



AmBank Group

Winning Together...

is what matters

About This Report

The Sustainability Report for AMMB Holdings Berhad, referred to as the AmBank Group Sustainability Report 2024, provides our stakeholders with a detailed view of our ongoing commitment to integrating sustainability into the core of our business practices.

It illustrates how we leverage our role within Malaysia's financial sector to foster positive economic, environmental, and social changes as well as good governance. It shares details of the challenges we faced and lessons we learnt during the financial year.

Our report illustrates the steps we are taking to embed sustainability practices in every facet of our operations – from strategic planning to daily activities – and the impact these efforts have on our stakeholders and the environment. Alongside our Integrated Annual Report 2024, it outlines how we manage to balance diverse stakeholder interests through a comprehensive, stakeholder-focused value creation strategy.



Sustainability Report



This report presents our sustainability progress and performance. It provides disclosures on how we create positive environmental and social impact for the betterment of the broader society.

Frameworks & Standards

- Global Reporting Initiative (GRI) Standards 2021
- Bursa Malaysia's Main Market Listing Requirements (MMLR) on Sustainability Reporting
- Task Force on Climate-related Financial Disclosures (TCFD) recommendations and Joint Committee on Climate Change (JC3) TCFD Application Guide for Malaysian Financial Institutions



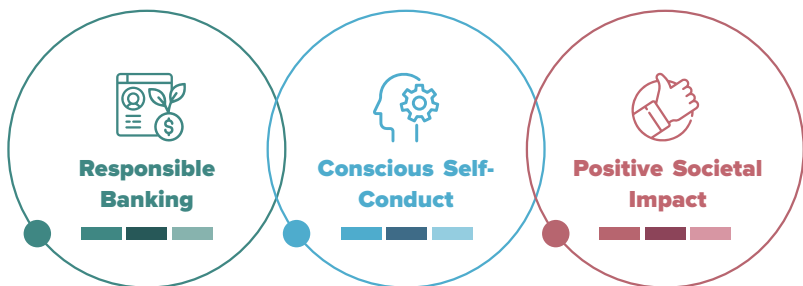
REPORTING PERIOD

Our Sustainability Report includes data and information from 1 April 2023 to 31 March 2024 (FY2024), unless specified otherwise. Significant restatements compared to prior years are explained in the relevant sections where they appear. We endeavour to present year-on-year sustainability progress by providing data from the past three years whenever possible. Our previous Sustainability Report for FY2023 was published to cover the period from 1 April 2022 to 31 March 2023.

REPORTING BOUNDARIES

This Sustainability Report focuses on data related to our three main subsidiaries: AmBank (M) Berhad; AmBank Islamic Berhad; and AmInvestment Bank Berhad (collectively referred to as AmBank Group or the Group or we).

This Sustainability Report charts the progress of the 12 Sustainability Matters that generate long-term value for our stakeholders and ensure our business remains sustainable. Throughout this Sustainability Report, the impact of our sustainability initiatives are labelled with the following icons:



INDEPENDENT ASSURANCE

To ensure the reliability and credibility of our sustainability disclosures, SIRIM QAS International Sdn. Bhd. has provided independent assurance on several critical areas of this report. These areas include:

- Sustainability Governance;
- Responsible Consumption;
- Responsible Procurement;
- Employee Well Being (including Occupational Safety and Health);
- Developing Our People;
- Driving Diversity, Equity and Inclusion;
- Relevant Sustainability Performance Data; and
- FY2024 Bursa Malaysia Sustainability Performance Table

The Statement of Independent Assurance is shown on page 165.

POINT OF CONTACT

We value your feedback, comments, and inquiries as they play a crucial role for us to continuously improve our sustainability disclosures and journey. Please feel free to email us at sustainability@ambankgroup.com with any suggestions or questions you may have.

NAVIGATION ICONS

Our RESOURCES

FC Financial Capital	HC Human Capital
MC Manufactured Capital	SC Social & Relationship Capital
IC Intellectual Capital	NC Natural Capital

Our STAKEHOLDERS

S1 Customers	S6 Shareholders & Investors
S2 Employees	S7 Business Partners
S3 Suppliers	S8 Media
S4 Government & Regulators	S9 Sustainability-Certified Bodies
S5 Community/Civil Society/NGOs	

Our STRATEGIC FOCUS AREAS

F1 Attaining a Return on Equity (ROE) of $\geq 10\%$
F2 Sharpening Our Segment Play
F3 Delivering Holistic Customer Value Proposition Leveraging a Collaborative Culture and Partnerships
F4 Pushing Capital-Light Revenue
F5 Ramping Up the Next Wave of Digital Initiatives
F6 Future-Proofing The Workforce
F7 Integrating Environmental, Social, and Governance (ESG) Considerations into Our Business
F8 The Digital Bank

Our MATERIAL MATTERS

M1 Responsible Financing & Building Climate Resilience	M7 Enhancing Employee Well-Being
M2 Customer Experience & Satisfaction	M8 Developing Our People
M3 Digital Innovation	M9 Driving Diversity, Equity & Inclusion
M4 Cybersecurity & Data Privacy	M10 Responsible Consumption
M5 Financial Inclusion	M11 Responsible Procurement
M6 Integrity & Preventing Financial Crime	M12 Supporting Communities

For resources and strategy, please refer to pages 20 to 35 of our Integrated Annual Report 2024.

Cross References

You can find more information within the report.

Sustainability Actions & Achievements



Responsible Banking



Won Malaysia's Best Bank for ESG
2023 Asiamoney Award

Disbursed a total of **RM3,022 million** in green loans and financing



Recorded a **15% increase** in registered users on our AmOnline platform



Recorded an **81%** Customer Satisfaction Score (CSAT)



Achieved **first ranking** in the Net Promoter Score (NPS) of +27



Conscious Self-Conduct

6,284 employees completed training on Sustainability 101



33% of our Board members are women*

* As at 31 March 2024



Jangan Kena Scam Awareness Campaign: **2.1 million impressions**



Scored a score of **7.6/10 and 5/5** for governance-related disclosures in MSCI and FTSE4Good respectively

Maintained a **participation rate of 98%** in our Employee Engagement Index (EEI) survey



Positive Societal Impact

Supported **The Lost Food Project (TLFP)**, saved **324,835** meals (284,211 kg of CO₂ emissions)



Invested **RM901,584** with 116 Corporate Social Responsibility (CSR) and sustainability programmes



Supported **ITEKAD** programme, for **168** *asnaf* microentrepreneurs



Disbursed a total of **RM5,623 million** in loans and financing for affordable housing loans/financing schemes, providing homes for the community



A total of more than **25,000 businesses** trained/participated in AmBank BizCLUB, BizCONFERENCE and BizRACE

Early Adopter of Capital Markets Malaysia's **Simplified ESG Disclosure Guide (SEDG)**

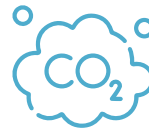


Invested **RM17.6 million** in employee training and development

Introduced an **Employee Resource Group (ERG)** named Ladies at Work (L@W)



Achieved **36% GHG emissions reduction** against 2019 baseline with carbon reduction initiatives for enterprise operations



Onboarded **170 vendors** onto the Pantas Greening Value Chain (GVC) Programme



Established the

AmBank Volunteer Network (AVN) to streamline volunteer initiatives across the Group



Benefited

17,229 community members through various community initiatives



A total of

RM1.75 million contributed to Zakat



What's Inside

AMMB HOLDINGS BERHAD SUSTAINABILITY REPORT 2024



➔ For further updates on our sustainability journey, please visit [ambankgroup.com](https://www.ambankgroup.com)



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Leadership Statement

For us, the sustainability agenda is not just a responsibility – it is an opportunity to do better for AmBank Group, driving profitable growth with principles.

JAMIE LING
Group CEO
AmBank Group



Dear Stakeholders,

In FY2024, climate change led to extreme floods, severely impacting our communities and the economy. Additionally, socio-economic disparities continue to affect the well-being of many Malaysians, underscoring the need for a more inclusive growth and support for vulnerable groups. These pressing issues demand actions from business leaders as they present opportunities for positive change.

At AmBank Group, we recognise the urgency of these issues and the role we play in addressing them. For us, the sustainability agenda is not just a responsibility – it is an opportunity to do better for AmBank Group, driving profitable growth with principles. By embracing sustainability, we aim to drive meaningful progress and build a resilient future. This commitment is central to our “Winning Together” ethos, where the success of all stakeholders is integral to our own.

Leadership Statement

SUSTAINABILITY HIGHLIGHTS



Won Malaysia's Best Bank for ESG 2023
Asiamoney Award



RM3,022 million
total disbursed in green loans and financing



Achieved **36% GHG emissions reduction** against 2019 baseline with carbon reduction initiatives for enterprise operations

Sustainability continues to be a business imperative.

Global sustainability issues, particularly climate change, remain at the forefront, with rising pressure for concerted actions from governments and businesses. In Malaysia, the commitment to sustainability has been equally strong. The National Energy Transition Roadmap (NETR), launched in July 2023, aims to shift the economy from a reliance on fossil fuels to a high-value green economy, attracting over RM25 billion in investments and creating 23,000 job opportunities¹.

Additionally, the Ministry of International Trade and Industry (MITI) has introduced the i-ESG Framework to support companies, particularly in the manufacturing sector, in adopting ESG principles. Malaysia's Budget 2024 reinforces this commitment with an ambitious ESG-oriented plan, offering annual tax deductions for companies on ESG-related expenditures². These developments highlight the nation's strategic alignment of economic growth with sustainability goals.

AmBank Group is leveraging these opportunities through green financing solutions to build our resilience and long-term growth. In FY2024, we disbursed a total of RM3,022 million in green loans and financing to address Malaysia's urgent sustainable development needs. Our green loan collaborations with leaders like Labuan Solar Plant, Swift Haulage and Tesla are driving sustainable momentum across projects – providing win-win solutions for both the economy and the environment.

Financial institutions have a critical and unique role in driving sustainability. With our ability to mobilise and allocate capital, we are essential in bridging the funding gap and driving global sustainability efforts. The annual cost to meet the United Nation Sustainability



With our ability to mobilise and allocate capital, we are essential in bridging the funding gap and driving global sustainability efforts.



Development Goals (UN SDGs) exceeds US\$5 trillion³, highlighting the immense need for capital to address climate change, biodiversity loss, and severe social challenges. On the other hand, the booming growth in ESG investments, projected to reach US\$46.5 trillion by 2032⁴, presents significant opportunities for banks to lead in sustainable finance and drive impactful change.

The Group aims to capture these opportunities with rigorous sustainability criteria embedded into our financing practices. As part of our ongoing efforts we continue to develop a decarbonisation pathway exercise in FY2025, ensuring our approach and targets align with the latest environmental developments. Furthermore, we remain committed to assist our customers in their decarbonisation journeys by mobilising capital for transitional activities. To achieve this, we are developing a differentiated approach tailored to sectors that pose higher climate-related risks as part of our forthcoming Net Zero Roadmap transition plan.

¹ <https://ekonomi.gov.my/sites/default/files/2023-08/National%20Energy%20Transition%20Roadmap.pdf>

² <https://belanjawan.mof.gov.my/pdf/belanjawan2024/ucapan/ub24-BI.pdf>

³ <https://news.un.org/en/story/2023/09/1140997>

⁴ <https://www.custommarketinsights.com/report/environmental-social-governance-investing-market/>

Malaysia's transition needs to be fair and pragmatic. With Malaysia's economy heavily reliant on hard-to-abate sectors like oil and gas, a rapid shift towards decarbonisation could cause significant socio-economic implications. AmBank Group recognises the need for a balanced and pragmatic approach to ESG adoption, one that considers the broader economic and societal consequences.

Our strategy supports a fair transition across our value chain. For our suppliers, we offer complimentary capacity building and tools, including software for managing and reporting greenhouse gas (GHG) emissions, in addition to access to favourable financing options like the Low Carbon Transition Facility (LCTF) by Bank Negara Malaysia (BNM).

In FY2024, we began measuring our Scope 3 financed emissions for customers to identify critical areas needing focused attention. This helps us understand where the most significant impact and opportunities lie. While we actively finance renewable energy projects like solar to expand the market for clean energy, we also encourage our customers in hard-to-abate sectors to become more efficient and reduce their carbon footprint, facilitating a gradual transition to a lower carbon economy. For example, we have granted Uzma Berhad RM300 million in financing facilities to support its operational efficiency and accelerate its sustainability agenda.

Furthermore, as active members of the Joint Committee on Climate Change (JC3), we continue to work with the Government, the financial industry, and partners to support a fair and orderly transition of the economy. Through JC3, we focus on risk assessments and mitigations, continued capacity building and increasing financial flows for climate transition, integrating broader environmental risks.

Businesses need to rapidly scale up sustainability talent. As sustainability expectations rise, the demand for green skills in the job market is soaring, with sustainability-related job postings increasing over 15% in 2023 compared to the previous year⁵. This demand is expected to outpace supply, highlighting the urgent need for businesses to attract skilled talent and conduct upskilling programmes in this area.



While we actively finance renewable energy projects like solar to expand the market for clean energy, we also encourage our customers in hard-to-abate sectors to become more efficient and reduce their carbon footprint, facilitating a gradual transition to a lower carbon economy.



AmBank Group is addressing this growing need through a multifaceted approach. We are recruiting new talent with green skills and investing in the development of our existing workforce. Our commitment to sustainability learning spans all levels, from leadership to employees. We have implemented a diverse range of programmes, including AmBank Group Sustainability 101 where we educated over 6,000 members of staff, and ESG Risk Assessments for Leaders and Asset Managers, to support AmBankers. We are also developing training modules on sustainable finance, for our relationship managers to facilitate discussion with customer, and identifying opportunities to offer sustainable finance solutions for their climate mitigation and adaptation needs.

In the years ahead, sustainability and climate will continue to dominate the banking sector, driven by upward trends in sustainable financing and the escalating risks associated with climate change. In FY2025, we will continue our efforts to enhance our climate risk assessment capabilities and expand our green lending portfolio.

As we look to the future, we do so with optimism. While unprecedented challenges lie ahead, we embrace these changes as opportunities to transform our business. We are committed to building a resilient, prosperous, and inclusive future for our customers, our employees, the broader community and our environment.

JAMIE LING

Group Chief Executive Officer

⁵ economicgraph.linkedin.com/content/dam/me/economicgraph/en-us/global-green-skills-report/green-skills-report-2023.pdf

Overview of AmBank Group

Our Purpose

Winning Together - To help individuals and businesses grow and win together



We focus on deepening relationships by acting as advisors and being trusted business partners to our customers

We earn the trust of our customers by being professional, reliable, and efficient and providing the best service



Who We Are

AmBank Group is a leading financial services group with **49 years** of expertise in supporting the economic development of Malaysia. We have over **three million customers**



* Employees data includes Life Insurance and Family Takaful Businesses.

Core Values



PURPOSE	WINNING TOGETHER				
VALUES	Principled	Proactive	Appreciative	Collaborative	Experimental
DESCRIPTOR	Do the Right Thing	Delivering More	Recognise Contribution	Work Together	Explore Possibilities
WAYS OF WORK (BEHAVIOURS)	<ul style="list-style-type: none"> Practice AmBank Group's Code of Conduct Commit and deliver on promises Take accountability 	<ul style="list-style-type: none"> Anticipate needs Deliver more than expected Initiate change for excellence 	<ul style="list-style-type: none"> Listen to understand Share feedback to acknowledge contribution Cheer for achievements 	<ul style="list-style-type: none"> Invite collaboration Communicate candidly for Win-Win solutions Help each other and share credit 	<ul style="list-style-type: none"> Generate new ideas Test ideas Convert ideas into solutions

What We Do: Core Business Segments

Wholesale Banking

Business Banking

Retail Banking


WHO WE ARE


We cater to corporates, government-linked, and institutional clients across all sectors, meeting their financial and sustainability goals with our offerings from both conventional and Islamic banking.

We empower small, medium, and large enterprises with customised financial solutions, including business loans, trade financing, green financing, cash management, transaction banking, business wealth management, and bancassurance, all supported by a high-touch relationship model.

We craft tailored value propositions for affluent, mass affluent, mass retail consumers, and retail SMEs. By integrating physical and digital channels, we expand our customer base and deepen client relationships, offering value that extends beyond finance to lifestyle enhancements, business opportunities, and sustainability initiatives.

MORE INFORMATION

 Please refer to business review on pages 79 to 84 of our Integrated Annual Report 2024.

 Please refer to business review on pages 85 to 88 of our Integrated Annual Report 2024.

 Please refer to business review on pages 89 to 93 of our Integrated Annual Report 2024.

Investment Banking

Islamic Banking

Life Insurance Business

Family Takaful Business

WHO WE ARE


We offer a comprehensive suite of services tailored to corporate, retail, and institutional clients, including corporate finance, Merger & Acquisitions (M&A) advisory, equity and debt capital markets, private banking, funds management, and stockbroking services.


We provide a diverse range of Shariah-compliant banking products and services for retail and non-retail customers, including financing, investment, treasury, and trade solutions.


We present innovative solutions that cover protection, medical, retirement, and credit-related needs for customers at every life stage.


We extend Shariah-compliant Takaful solutions, guided by ethical standards and a customer-centric approach, to help our customers achieve their financial goals.

MORE INFORMATION

 Please refer to business review on pages 94 to 101 of our Integrated Annual Report 2024.

 Please refer to business review on pages 102 to 106 of our Integrated Annual Report 2024.

 Please refer to business review on pages 107 to 110 of our Integrated Annual Report 2024.

 Please refer to business review on pages 111 to 114 of our Integrated Annual Report 2024.

Sustainability at AmBank Group

At AmBank Group, we embrace this responsibility with a commitment to creating shared values that benefit current and future generations of stakeholders. Our approach goes beyond compliance; it is about driving sustainable practices that contribute to a more resilient and equitable society, and about being custodians of the environment, held in trust for future generations.

SUSTAINABILITY FRAMEWORK

The foundation of AmBank Group’s sustainability commitment is the Group’s Sustainability Framework. This framework is structured to align with Environmental, Social, and Governance (ESG) and value-based intermediation (VBI) principles. It ensures that our business practices not only foster economic prosperity but also uphold and advance environmental stewardship and social responsibilities.

AMMBANK GROUP’S SUSTAINABILITY FRAMEWORK

Sustainability Statement

AmBank Group embeds Environmental (including climate-related), Social and Governance (“ESG”) considerations into our strategies, business and operations, to contribute to the greater good of our stakeholders, ensuring the longevity of our relevance and profitability.

Sustainability Themes

Responsible Banking

We are committed to conduct our business and engage customers in a responsible manner.

- Responsible Financing & Building Climate Resilience
- Customer Experience & Satisfaction
- Digital Innovation
- Cybersecurity & Data Privacy
- Financial Inclusion

Conscious Self-Conduct

We are conscious that our internal conduct has ESG, including climate-related implications.

- Integrity & Preventing Financial Crime
- Enhancing Employee Well-being
- Developing Our People
- Driving Diversity, Equity & Inclusion
- Responsible Consumption
- Responsible Procurement

Positive Societal Impact

We contribute towards the creation of a positive impact to our communities.

- Supporting Communities

United Nations Sustainable Development Goals (UN SDGs)



Maqasid Shariah

Protection of Faith (DIN)

Protection of Life (NAFS)

Protection of Intellect (AQL)

Protection of Lineage (NASL)

Protection of Property (MAL)

Core Values



Principled

Proactive

Appreciative

Collaborative

Experimental

Sustainability Communication









Effective communication is crucial in disseminating the values and principles outlined in our Sustainability Framework. Through The Green Lens and Green Trekker digital newsletters, we regularly keep our employees informed and updated on a range of sustainability topics. This includes valuable insights into climate-related risks and opportunities, helping to educate and align our employees with our sustainability goals and progress.



Sustainability at AmBank Group

STAKEHOLDER ENGAGEMENT & VALUE CREATION

AmBank Group’s engagement with a diverse group of stakeholders is crucial to understand their unique needs and interests, By fostering strong relationships with these stakeholders, we ensure that our initiatives are in line with their expectations and requirements, promoting collaborative successes. This alignment not only enhances strategic planning but also drives overall business success, ensuring both AmBank Group and its stakeholders can thrive in a competitive market.

Why We Engage	Engagement Platform and Frequency	Key Expectations	Potential Risks
<p>S1 CUSTOMERS</p> <p>We engage with our customers to understand their evolving needs, identify service gaps, and offer personalised services. Our customer-centric approach enables them to make informed decisions, building trust and loyalty.</p> <p>Resources </p> <p>Material Matters </p> <p>SDGs </p>	<p>Survey</p> <p>.....</p> <p>Distribution Points</p> <p>.....</p> <p></p>	<ul style="list-style-type: none"> Seamless access to financial services and quick customer issues resolution across platforms. Personalised solutions aligned with customer priorities and needs. Accessible resources to increase financial literacy and empowerment. Measures to maintain data privacy, cybersecurity and prevent scams. 	<ul style="list-style-type: none"> Face competition from traditional and non-traditional financial services in meeting evolving customer expectations. Reduced customer loyalty as a consequence of not understanding our customers’ needs or offering unpersonalised solutions. Loss of trust due to scams, cyberattacks, and fraud, causing data and financial losses.
<p>S2 EMPLOYEES</p> <p>We engage with our employees to foster a diverse, inclusive, and adaptable workplace, while empowering them with essential skills to create an engaging, positive environment where everyone can excel and contribute effectively to our goals.</p> <p>Resources </p> <p>Material Matters </p> <p>SDGs </p>	<p>Townhalls</p> <p>.....</p> <p>AmBank Group Connected Portals</p> <p>.....</p> <p>HR E-mails</p> <p>.....</p> <p>Meetings</p> <p>.....</p> <p>Performance Reviews</p> <p>.....</p> <p></p>	<ul style="list-style-type: none"> Safe and productive work environment that provides flexibility to balance professional and personal life. Fair and equitable pay to commensurate performance. Possess the necessary skills, competencies, and mindset for consistent high performance, including advanced capabilities for the future. 	<ul style="list-style-type: none"> Challenges in retaining and attracting top talent. Potential skill gaps in the workforce, influenced by digitalisation and automation.

Frequency of Engagement:

- D Daily
- W Weekly
- M Monthly
- Q Quarterly
- A Annually
- P Periodically

Opportunities	Responses/Business Initiatives	Value Creation Indicators & Achievements
<p style="background-color: #008000; color: white; padding: 2px;">Value Creation for Customers</p> <ul style="list-style-type: none"> Provide tailored solutions meeting their needs. Deliver exceptional customer journey and experience. Ensure access to secure, fast, and reliable physical and digital financial services. Facilitate efficient resolution of pain points through engagement channels. <p style="background-color: #008080; color: white; padding: 2px;">Value Creation for AmBank Group</p> <ul style="list-style-type: none"> Maintain growth and profitability across portfolios, regions, and footprint. Establish strong brand reputation through customer loyalty, trust, and positive endorsements. Foster a robust customer base, ensuring relevance and timely innovation in offerings. 	<ul style="list-style-type: none"> Enhancement of our AmOnline platform to facilitate added convenience and seamless customer service experience which allows users to provide feedback. Established an Entrepreneurship Development Workshop with Bank Simpanan Nasional to provide micro-SMEs with financial literacy education. Enhanced actions against scams and fraud, and launched an awareness campaign, #JanganKenaScam. 	<ul style="list-style-type: none"> Ranked first in Net Promoter Score (NPS), achieving +27. 15% increase in registered users on our AmOnline platform. 81% for Customer Satisfaction Score (CSAT). Conducted eight Entrepreneurship Development Workshops in Kuala Lumpur, Johor Bahru, Ipoh, and Kota Bharu, connecting with 200 MSMEs. 2.1 million impressions for the #JanganKenaScam campaign.
<p style="background-color: #008000; color: white; padding: 2px;">Value Creation for Employees</p> <ul style="list-style-type: none"> Cultivate a supportive workplace promoting creativity, diversity, well-being, and work-life balance through flexible arrangements. Foster a robust learning culture with top development programmes for career advancement and ongoing relevance. Provide comprehensive benefits addressing physical, mental, emotional, financial, social, and career needs. <p style="background-color: #008080; color: white; padding: 2px;">Value Creation for AmBank Group</p> <ul style="list-style-type: none"> Empower a proactive future workforce for enhanced productivity, excellence, and strategic execution through collaboration and communications. Lead innovation and transformation to maintain market leadership and relevance, by generating and taking new ideas, and converting them successfully into solutions. 	<ul style="list-style-type: none"> Utilised Microsoft's 365 Copilot's Early Access Programme to enhance efficiency and productivity. Developed AmBank Group's Well-being Framework which addresses physical, mental, social and financial well-being to ensure employees can perform their best while feeling supported. Implemented Fair Income Distribution approach, emphasising pay equality across genders and reducing pay gaps across employee levels as well as adopting the Living Wage concept to maintain a decent standard of living. Offered structured talent development programmes, tailored to different employee groups, fostering business acumen and accelerating leadership capabilities. 	<ul style="list-style-type: none"> 365 Copilot Early Access Programme for approximately 300 employees. 1,964 people participated in AmBank Group's Wellness and Mental Health Programmes. RM18.3 million (FY2024) invested in employee training and development, averaging 104 hours per employee. Participation rate of 98% in our Employee Engagement Index (EEI) survey. Regular pay audits to ensure compensation policies are applied uniformly.

