May 2019. It covers the selected sustainability-related activities as follows:

No.	Topic	Page no. Sustainability Statement of Integrated Annual Report 2019
1	Corporate Governance: i) Sustainability Statement Scope ii) Sustainability Governance iii) Stakeholder Engagement	 76 76 80
2	Materiality: i) Materiality Assessment ii) Material Sustainability Matters	 81 82
3	Responsible Sourcing and Procurement: i) Supplier Code of Conduct ii) Supplier Screening and On-Boarding iii) Supporting Local Suppliers	 97 97 98
4	Ensuring a Conducive, Safe and Healthy Workplace: i) Occupational Safety and Health (OSH) Management System ii) Lost Time Injury Frequency Rate iii) Safety and Health Training iv) OSH Activities v) OSH Projects and Special Events vi) Future OSH Initiatives	 114 114 115 115 117 119
5	Energy, Water and Waste Management: i) Climate Change Actions ii) Mitigating Greenhouse Gas (GHG) Emissions iii) Resource Conservation and Waste Management	 127 127 130

Independent Assurance Statement

The verification involved the following activities:

- Reviewing and verifying the accuracy of data collected from various sources and that are presented in the report;
- Reviewing of internal and external documentation and displays such as awards, press releases, media publications, internal newsletters, internal systems, etc.;
- Interviewing of key personnel responsible for collating information and writing various parts of the report in order to substantiate the veracity of the claims;
- Evaluating the adequacy of the Sustainability Statement of AmBank Group and its overall presentation against the GRI Standards.

During the verification process, issues were raised and clarifications were sought from the management of AmBank Group relating to the accuracy of some of the data and statements contained in the report. The report was subsequently reviewed and revised by AmBank Group in response to the findings of the verification team. It can be confirmed that the changes incorporated into the final version of the report satisfactorily addressed the issues that had been raised.

The verification process was subjected to the following limitations:

- The scope of work did not involve verification of information reported in the AmBank Group Integrated Annual Report 2018 and 2019;
- The verification was designed to provide limited assurance irrespective of the organization's ability to achieve its objectives, targets or expectations on sustainability-related issues;
- The corporate office in Bangunan AmBank Group (Jalan Raja Chulan) and Menara AmBank (Jalan Yap Kwan Seng) were visited as part of this assurance engagement. The verification process did not include physical inspections of any of AmBank's operating assets; and
- The verification team did not review any contractor or third party data.

Independent Assurance Statement

Materiality

Since 2017, AmBank has strengthened its materiality determination process to enable better disclosure on the level of impact of each material issue along with the value chain. Important material sustainability matters were prioritized to further improve business operations and drive sustainable progress in the society.

In 2019, AmBank Group has conducted the Sustainability Stakeholder Engagement Survey to further reflect the changes in stakeholders' perception against established benchmark from the previous survey. AmBank Group has maintained the identified ten material sustainability matters which has been classified into three themes; Responsible Banking, Employer of Choice and Positive Societal Impact and the survey was distributed to significant stakeholder groups such as Investors and Shareholders, Clients, Suppliers, AmBank Group Directors, members of Senior Management and last but not least, the AmBankers. Accordingly, the result of the materiality assessment has been presented in page 81 and 82, Sustainability Statement of the Integrated Annual Report 2019. Moreover, the material sustainability matters were mapped into relevant Sustainability Development Goals (SDGs) applicable to AmBank Group.

Greenhouse Gases (GHG) emissions and Carbon footprint

For 2019, AmBank Group has further enhanced the scope of GHG identification and quantification by systematically reporting the GHG emissions through Scope 1 – Direct Emission, Scope 2 – Indirect Emission and Scope 3 – Other Indirect Emission. The identification and quantification process has been carried out for the whole AmBank Group in accordance with the requirements of ISO 14064-1:2018 with the following coverage:

- The Scope 1 emissions from fuel consumption by company-owned vehicles;
- The Scope 2 emissions resulting from electricity consumption by the Group;
- The Scope 3 covers air travelling. The air travelling for Scope 3 has been based on the information provided by AmBank Group's appointed travel agent.

The total computation of the GHG emission for AmBank Group has been prepared internally. The verification was carried out by the use of ISO 14064-3:2006 standard requirements. Based on reviewed information, the following was verified:

Independent Assurance Statement

Greenhouse gas emissions (tCO ₂ e)		
Scope 1	Scope 2	Scope 3
122	20,437	419

Conclusion

Based on the selected topics and information provided during the verification process, the following represents SIRIM QAS International's opinion:

- The level of accuracy of relevant data included in the AmBank Group Sustainability Statement 2019 is fair and acceptable;
- The Sustainability Statement was prepared according to the GRI Standards requirements. The selected content and quality were well established. The level of sustainability performance information in the statement was found to be acceptable;
- The information has been presented in an appropriate manner;
- The personnel responsible were able to reliably demonstrate the origin(s) and interpretation of data contained in the statement;
- AmBank Group has satisfactorily addressed, in the final version of the report, all issues that had been raised during the verification audit.

Prepared by:


AERNIDA ABDUL KADIR
 Verification Team Leader
 Management System Certification
 Department
 SIRIM QAS International Sdn. Bhd.

Date : 29 May 2019

Approved by:


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 Senior General Manager
 Management System Certification
 Department
 SIRIM QAS International Sdn. Bhd.

Date : 29 May 2019