Sustainability at AmBank Group

STAKEHOLDER ENGAGEMENT & VALUE CREATION

Why We Engage	Engagement Platform and Frequency	Key Expectations	Potential Risks
<p>S3 SUPPLIERS</p> <p>We engage with our suppliers to build strong, reliable relationships that enhance our supply chain resilience and operational efficiency. This collaboration is crucial for promoting sustainable practices and fostering innovation, ensuring we meet our customers' evolving needs while maintaining high standards of environmental, social, and governance (ESG) performance.</p> <p>Resources </p> <p>Material Matters </p> <p>SDGs </p>	<p>Onboarding Process</p> <p>Performance Evaluation</p> <p>Ad hoc Engagements</p> <p></p>	<ul style="list-style-type: none"> Fair and transparent procurement process. Increased economic opportunities for local businesses and social enterprises. Guidance and knowledge sharing with suppliers. Expectations of reporting supply chain emissions – Scope 3 Category 1 Purchased Goods and Services. 	<ul style="list-style-type: none"> Higher procurement costs due to lack of competitive pricing. Inability to meet our demands and service expectations. Regulatory non-compliance risks related to sourcing practices. Inability to provide Scope 1 and Scope 2 GHG emissions information.
<p>S4 GOVERNMENT & REGULATORS</p> <p>We engage with the government and regulators, ensuring compliance to applicable laws and regulations to attain operational stability whilst deriving industry best practices. Additionally, we proactively collaborate and provide views on policy and national development initiatives which benefit the wider economy.</p> <p>Resources </p> <p>Material Matters </p> <p>SDGs </p>	<p>Meetings</p> <p>Seminars/Workshops</p> <p>Feedback on Consultation Papers</p> <p></p>	<ul style="list-style-type: none"> Compliance with regulations and laws to ensure financial stability, professional conduct, and fair consumer treatment. Ethically manage risks and build resilience against financial crime, cyber threats, and climate change, ensuring responsible management and fair treatment to consumers. Adopt responsible banking practices, good governance and compliance for socio-economic growth. 	<ul style="list-style-type: none"> Insufficient readiness for regulatory changes may raise operational costs and affect performance outcomes. Non-compliance or irregularities could lead to adverse financial or non-financial consequences, including regulatory penalties and damage to reputation and trust.
<p>S5 COMMUNITY/CIVIL SOCIETY/ NGOs</p> <p>We engage with communities, NGOs, and civil society to foster positive change and empowerment through financial services. By staying attuned to local dynamics, we advance communities through impactful operations, financial education, and assistance.</p> <p>Resources </p> <p>Material Matters </p> <p>SDGs </p>	<p>FINCO</p> <p>Focus Groups</p> <p>Volunteering programmes</p> <p></p>	<ul style="list-style-type: none"> Personalised financial solutions for unserved and underserved populations. Foster SME growth with financial assistance programmes. A sustainable future through socio-economic initiatives aimed at tackling unemployment, enhancing financial literacy, and empowering disadvantaged communities. 	<ul style="list-style-type: none"> Drop in brand reputation and limited partnerships due to potential lack of community engagement and inclusion. Financing activities that could impact local communities negatively.

Opportunities	Responses/Business Initiatives	Value Creation Indicators & Achievements
<p>Value Creation for Suppliers</p> <ul style="list-style-type: none"> • Provide stable revenue streams through AmBank Group's consistent demand for products or services. • Create robust supplier relationships, promoting trust, collaboration, and potential long-term partnerships. • Enhance their corporate reputation by participating in AmBank Group's sustainability programmes. <p>Value Creation for AmBank Group</p> <ul style="list-style-type: none"> • Promote and enforce its ESG standards throughout the supply chain. • Build stronger, more reliable relationships through better communication and collaboration, improving supply chain efficiency and resilience. • Foster innovation by encouraging the exchange of ideas and technological advancements. 	<ul style="list-style-type: none"> • Procurement operations governed by comprehensive policies that ensure transparency, accountability, and fairness in the Group's dealings. • AmBank Group's strategic inclusion of social enterprises and local suppliers in procurement processes drives economic inclusion and community development. • Provided training and supporting tools (Pantas Climate Solutions) for vendors to improve environmental sustainability and measure their GHG emissions. 	<ul style="list-style-type: none"> • 170 vendors were onboarded onto the Pantas Climate Solutions carbon accounting tool. • RM565.8 million contributed to local suppliers. • 91% of our suppliers (number) are Malaysian registered companies.
<p>Value Creation for Government & Regulators</p> <ul style="list-style-type: none"> • Collaborate and provide insights to influence policymaking decisions. • Support awareness efforts on issues affecting customers, such as online scams, financial literacy, sustainable finance, and financial inclusion. <p>Value Creation for AmBank Group</p> <ul style="list-style-type: none"> • Operate domestically with guidance on rules and regulations, ensuring resilience and agility. • Promote trust and customer engagement while safeguarding the Group's reputation. • Support economic growth through financial stability and governance. 	<ul style="list-style-type: none"> • Adhered to the highest standards of corporate governance and compliance to fulfil all regulatory obligations. • Fostered a robust compliance culture across the Group to ensure ethical conduct and adherence to policies. • Expanded access of financial services to the underserved and marginalised communities. • Progressive integration of climate risk regulations within our risk management practices. 	<ul style="list-style-type: none"> • Met the regulatory expectations of BNM, Bursa Malaysia and Securities Commission Malaysia. • Participation in various committees and focus groups of Joint Committee on Climate Change (JC3).
<p>Value Creation for Community/Civil Society/NGOs</p> <ul style="list-style-type: none"> • Empower individuals and create diverse job opportunities. • Improve access to essential services such as education and healthcare. • Ensure financial services and facilities are accessible and inclusive, especially in rural areas. <p>Value Creation for AmBank Group</p> <ul style="list-style-type: none"> • Demonstrate AmBank Group's dedication to community well-being. • Foster inclusion and meet the needs of underserved communities. • Strengthen our social license to operate, building sustainable partnerships within our communities. 	<ul style="list-style-type: none"> • Established the AmBank Volunteering Network (AVN) to streamline volunteer initiatives across the Group. • Conducted approximately 116 Corporate Social Responsibility (CSR) and sustainability programmes in FY2024. • Offered affordable, comprehensive financial solutions through affordable housing and auto financing for B40 communities. • Provided support on English proficiency, life aspirations and financial literacy to underprivileged children and youth through FINCO. 	<ul style="list-style-type: none"> • 17,229 community members benefited through various community initiatives, including FINCO. • RM5.6 billion disbursed in loans and financing for affordable housing loans/financing schemes for the community. • RM1.75 million contributed to Zakat. • Distributed RM400,000 to 168 <i>asnaf</i> microentrepreneurs as part of the iTEKAD 2.0 initiative.

Sustainability at AmBank Group

STAKEHOLDER ENGAGEMENT & VALUE CREATION

Why We Engage	Engagement Platform and Frequency	Key Expectations	Potential Risks
<p>S6 SHAREHOLDERS & INVESTORS</p> <p>We engage with investors and shareholders to ensure clear, timely, and effective communication, maintaining credibility and trust for informed investment decisions. By obtaining their views and understanding their expectations, we can better align our strategies to meet these expectations and sustain access to capital.</p> <p>Resources </p> <p>Material Matters </p> <p>SDGs </p>	<p>Annual General Meeting</p> <p>Analyst Briefings</p> <p>Investor Roadshow</p> <p>Media Briefings/Release Meetings</p> <p>Corporate Website</p> <p>IR Mailbox</p> <p></p>	<ul style="list-style-type: none"> Stable earnings and dividends through asset optimisation with appropriate risk management practices. Integration of sustainability-related considerations for lending and investment practices. 	<ul style="list-style-type: none"> Loss of investor confidence stemming from weak financial performance, risk management, or governance. Incorrect financial analysis by analysts or investors may negatively impact stock ratings and share price performance. Possibility of higher capital costs.
<p>S7 BUSINESS PARTNERS</p> <p>We engage with our business partners to cultivate mutually beneficial relationships that drive innovation and enhance service delivery, expanding our market reach creating sustainable growth.</p> <p>Resources </p> <p>Material Matters </p> <p>SDGs </p>	<p>Meetings</p> <p>Webinars</p> <p>Seminars/Workshops</p> <p>Roadshows</p> <p></p>	<ul style="list-style-type: none"> Awareness on the Group's business strategy and key strategic priorities. Commitment to ethical business practices. Robust financial performance. 	<ul style="list-style-type: none"> Limited access to specialised financial services, innovative solutions, and industry-specific expertise. Missed opportunities for market expansion and customer acquisition.
<p>S8 MEDIA</p> <p>We engage with the media because it serves as a crucial link to our diverse stakeholders. This engagement allows us to transparently communicate our values, initiatives, and achievements, therefore building trust.</p> <p>Resources </p> <p>Material Matters </p> <p>SDGs </p>	<p>Events</p> <p>Media Releases</p> <p>Interviews</p> <p>Engagements</p> <p></p>	<ul style="list-style-type: none"> Precise and pertinent information. Fair and transparent content. 	<ul style="list-style-type: none"> Limited public awareness and visibility of AmBank Group's brand, services, and initiatives. Loss of platforms to promote new products, services, and campaigns, affecting business growth. Incorrect representation of content impacting AmBank Group's reputation.
<p>S9 SUSTAINABILITY-CERTIFIED BODIES</p> <p>We engage with sustainability-certified bodies to ensure our practices meet environmental and social standards, enhancing our sustainability practices, and attracting socially responsible investors and customers.</p> <p>Resources </p> <p>Material Matters </p> <p>SDGs </p>	<p>Meetings</p> <p>Audit Assessments</p> <p></p>	<ul style="list-style-type: none"> Ongoing improvement in sustainability and ESG practices. Provide sustainability-related financing products and services. 	<ul style="list-style-type: none"> Loss of competitive advantage to more sustainability-focused competitors.

Opportunities	Responses/Business Initiatives	Value Creation Indicators & Achievements
<p>Value Creation for Shareholders & Investors</p> <ul style="list-style-type: none"> Responsibly managed financial outcomes resulting in improved dividend payout to shareholders. Exemplify improvement in total shareholder returns value drivers leading to an increase in share price and market capitalisation. Emphasise AmBank Group's commitment to sustainability, supporting the nation's aspiration to transition to a low-carbon economy as early as 2050. <p>Value Creation for AmBank Group</p> <ul style="list-style-type: none"> Access to equity and debt capital markets with improving outlook and lower overall funding costs. Achieve fair ratings and valuation of the Group's shares. 	<ul style="list-style-type: none"> Built robust capital levels that support the Group's strategic objectives. Integrated ESG and climate considerations into credit, investment, and advisory practices to promote responsible and sustainable decision-making. 	<ul style="list-style-type: none"> Delivered improved PATMI; ROE of 10%; and an increased dividend payout ratio of 40% equivalent to 22.6 sen per share for a dividend yield of 5.4%. 3-year Total Shareholder Returns Compounded Annual Growth Rate (TSR CAGR) of 13.3% to a total market capitalisation of RM14.0 billion as at 31 March 2024. Continued to enhance the sustainability governance framework.
<p>Value Creation for Business Partners</p> <ul style="list-style-type: none"> Provide various digital banking solutions, fintech collaborations, advancements in financial technology, and sustainability, including climate-related solutions. Facilitate networking opportunities for its partners through events, forums, and industry collaborations. <p>Value Creation for AmBank Group</p> <ul style="list-style-type: none"> Broaden its service portfolio to include specialised financial services, innovative solutions, and industry-specific expertise. Create partnerships to increase accessibility to specialised talent, skills, and industry knowledge that complement AmBank Group's capabilities. 	<ul style="list-style-type: none"> Integrated various cards, wallets, and QR payments partnerships to accelerate the shift towards digital payments and the digital economy. Partnered with Huawei Technologies Malaysia to promote sustainability through solar energy, green data centres, electric vehicle (EV) charging, and energy storage solutions. Partnered with Pantas Climate Solutions to provide carbon accounting tool for customers and suppliers. 	<ul style="list-style-type: none"> Supported over 35,000 merchants with approximately 40,000 Android terminals deployed through the e-Wallet partnerships. 192 customers and vendors have registered on the Pantas platform.
<p>Value Creation for Media</p> <ul style="list-style-type: none"> Regular and direct access to timely and accurate information about AmBank Group's activities, initiatives, and financial performance. <p>Value Creation for AmBank Group</p> <ul style="list-style-type: none"> Increase visibility and awareness of the Group's brand and services through media coverage and publicity. Strengthen AmBank Group's position in the market as a thought leader by sharing insights, expertise, and industry trends through media channels. 	<p>Hosting media networking events, such as:</p> <ul style="list-style-type: none"> Year-long continuous engagement with the editors-in-chief and business desk editors of mainstream media, including Bernama, Utusan Malaysia, New Straits Times, Berita Harian, The Edge, The Star, Astro Awani, and TV3; Luncheon with the CEO of the Malaysian Press Institute (MPI); and A bowling tournament with Media Prima Group including New Straits Times (NST), Berita Harian, TV3 and Harian Metro. 	<ul style="list-style-type: none"> Consistent interaction with media through press conferences, press releases, and special interviews. Fair and balanced presentation of the Group's initiatives. Media coverage in FY2024: 533 press releases and media communications. Total Advertising value of RM3.38 million. Total Public Relations (PR) value of RM10.1 million.
<p>Value Creation for Sustainability-Certified Bodies</p> <ul style="list-style-type: none"> Advocate for global sustainability best practices by providing guidance and knowledge sharing with AmBank Group. Formation of stronger alliances and partnerships within the sustainability ecosystem through AmBank Group's network. <p>Value Creation for AmBank Group</p> <ul style="list-style-type: none"> Strengthen AmBank Group's brand image and reputation as a responsible and sustainable bank. Opportunities for innovation in creating sustainable financial products and services, leading to new revenue streams. Continuous improvement in best practices in environmental and social standards. 	<ul style="list-style-type: none"> Conducted a yearly assurance statement for the Group's Sustainability Report. Performed Occupational, Safety, and Health (OSH) inspection audits. Aligned AmBank Group's environmental (including energy) management practices with international, regional and local standards, ensuring systematic improvements across operations. 	<ul style="list-style-type: none"> Achieved Energy Management Gold Standard (EMGS) 2-star certification for Menara AmBank. Awarded the 5-Star National Building Energy Intensity (BEI) Label for Damansara Fairway 3. 'AA' rating for MSCI ESG Rating 2023. Rated Top 25% by ESG Ratings among public listed companies in FTSE Bursa Malaysia EMAS Index.

Sustainability at AmBank Group

SUSTAINABILITY MATERIAL MATTERS

Our strategic and sustainability decisions are influenced by the Group's material matters covering critical issues that significantly affect our stakeholders' choices and our business outcomes. This focus ensures our sustainability efforts are targeted, addressing our stakeholders' specific needs and concerns for greater impact.

In FY2024, we conducted a comprehensive materiality assessment to enhance our understanding of these issues, engaging extensively to gather detailed stakeholder feedback. We undertake this reassessment biennially or as needed, according to our framework. This process is crucial to keep our sustainability strategy relevant and effective, ensuring it evolves with changing stakeholder expectations and market dynamics.

Materiality Process

01

Stakeholder Prioritisation



Identify and establish weightage for various stakeholder groups based on their potential impact on AmBank Group.

02

Stakeholder Engagement



Conduct a multi-stakeholder engagement exercise with Employees, Customers, Investors, Suppliers and Communities to identify material topics, facilitated by an external party without AmBank Group's representatives present, allowing stakeholders to share their views freely.

03

Discussion & Deliberation



Analyse and review key findings from stakeholder engagements, leading to the top 12 material topics and concerns that emerge from the discussions.

04

Shared Purpose



Juxtapose the findings from the Stakeholders' Ranking (stakeholder priorities) against AmBank Group's Ranking (business priorities), producing the finalised Materiality Matrix.

05

Leadership Review and Approval



Receive management and Board's approval, ensuring that AmBank Group's sustainability strategy is robust and reflective of both leadership vision and stakeholder expectations.

Materiality Results and Analysis

From the materiality matrix, we identified our top material matters, which were grouped according to AmBank Group's sustainability themes of Responsible Banking, Conscious Self-Conduct and Positive Societal Impact. By aligning these key issues with our sustainability themes, we refined the scope of our finalised material matters, ensuring that our sustainability strategy is focused on the areas that matter most to our stakeholders and have the greatest impact on our business performance.





RESPONSIBLE BANKING

MATERIAL MATTERS

RESPONSIBLE FINANCING & BUILDING CLIMATE RESILIENCE

M1

Scope and Definition

Offering innovative and competitive products that embed sustainability within financing decisions to mitigate risks and drive positive impact.

RISKS

Collaborating with organisations that harm the environment and society, have weak governance practices or have insignificant climate change mitigation measures may hamper long-term performance and affect customer repayment and collateral values.

For our response and value creation measures, please refer to pages 34 to 47 on Responsible Financing & Building Climate Resilience.

Resources: **FC HC IC** Strategy: **F1 F2 F3 F4 F7** Stakeholders: **S1 S4 S6 S7 S8 S9**

OPPORTUNITIES

Providing environmentally and socially responsible lending and financing enables us to capitalise on growth opportunities in emerging green industries and transition activities of the economy.

CUSTOMER EXPERIENCE & SATISFACTION

M2

Scope and Definition

Ensuring we meet evolving customer needs and safeguard their financial interests, building the foundation for loyalty and trust, while consistently delivering excellent service.

Customer experience and satisfaction will be impacted should evolving customer lifestyles, requirements, and preferences not be seamlessly integrated with our digital solutions.

For our response and value creation measures, please refer to pages 48 to 51 on Customer Experience & Satisfaction.

Resources: **FC MC HC IC SC** Strategy: **F1 F2 F3 F4 F5 F8** Stakeholders: **S1 S4**

Delivering an excellent customer experience will lead to higher customer retention and stronger branding as the preferred financial institution.

DIGITAL INNOVATION

M3

Scope and Definition

Enhancing our stakeholder experience through digital solutions and transformation, to create seamless multi channel interactions.

Digital or platform disruptions leading to a less than satisfactory customer experience due to transaction interruptions or processing issues.

For our response and value creation measures, please refer to pages 52 to 55 on Digital Innovation.

Resources: **FC MC HC IC** Strategy: **F1 F2 F3 F4 F5 F8** Stakeholders: **S1 S4 S6 S7 S8 S9**

Through digitalisation, we can create innovative financial solutions attracting new clients and meeting evolving customer needs.

CYBERSECURITY & DATA PRIVACY

M4

Scope and Definition

Ensuring resilience against potential privacy threats through robust data security systems and stringent measures, thus protecting stakeholder data and financial well-being.

Cyberattacks and breaches within our system result in business disruptions and erodes stakeholders' trust and confidence.

For our response and value creation measures, please refer to pages 56 to 59 on Cybersecurity & Data Privacy.

Resources: **FC MC HC IC** Strategy: **F5 F7 F8** Stakeholders: **S1 S4 S8 S9**

Establish a secure environment to protect customers' privacy and information by implementing appropriate security measures and processes to address potential scams and cyberattacks.

Sustainability at AmBank Group

MATERIAL MATTERS

FINANCIAL INCLUSION

M5

Scope and Definition


Offering responsible and sustainable delivery of financial products and services to underserved and unserved markets, ensuring accessibility for all.

RISKS

Inability to provide access to affordable products and services for inclusive growth of the underserved and unserved segments will diminish our efforts in building a balanced socio-economic society.

OPPORTUNITIES

Exploring the untapped potential of underserved and unserved segments will unlock new avenues for growth while facilitating social development.

 For our response and value creation measures, please refer to pages 60 to 65 on Financial Inclusion.

Resources **FC MC SC**

Strategy: **F3 F5 F7 F8**

Stakeholders: **S1 S4 S5 S7 S8 S9**



CONSCIOUS SELF-CONDUCT

INTEGRITY & PREVENTING FINANCIAL CRIME

M6

Scope and Definition

Upholding strong corporate governance, compliance with laws, regulations and Shariah standards, with a commitment to stringent anti-money laundering practices, ethical operations, transparency, accountability, and integrity.

Unethical conduct or corruption within our operations or failure to report suspicious activities may lead to regulatory fines, penalties and a loss of confidence and trust from stakeholders.

Maintaining open communication channels provides for a conducive grievance mechanism allowing for stakeholders to report potential wrongdoings or unethical conduct freely and securely thereby strengthening confidence, trust, and reputation.

 For our response and value creation measures, please refer to pages 67 to 73 on Integrity & Preventing Financial Crime.

Resources **FC MC HC IC**

Strategy: **F7**

Stakeholders: **S1 S4 S6 S8 S9**

ENHANCING EMPLOYEE WELL-BEING


M7

Scope and Definition

Providing a safe and healthy environment that promotes work-life balance, fostering a positive culture to support employee physical and mental well-being.

An unproductive work environment results in decreased productivity, a high turnover of employees, and a disengaged workforce.

Establishing a secure and healthy work environment improves employee performance and productivity.

 For our response and value creation measures, please refer to pages 74 to 79 on Enhancing Employee Well-being.

Resources **FC HC SC NC**

Strategy: **F6 F7**

Stakeholders: **S2 S4**

DEVELOPING OUR PEOPLE


M8

Scope and Definition

Providing employees with well-defined career development and training programmes that build a skilled and resilient talent pool.

Inability to attract and retain talent due to limited opportunities for professional growth and skills development.

Offering employees consistent and relevant training ensures they acquire skills that are pertinent to current and future needs, thereby enhancing their performance and readiness to navigate challenges.

 For our response and value creation measures, please refer to pages 80 to 89 on Developing Our People.

Resources **FC HC SC**

Strategy: **F6 F7**

Stakeholders: **S2 S4**

MATERIAL MATTERS

DRIVING DIVERSITY, EQUITY & INCLUSION

M9

Scope and Definition


Encouraging an inclusive workplace culture that values and treats all employees equally, irrespective of differences in age, gender, race, or social background and promotes fair remuneration for all.

RISKS

Increased turnover and difficulty in attracting top talent due to a lack of diversity and inclusivity, resulting in low productivity and morale.

OPPORTUNITIES

Cultivating a diverse and inclusive workplace can lead to higher employee engagement, improved morale, and enhanced team collaboration.

 For our response and value creation measures, please refer to pages 90 to 94 on Driving Diversity, Equity & Inclusion.

Resources **HC** Strategy: **F6 F7** Stakeholders: **S2 S4**

RESPONSIBLE CONSUMPTION

M10

Scope and Definition

Fostering environmental responsibility by measuring our greenhouse gas emissions and implementing effective emission reduction programmes to manage and minimise our environmental impact.

Optimisation of natural resources will be hampered and higher GHG emissions could arise from the absence of robust consumption transition plan and unmonitored consumption practices.

Investing towards improving resource-efficiency will result in reduction of enterprise emissions and improve operational costs.

 For our response and value creation measures, please refer to pages 95 to 105 on Responsible Consumption.

Resources **FC MC NC** Strategy: **F7** Stakeholders: **S2 S3 S4 S6 S9**

RESPONSIBLE PROCUREMENT

M11

Scope and Definition

Establishing a fair and responsible procurement system that empowers suppliers and incorporates sustainability into the supply chain.

Unethical practices of suppliers that harm the environment may impact our reputation.

Supporting local entrepreneurs and SMEs while promoting responsible practices and ethical conduct contributes to the nation's socio-economic growth and well-being.

 For our response and value creation measures, please refer to pages 106 to 109 on Responsible Procurement.

Resources **FC HC SC NC** Strategy: **F7** Stakeholders: **S3 S7**



POSITIVE SOCIETAL IMPACT

SUPPORTING COMMUNITIES


M12

Scope and Definition

Fostering inclusive economic growth and shared prosperity for our communities that extends beyond financial support.

The absence of effective community development and social programmes may suggest that our organisation is focused solely on making profit.

Contributing to community welfare and development in areas where we operate can fulfil our social responsibilities and enhance our reputation.

 For our response and value creation measures, please refer to pages 111 to 119 on Supporting Communities.

Resources **FC HC SC** Strategy: **F7** Stakeholders: **S2 S4 S5 S7 S8**

Sustainability at AmBank Group

CLIMATE-RELATED STRATEGIES

As part of our overarching commitment to sustainability, addressing the multifaceted challenges and opportunities presented by climate change remains a key priority. Therefore, we are dedicated to implementing strategies that mitigate these risks while capitalising on the opportunities to strengthen our resilience and sustainability.

Climate-Related Approach

Our approach to climate issues is integrated into our broader sustainability strategy, articulated, and emphasised across a range of frameworks and policies. This integration ensures that our response to climate change is not isolated but a core aspect of our overall commitment to sustainability.

AmBank Group Sustainability Framework

Within our overarching Sustainability Framework, specific elements are dedicated to addressing climate-related risks and opportunities:

- a) **Our Sustainability Universe:** Focus on the broad ecosystem of stakeholders that AmBank Group impact to understand and positively influence the social and environmental contexts we operate through our sustainability themes and matters.
- b) **UN SDGs, Maqasid Shariah, and AmBank Group Core Values:** Ensure that our climate efforts align with international standards, reflect ethical considerations, and contribute to global climate action.
- c) **Governance:** Established a well-defined governance framework and Key Performance Indicators (KPIs) that measure our effectiveness in managing climate-related issues.



For more information on Sustainability (including Climate) Governance, Functions & Decision-Making, please see page 28.

Other Key Frameworks and Policies Related to Climate-related Risks and Opportunities

Operations

- **Group Environmental Policy:** Focuses on minimising our direct environmental impact, including emissions and energy use.
- **Group Energy Policy:** Advocates for significantly reducing energy consumption and transitioning to renewable energy sources.
- **Business Continuity Management Framework:** Prepares the organisation to withstand and respond to climate-related disruptions.
- **Supplier Code of Conduct:** Promotes sustainability criteria, including climate considerations, in our supply chain.
- **Climate-related Disclosure Policy:** Ensures that AmBank Group produces reliable and meaningful climate-related disclosure to support informed decisions by stakeholders and reinforce the effective management of material climate-related risks.

Credit, Capital, and Investment

- **Group Risk Appetite Framework:** Identifies and limits exposure to climate-related financial risks.
- **Market and Liquidity Risk Management Frameworks:** Addresses the financial stability challenges posed by climate variability.
- **Credit Policies (Retail and Non-retail):** Includes assessments of climate risk in credit decision-making processes.
- **Green Financing Guideline:** Encourages investments in projects that support environmental sustainability, including climate mitigation and adaptation.
- **Climate Change and ESG Risk Assessment (CERA) Guideline:** Thoroughly evaluates potential climate-related risks and opportunities.
- **Responsible Investment Plan:** Aims to allocate capital to initiatives with positive climate and environmental impact.

Enabling the Low-Carbon Transition

To accelerate the transition to a low-carbon economy, we are positioning ourselves to enable meaningful change within our sphere of influence.

Strategic Transition Approaches:

- **Transition or Sectoral Pathways for Different Industries:** We will be developing sectoral pathways that aim to gradually reduce the financed emissions or emissions intensity of the hard-to-abate and high-emitting sectors. Furthermore, we will support our customers in their decarbonisation journey with customised approaches.
- **GHG Management Tools for SMEs:** We provide our SME customers who take up facilities associated with Bank Negara Malaysia’s Low Carbon Transition Fund, free access to carbon accounting software in collaboration with Pantas Climate Solutions, helping them initiate or improve their GHG emissions measurement and reporting practices.
- **Early Adopter of Capital Market Malaysia’s Simplified ESG Disclosure Guide:** We are an early adopter of this programme. We support our SME customers in their journey with ESG disclosures through an extension of the carbon accounting software and capacity building.
- **Empowerment programmes for SMEs:** We actively support SMEs through our AmBank BizCLUB proposition. In FY2024, we launched AmBank BizRACE Season 4 focusing on sustainability and IR4.0, guiding business participants with personalised solutions for their operations.
- **Strategic Partnership to offer Entrepreneurship Development Workshop for MSMEs:** We collaborated with Bank Simpanan Nasional to establish an Entrepreneurship Development Workshop to provide micro-SMEs (MSMEs) with financial literacy, financial management, business management, operations management, and digital transformation knowledge. MSMEs who graduate from the programme will enjoy special financial product offerings.

Tracking Our Climate Performance

Understanding the impact of climate-related risks and opportunities is crucial for strategic planning. We use climate-related metrics and targets to gauge both financial and operational implications over specific periods which remain integral to our decision-making processes and overall sustainability strategy.

In FY2025, the Group will be assessing and validating our GHG emissions and develop a transition plan with sectoral pathways for hard-to-abate sectors to achieve Net Zero as early as 2050. We will utilise this information to further refine our business strategy, working on decarbonisation pathways and setting sector limits, metrics, and targets.

We monitor our enterprise emissions on a quarterly basis, reporting the data to the Environment and Energy Management Forum for review and decisioning. We are currently conducting a detailed study to develop a plan to address our enterprise emissions.

Key Focus Areas for Climate-related Performance

- ESG-Risk Grade
- GHG Emissions
- Climate-related opportunities

Approach to Monitoring Our GHG Emissions

01

Enterprise Emissions

Monitoring enterprise emissions provides a direct measure of our environmental impact. By tracking Scope 1, 2, and 3 emissions, which include direct and indirect emissions from our operations as well as those associated with employee commuting and waste management, we gain insights necessary to implement effective carbon reduction strategies across all areas of operational control.

02

Financed Emissions

Our financed emissions, which arise from financial activities such as investments and financing provided to our customers, have been measured using proxy data for our non-retail portfolio. These preliminary estimates are critical for understanding the broader environmental impact of our financial decisions and will undergo further validation in FY2025.

Sustainability at AmBank Group

UNITED NATIONS SUSTAINABLE DEVELOPMENT GOALS (UN SDGS)

We have prioritised ten UN SDGs that align with our business priorities, ensuring that our efforts are impactful and targeted towards areas where we can make the most significant difference. To ensure we prioritise the appropriate SDGs, we conducted extensive analysis, including assessing our stakeholders' needs, analysing data and indicators for each goal.

Achievements and Contributions

For More Information



Food Distribution Initiative:

- Partnered with The Lost Food Hunger Project (TLFP) to distribute essential food supplies to those in need, directly addressing hunger and food insecurity within our community, with over 300 employees volunteering for this programme to date. Through this collective effort, we have saved 324,835 meals from going to waste and prevented 284,211 kg of CO₂ emissions.
- Over 50 employees signed up as regular volunteers to rescue bread from bakeries every weekend or after office hours, contributing to food waste reduction.

Page 118



Healthier Vertical Farming:

- Partnered with Glyde Sdn Bhd and Sunway XFarms to disseminate knowledge on sustainable vertical farming techniques, promoting a greener and healthier lifestyle.

Improving Employee Well-being:

- A total of 1,964 people participated in the Wellness and Mental Health Programme in FY2024, demonstrating strong engagement in mental health initiatives.

Page 77 & 113



Financial Literacy:

- Engaged 15,532 participants successfully in the Group's Financial Literacy and FINCO programmes.
- Received several awards at FINCO Annual Awards Ceremony 2023:
 - Overall Banking Financial Institution with the Most Volunteers 2023
 - Best Coordination Lead 2023
 - Highest Repeat Volunteer 2023
 - Most Engaging Volunteer 2023

Training and development for employees:

- RM17.6 million was invested in the employee training and development of employees. The programmes included leadership & talent development, subject matter expertise in various disciplines that facilitated their development and AmBank Group's Digital Academy.

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Promoting Gender Equality:

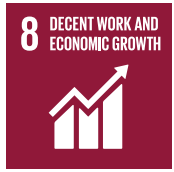
- 33% of our Board members are women*. Currently, 25% of Top management and 43% of Senior Management positions were held by women. Significant steps have been taken to improve gender equality within the Group, ensuring fair representation and opportunities for all.

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* As at 31 March 2024

Achievements and Contributions

For More Information



Labour Rights and Work Environment:

- Committed to protecting labour rights and supporting a positive work environment, ensuring all employees are treated with respect and dignity.

Safety and Health

- Comprehensive OSH Management System, with 7,383 employees covered.

Financial Accessibility:

- Improved the accessibility of our products and services, aiming to foster inclusive economic growth and equitable opportunities for all.
- Providing financial access to the underbanked:
 - RM5.6 billion disbursed under the affordable home financing schemes with 24,913 homes purchased.
 - RM1.05 billion of auto-financing disbursed to B40 segment.
- Participated in iTEKAD programme, distributing RM400,000 to support 168 asnaf microentrepreneurs.

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Support for SMEs:

- Developed innovative lending and financing programmes to support SMEs, boosting economic growth and fostering innovation within local industries which led to an SME loan growth of approximately 3.7% compared to FY2023.
- Partnered with Pantas Climate Solutions on Greening the Value Chain (GVC) programme to onboard SME clients to allow them to record and monitor their GHG emissions. As at March 2024, 192 customers and vendors have registered on the Pantas platform.
- Early Adopter of Capital Market Malaysia’s Simplified ESG Disclosure Guide (SEDG) where we support our SME customers commence their journey with ESG disclosures.
- Launched AmBank BizRACE Season 4 focusing on sustainability and IR4.0, guiding business participants with personalised solutions for their operations.
- Partnered with Bank Simpanan Nasional (BSN) to offer Entrepreneurship Development Workshops for participating micro-SMEs (MSEMs) with financial literacy, business management and digital transformation knowledge.

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Sustainable Infrastructure Initiatives:

- Supported projects that contribute to building sustainable infrastructure and promoting financial inclusion e.g. provide financing for East Coast Rail Link (ECRL) project - the 640km electrified railway line which will enhance connectivity with lower-emission and quicker mode of transportation from the East Coast states to the Klang Valley.

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Sustainability at AmBank Group

Achievements and Contributions

For More Information



Plastic Waste Management:

- Implemented the 4Rs of Plastic Revolution (Reduce, Reuse, Recycle, Recover) through the Sustaina-Plastic Initiative and collaborated with ReadyCare to raise awareness about reducing plastic waste among AmBankers.

E-waste Collection:

- Collected a total of 764.53 kg of e-waste at our key operating buildings in the Klang Valley – Bangunan AmBank Group (BAG), Menara AmBank (MAB), and Wisma AmFIRST (WAF), promoting responsible disposal and recycling of electronic waste.

Composting Workshop:

- Organised a Composting Workshop at Utama Farm, Bandar Utama, educating 20 AmBankers on how to compost waste effectively and its environmental benefits, contributing to soil health and waste reduction.

Page 113 & 114



Climate-Focused Initiatives:

- Disbursed a total of RM3,022 million in green financing and loans to a range of customers.
- Achieved 36% GHG emissions reduction against 2019 baseline with carbon reduction initiatives for enterprise operations, reflecting our dedicated commitment to sustainability and efficiency initiatives.
- Collaborated with Reef Check Malaysia (RCM) for restoration of 200 coral fragments at Kampung Tekek, Pulau Tioman.
- Planted 350 tree saplings, cleared 690 kg garbage and achieved an estimated removal of 107.8 tCO₂ over the next 25 years. in the Mangrove Restoration Programme at Mangrove Point, Port Klang in collaboration with Kelab Belia Prihatin.
- Senior industry contributions and thought leadership to the Joint Committee of Climate Change (JC3) and industry committees in relations to ESG and climate matters.
- Launched 11 ESG Funds between FY2021-FY2024.

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Workplace Ethics and Compliance:

- Established a fair and equitable workplace by ensuring a strong ethics and compliance-driven culture throughout the Group.
- Completed 100% training (e-learning) and attestation:
 - Anti-Bribery and Corrupt Practices, Whistleblower Protection and No Gift Policies
 - Anti-Money Laundering and Counter Financing of Terrorism
 - Code of Conduct at AmBank Group

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SUSTAINABILITY THOUGHT LEADERSHIP

We continuously strive to improve a diverse knowledge-sharing ecosystem through active engagement with industry peers of various memberships and associations, allowing us to address industry challenges.

Membership and Association	Our Contributions
Association of Banks Malaysia (ABM)	We participate in initiatives to strengthen and advance the commercial banking sector, as well as promote sustainable practices, with our Group Chief Executive Officer (GCEO) partaking as one of the Council Members.
Association of Banks Malaysia – ESG Committee	The Chief Sustainability Officer (CSO) is a member of ABM's ESG Committee which focuses on the seven ESG principles that have been adopted by ABM to promote carbon net zero whilst ensuring just transition.
Association of Islamic Banking and Financial Institutions Malaysia (AIBIM)	We serve as active members of the AIBIM Council, driving industry-wide enhancements and fostering the integration of sustainable practices in Islamic finance.
Malaysian Investment Banking Association (MIBA)	We play roles within MIBA to enhance Malaysia's investment banking industry to address ongoing and emerging challenges. AmInvestment Bank played an active role as a member of the Executive Committee for the year 2023/2024.
Asian Institute of Chartered Bankers (AICB)	The CEO of AmInvestment Bank Berhad is a council member of AICB and a committee member of the AICB's Membership Committee, to guide and provide oversight for the augmentation of the Institute's professional standards in membership, conduct and professional development. We actively participate in continuous dialogue with key stakeholders in the industry through the AICB. The Group Chief Internal Auditor is the chairman of the Chief Internal Auditors Networking Group (CIANG) and the Group Chief Compliance Officer is the chairman of the Compliance Officers' Networking Group (CONG).
Financial Industry Collective Outreach (FINCO)	We support FINCO's mission to empower underprivileged communities through education and participate in financial literacy programmes.
Joint Committee on Climate Change (JC3)	We engage in collaborative efforts to enhance climate resilience and effectively manage climate-related risks. The CEO of AmBank Islamic co-chairs with Bank Negara Malaysia (BNM) in Sub-Committee 1 (SC1) on Risk Management. Under the same sub-committee, we also participate as a member of the Working Group on Physical Risk. We are also participating members of the SME Focus Group and SC2 Governance & Disclosures.
Advisory Committee on Sustainability Reporting (ACSR)	The CSO participated in the ACSR to provide industry feedback and suggestions on enablers to the implementation of the International Sustainability Standards Board (ISSB) Standards in Malaysia.
Association of Stockbroking Companies (ASCM)	We actively advocate for the interests of stockbroking companies with AmInvestment Bank participating as one of the committee members. We engage with regulators and the public to support the development of Malaysia as a regional financial centre and collaborating on operational and policy matters with major financial institutions.
Community of Practitioners (CoP) of Bank Negara Malaysia's Value-Based Intermediation (VBI)	The CEO of AmBank Islamic was the 1 st Chairman of the VBI Sectoral Guideline Working Group, which developed sector guide documents pertaining to the Palm Oil, Renewable Energy, and Energy Efficiency sectors and activities. AmBank Islamic's personnel were members of Cohort 3 to develop sectoral guideline for the Transportation and Storage sector.
National Association of Women Entrepreneurs of Malaysia (NAWEM)	We participated in NAWEM's inaugural ESG Conference for SME Leaders 2023, where we engaged as speakers to inspire and assist SMEs in integrating ESG practices into their business strategies.
Principles for Responsible Investment (PRI)	We became a signatory of the PRI in April 2023, leading AmFunds Management Berhad and AmIslamic Funds Management Sdn. Bhd. to pledge their commitment to supporting the United Nations (UN) PRI. In becoming a signatory, we are committed to incorporate ESG considerations into our investment practices.

Sustainability Governance

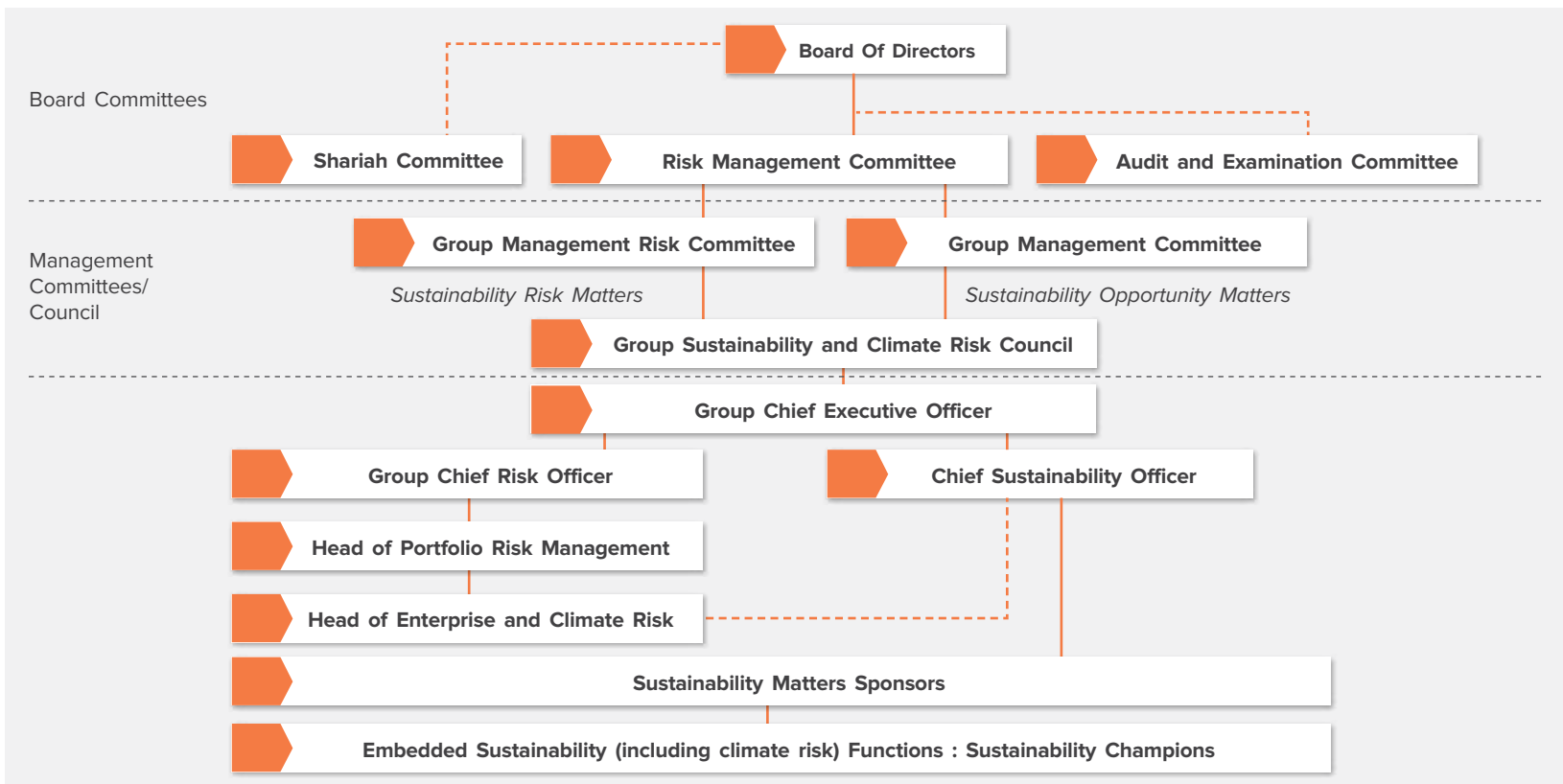
AmBank Group’s sustainability governance is fundamental to institutionalising our commitment to Environmental (including climate change), Social, and Governance (ESG) principles across the Group. By embedding strong governance systems, we ensure that sustainability is seamlessly integrated as a core component of our strategic decision-making process. This drives our sustainability agenda forward and aligns our business practices with our goals to positively impact society and the environment, reinforcing our role as a responsible leader in the financial sector.

SUSTAINABILITY (INCLUDING CLIMATE) GOVERNANCE, FUNCTIONS & DECISION-MAKING

Our sustainability governance is anchored in trust, transparency, and accountability. The Board of Directors holds the highest authority within this structure, emphasising the 'tone from the top' that is critical for embedding sustainability across all operations and decision-making. Their oversight encompasses all aspects of ESG, including climate-related risks and opportunities within the Group.

The Board consists solely of Non-Executive Directors, which reinforces impartiality and ensures that our governance approach is robust and independent.

Building on sustainability governance, we place a strong emphasis on climate governance – a testament to our recognition of climate change as one of the most critical challenges facing our industry and community. The pervasive impact of climate change demand specialised oversight, led by our Board of Directors.



Roles and Responsibilities

Board of Directors

- Accountable and responsible for the Group’s sustainability, covering environmental (including climate-related), social and governance (“ESG”) agenda.
- Embeds sustainability in the formulation of group-wide strategy considering risks and opportunities, including oversight and decision-making.
- Review and monitor the sustainability governance structure, principles, priorities, and targets, as well as the integration of sustainability considerations across the Group.
- Responsible to consider the strategy to build capacity in relation to sustainability.
- Review and approve climate-related disclosures to ensure credibility and regulatory compliance.

Shariah Committee (applicable for AmBank Islamic matters)

- Provides oversight and accountability on Shariah-related matters in relation to sustainability including climate change, as well as advises the CEO and Board on these matters.

Roles and Responsibilities

Risk Management Committee (RMC)

- Oversees the governance and infrastructure for managing Group-wide ESG (including climate-related) risks, including formulating and managing the ESG risks within the Group Risk Appetite Framework and Asset Writing Strategy.
- Oversees the risks and opportunities arising from climate change periodically.

Audit and Examination Committee (AEC)

- Reviews matters on related to sustainability and/or climate risk arising from independent audits and assurance reports as well as sustainability reporting or other disclosures as required by regulatory bodies.
- Reviews effectiveness of the governance structure and adequacy of internal controls and risk management systems for sustainability and/or climate risk by considering the assessment results by the Internal Audit function or other independent reviewers.

Group Management Committee (GMC)

- Recommends and approves sustainability and ESG (including climate-related) opportunities and related matters such as frameworks, policies, guidelines, strategies, and proposals.
- Identifies and evaluates potential new business opportunities that may arise during the transition of borrowers with material portfolios.

Group Management Risk Committee (GMRC)

- Recommends and approves sustainability measures, encompassing ESG risks, climate-related concerns, and associated matters such as frameworks, policies, guidelines, and proposals.
- Evaluates and oversees the management of material ESG risks within key portfolios.

Group Sustainability and Climate Risk Council (GSCRC)

- Develops and implements sustainability-related strategies and initiatives.
- Deliberate/recommend/endorse/note sustainability and ESG related matters.
- Incorporates sustainability and ESG indicators into senior management scorecards.
- Reviews and makes necessary recommendations to the GMC and GMRC on any risks, opportunities, strategies or proposals related to sustainability and ESG agenda.

Group Chief Executive Officer (GCEO)

- Sets and executes the Group's sustainability and ESG agenda, with support from the Senior Management team.

Group Chief Risk Officer

- Identifies, manages, and monitors all group-wide sustainability risks (including climate-related), including the formulation and management of these risks within the Group Risk Appetite Framework and Asset Writing Strategy.
- Responsible for disclosures related to Group Risk on strategy, risk appetite, risk management, metrics, and targets.

Chief Sustainability Officer (CSO)

- Leads the development and implementation of broad-based, group-wide strategic sustainability and ESG initiatives.
- Spearheads the integration of sustainability across the Group, with support from Group Sustainability.
- Leads and supervises the execution of the Group's sustainability strategy and goals, supporting AmBank Group's Sustainability Matters and aligning sustainability and ESG initiatives across relevant policies of the Group.

Head of Portfolio Risk Management, Head of Enterprise and Climate Risk

- Management of the climate-related financial and non-financial risks, including measurement, monitoring, limit setting, reporting, and supporting governance.
- Development of climate risk governance and ownership of the climate risk management and scenario analysis frameworks.
- Develops a comprehensive understanding of climate change to map transmission channels and assess the impact of climate-related risks on existing risk types (credit, market, liquidity, operational, strategic, reputational, and regulatory compliance risks).
- Leads the development of climate risk methodologies and the Group's approach to climate risk modelling.
- Ensures that climate risk is integrated into the estimation of losses and capital provisioning under various climate scenarios.
- Integrates climate risk into the bank's risk models, including adherence to Malaysian Financial Reporting Standards (MFRS9), stress testing, and the Internal Capital Adequacy Assessment Process (ICAAP).

Sustainability Matters Sponsors

(must be a C-Suite or appointed by the Group Sustainability and Climate Risk Council)

- Implementation of Sustainability Matters, which includes determining and tracking performance metrics and targets.
- Reviews the effectiveness of relevant policies, guidelines, and processes based on the Sustainability Matters and initiatives undertaken.

Sustainability Champions

- Appointed representatives from business or operations responsible for driving of sustainability initiatives within their legal entity, division, or department.
- Operates under the responsibility of the Sustainability Matters Sponsors, ensuring localised implementation and compliance with broader sustainability goals.

Sustainability Governance

Recent Enhancements in Governance Structure

In FY2024, we enhanced the capabilities of the Group Sustainability Council, renamed as Group Sustainability and Climate Risk Council (GSCRC). Under the leadership of the Group CEO, the GSCRC plays a pivotal role in overseeing both sustainability and climate-related strategies.

Additionally, we have appointed a Chief Sustainability Officer (CSO), effective from 1 June 2023. Reporting directly to the Group CEO, the CSO ensures that sustainability considerations are prioritised and effectively integrated across the Group. The CSO, with Group Sustainability, leads the implementation of various strategic sustainability initiatives to ensure the holistic integration of sustainability across the Group.

GOVERNANCE & OVERSIGHT

To ensure effective management across the Group, we implemented several protocols that ensure cohesive management and oversight across the Group. By adhering to these protocols, we remain focused on conducting responsible business practices in pursuit of our sustainability goals.

Regulatory Compliance and Progress:

In FY2024, the RMC met four times, while the Board held eight meetings to discuss and provide guidance on sustainability matters covering environmental (including climate-related), social and governance risks and strategies.

Key Topics Discussed in FY2024:

▶ Regulatory Compliance and Progress:

- **BNM Climate Change and Principle-based Taxonomy (CCPT) Guideline:** Updates on the status of implementation which includes reporting status, assessment process, and addressing regulatory reviews.
- **BNM Climate Risk Management & Scenario Analysis (CRMSA):** Progress updates on compliance with the six pillars, with a focus on meeting the requirements by the first implementation timeline of 31 December 2023.
- **Climate Risk Stress Testing Exercise:** Updates on the requirements and timeline by June 2025, ensuring that AmBank Group is prepared for potential climate-related financial risks.

▶ Policy Approvals:

- **Climate-related Disclosure Policy:** Discussion and approval of this policy related to climate-related financial disclosures.
- **Group Environmental Policy:** Discussion and approval of this policy, ensuring it aligns with current environmental goals and regulations.

▶ Strategic Sustainability Initiatives:

- **Direction and Plans for AmBank Group's Sustainability Initiatives:** (i) Support provided to the Group Administration unit regarding the management of our Scope 1 and 2 enterprise emissions, and (ii) Onboarding our vendors onto the Greening Value Chain programme to record their GHG emissions on the Pantas Climate Solutions' carbon accounting tool to assist in ascertaining our Scope 3 emissions.
- **Opportunities in Sustainability:** Exploration of new opportunities for enhancing AmBank Group's sustainability approach and impact.
- **Sustainability Communication and Initiatives:** Review of current communication strategies and ongoing sustainability culture initiatives.
- **Updates on Industry and Regulatory Collaboration:** Latest developments in industry partnerships and regulatory engagements related to sustainability.

Reporting and Preparation


- ▶ Report regular updates on key sustainability matters by the CSO as detailed above, with inputs from the Portfolio Risk Management team handling climate related risk matters.

Communication and Stakeholder Engagement

- Communication from top management, including the Board and Group CEO, emphasising the importance of embracing sustainability as part of our culture at AmBank Group.
- Both internal and external stakeholders are reached out through various channels of communication to update them on decisions and recent developments on sustainability. These include regular internal e-blasts, updates on the sustainability microsite, press releases/announcement on the corporate website, keeping our stakeholders informed.

DRIVING SUSTAINABILITY PERFORMANCE

Since FY2021, we have embedded sustainability and climate-related KPIs into the annual performance metrics for the Group CEO and all direct reports. They form the basis of assessing leadership performance and aligning it with our sustainability objectives, which include specific targets corresponding to global standards and principles. This linkage underscores how strategic objectives are operationalised through individual accountability and rewards.

 For more information on executive remuneration, please refer to page 157 of our Integrated Annual Report 2024.

- **Performance Evaluation and Remuneration Alignment:** The Group Nomination and Remuneration Committee (GNRC) reviews these KPIs annually to inform remuneration presented recommendations for Directors, Shariah Committee members, and senior management. This ensures that our leaders are directly accountable for achieving our sustainability objectives.

The GSCRC tracks the progress and performance of all sustainability-related KPIs on a quarterly basis. Selected KPIs are cascaded to other levels of management, ensuring alignment throughout the organisational hierarchy.

- **Sustainability-Related Targets:** The Group has set measurable targets that correspond with global standards and principles, such as United Nations Sustainable Development Goals (UN SDGs) that are supported by AmBank Group and the Seven (7) ESG Principles by Association of Banks Malaysia (ABM). Our targets include crucial performance areas such as reductions in greenhouse gas emissions (GHG) emissions and the enhancement of Green Loans/Financing.

Sustainability-Related Targets in our Risk Appetite Statement


- AmBank Group targets at least 70% of the non-retail loan/financing portfolio (applicable for limits of at least RM10 million) to consist of exposures with low ESG Risk Rating by FY2030. We however anticipate to further refine this metric as we study decarbonisation pathways in FY2025.
- AmBank Group is committed to managing exposures to GHG emission-intensive sectors, supporting our customers on the adoption of sustainability pathways, and aiming for a Net Zero target as early as FY2050, aligning with national aspirations.

In FY2025, AmBank Group will be assessing and validating our GHG emissions and develop a transition plan with sectoral pathways for hard-to-abate sectors to achieve Net Zero as early as 2050, in line with Malaysia’s aspirations. We will utilise this information to further refine our business strategy, working on decarbonisation pathways and setting sector limits, metrics, and targets.

LEADERSHIP COMPETENCIES

We continuously provide our leaders with updated knowledge and improve competencies to ensure they are well-equipped to steer our sustainability agenda in the right direction. Our efforts include:

- **Enhancing Leadership Understanding Through Engagements:** Regular engagements on key sustainability matters are provided to the Board to leverage the diverse skills, strengths, and expertise of its members. The CSO, with the Climate Risk team, prepares detailed reports for these sessions, ensuring that the Board’s decisions are well-informed and aligned with AmBank Group’s overall strategic goals.
- **Comprehensive Training Programmes:** To further enhance our Board and Senior Management’s understanding of sustainability, including climate-related matters, we have implemented training programmes since FY2023. These initiatives are part of our ongoing commitment to strengthen leadership competencies in critical areas of sustainability.

 For more information on leadership and group-wide training programmes, please refer to page 80 on Developing Our People.

BOARD COMPOSITION AND DIVERSITY

Recognising the critical role of diverse leadership in driving comprehensive and inclusive sustainability strategies, the GNRC regularly reviews the Board’s composition, including skills, experience, and diversity, and recommends director appointments accordingly. The criteria for recruitment and annual assessment of Directors are outlined in the Non-Executive Director Nomination and Remuneration Policy and the Board Charter. Our Board Charter highlights AmBank Group’s commitment towards the formation of a diverse board composition, underscoring the positive impact of a varied board composition on the company.

 For more information on the Board’s skills, knowledge, and experience, please refer to page 154 of our Integrated Annual Report 2024.

Sustainability Governance

SUSTAINABILITY RISK CONTROL FRAMEWORK

Our robust sustainability risk management is reflected through a well-defined organisational structure designed to effectively manage sustainability and ESG risks (including climate-related). This structure aligns with our lending and financing practices, enhancing internal controls within our established three-line defence model. Each line plays a critical role in safeguarding against sustainability and ESG risks (including climate-related), ensuring that sustainability considerations are integrated throughout our operations.

Three Lines of Defence

1 First Line of Defence

Sustainability Matters Sponsors and Front Line/Client-Facing Teams

- Owner of the designated Sustainability Matters supported by Embedded Sustainability Function.
- Determine and track performance metrics and targets while reviewing the effectiveness of relevant policies, guidelines and processes for initiatives undertaken.

2 Second Line of Defence

Group Sustainability:

- Coordinate for integration of required policies by Business Units and Group Risk.
- Coordinate with stakeholders for the reporting of climate-related disclosures in the Sustainability Report. Ensures the disclosures comply with the governance and approval process which includes obtaining external assurance.

Group Risk Management:

- Ensures credit policies/guidelines are aligned to sustainability/ESG policies/guidelines.
- Integrates sustainability and ESG risk considerations into the existing risk management cycle within its functions.
- Validation of the ESG risk assessment and BNM CCPT classification.

Group Compliance:

- Ensures compliance with applicable laws, regulatory requirements, and internal policies by periodic reviews.
- Monitor and test ESG Risk Rating, BNM CCPT and sustainability-related classifications and adopt climate-related considerations in stress testing and scenario analysis.

3 Third Line of Defence

Group Internal Audit

- Conducts periodic audits on the implementation of ESG policies and procedures to assess adequacy of the overall internal control framework and systems.

For matters related to AmBank Islamic, the lines of defence are as follows:

2 Second Line of Defence

Shariah Risk Management

- Assess the Shariah risks in relation to the implementation of ESG (including climate-related) matters.

Shariah Review

- Assess and review compliance with ESG (including climate-related) regulatory requirements from a Shariah perspective.

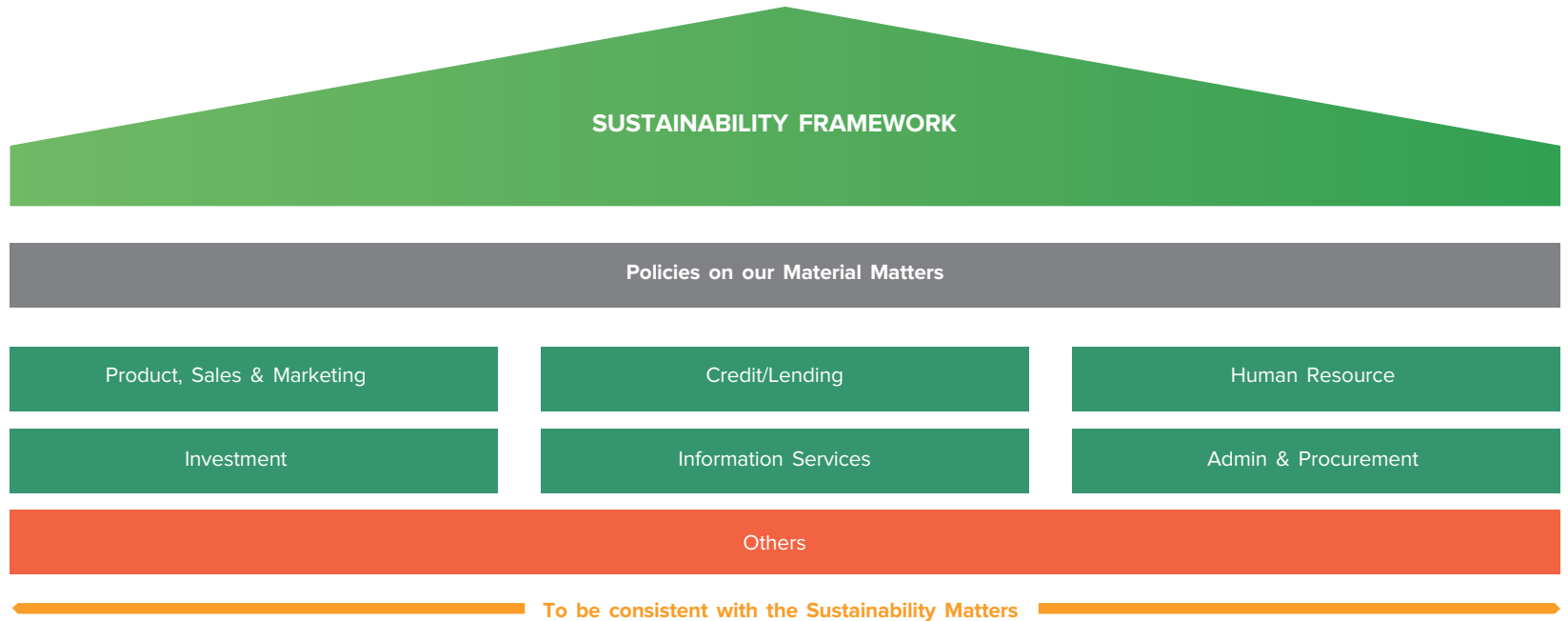
3 Third Line of Defence

Shariah Audit

- Conducts periodic audits to assess the implementation of ESG (including climate-related) policies and procedures from a Shariah perspective.

SUSTAINABILITY-RELATED POLICIES

AmBank Group's sustainability-related policies and guidelines are guided by our comprehensive sustainability framework and managed under the Group Internal Policy Management Framework. These policies and guidelines are adopted across different functions in the Group where relevant to ensure our business practices and conduct are addressing our material matters while aligning to our sustainability principles and the highest ethical standards.



Policy Review Process:

- **Scheduled Reviews:** Each policy is subject to a scheduled review every two years, at a minimum. This regular reassessment ensures that our policies continue to meet strategic needs and compliance requirements.
- **Responsive Reviews:** We conduct additional assessments in response to new legislations or significant operational changes, ensuring our policies and guidelines remain relevant and uphold our strong commitment to ethical practices.

Creating Value

RESPONSIBLE BANKING



- M1** Responsible Financing & Building Climate Resilience
- M2** Customer Experience & Satisfaction
- M3** Digital Innovation
- M4** Cybersecurity & Data Privacy
- M5** Financial Inclusion



RESPONSIBLE FINANCING & BUILDING CLIMATE RESILIENCE

M1

As the global community pushes towards a sustainable future, financial institutions play a crucial role in driving equitable growth and climate actions. At AmBank Group, we are committed to the common goals by incorporating Environmental, Social, and Governance (ESG) principles into our financing decisions. This helps mitigate risks, leverage opportunities and unlock future growth, thus creating an ecosystem where everyone thrives.

However, we are navigating this transition responsibly. The Malaysian economy, heavily reliant on hard-to-abate sectors such as oil and gas, requires a phased and fair transition. A rapid shift could disrupt economic stability and livelihoods. Therefore, we adopt a pragmatic approach to sustainability financing and supporting our customers, especially in climate action. As we work towards the Net Zero goal as early as 2050, we balance ESG objectives with the economic realities faced by the country.

Our commitment to responsible financing focuses on two key areas:



Sustainable Control Framework

We integrate ESG factors into financing decisions with our assessment frameworks and screening processes to understand trends in our portfolio. This supports the continuous development and improvement of sustainability-linked products to meet customer needs and industry trends. We prioritise climate risk management i.e. physical and transition risks, to address climate-related challenges.



Responsible and Sustainable Financing

We see responsible financing as a cornerstone in building a resilient Malaysian economy. It ensures that our lending activities today create a sustainable and prosperous future for all. To achieve this, we have established several banking solutions to align our portfolio with ESG principles.

SUSTAINABLE CONTROL FRAMEWORK

By integrating rigorous sustainability criteria into our financing practices, we not only mitigate risks but also unlock opportunities for growth and innovation.

- **Risk and Sustainability Policies:** Risk management and credit policies have been augmented in FY2024 to incorporate climate risk as part of our climate risk management framework. Further, a Climate-related Disclosure Policy has been developed to support informed decisions by stakeholders and reinforce the effective management of material climate-related risks.
- **Climate Change and Environmental, Social & Governance Risk Assessment (CERA) Guideline:** This assessment provides guidance on performing due diligence and continuously monitoring Bank Negara Malaysia's Climate Change and Principle-based Taxonomy (CCPT) and our own ESG risk ratings. We conduct this assessment at least annually or periodically when our customers require new or additional facilities.
- **Internal Controls:** We operate within our three lines of defence framework to maintain rigorous oversight of compliance and risk management.

 For more information on our Three Lines of Defence, please refer to page 32 of Sustainability (including Climate) Governance, Functions & Decision-Making.

Responsible Banking

M1

ESG Risk Management Assessment

Our ESG Risk Management Assessment which is part of the CERA review, is essential for mitigating potential risks such as environmental degradation, social conflicts, and governance failures. This enhances AmBank Group's credit evaluation process, ensuring that ESG considerations are embedded in customer interactions and financial decisions. This enables us to better understand our customers' ESG risks profile while directing capital towards sustainable and responsible projects.

ESG RISK ASSESSMENT

Assign ESG Risk Rating as part of our credit evaluation process for selected non-individual customers and financial investments.

Environmental assessment includes:

- Availability of procurement policy that embeds sustainable consideration
- Environmental impact Assessment (EIA)
- Involvement in carbon-intensive economic activities

Social assessment includes:

- Compliance with the labour laws such as child labour laws and avoid poor labour practices (including migrant workers) in relation to its procurement and production
- Compliance of the Workers' Minimum Standards of Housing and Amenities (Amendment) Act 2019, where relevant
- Social Impact Assessment (SIA), where relevant
- Free, Prior, and Informed Consent (FPIC), where relevant
- Availability of grievances handling and management policy
- Availability of Occupational Safety and Health (OSH) management policy and in compliance with ISO45001

Governance assessment includes:

- Compliance to Guidelines on Adequate Procedures issued pursuant to Section 17A(5) of the Malaysian Anti-Corruption Commission Act 2009 (MACC) and Anti-Money Laundering Policy
- History of any significant incident/legal action/penalty/fine by authorities or third-party in relation to ESG
- Adoption of the Principles and Practices set out in the Malaysian Code of Corporate Governance (MCCG)
- Availability of sustainability report or have any ESG disclosures
- Hold valid certifications (including industry schemes) covering Environmental, Social or Governance considerations
- Establishment of Sustainability Commitment, Sustainability Strategy, and Risk Management Framework with ESG integration

M1

Improvements in FY2024: We enhanced our risk assessment process by incorporating Bank Negara Malaysia’s (BNM) Due Diligence Questions (DDQ) on ‘No Significant Harm to the Environment’ and ‘Remedial Measures to Transition’ to assess Climate Change and Principle-based Taxonomy (CCPT) Guiding Principles and classification requirements. Key components of our approach include:

1 **Assessment of ESG Risks for Non-individual Customers:** ESG risks are evaluated for non-individual customers with significant exposures of at least RM10 million with AmBank Group. This indicates a focus on understanding and managing ESG risks associated with larger clients.

2 **Escalation of High ESG Risk Transactions:** Transactions identified with a High ESG Risk Grade will undergo mandatory escalation to the Credit and Commitments Committee (CACC) for further review and decision-making, ensuring oversight by both Business and Risk teams.

Prohibition List

We have specified a list of Prohibitions as the overarching guidance on our commitment to responsible finance. This list ensures that our financing activities uphold ethical and responsible standards by excluding sectors and activities that negatively impact the environment, communities, and human rights.

This list ensures that we do not provide new or additional loans to customers involved in activities with significant adverse impact on the environment or communities, or those violating regulations.

Prohibitions	
Endangered species in the plant or animal kingdom	Activities/operations of products or services that adversely affect the natural habitat or wetlands of any endangered species in the plant or animal kingdom, or violation of PERHILITAN (or similar guidelines)
Wildlife or related products	Activities/operations of products and services related to wildlife that are in violation of PERHILITAN (or similar guidelines)
National or UNESCO World Heritage sites	Activities/operations with adverse impact on any National/UNESCO World Heritage sites
Indigenous/Local Communities	Activities/operations with adverse impact on any indigenous/local communities
Exploitative labour, slavery, and human trafficking	Activities/operations that involve harmful/exploitative forms of forced labour, child labour, modern slavery, or human trafficking
Adult Entertainment	Activities/operations related to adult entertainment services (i.e. prostitution, strip and hostess clubs, pornography) and sex-related products and services

ESG Integration Across AmBank Group

In addition to financing, ESG considerations are also integrated in our investment decisions across various divisions and services offered by AmBank Group. In April 2023, AmFunds Management Berhad and AmIslamic Funds Management Sdn. Bhd. became signatories to the United Nations-supported Principles for Responsible Investment (PRI). This move underscores our commitment to sustainability and responsible investment. As a signatory to the PRI, we align our investment decision-making with the six principles set forth by PRI signatories.

 For more information on our Sustainability Thought Leadership, please refer to page 27.

Responsible Banking

M1

AmBank Group's Recognition for ESG Excellence

In October 2023, we secured the prestigious Asiamoney Award, demonstrating our dedication to ESG principles, sustainability, and excellence across banking services in Malaysia. We won the **Best Bank for Environmental, Social, and Governance (ESG) in Malaysia 2023**.



“

We believe that financial institutions have a pivotal role in shaping a better, more sustainable future. This recognition encourages us to continue our journey to contribute towards a more inclusive and environmentally responsible financial landscape. ”

Ms. Amanah Aboobucker
Chief Sustainability Officer

Climate Risk Management

In today's financial landscape, climate-related risk management is becoming increasingly important for banks. These risks are no longer hypothetical but imminent threats that could undermine stakeholder confidence, deteriorate asset quality, and erode profitability. In response, we have prioritised enhancing our climate risk management capabilities and embedding climate risk considerations within our overall enterprise risk management framework.

Climate Risk Management Framework

We have strategically enhanced our organisational structure to address the growing complexities of climate-related risks effectively. This involves the establishment of specialised teams and the clarification of roles within our risk management framework, ensuring targeted and efficient responses to climate impacts.



Governance and Oversight

Risk Management Committee (RMC)

- Assists the Board by overseeing and managing group-wide sustainability issues, covering ESG (including climate-related) risks and opportunities.

For more information on our Sustainability (including Climate) Governance, Functions & Decision-Making, please refer to page 28.



Establishment of Dedicated Risk Management Teams

Portfolio Risk Management

- Operates under Group Risk. Specialises in managing both enterprise-wide and portfolio-specific climate-related risks.

Climate Risk

- Operates under Portfolio Risk Management and reports to both the Chief Sustainability Officer and Head of Portfolio Risk Management.
- Monitors portfolio emissions and other crucial impact indicators.
- Assesses the broader implications of climate risks across AmBank Group.



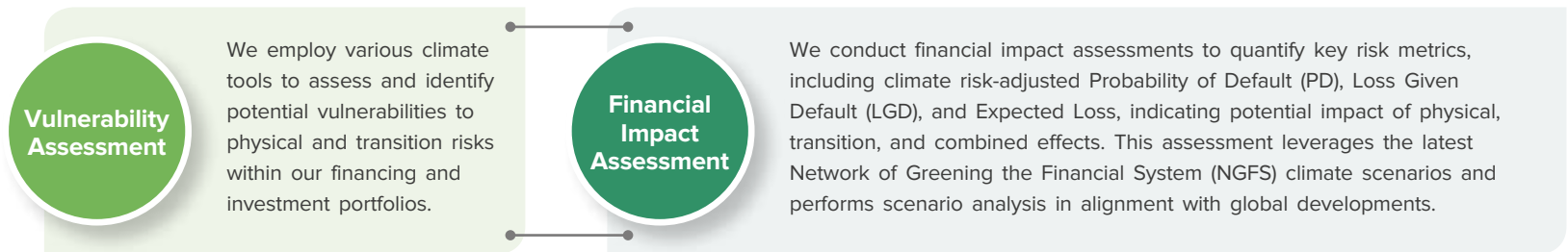
Management of Operational Enterprise Climate-related Risk

Group Operational Risk

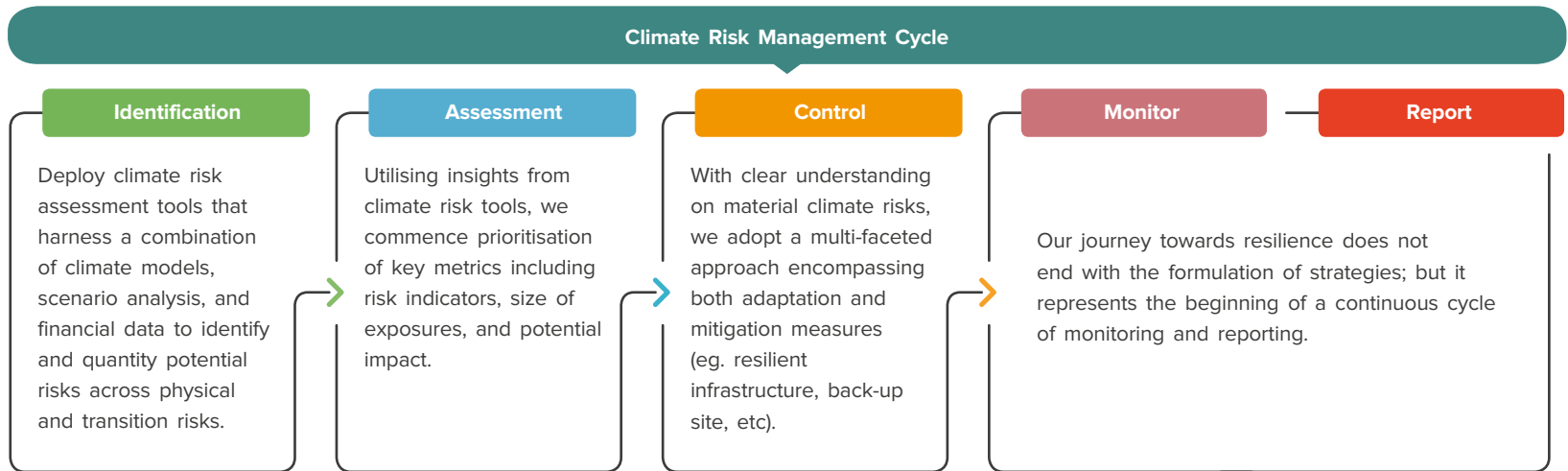
- Enables employees to conduct detailed climate-related risk assessments to enhance our capabilities to manage operational climate-related risks in branches, main buildings, data centres, and Third-Party Service Providers (TPSP).

Integrated Climate-Related Risk Processes

Given the cross-cutting nature of climate risk, we utilise an integrated and risk-based approach, focusing on managing climate risk while observing interrelationships between risk types. With that in mind, we adopted a multi-faceted approach for climate-related risk assessment, covering the following:



As methodologies and data analysis continue to mature over time, we anticipate disclosing the capabilities developed to identify relevant climate-related risk drivers that may significantly impact our key portfolios. These include key risk indicators and metrics used to quantify exposures and their impact on these risks. We remain committed to enhancing our capacity in tandem with the expanding knowledge base on nature and climate to improve insights into our exposure to climate risks.



Our climate-related risk processes align with leading standards and recommendations, including those set forth by the Task Force on Climate-related Financial Disclosures (TCFD), Bank Negara Malaysia’s CCPT, and Climate Risk Management and Scenario Analysis (CRMSA) Policy.

Risk Impact and Mitigation Strategies

In FY2024, we enhanced our efforts by identifying both physical and transition risks to comply with BNM’s CRMSA framework. This comprehensive approach encompassed our operations and portfolio management, focusing specifically on non-retail financing and investment portfolios.

To strengthen our capabilities, we enlisted external consultants to provide proprietary tools to guide our CRMSA adoption. These tools facilitate the assessment of climate-related risks and streamline data gathering processes to quantify potential impact on our portfolio and operations.

Using the TCFD framework’s classification of transition and physical climate risks, we will be managing climate risks across short-, medium-, and long-term horizons. The table below summarises the drivers and potential economic impact of these risks on business strategy and operations.

Responsible Banking

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Sources and Impact of Climate Risk

Types of Climate Risk

Transition Risk

Transitioning to a low-carbon economy

- Policies & regulatory changes
- Technology innovation
- Investor sentiments
- Consumer expectations

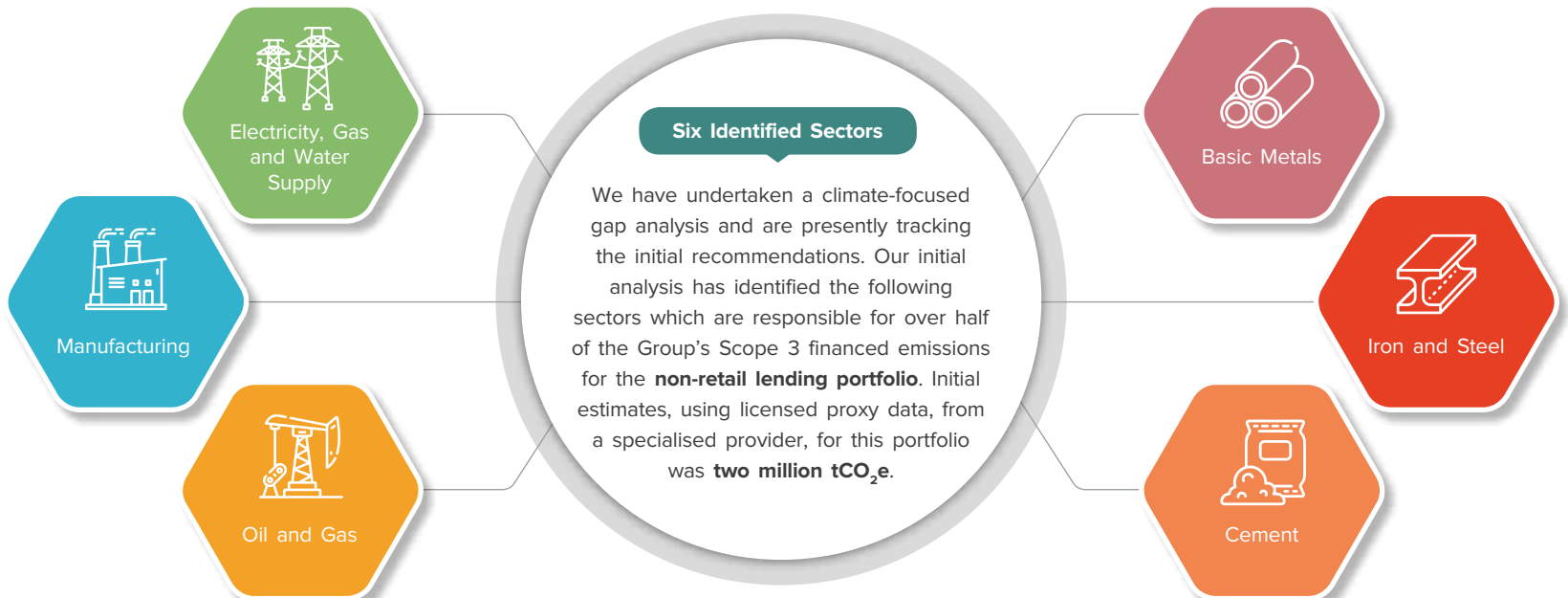
Physical Risk

Environment events and climate change

- Acute – extreme change in climate events such as floods, heatwaves, and others.
- Chronic – gradual changes such as increase in temperatures, rising sea levels, and others.



Risk Types	Description	Time Horizon
Credit Risk	<ul style="list-style-type: none"> • Impacts the repayment capacity of borrowers leading to a potential credit default. • Damage physical assets serving as collateral and hence lead to a decrease in the collateral value. 	Medium to Long-Term
Market Risk	<ul style="list-style-type: none"> • Heightened volatility and decline in the value of securities due to changes in policies and investor sentiment. 	Medium to Long-Term
Liquidity Risk	<ul style="list-style-type: none"> • Large withdrawals of deposits to fund transitioning towards low-carbon technology. • Higher financing defaults and credit risk resulting in increased provisioning requirements may affect liquidity position. 	Long-Term
Operational Risk	<ul style="list-style-type: none"> • Disruption to banking operations and damages to physical infrastructure (e.g., branches, ATM machines, etc). • Impact on operational efficiency and increased risk due to disruptions to key third-party service providers. • Increase in operational complexity due to changes in policies and procedures to comply with new climate-related regulations. 	Short, Medium, to Long-Term
Reputational Risk	<ul style="list-style-type: none"> • Negative publicity from adverse environmental impact or inadequate climate risk disclosures, diminishing customer preference, investor confidence, and regulators' trust. 	Short, Medium, to Long-Term
Strategic Risk	<ul style="list-style-type: none"> • Loss of competitiveness, market share, and attractiveness to customers and investors due to the inability to transition towards green financing. 	Medium to Long-Term



Note: Information is as at 31 March 2024.

Climate Risk Integration and Business Continuity

To enhance AmBank Group’s resilience against climate change impact, we have integrated climate-related operational risks into our Business Continuity Management (BCM) framework.

1. **Internal Assessment:** We commenced identifying vulnerabilities in our operations using a specialised physical risk tool, covering corporate offices, data centres, branches, and ATM locations.
2. **Identifying Red Flags and Vulnerabilities:** We monitor and set triggers for red flags indicating heightened vulnerability or exposure to physical risks, focusing on flood zones. If triggered, we will proactively explore alternate sites or relocation options.
3. **Developing Mitigation Strategies:** Flagged areas will be subject to detailed risk assessment, allowing us to develop targeted mitigation strategies, ensuring operational resilience under changing climate conditions.

Climate Risk Appetite

Incorporating climate risk within our risk appetite statement ensures that AmBank Group’s strategies and resource allocation align with our overall risk tolerance. This approach facilitates informed decision-making and effective management of climate-related challenges.

1. **Establishing Climate Risk Methodology:** In 2023, we developed our climate risk methodology and capabilities, integrating climate risk metrics within our Risk Appetite Statement (RAS). This initiative was a critical step in formalising our approach to managing climate-related risks. We will continue to improve our capacity in tandem with the expanding knowledge base on climate-related risk to improve the insights into managing our climate risk-related exposures.
2. **Qualitative ESG Risk Appetite Statement (RAS):** As a first step towards embedding climate-related risks into the risk appetite framework, we established a qualitative ESG RAS, which was approved by the Board in FY2024. This statement articulates our approach to managing business operations and portfolio credit exposures to material environmental risks. Key components of the RAS included:
 - **Management of High ESG Risks:** Establishing guidelines to manage exposures to sectors with high ESG risks.
 - **Identification of High Greenhouse Gas (GHG) Emissions:** Identification of sectors that emit high levels of GHG with ensuing customer engagement, ensuring our portfolio aligns with our sustainability goals.

By integrating these elements into our risk management framework, AmBank Group is better positioned to address climate-related risks proactively.

Risk Management in High-emitting or Hard-to-abate Sectors

Climate risks have profound implications for the financial sector, as they can lead to significant economic disruptions and impact long-term sustainability. The identification of financing for sectors and economic activities that are high-emitting or hard-to-abate is guided by:

- a) BNM CCPT six key focus sectors, including energy, construction, transportation, agriculture, manufacturing, and waste management.
- b) Internal portfolio analysis, which provides insights at a sub-sector level, includes the following:

	Manufacturing	<ul style="list-style-type: none"> ➤ Iron ➤ Steel ➤ Cement ➤ Petrochemicals
	Energy	<ul style="list-style-type: none"> ➤ Oil & Gas ➤ Energy from Coal/Gas ➤ Coal extraction and production, manufacturing
	Transportation	<ul style="list-style-type: none"> ➤ All (land, air, water, rail) except when using renewable energy/hybrid technology ➤ Coal extraction and production, manufacturing
	Construction	<ul style="list-style-type: none"> ➤ Construction of Infrastructure ➤ Construction of Buildings (excludes Property Development and Property Investment companies)
	Waste Management	<ul style="list-style-type: none"> ➤ Sewerage ➤ Solid Waste ➤ Scheduled Waste
	Agriculture	<ul style="list-style-type: none"> ➤ Husbandry of Cattle, Goats, and Sheep
	Mining & Quarrying	<ul style="list-style-type: none"> ➤ All mining & quarrying activities

In support of the just and orderly transition, we refrain from indiscriminately withdrawing from carbon-intensive industries. To this end, we are developing a differentiated approach to assist customers in decarbonisation by mobilising capital for transitional activities, taking sectoral specificities into account as part of our upcoming Net Zero transition plan.

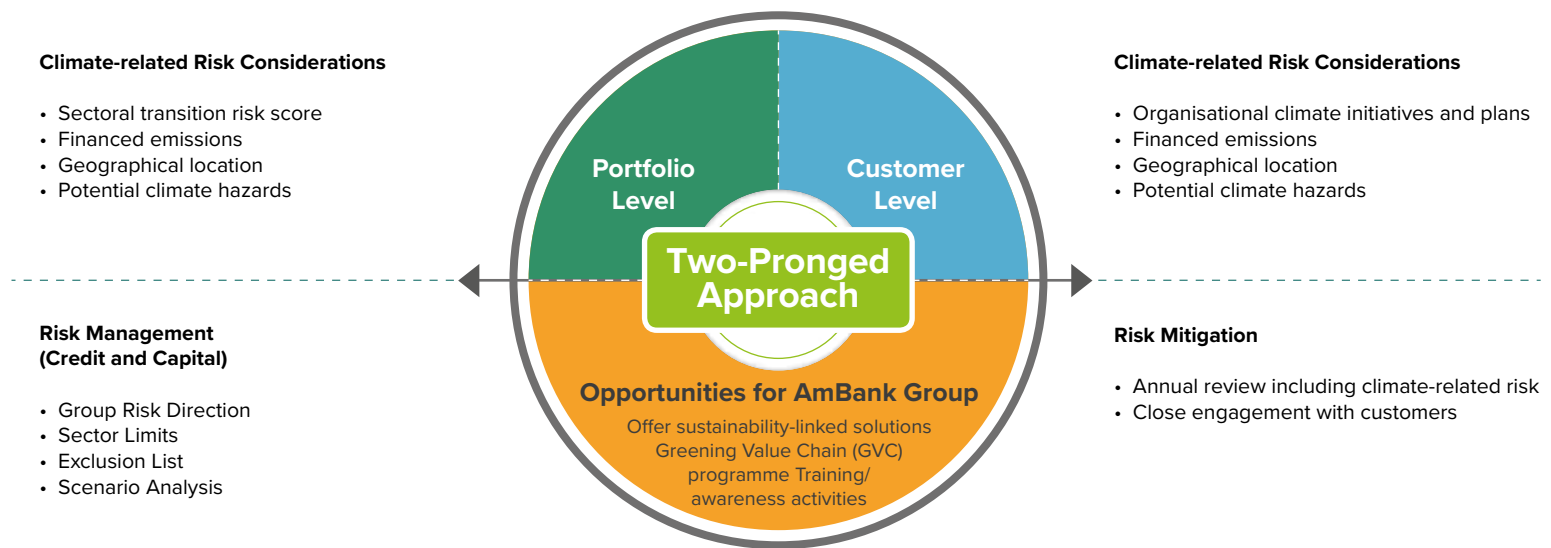
Responsible Banking



Addressing Climate Risks and Opportunities

Therefore, we adopted a two-pronged strategy to address these risks and opportunities, focusing on both the portfolio level and the customer level. With this, we aim to comprehensively manage and mitigate potential impact while also leveraging opportunities for growth and innovation within our portfolio and our customer interactions.

Two-Pronged Climate Risk Approach



01

Portfolio Level

- **Assessment and Identification:** We have identified the hard-to-abate and high-emitting sectors along with key customers within these sectors.
- **Segmentation and Strategy:** Customers are segmented based on their maturity levels in ESG and climate action. This segmentation helps us tailor our strategies and engagement plans to support their journey towards achieving Net Zero.
- **Framework Alignment:** Our approach adheres to principles outlined in the Value-based Intermediation Financing and Investment Impact Assessment Framework (VBIAF). In FY2025, the Group will be assessing and validating our GHG emissions and develop a transition plan with sectoral pathways for hard-to-abate sectors to achieve Net Zero as early as 2050. We will utilise this information to further refine our business strategy, working on decarbonisation pathways and setting sector limits, metrics, and targets.

02

Customer Level

- **Support and Guidance:** We assist customers in high-risk sectors by providing support and guidance to enhance their ESG practices and climate action plans.
- **Tailored Engagement:** Engagement plans are customised based on the customers' ESG maturity levels, ensuring targeted and effective support for their sustainability goals.

Future-Proofing AmBank Group through Scenario Analysis

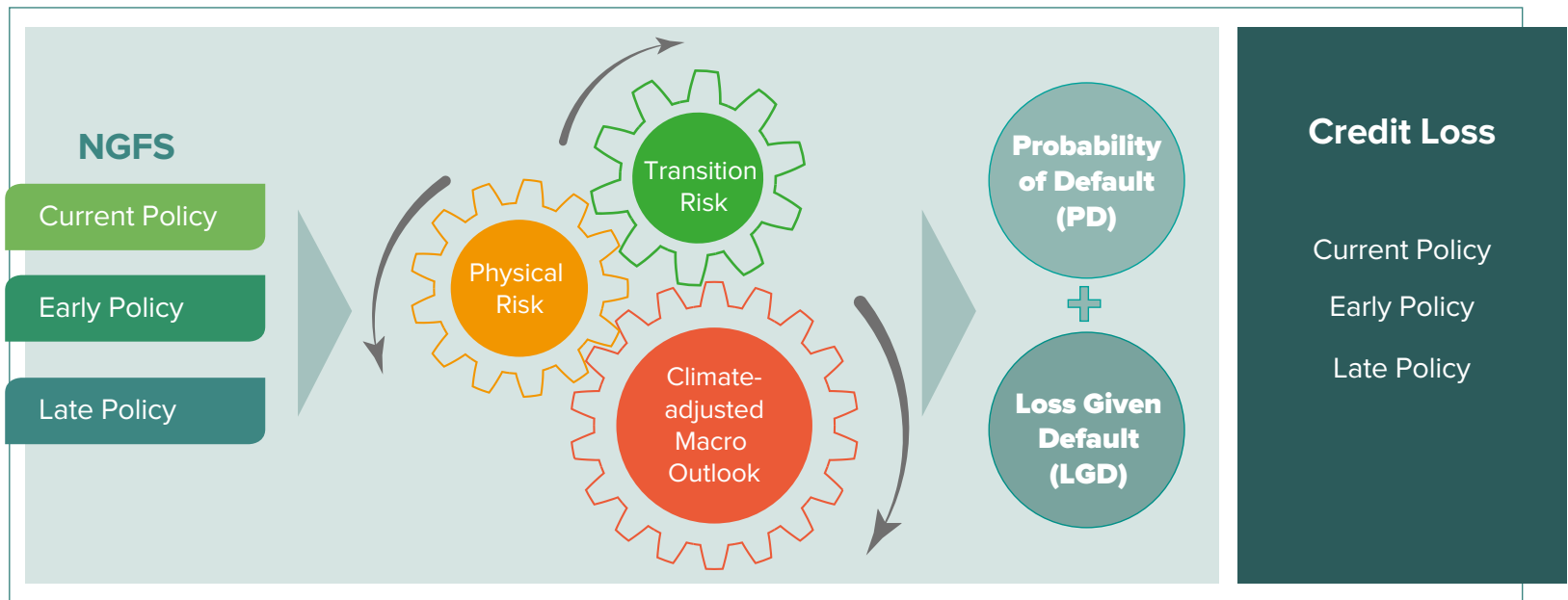
We conduct scenario analysis assessments to anticipate and manage risks stemming from economic, environmental and regulatory changes, on both non-retail and retail portfolios. Guided by the CRMSA requirements, we assess the potential climate-related risks across three scenarios outlined by the Network for Greening the Financial System (NGFS).

NGFS Scenario Categories

Current Policy (also known as No Policy)	Early Policy	Late Policy
<p>Aligns with NGFS’s “Hothouse World” scenario where temperatures surpass 3°C with minimal carbon sequestration. Only policies announced pre-2021 are assumed, with no new policies following. This scenario lacks transition risk but has heightened physical risk. We evaluate portfolio vulnerabilities and reinforce defences against present threats.</p>	<p>Corresponds to the NGFS’s Net Zero 2050 scenario, where global policymakers promptly act to mitigate climate change and reduce emissions, achieving net zero by 2050 and limiting temperature rise to 1.5°C. Immediate transition risk arises, but early action allows for a smoother transition, minimising physical risk. We adapt to emerging regulatory frameworks, evolving technologies, and shifting societal expectations.</p>	<p>Corresponds to the NGFS’s Delayed Transition scenario, where global policymakers delay action until 2030. Emissions exceed those in the Early Policy scenario, resulting in global warming of 1.8°C. This scenario entails greater physical and transition risks than the Early Policy scenario but lower physical risk than the Current Policy scenario. We adjust risk assessments to meet ambitious climate targets and facilitate the transition to a low-carbon economy.</p>

Future Scenarios through NGFS

Aligned with the CRMSA exercise, our scenario analysis uses NGFS baseline scenarios, which encompass three distinct trajectories: Current Policy, Early Policy, and Late Policy. These scenarios are employed by central banks and financial supervisors to understand possible climate impact shaped by mitigation efforts and regulatory interventions. Each scenario aims to assess potential credit losses over a 30-year period, adhering to international best practices like those recommended by the Financial Stability Board’s TCFD.



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Observation

The preliminary climate assessment on our non-retail segment indicates that the Current Policy poses the greatest risks associated with unmitigated climate change in the absence of proactive policy measures that cause substantial damage to assets, disrupt supply chains, and widespread economic disruptions. In contrast, early and late policy scenarios, while presenting its challenges, offer more structured and manageable paths for addressing climate risks.

Limitations of Climate Scenario Analysis

In our pursuit of understanding climate risk, it is essential to acknowledge the inherent limitations of climate scenario analysis. While these tools are invaluable in enhancing our critical strategic thinking, the scenario analysis is a hypothetical construct and should not be considered a forecast or projection.

Limitations

Projection time horizon

Scenario analyses typically span over 30 years (e.g., transition risk analysis often extends to 2050 to align with Net Zero goals). This time horizon is much longer than typical business planning periods, introducing considerable uncertainty due to the numerous assumptions used.

Regional variability

The climate scenarios and parameters from international research bodies are often calibrated at levels of granularity which may not fully reflect local market dynamics and constraints.

Data limitations

Bottom-up firm-level analysis requires granular data such as absolute emissions or intensity for various scopes of a firm's activities, which currently vary in terms of availability, granularity, and accuracy.



Climate Resilience Training Initiatives

To lead in responsible financing and climate resilience, we deliver tailored learning experiences to address specific areas of expertise, ensuring we stay up-to-date, adapt to evolving risks, and effective knowledge transfer to targeted groups.

In FY2024, we initiated several initiatives to empower better risk management from within:

<p>Trained 764 Relationship Managers and Credit Validation Officers on CERA to ensure consistent and effective risk assessment practices.</p>	<p>Provided training to relevant staff and senior management involved in monitoring and managing climate-related risks.</p>
<p>Launched ‘The Green Lens’ newsletter to keep our staff informed of the latest developments in the ESG landscape.</p>	<p>Introduced sustainability e-learning modules to provide continuous learning opportunities for our staff.</p>

Additionally, we encourage our staff to pursue certifications such as the Certification in Climate Risk (CICR) offered by the Asian Institute of Chartered Bankers (AICB) and the Sustainability and Climate Risk (SCR) Certificate offered by the Global Association of Risk Professionals (GARP) to further build expertise in climate risk management.

For more information on our sustainability training and programmes, please refer to page 88 of Developing Our People.

RESPONSIBLE AND SUSTAINABLE FINANCING

In response to the growing demand for sustainability, we are expanding our range of financing products that cater to the evolving needs of our corporate and Small and Medium Enterprises (SME) clients.

Sustainability-Linked Financing (SLF)

We are developing Sustainability-Linked Financing (SLF) solutions for customers of Business Banking and Wholesale Banking. This product is designed to empower businesses to pursue ambitious environmental and social sustainability goals, anchored on measurable and verifiable performance metrics. Unlike traditional financing options, SLF aligns with the principles of sustainable finance by decoupling the financing from specific use of proceeds, providing flexibility for businesses to invest in sustainability initiatives across various aspects of their operations.

Green Financing

To address the urgent need for sustainable development in Malaysia, AmBank Group has championed green financing solutions across diverse projects in FY2024.

Some of these are highlighted in page 35.

Responsible Banking

M1

Green Financing Initiatives in FY2024

Persada Mentari Sdn Bhd

Green financing facility for the Andaman Island project, which earned the provisional Green Real Estate (GreenRE) Platinum Certification. The project features sustainable living and excellent connectivity with lush landscaping.



Swift Haulage

Annual allocation to support the procurement of electric vehicle trucks and prime movers by Malaysia's largest haulier and logistics provider.



Labuan Solar Plant

Financing for the development of Labuan's first solar plant under the Malaysia Large Scale Solar 2 (LSS 2) Programme. The 10-megawatt plant began commercial operations in February 2024, reducing carbon emissions by supplying clean renewable energy to Labuan and Sabah.



SK Nexilis Malaysia Sdn Bhd

Financing the construction of SK Nexilis Group's first overseas copper foil manufacturing facility in Kota Kinabalu, Sabah. The copper foils produced will be exclusively used in electric vehicle batteries enabling sustainable, low-carbon mobility solutions in various locations including Korea, Malaysia, Poland and North America. The electrification of motor vehicles is essential for the decarbonisation of the transport sector which contributes approximately one-fifth of GHG emissions globally.



Additionally we have financing for Huawei dealers through a signed Memorandum of Understanding (MoU) with Huawei Technologies Malaysia Sdn Bhd to propel both organisations' sustainability agendas where we offer financial and merchant business solutions. All dealers will benefit from special rates, bundled offers, promotions, and dedicated support from a team of Relationship Managers, among other advantages.



AmBank Group partnered with Tesla Inc. to offer an attractive auto financing package for Malaysians purchasing Tesla Model Y electric cars. Recognised as one of two Tesla Preferred Financing Providers in Malaysia, this initiative supports our broader sustainability agenda.

Our collaborative efforts with these leading players across various industries stand as a cornerstone to harness our expertise and resources for impactful change. Through these partnerships, we are advancing our commitment to responsible financing and building climate resilience.



In FY2024, we have disbursed a total of **RM3,022 million** of green loans and financing.

Sustainable and Responsible Investment (SRI)

As a leading FI in Malaysia, AmBank Group assumes a crucial responsibility in facilitating Sukuk issuances for responsible businesses.

Our role as Joint Lead Manager for these Sukuk issuances extends beyond mere financial intermediation. Through our leadership in Sukuk issuances, we support our clients in accessing capital markets and reinforce our position as a leader in sustainable finance.

Sukuk Issuances in FY2024		
Project/Client		Financing
Malaysia Rail Link (MRL) Sdn Bhd	Facilitated the issuance of Sustainable Development Goals (SDG) Sukuk, guaranteed by the Government of Malaysia. Proceeds will be used for eligible projects under MRL's SDG Sukuk Framework.	RM1.5 billion
Bank Pembangunan Malaysia Berhad (BPMB Bank)	Facilitated the issuance of a sustainability Islamic Medium Term Note (IMTN) Programme. The proceeds are to be utilised in accordance with BPMB's Sustainable Development Sukuk Framework.	RM1 billion
SME Bank	Facilitated the issuance of a sustainability IMTN Programme to support Shariah-compliant financing initiatives, including green and social projects. SME Bank became the first Malaysian Development Financial Institution (DFI) to issue Sustainability IMTNs.	RM1 billion

AmBank Group's commitment to advancing sustainable finance is evident in our consistent performance in Sukuk issuance. Over the years, we have maintained a strong presence in the Malaysian Sukuk market, supporting a wide range of projects that align with ESG principles.

Overall Sukuk Performance

	FY2022	FY2023	FY2024
Total Value of Sukuk Issued (RM million)	8,707	10,453	9,166
Rank for Overall Malaysian Bonds/Sukuk	4	4	4

Sustainable and Responsible Investment ("SRI") Funds

AmInvest, our asset management business comprising AmFunds Management Berhad (AmFunds) and AmIslamic Funds Management Sdn Bhd, places a strong emphasis on responsible investments by incorporating ESG in its investment decision making process. AmFunds, which aspires to be an inclusive and sustainable fund manager of choice, has since April 2020 converted AmIslamic Global SRI and AmBon Islam into SRI-qualified funds and launched six Sustainable Series funds to meet the growing demand for ESG-themed investments, namely, the "Positive Change Fund", "Climate Tech Fund", "Nutrition Fund", "Health Fund", "Sustainable Outcomes Global Equity Fund" and the "Global Lower Carbon Equity Fund".

In FY2024, AmFunds re-launched 3 existing funds, listed below, to align with the SRI principles:

- AmIncome Institutional SRI 1
- AmIncome Institutional SRI 3
- AmInstitutional Income Bond SRI

FUTURE OUTLOOK

AmBank Group remains committed in safeguarding the financial stability of our customers and protecting the interests of all stakeholders. By integrating sustainability and climate risks into our overarching risk management framework, we proactively address and mitigate ESG challenges across our operations.

To further enhance our scenario analysis, we will translate insights gained from our climate risk assessments into actionable strategies and targets and as such, ensure that our risk management framework aligns with our dedication to climate resilience and sustainability.

Moving forward, as we develop our Net Zero transition plan and sectoral pathways for hard-to-abate sectors, we will engage our customers to understand their needs and requirements and aim to work with them on their journey through sustainable financing solutions.

Responsible Banking

CUSTOMER EXPERIENCE & SATISFACTION

M2

At AmBank Group, we understand that our success is intrinsically linked to our customers' needs. We are committed to evolving with their requirements and the changing financial landscape. Our goal is to be a catalyst for our customers' achievements by delivering fast, seamless, and personalised services that prioritise their satisfaction and foster long-term trust. By focusing on customer experience, we drive mutual success and contribute to sustainable growth.

Our approach to Customer Experience (CX) is driven by our dedicated employees, who are encouraged to adopt a customer-centric mindset. By investing in our employees, we can create meaningful and lasting relationships with our customers.

We also adhere to ethical customer standards, ensuring our customer engagements and communications are relevant, purposeful, and socially responsible.

Key Policies & Standards that we adhere to and practise include:



AmBank Group Code of Conduct

- **Respecting Our Customer:** Emphasises the importance of fair treatment and respect towards customers where employees are required to demonstrate professionalism, transparency, and integrity in all dealings with customers.
- **Speaking on behalf of AmBank Group:** Outlines the necessity of accurate and factual communication about the Group.



Customer Service Charter

- **Service Standards:** Details our commitments and benchmarks in delivering quality service to customers.



Product Approval and Management Policy: Sets forth the principles and minimum criteria for product development across its life cycle, balancing governance with commercial considerations. It also incorporates sustainability considerations into the approval process.



AmBank Group Web Portal Security Statement: Provides details on our website's practices regarding the security of users' personal information and outlines user responsibilities in using our services safely.

Another key part of our CX approach is digitalisation. We continuously improve our mobile and digital platforms to offer a seamless banking experience, making it easier for customers to engage with us and access the services they need. *For more information on our digital solutions, refer to page 52 of Digital Innovation.*

By focusing on both employee-driven customer excellence and leveraging digital technologies, AmBank Group is committed to delivering superior customer experiences that drive mutual success and sustainable growth.

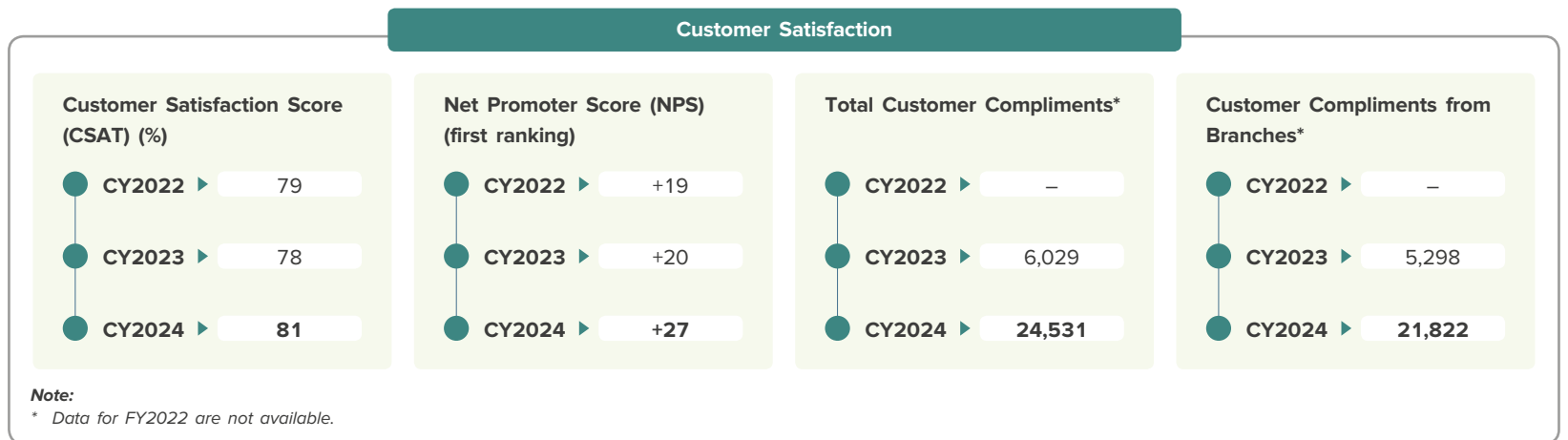
A CULTURE OF CUSTOMER EXCELLENCE

Our approach focuses on building a culture centred on customer excellence through comprehensive employee engagement and customer feedback mechanisms. Our initiatives are designed to foster a customer-centric culture, empower our employees, and continually enhance our service delivery.

Key Customer Experience Initiatives		
Initiatives	Objectives	What We Did
CX Workshops with Employees	Develop strategies and action plans to enhance customer experience.	Organised 43 internal workshops focusing on processes, procedures, service excellence, and customer pain points.
Creating Amazing CX Stories	Foster a culture centred on extraordinary customer experiences.	Recognised 31 employees from branches for their exemplary service, promoting a customer-centric culture and motivating staff.
Customer Surveys	Identify gaps and key improvement areas in the digital banking experience.	Conducted surveys to gather insights and identify areas for enhancement in digital banking services.
Branch QR Code Feedback	Enable real-time customer feedback and immediate action.	Created unique QR codes for each branch nationwide, allowing customers to scan the code to provide feedback and receive real-time notifications for immediate action.
Amazing CX and Rate Us 10 Campaign	Gather compliments and feedback from customers across various channels.	Launched the campaign via QR surveys, letters, calls, and emails, recording 25,736 feedback entries and compliments. Achieved 17,218 compliments for branches and 716 for customer care.

Improvements in Customer Satisfaction

Our efforts have led to consistent improvements in customer satisfaction over the years. Through comprehensive strategies, engaging our employees, and implementing effective feedback mechanisms, we have cultivated a positive CX culture. This has resulted in notable enhancements in key customer satisfaction metrics, demonstrating our ongoing commitment to customer excellence.



As evidenced by a significant **312%** increase in customer compliments from AmBank Group’s branches, our initiatives to improve service quality and customer engagement have also **increased the overall customer compliments by 307%**.

As part of our commitment in delivering excellent customer experiences, we have achieved **first ranking** in the **Net Promoter Score (NPS)** of +27 amongst AmBank Group customers.



Responsible Banking

M2

RECOGNISING EXCELLENCE IN CUSTOMER EXPERIENCE

In FY2024, AmBank Group organised two prestigious award ceremonies to celebrate and increase employees' morale and recognise exceptional contributions to CX and operational efficiency. These ceremonies underscore our commitment to fostering a customer-centric culture and continuous improvement within the organisation.



STAR Awards



The STAR Awards were established to empower employees to acknowledge their colleagues' exemplary contributions to customer experience. This initiative allows internal employees to nominate their peers, supervisors, and staff for recognition in various categories such as Engaged Employee, Shining Star, and CX Excellence recipients.

The Star Awards feature numerous categories, including both generic and special editions, enabling staff to nominate those they deem deserving. Top categories of winners come from nominations for:

1. My Hero
2. Kau Ilhamku
3. CX Excellence (Helpful and Able to Serve)
4. CX Excellence (Warm & Caring)
5. Shining Star-Rising Star



Audit and Compliance Excellence (ACE) Awards



The ACE Awards highlight branches and individual staff members who exhibit strong audit, compliance and internal/operational control performance while maintaining a high standard of customer service. This recognition highlights how maintaining the integrity and security of our operations not only protects our customers but also contributes to a more secure and reliable service, thereby enhancing the quality of our customer experience.

At the ACE awards, 36 branch employees and two head office employees were awarded for outstanding behaviour in support of our compliance culture, saving clients and the bank from fraud losses.



FUTURE OUTLOOK

With customer expectations continuously rising, we are committed to implementing initiatives that deliver personalised solutions and a deeper understanding of their needs. These efforts aim to foster longer relationships and enhance our competitive advantage.

In May 2024, we launched AmOnline 3.0, offering customers a new way to efficiently manage their finances. With its sleek new look, features-at-a-glance, and a powerful search bar, the new version of AmOnline will empower customers to take control of their money.

Additionally, with the rapid advancement of digital and mobile technologies, our focus will be on introducing further enhancements and ensuring the strong execution of our plans to meet evolving customer expectations. Ultimately, our goal is to consistently achieve higher levels of customer satisfaction.



Responsible Banking

DIGITAL INNOVATION


M3

The rapid integration of digital technology into financial services has driven AmBank Group to innovate and offer more seamless, accessible, and personalised customer experiences, including ESG-related products, for both retail and institutional customers. Aligned with our purpose of Winning Together, our Digital Transformation Strategy focuses on expanding customer reach and leveraging digital platforms to empower our customers. We particularly support SMEs with tailored solutions that enhance their operational efficiency, aligning with our broader goal of shared success.


The digital revolution continues to sweep across various industries, bringing disruptions that have redefined market landscapes and lifestyles. In the financial sector, digital innovation has created digital ecosystems that have not only changed banking, but also one that promotes balanced, equitable and inclusive growth. These technology advancements have reshaped regulatory standards and introduced new players into the already competitive financial services landscape.

In essence, digital innovation at AmBank Group is a catalyst for change. We create an ecosystem where everyone benefits, including our employees who will work more efficiently, increasing productivity, reducing operating costs, and accelerating time to market. By streamlining internal processes and enhancing our service delivery, we create a dynamic environment where both employees and stakeholders can benefit from the improvements.

As we strive to improve our digital transformation and solutions, we remain guided by several policies, guidelines, and frameworks.



Privacy Notice on Personal Data Protection Act (PDPA) 2010: This policy outlines the types of customer data collected, methods of processing, and customers' rights to refuse data processing or use. It demonstrates our strong commitment to keeping our customers' personal data safe and secure.



AmBank Group Web Portal Security Statement: This document governs our website's practices concerning the security of users' personal information collected or processed through our web portal, as well as the user's obligations to ensure the safe use of our services.

A SEAMLESS DIGITAL BANKING EXPERIENCE

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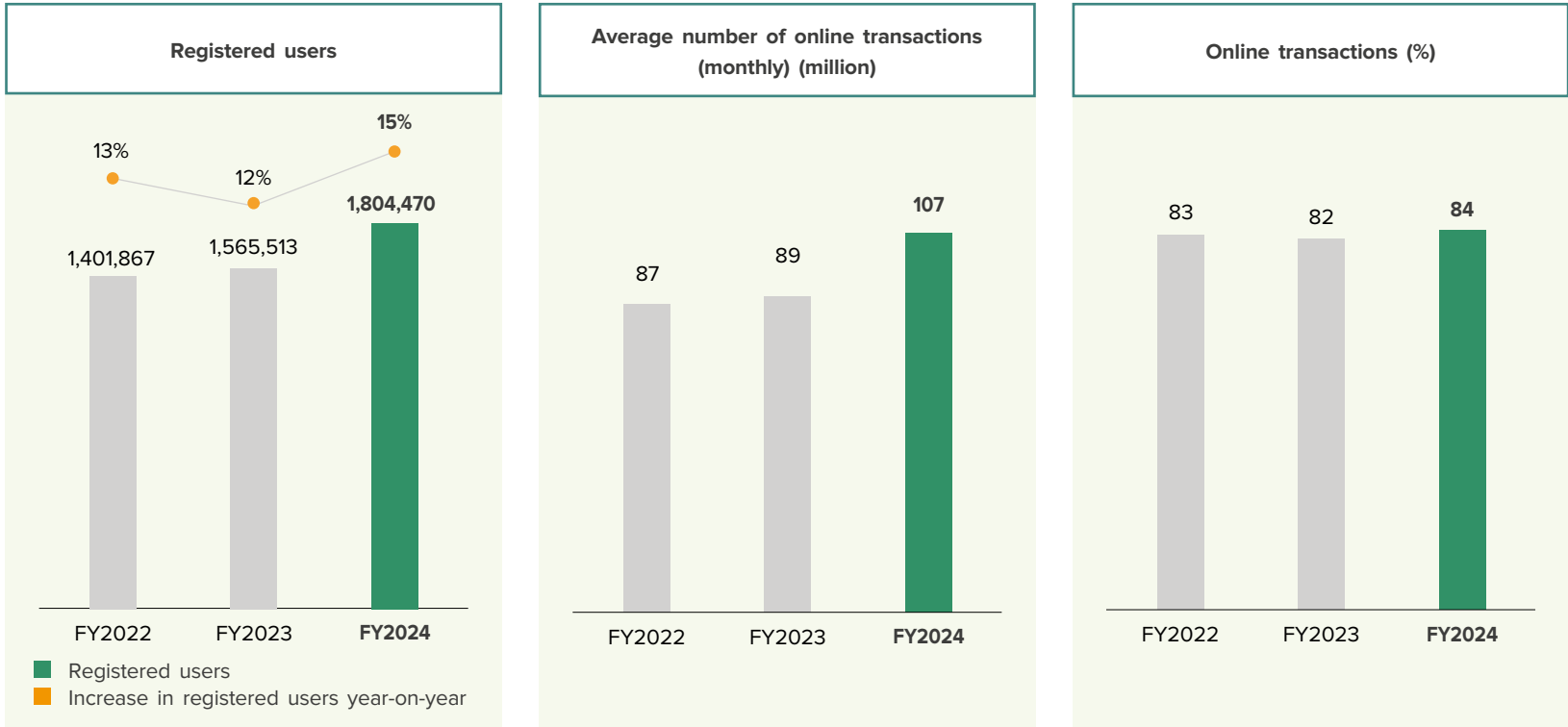
As technological advancements reshape the financial landscape, we will continue to refine our digital channels. In FY2024, we launched several digital initiatives aimed at enhancing the mobile banking experience, increasing customer engagement, and extending the accessibility of our products and services.

In FY2024, registered users on our AmOnline platform increased by 15%, from 1,565,513 to 1,804,470, reflecting our commitment to seamless digital services. As a result, 90% of all retail bank transactions were performed online. Additionally, AmAccess Biz, our on-the-go digital platform, saw increased utilisation by retail SMEs. Our strategic focus on enhancing our online presence and digitising our services has driven consistent growth across our platforms, improving our position as a digital bank.

Digital Banking Initiatives	
Initiatives	What We Did
DuitNow Consent and Auto Debit	<ul style="list-style-type: none"> Enabled digital payment requests for streamlined transactions, aligning with our PayNet's Real-time Retail Payment Platform (RPP) Roadmap.
Fixed Deposit and Current Account Savings Account (CASA) Product Bundle	<ul style="list-style-type: none"> Offered higher interest rates, enabling customers to obtain better deposit returns.
Introduced Google Pay	<ul style="list-style-type: none"> Expanded our contactless payment ecosystem by introducing Google Pay for credit cardholders, enhancing the convenience of transactions at point-of-sale (POS) terminals and online.
Account Reconciliation Services	<ul style="list-style-type: none"> Provided comprehensive operating account and reconciliation solutions to our customers under our wholesale banking portfolio. Introduced Cross Border QR capabilities as part of our Application Programming Interface (API)-based online collection services.
Voice of Customers (VOC)	<ul style="list-style-type: none"> Continued to improve our ability to listen and collect feedback at key customer touch points. Introduced a Floating Button within the AmOnline landing page.
Enhancements Through AmOnline	<ul style="list-style-type: none"> Utilised AmOnline to engage with and attract new customers. Established plans to release a new version of AmOnline, featuring a new Graphical User Interface (GUI).

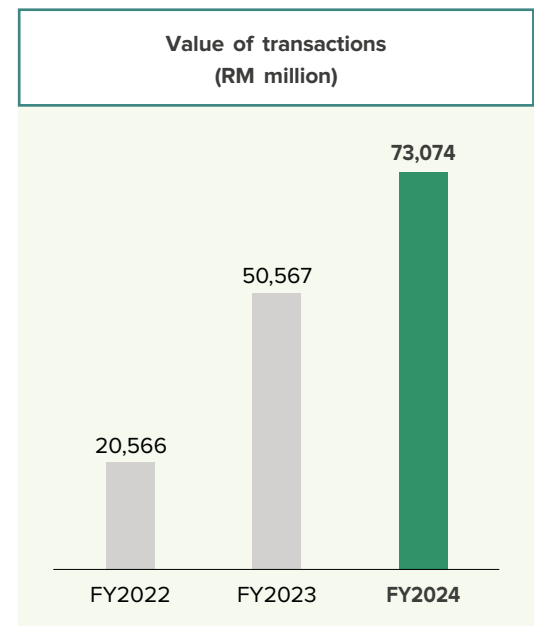
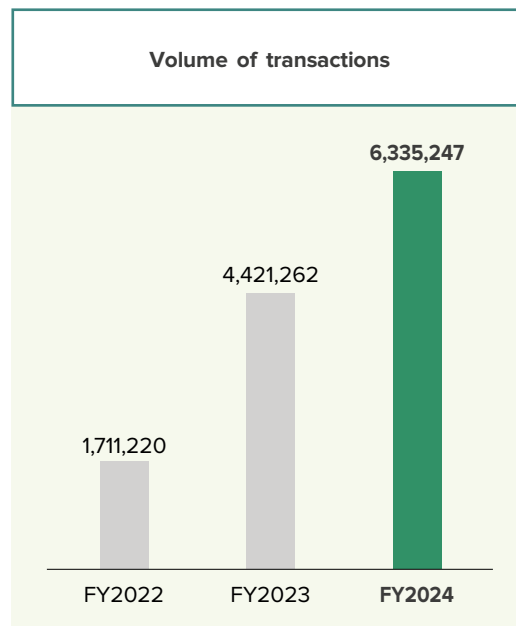
 Digital Growth

AmOnline



AmAccess Biz

	FY2022	FY2023	FY2024
Number of total registered companies	27,235	39,029	46,743
Number of total registered companies using the platform	16,516	22,970	26,408
Total transactions from Digital Tokens (%)	68	68	65
Total deposits supported by AmAccess Biz (RM million)	4,052	6,969	8,313



Responsible Banking



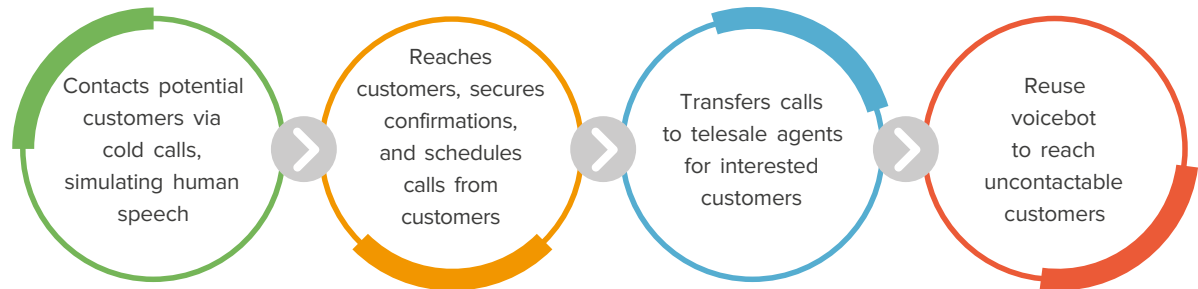
DRIVING INNOVATION IN FINANCE

The financial sector is undergoing transformative changes due to advancements in Artificial Intelligence (AI) and Machine Learning (ML). These technologies are pivotal in adapting to evolving market dynamics and increasingly sophisticated customer preferences.

In FY2024, AmBank Group established an AI Lab to further integrate AI and ML into our operations, enhancing our ability to meet rising customer expectations through innovative approaches such as design thinking, automation, Application Programming Interfaces (APIs), and Robotic Process Automation (RPA). This initiative particularly focuses on improving the lending and customer onboarding processes, critical touchpoints in the customer journey that offer substantial value.

Artificial Intelligence and Machine Learning Initiatives

Initiatives	What We Did
Designed Generative AI for Documents	<ul style="list-style-type: none"> Integrated into loan underwriting and trade finance operations to analyse financial documents for credit assessment.
Large Language Models	<ul style="list-style-type: none"> Completed proof of concept for Large Language Models, with operationalisation scheduled for FY2025 to help Relationship Managers create credit papers and perform select Anti-Money Laundering (AML) checks.
Partnership with Microsoft	<ul style="list-style-type: none"> Utilised Microsoft's 365 Copilot's Early Access Programme to enhance efficiency and productivity, used by approximately 300 employees for generating reports and managing tasks.
Analytical AI Sandbox	<ul style="list-style-type: none"> Prepared and invited analytics platform partners to participate in the sandbox, scheduled for launch in FY2025.
Voicebot	<ul style="list-style-type: none"> Launched a pilot programme using voicebot technology to contact potential customers via automated cold calls. AmBank Group's Voicebot Pilot Programme.

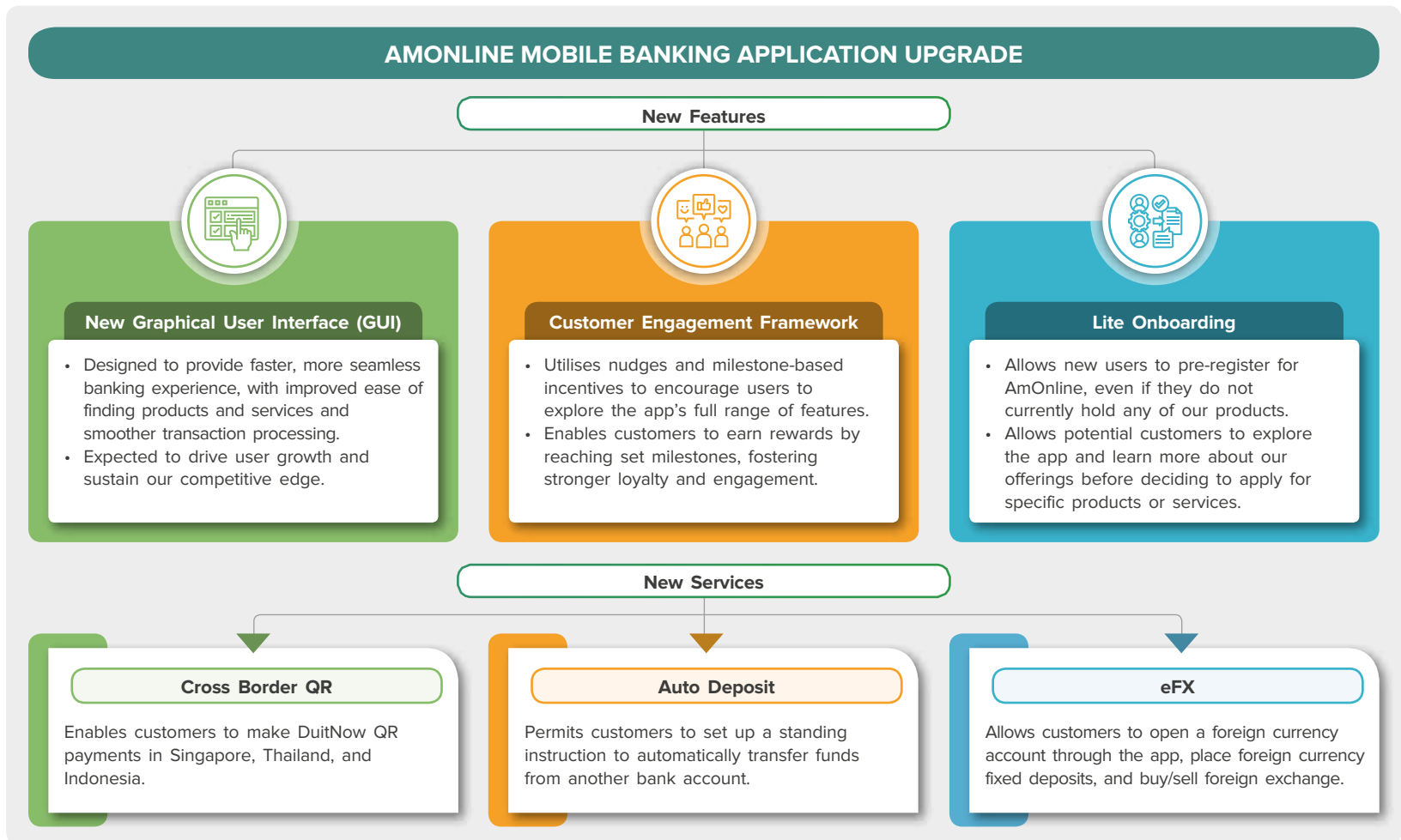


AI-based Statement Analyser	<ul style="list-style-type: none"> Implemented a standalone system allowing credit officers to upload customers' bank statements for automated analysis, generating a summary report for validation with reduced analysis time.
Online Transaction Notification	<ul style="list-style-type: none"> Extended online debit and credit transaction notification through the API in addition to SMS and email notification.
Online Statement Generator	<ul style="list-style-type: none"> Implemented online statement generation through an API, allowing output in PDF, Excel, or CSV format from AmBank Group's Cash Management System.

FUTURE OUTLOOK

The rapid advancement of technologies such as AI, ML, big data, blockchain, cloud computing, and automation is reshaping the financial landscape, dramatically shortening process times, and enhancing service delivery. These changes also drive sustainable growth by reducing environmental impact and improving our resource efficiency.

In response, AmBank Group will continue to offer diverse products, services, and solutions that resonate with our customers. To address and keep abreast of customer expectations, one of our key initiatives is the rollout of our new AmOnline mobile banking application, that was released in May 2024, to not only understand our customers' needs and deliver appropriate services, but also to ensure that we continue to anticipate their future needs.



We are also expanding our mobile banking capabilities to include over-the-counter transactions such as Branch Fixed Deposit upliftment, dormant account reactivation, and debit card replacement and renewal. These enhancements aim to streamline processes and further improve customer convenience.

Additionally, on Paynet's Real-time RPP, we are set to launch DuitNow Request. This feature will enable payers to authorise merchants to collect funds directly, thereby enhancing the convenience and smoothing transaction processes for our customers.

Responsible Banking

CYBERSECURITY & DATA PRIVACY

M4

In today’s digitised society, the financial sector faces heightened vulnerabilities to cyber threats and data breaches. With growing reliance on digital platforms, financial institutions are at higher risk of cyber-attacks and unauthorised access to sensitive data. Given the sector’s handling of vast amounts of personal and financial information, robust cybersecurity and data privacy measures are crucial.

In response to stronger regulations and the heightened risk of cybercrime, we have enhanced our security measures to protect our customers ethically and responsibly. We have transitioned to a predictive security approach, aligning our Information Technology (IT) and cyber risk strategies. Additionally, targeted assessments and validation exercises help us identify and mitigate potential vulnerabilities using cyber threat intelligence.

Our commitment to sustainability and ethical business practices is reflected in our adherence to rigorous data security policies and frameworks:

AMMBANK GROUP CYBER RISK STRATEGY

Progressively identify, monitor, analyse, evaluate key risks

Define the remedial actions based on prioritisation and impact to manage risk effectively and proactively



Data Governance Framework and Information Security Policy: Outlines stringent guidelines to ensure legal and compliance requirements and foster a culture of continuous improvement in data protection.



Risk Management in Technology (RMiT): Formalised by Bank Negara Malaysia (BNM) and governs our technology risk management projects.




Privacy Notice on Personal Data Protection Act (PDPA) 2010: Details the types of customer data collected, how it is processed, and the customers’ right to withdraw consent for the use or processing of their data.

Moreover, we hold prestigious certifications such as **ISO 20022, Payment Card Industry Data Security Standard (PCIDSS)** and Council of Registered Ethical Security Testers (CREST), reflecting our dedication to protecting stakeholders’ interests and preventing cybercrime.

STRENGTHENING CYBER RESILIENCE

While digitalisation has opened new opportunities and addressed challenges, it has also increased security concerns due to increased threats impacting our stakeholders. In FY2024, we introduced a wide range of initiatives to safeguard customer assets, expand evaluation and assessment scopes to address the rising development of emerging technologies and the increasing complexity of cyberattacks.

 Cybersecurity Initiatives	
Initiatives	What We Did
Introduced Cyber Resilience Maturity Assessment Tracker	<ul style="list-style-type: none"> ➤ Provided a framework to identify vulnerabilities, ensure compliance, enhance resilience, and manage risks.
Increased Monitoring and Vigilance	<ul style="list-style-type: none"> ➤ Prevented and deterred insider threats by offering a coherent view of cyber-related activity across an organisation. ➤ Supported a positive culture to deter counter-productive behaviour.
Assessed Security Posture	<ul style="list-style-type: none"> ➤ Executed scans to assess the security controls of outsourced service providers. ➤ Established corrective measures to close gaps.
Mitigated e-Banking Fraud	<ul style="list-style-type: none"> ➤ Migrated to secured authentication method, transitioning from Short Message Service One-Time Password (SMS OTP) to soft tokens for authentication and authorisation of financial transactions. ➤ Conducting on-going awareness programmes for customers as a preventive control to mitigate and avert fraud risk. ➤ Progressively enhanced control measures to combat e-Banking fraud (guided by BNM's directives). ➤ Restricted online banking transaction authentication to a single mobile device, which must be linked to an AmSecure token. ➤ Introduced a cooling-off period for enrolment in AmOnline and any device change request, during which customers will not be able to perform financial transactions. ➤ Made activation of the AmSecure token mandatory for all mobile banking activities. ➤ Enhanced security controls, monitoring, and detection capabilities for fraud in Internet Banking and Mobile Banking.
Expanded Security Operations Centre (SOC 2.0)	<ul style="list-style-type: none"> ➤ Revitalised SOC with integrated incident response, threat intelligence and automated recovery. ➤ Included Endpoint Detection and Response and strengthened User Behaviour Analysis (UBA) capabilities. ➤ Enhanced Data Loss Prevention (DLP) control, policy reviews, and incident response playbooks. ➤ Obtained the global Council of Registered Ethical Security Testers (CREST) certification for our SOC.
Established Cyber Threat Intelligence Platforms	<ul style="list-style-type: none"> ➤ Delivered proactive global threat intelligence against near zero-hour threats. ➤ Ensured constant protection of bank assets.
Improved Controls and Capabilities	<ul style="list-style-type: none"> ➤ Ensured processes, technology, and security controls were updated and constantly reviewed. ➤ Enhanced defences to mitigate cyberattack risks. ➤ Encouraged cybersecurity upskilling capabilities among employees. ➤ Implemented regular internal assessment reviews, oversight, and governance improvements in line with our cyber risk strategy. ➤ Enhanced security awareness through the annual information and cybersecurity e-Learning module and emails. ➤ Circulated security newsletters to third-party/IT service providers.
Introduced the Self-Initiate Blocking or "Kill Switch"	<ul style="list-style-type: none"> ➤ Allowed customers to block access to the AmOnline website or application if the account is compromised.
Conducted Risk Control Self-Assessment (RCSA)	<ul style="list-style-type: none"> ➤ Conducted RCSA, a combination of Risk Self-Assessment and Control Self-Assessment to understand technology risk issues within departments. ➤ Reviewed and updated technology-related RCSAs regularly to proactively identify and manage changing technology risks.

Responsible Banking

M4

We emerged as the top scorer in an industry-driven cyber crisis simulation exercise

- outperforming 112 participating financial institutions
- conducted by Securities Commission Malaysia in October 2023

Maintain a record of **zero cybersecurity-related fines and penalties year-on-year**

Cybersecurity Resilience

	FY2022	FY2023	FY2024
Fines or Penalties Related to Cybersecurity (RM)	0	0	0

MITIGATING CYBERSECURITY CHALLENGES

As we progressively tighten our cybersecurity practices, the current cybersecurity challenges are multifaceted, ranging from evolving cyber threats to the complexities of adopting new technologies. Addressing these challenges requires a holistic approach that combines advanced technological solutions, comprehensive cybersecurity frameworks, process uplift, fostering a security-conscious culture and adherence to regulatory standards. With the relentless advancement of technology and the concomitant rise in cyber threats, we have prioritised the following key points in mitigating risks to our daily operations, customer trust, and reputation:

Challenges

1 Prioritisation and mitigation of high-risk issues	<ul style="list-style-type: none"> • Prioritised issues and conducted mitigation actions without relying on resource availability and escalation. • Defined and measured maturity levels against the target state to ensure consistency, relevance, resilience, and readiness to reduce cyber risk exposure.
2 Increased frequency and scope of regulatory directives and assessments requiring ad-hoc validation within limited time frames	<ul style="list-style-type: none"> • Revalidated and reassessed current systems and processes to comply with new regulatory directives and advisories, ensuring alignment with stipulated requirements. • Participated in deliberations with regulatory working groups, business project discussions, and security forums/webinars.
3 Addressing emerging technology risks	<ul style="list-style-type: none"> • Engaged regularly with key stakeholders to track progress, advise, and execute effective security programmes. • Combined maturity-based and risk-based approaches for proactive cybersecurity and improved risk management. • Conducted brainstorming sessions and group discussions to identify overlooked areas within the team and supporting functions. • Implemented red team campaigns and tabletop exercises to address evolving attack vectors. • Rotated job roles within the team to enhance employee understanding of overall Technology Risk management. • Engaged in Retail Banking, non-Retail Banking, Compliance, Data Governance, and e-Banking working groups discussions.
4 Fraud risk mitigation	<ul style="list-style-type: none"> • Potential security risks from innovations like mobile banking and cloud adoption. • Updating business functions on security risks and reporting requirements. <ul style="list-style-type: none"> • Prioritised issues and conducted mitigation actions without relying on resource availability and escalation. • Defined and measured maturity levels against the target state to ensure consistency, relevance, resilience, and readiness to reduce cyber risk exposure.

ROBUST DATA SECURITY

Protecting our stakeholders' privacy is our paramount responsibility. Acknowledging that security breaches can disrupt operations and impact lives, we have fortified and continue to enhance our infrastructure, processes, capabilities, personnel, and technology. These efforts aim to mitigate data breach risks, avoid legal ramifications, and reduce recovery costs.

By fostering a culture of accountability and compliance, we ensure our employees understand data ethics and responsible data usage.



Data Security Initiatives

Established Digital Data Governance Framework

What We Did

- Fortified data governance and security practices to drive data excellence.
- Ensured security measures upheld data usability and data quality.

Enhanced Identity and Data Protection Controls

What We Did

- Established specific use cases to detect data exfiltration for high-risk users.
- Expanded monitoring coverage to understand credential-based attack paths and identify vulnerabilities.



Data Privacy Incidents

	FY2022	FY2023	FY2024
Number of Complaints Received and Resolved on Breaches of Customer Privacy and Loss of Customer Data*	12	15	24
Number of Identified Leaks, Theft or Loss of Customer Data	8	8	3

Note:
* Complaints were received through various channels (contact Centre, email, and etc). The majority of the complaints in FY2024 were related to customers receiving calls from third parties offering loans and financing facilities.

FUTURE OUTLOOK

We remain steadfast in fortifying cybersecurity and data privacy resilience by continuously investing in enhancing our security controls, especially in high-attack areas, utilising emerging technologies such as Artificial Intelligence (AI). We will continue to prioritise the protection of sensitive information through rigorous cybersecurity measures and drive comprehensive stakeholder awareness. Our goal is to build resilient systems that not only defend against current threats but are also adaptable to future vulnerabilities and challenges.



Responsible Banking

FINANCIAL INCLUSION

M5

Financial inclusion are critical components of AmBank Group’s sustainability agenda and social empowerment initiatives. Ensuring that individuals and communities have access to essential financial services and the knowledge to use them effectively is fundamental to fostering equitable economic growth and stability. This not only helps to reduce poverty and inequality but also drives broader socio-economic development.

At AmBank Group, we are dedicated to enhancing financial inclusion, ensuring that all individuals and businesses have the knowledge and tools they need to participate fully in the financial system and navigate economic fluctuations. We adopt a holistic approach to driving inclusion and accessibility, which encompasses various initiatives and strategies.



PROVIDING INCLUSIVE FINANCIAL SUPPORT

We continued to support MSMEs by providing working capital to strengthen business resilience and transition towards sustainable practices. By streamlining access to finance, we aim to deliver meaningful outcomes and assist these businesses in pursuing growth.



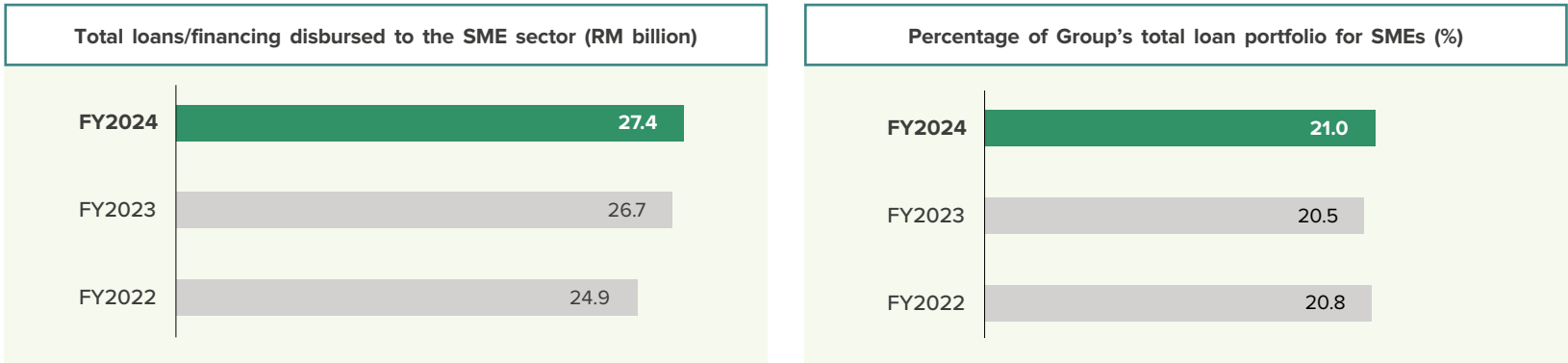
Financial Inclusion Initiatives

Initiatives	What We Did
<p>Small, and Medium Enterprises (SMEs) Amplify</p> <p>To support and empower the SME segment by providing easier access to financing, tailored to fuel their growth and bolster their competitive edge.</p>	<ul style="list-style-type: none"> ➤ Introduced a centralised hub for SMEs to obtain support on financing applications, payroll management, and payment acceptance. ➤ Introduced AmBank Visa Infinite Business Card to allow easy access to working capital and expand business opportunities. ➤ Launched Pay-As-You-Grow Term Loan (“PayG”), Malaysia’s pioneering term loan linked to a Point of Sale (POS) transaction and deposit account, providing SMEs immediate access to working capital with enhanced flexibility and repayment control. ➤ Rolled out SME Loan/Financing options to support business growth, offering working capital loans or financing with no collateral. ➤ Launched AmBank Merchant business solutions, an innovative and comprehensive transaction processing solution for merchant partners, with same-day settlement and 24/7 account tracking. ➤ Enabled SME Amplify customers to digitally open and manage their business current accounts via AmAccess Biz.
<p>AmJutaBiz Campaign</p> <p>To encourage and support the growth and success of local businesses, especially SMEs, business proprietors, partnerships, and similar bodies.</p>	<ul style="list-style-type: none"> ➤ Incentivised SMEs to increase their deposits in their current account in AmBank Islamic’s Current Account.
<p>Cash Recycler Machines (CRMs)</p> <p>To enhance banking experience for MSMEs.</p>	<ul style="list-style-type: none"> ➤ Piloted the deployment of 18 CRMs at key 7-Eleven outlets across Peninsular Malaysia, providing MSMEs with a secure option for cash deposits.
<p>iTEKAD</p> <p>A blended social finance programme to support low-income microentrepreneurs in generating sustainable income.</p>	<ul style="list-style-type: none"> ➤ iTEKAD 2.0 programme for various initiatives under seed funding, capacity building or structured upskilling and micro-financing.

Responsible Banking

M5

Empowering SMEs



STRENGTHENING SMES FINANCIAL DEVELOPMENT

Through AmBank BizCLUB, we offer a comprehensive platform aimed at empowering SMEs through education, training, development, networking opportunities, and media exposure to facilitate their transition to the next level. The **AmBank BizCLUB** includes **AmBank BizCONFERENCE**, **BizRACE**, and **BizDIALOGUE** that provide SMEs and business owners with valuable insights and resources to grow their business.

AmBank BizCLUB Participation

AmBank BizCLUB

Over 12,000 SME leaders have participated in BizCLUB initiatives since its inception, through:



Information on number of businesses trained at AmBank BizCLUB can be found on page 123 of Performance Data.



AmBank BizCONFERENCE

The BizCONFERENCE series, which encompasses both physical and virtual events, features subject matter experts and industry leaders addressing topics relevant to SMEs. In FY2024, we organised the 2023 SME BizCONFERENCE themed “Building Engines for Growth,” offering valuable opportunities for participants to engage with experts and learn from homegrown brand leaders.

Highlights

Attendance:

Over **400** business participants.

Speakers:

Featured **15** key speakers providing insights on diverse topics.

Topics Covered:

Financing strategies

Sustainability/ESG adoption

Smart Automation

Government funding assistance programmes

SME outlook

IR4.0 for SMEs

5G

Information on number of businesses that participated in AmBank BizCONFERENCE can be found on page 123 of Performance Data.

Responsible Banking



AmBank BizRACE

As we continued the AmBank BizRACE programme into the fourth season, we have extended support across various sectors.

In FY2024, we focused on IR 4.0 and Sustainability/ESG adoption, reaching SMEs, large enterprises, and mid-tier companies, partnering with industry experts such as Bosch Rexroth, Malaysian Green Technology and Climate Change Corporation (MGTC), Pantas Climate Solutions, and YGL World.

Season 4 of the BizRACE saw companies which have been operating from between three to 60 years across various industries of the Malaysian economy, commit to adopting Industrial Revolution 4.0 (IR 4.0) technologies and sustainability principles. The programme focuses on refining manufacturing processes and encourages the adoption of sustainability practices, through advanced technology. The finalists of Season 4 are presently undergoing hands-on development and coaching by technical industry experts. This includes on-site factory visits to assess each company's challenges and pain points, smart automation capabilities, followed by one-to-one coaching and development and adoption of IR 4.0 and sustainability practices.

 Information on number of businesses participated at AmBank BizRACE can be found on page 123 of Performance Data.

Highlights

Reach:

Garnered **4,800** registrations since the programme's inception, with over **500 businesses shortlisted.**

Personalised Guidance:

Provided tailored solutions to **100 business participants.**

Events:

Hosted over **20 regional seminars, conferences, trainings, and workshops.**

Entrepreneurship Development Workshop

In addition to facilitating access to finance, we supported SMEs, MSMEs, and aspiring entrepreneurs in enhancing their digital capabilities. Recognising the challenges in accessing resources, we leveraged our financial ecosystem to provide comprehensive assistance, enabling these businesses to develop more sustainable operations and achieve their aspirations.

As part of this initiative, we partnered with Bank Simpanan Nasional (BSN) to establish an entrepreneurship development workshop to equip MSMEs with relevant knowledge and upskill their business acumen. In FY2024, we have conducted eight of these in Kuala Lumpur, Johor Bahru, Ipoh, and Kota Bharu, connecting with 200 MSMEs.

FINANCING UNDERSERVED COMMUNITIES

In the financial industry, we have the unique ability to foster change. Our comprehensive financial support, encompassing loans and financing for affordable homes and vehicle purchases, enhances the wealth, income, and living standards of underserved customers and communities.

Community Benefits and Contributions

	FY2022	FY2023	FY2024
Total loans/financing disbursed for affordable housing loans/financing schemes for homes (e.g PR1MA SPEF; Skim Rumah Pertamaku) (RM million)	3,235	4,624	5,623
Total number of homes purchased	15,836	20,552	24,913
Total disbursement for auto financing to B40 communities (RM million)	–	1,211	1,048
Total number of vehicles purchased	–	20,552	18,207

FUTURE OUTLOOK

As the financial ecosystem continues to evolve, driven mainly by the expansion in digital services, it has become an imperative for all stakeholders, including businesses and underserved segments, to fully understand the advantages of newly launched financial products and services. We remain committed to responding swiftly and adjusting our financial offerings to cater to the diverse requirements of our customers, including SMEs, MSMEs, and communities. Concurrently, we will continue efforts to empower communities and businesses by enhancing their awareness, knowledge, and skill sets, thereby fostering long-term stability and societal well-being.



Creating Value

CONSCIOUS SELF- CONDUCT



- M6** Integrity & Preventing Financial Crime
- M7** Enhancing Employee Well-Being
- M8** Developing Our People
- M9** Driving Diversity, Equity, & Inclusion
- M10** Responsible Consumption
- M11** Responsible Procurement



INTEGRITY & PREVENTING FINANCIAL CRIME

M6

High standards of integrity in banking and finance are essential for fostering trust, ensuring compliance, and promoting sustainable socio-economic development. The financial sector is particularly vulnerable to risks such as fraud, money laundering, and corruption, which can undermine public service delivery and hinder global sustainable development. By prioritising financial integrity and robust anti-crime measures, we contribute to economic resilience, safeguard against systemic risks, and support inclusive growth and long-term prosperity.

AmBank Group strives to build a strong culture of compliance and raising awareness among stakeholders to strengthen our defences against financial crime. Our business remains fully compliant with all applicable laws, rules, regulations, and the highest ethical standards.

Group Compliance ensures our policies and guidelines promote openness, accountability, and legality, safeguarding against malpractice. Our dedication is reflected in the following policies, guidelines, standards, and frameworks:



AmBank Group Code of Conduct: Guides general workplace behaviour and ensures employees maintain good conduct in all business activities and stakeholder interactions. It includes our Code of Ethics, outlining our values, ethical principles, and standards.



Malaysian Anti-Corruption Commission Act 2009 (MACC) and Guidelines on Adequate Procedures: Outlines the standards and guidance on preventing bribery and corrupt practices.



Anti-Bribery and Corrupt Practices (ABCP) Policy and the No Gift Policy: Details key standards which cover the rules for giving and accepting gifts and hospitality, interaction with government officials and relationships with business associates.



Whistleblower Protection Policy (WPP): Promotes integrity, openness, and accountability, encouraging internal and external stakeholders to report any form of misconduct such as dishonesty, fraud, corruption, bribery, illegal practices, abuse of power or conflict of interest affecting the Group. It provides a safe and reliable channel for stakeholders to raise grievances and report unethical conduct without fear of repercussions.

COMBATING ANTI-BRIBERY AND CORRUPTION

Bribery and corruption can severely undermine our financial ecosystem. We proactively address this issue through collaboration from all stakeholders, going beyond regulatory compliance to uphold ethical practices. We focused on strengthening our corporate governance, upholding a zero-tolerance stance towards bribery and corruption. Our governance framework exceeds regulatory requirements, embodying principles of transparency, equity, and ethical conduct at every level of our organisation.

Our zero-tolerance stance on bribery and corruption is supported by a governance framework that embodies transparency, equity, and ethical conduct at every level of our organisation.

Conscious Self-Conduct

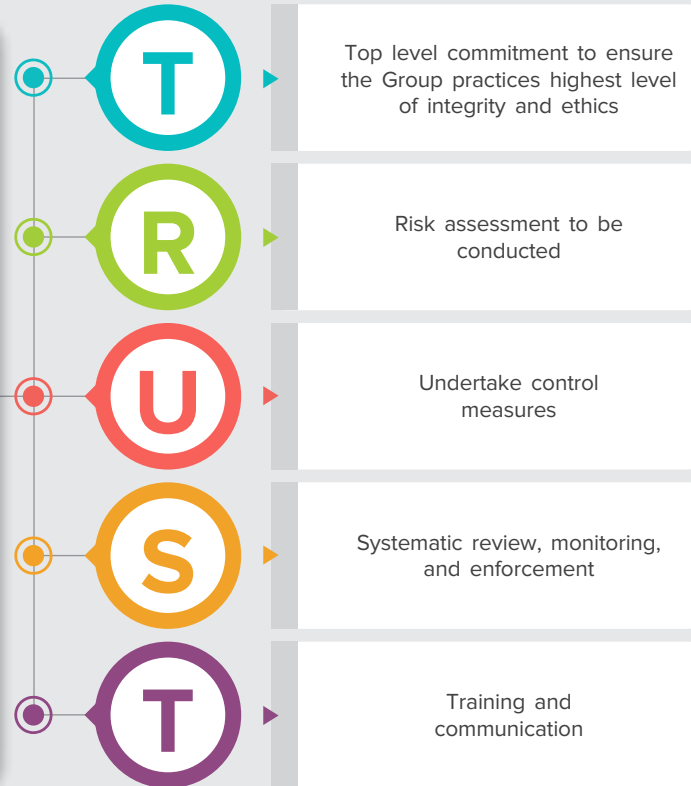
M6

Guided by the five TRUST principles for Adequate Procedures issued pursuant to Section 17A(5) of the Malaysian Anti-Corruption Commission Act 2009 (MACC)

TRUST PRINCIPLES

Guided by the five TRUST principles for Adequate Procedures issued pursuant to Section 17A(5) of the Malaysian Anti-Corruption Commission Act 2009 (MACC), our anti-bribery and corruption practices ensure adherence to the highest standards of integrity, transparency, and professionalism. We strictly uphold the Malaysian Code of Corporate Governance, conducting operations with unwavering integrity, and earning the trust of customers, shareholders, and stakeholders.

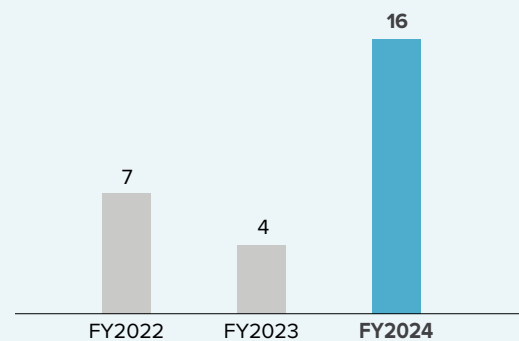
We have also established comprehensive Whistleblower Reporting Channels to address any corrupt activities involving AmBank Group. These channels include Management Ombudsperson and Board Ombudsperson for internal reporting while external channels are Whistleblower Reporting channels, covering Regulator and Law Enforcement Agency Channels.



The complaints and grievances reported through the Whistleblower Reporting channels are fully investigated. A large portion of these are merely complaints that are not related to misconduct. Some are related to external parties and does not involve the Group, staff or customers and does not warrant any action by the Group.



Number of Complaints and Grievances Reported Through the Whistleblower Channel





RESPONSIBLE TAX MANAGEMENT

We are committed to fairness and transparency in tax management, ensuring full compliance with tax laws and timely tax payments. This reinforces our role as a responsible contributor to the sustained growth of our economy and communities. By adhering to ethical tax practices, we support the financial stability and sustainability of our operations.

We ensure compliance across corporate, indirect, and withholding tax domains, avoiding aggressive measures that could be seen as tax avoidance. In cases of uncertainty, we consult external experts, such as tax agents and legal advisors, to assess risks and inform the Board. Since FY2023, we have been exempted from Country-by-Country Reporting (CbCR) obligations as we do not have an overseas presence.

Stakeholder	What We Did
Tax/Regulatory Authorities	<ul style="list-style-type: none"> Participated in engagement and feedback sessions organised by governmental bodies such as the Inland Revenue Board and the Royal Malaysian Customs Department.
Association of Banks in Malaysia (ABM)/Malaysian Investment Banking Association (MIBA)	<ul style="list-style-type: none"> Provided feedback on proposed and existing tax measures, enabling ABM and MIBA to articulate the collective stance of the financial industry to tax authorities.
Tax Agents	<ul style="list-style-type: none"> Collaborated with tax agents for tax return filing and leveraged their expertise on technical matters.
Board of Directors	<ul style="list-style-type: none"> Shared regular updates on tax risks and mitigation strategies.
Business Units	<ul style="list-style-type: none"> Offered advisory support on various tax-related aspects, including business restructuring, product launches and compliance with evolving tax regulations. Conducted timely briefings on tax developments to ensure relevant business units remained informed on current developments.
Business Operational Control (BOC) Units	<ul style="list-style-type: none"> Provided oversight to ensure adherence to the processes outlined in our operational manuals. Ensured frequent reviews by the BOC were conducted, aligning Group Tax operations with established operational manuals and compliance standards.

Conscious Self-Conduct

M6

COMBATING FINANCIAL CRIME

To protect AmBank Group and its stakeholders against financial crime, we remained aligned with applicable laws and regulations to sustain the integrity of our banking ecosystem. Over the years, we have developed robust defences to prevent the misuse of our products and services from being misused for unlawful purposes, equipping our employees with the necessary knowledge and tools to safeguard our customers and other stakeholders from financial crime.

Initiatives Undertaken

Initiatives	What We Did	Benefits/Value Created
Improved Talent Bench Strength	<ul style="list-style-type: none"> Hired new talent with expertise in Anti-Money Laundering (AML), market surveillance, and Regulatory Compliance. 	<ul style="list-style-type: none"> Enhanced our abilities to prevent financial crime. Ensured high regulatory compliance.
Strengthened Anti-Money Laundering Controls and Practices	<ul style="list-style-type: none"> Optimised AML Transaction Monitoring thresholds for Commercial Banking's individual customer segments, stockbroking and futures broking. Collaborated with a service provider to upgrade the AML Transaction Monitoring system, streamlining data-gathering processes, and improving customer information clarity. 	<ul style="list-style-type: none"> Enhanced data analytics on transaction data for fraud and AML risk identification. Enhanced the investigator's ability to gather evidence. Increased efficiency by eliminating manual consolidation, with the new system proactively proposing focus areas based on historical decisions and risks.
Collaborated with Electronic KYC (eKYC) Solutions Providers	<ul style="list-style-type: none"> Integrated investment portfolios into the new KYC System for the commercial and private banking sector. Finalised the requirements for real-time screening and AML risk rating functionality. Submitted corresponding documents to a third-party vendor for evaluation and system development. Market surveillance system for stockbroking, futures broking, and derivatives was enhanced for parameters and thresholds in line with market standard. 	<ul style="list-style-type: none"> Improved customer verification processes and compliance. Enhanced our ability to manage risks promptly.
Collaborated with Electronic KYC (eKYC) Solutions Providers	<ul style="list-style-type: none"> Deployed enhanced ID authentication and visual inspections for pre-account opening through eKYC. Introduced an enhanced MyKad label. Implemented Multi-Face-ID screening, using facial feature matching against a consortium database. 	<ul style="list-style-type: none"> Mitigated vulnerabilities in eKYC processes. Recorded a decline in tampering incidents. Pre-empted the use of blacklisted identities.
Strengthened Position as an Industry Thought Leader	<ul style="list-style-type: none"> Developed a mule redressal framework, in collaboration with BNM and industry peers to protect customers' interests and guide banks in establishing effective customer grievance redressal mechanisms. 	<ul style="list-style-type: none"> Enhanced our customer protection. Improved our management of customer grievances.
Enhanced Actions against Scams and Fraud	<ul style="list-style-type: none"> Contributed to the National Scam Response Centre (NSRC), collaborating with various stakeholders to combat fraud and scams. Strengthened AML detection and investigation procedures by: <ul style="list-style-type: none"> Reviewing cases referred by the NSRC and Polis Diraja Malaysia (PDRM). Offering insights on data quality to industry peers via the Industry Fraud Portal (IFP) and designated email lists. Deployed three AmBank Group officers to the NSRC. 	<ul style="list-style-type: none"> Identified zero significant changes in the number of accounts reported by AmBank Group.



AWARENESS AND EDUCATION

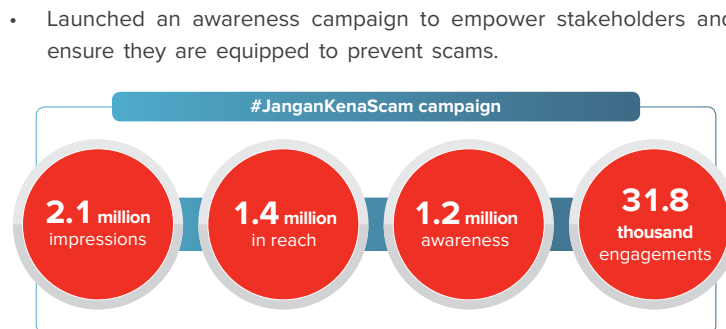
To curb bribery and corruption, we actively provide necessary training and awareness programmes to employees. In FY2024, 100% of our employees, and business partners received communication on the Group’s anti-corruption policies and procedures.

Integrity Awareness Programmes

Our training initiatives include various programmes aimed at improving talent bench strength, fostering a compliance culture, and engaging stakeholders in our anti-corruption efforts.

Programmes	What We Did	Benefits/Value Created
Improved Talent Bench Strength	<ul style="list-style-type: none"> Upskilled 100% of our employees in AML and market surveillance. 	<ul style="list-style-type: none"> Improved talent knowledge in detecting and responding to suspicious activities.
Compliance Culture Programme	<ul style="list-style-type: none"> Implemented comprehensive education and awareness sessions to foster adherence and ethical conduct. Enhanced the scope and effectiveness of our Compliance Monitoring and Testing programme. 	<ul style="list-style-type: none"> Provided greater assurance to the Board on our compliance with regulatory requirements. Improved depth and coverage of monitoring and testing.
Financial Crime	<ul style="list-style-type: none"> Engaged with customers, business partners and vendors to enforce zero tolerance towards corrupt practices, a no-gift policy and a whistleblowing channel. Designed and published communications to drive public awareness of AmBank Group’s governance policy, in partnership with business units and stakeholders. 	<ul style="list-style-type: none"> Promoted a clear understanding of anti-bribery and corruption policies and procedures among all business partners.
Industry Thought Leader	<ul style="list-style-type: none"> Organised the 13th International Conference on Financial Crime and Terrorism Financing 2023, with the Asian Institute of Chartered Bankers (AICB), supported by Bank Negara Malaysia (BNM), the Securities Commission Malaysia (SC) and the Labuan Financial Services Authority. 	<ul style="list-style-type: none"> Strengthened efforts against financial crime at an industry level.

#JanganKenaScam campaign



Achievements:

- 2.1 million impressions
- 1.4 million in reach
- 1.2 million awareness
- 31.8 thousand engagements

Conscious Self-Conduct



Compliance Culture Programme

Through our Compliance Culture Programme, we delivered a variety of training sessions tailored to different employee categories, ensuring comprehensive coverage across the organisation.

Training under AmBank Group's Compliance Culture Programme	
Type of Training	Employee Category
Compliance Awareness Induction Programme	New employees
KYC and Politically Exposed Person Policies	New frontline employees
BNM Foreign Exchange Notices	All employees
Anti-Bribery and Corrupt Practices, Whistleblower, and No Gift Policies	All employees
Trading in AmBank Shares	All employees
AmBank Group Code of Conduct	All employees
AML/CFT/CPF and KYC Training	All employees (Senior Vice President and below)
Annual AML/CFT Training for Senior Leaders	Board of Directors, C-Suites and Executive Vice Presidents
KYC System (NetReveal) Implementation Refresher Training	Business Operational Control, Business Support and Banking Operations
Control Room System and Applicable Regulations (i.e., Conflict of Interest policies and guidelines)	Intended user groups across business lines
AmFunds Management/AmIslamic Funds Management specific training on: Relevant regulatory requirements No Gift Policy and Personal Account Dealing Policy	New Hires and Refresher (for existing employees)
Group Compliance's Transaction Monitoring Unit's (TMU) specific training: <ul style="list-style-type: none"> • Transaction Monitoring & Investigations • STR (Suspicious Transaction Report) Refresher • Best Practice Sharing on STR Typologies • Feedback Session on Case Quality • Enhanced Quality Assurance Framework 	New employees All TMU employees All TMU employees All TMU employees All TMU employees
13 th International Conference on Financial Crime and Terrorism Financing (IFCTF) 2023	Group Compliance Business Operational Control Teams Group Internal Audit Department

KYC: Know Your Customer

AML: Anti-Money Laundering

CFT: Countering Financing of Terrorism

CPF: Countering Proliferation Financing

TARGETED ANTI-BRIBERY AND CORRUPTION TRAINING

We also provide targeted training to ensure our Board of Directors and employees are well-versed in anti-corruption policies and procedures.

Communication and Training on Anti-Bribery and Corrupt Practices (ABCP) Policy and Procedures			
	FY2022	FY2023	FY2024
Number of Board members That Have Received Information on ABCP Policy and Procedures	9	9	9
Percentage of Employees That Have Received Training on ABCP Policy and Procedures (%)			
<i>Top Management</i>	0.1	0.2	0.2
<i>Senior Management</i>	2.0	3.8	3.7
<i>Mid Management</i>	14.6	15.8	16.0
<i>Junior Management</i>	83.2	67.0	67.8
<i>Non-Management</i>	0.0	13.2	12.3

Note: Data represents all employees, including employees who have left AmBank Group during the financial year.

FUTURE OUTLOOK

We will continue to fortify our banking ecosystem, prioritising customer protection utilising a multifaceted approach. With the upcoming FATF Mutual Evaluation 2024-2025 for Malaysia, we collaborate closely with BNM in preparing for this evaluation. We also actively participate in industry-level engagements with regulators to discuss and prepare the requisite deliverables, reflecting our commitment to adhering to regulatory compliance and fostering a secure banking environment for our customers.



Conscious Self-Conduct








ENHANCING EMPLOYEE WELL-BEING

M7

Our employees are both the drivers of our vision and the architects of our success. Recognising this, we are committed to their holistic well-being, ensuring they are well-supported and engaged while working in a meaningful and supportive environment. Our comprehensive well-being programmes cultivate a resilient workforce capable of sustaining high performance and adapting to the dynamic banking sector. This dedication to well-being is integral to achieving our aspiration of becoming an Employer of Choice and fostering a sustainable and inclusive economic environment.

Our commitment to employee well-being aligns with one of our core values: being “APPRECIATIVE” of our employees, who are vital to AmBank Group’s success. Employee engagement is an essential component of this strategy, as understanding and addressing employee concerns is crucial to enhancing job satisfaction, performance, and mental well-being.

In FY2024, we conducted a materiality assessment, including a focus group with employees to understand their expectations. The feedback emphasised the need for a supportive work environment and work-life balance. As part of this effort, we have enhanced our benefits as follows, and endeavour to introduce additional initiatives in the future.

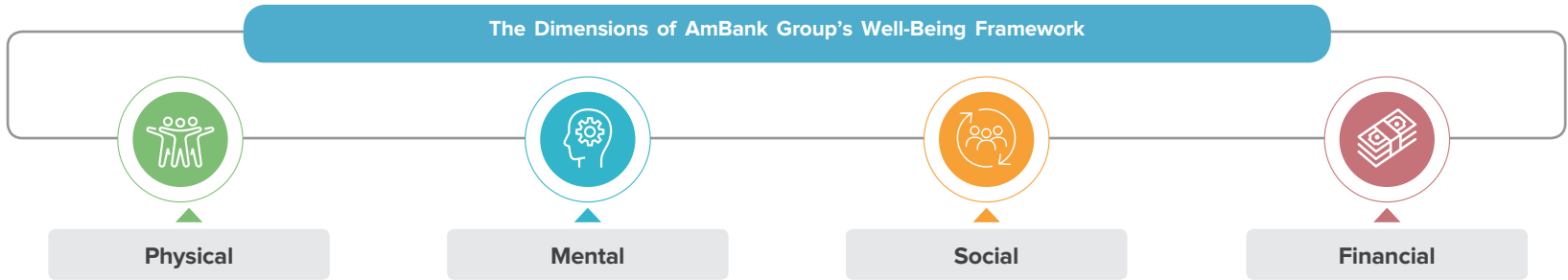
- 
Life Insurance: Essential coverage ensuring financial security for employees’ families in unforeseen circumstances.
- 
Staff Loans*: Financial support through loans at reduced rates, empowering employees to meet personal financial goals.
- 
Parental Leave*: Support for new parents to foster family bonding and care in early child-rearing stages.
- 
Unpaid Leave: Flexibility for extended time off for personal growth or unique life events, subject to approval.
- 
Paid Sick Leave: Provision of up to 30 days annually for health recovery, ensuring employees can focus on getting well.
- 
Disability and Invalidity Coverage: Financial protection is provided for employees facing disabilities, ensuring peace of mind and stability.
- 
Marriage Leave: Seven consecutive working days to celebrate and facilitate marital commitments.
- 
Paid Leave: Guaranteed 14 days annually, fostering relaxation and personal pursuits, with flexibility for carryover.
- 
Health Care: Inclusive medical, dental, and optical benefits supporting overall employee health and wellness.
- 
AmCare: Facilitation of up to three days annually for participating in charity or sustainability initiatives.

* Benefits that are only provided to full-time employees



EMPLOYEE WELL-BEING FRAMEWORK

Recognising our workforce’s diverse needs, we offer flexible, personalised benefits tailored to their life stages and lifestyles. Our comprehensive framework addresses multiple dimensions of well-being, ensuring employees can perform their best while feeling supported throughout their careers.



Physical Well-Being

Our approach to ensuring the physical well-being of our employees begins with a robust Occupational Safety and Health (OSH) framework. We adopt a proactive "Prevention is Better Than Cure" strategy, meticulously identifying potential risks through our experienced OSH committee and implementing effective controls to minimise incidents. Additionally, we set clear safety targets, develop strategic and operational plans, and conduct regular OSH audits across all company sites in Malaysia.

We provide a variety of programmes and benefits that promote physical well-being which include:

Comprehensive Health Plan

This plan covers medical, dental, and optical care, ensuring that employees have access to necessary health services.

Flexible Health and Fitness Plan

Through AmFlex (our flexible benefits programme), employees can customise their benefits to include gym memberships, fitness classes, or sports equipment, allowing for a personalised approach to health and fitness.

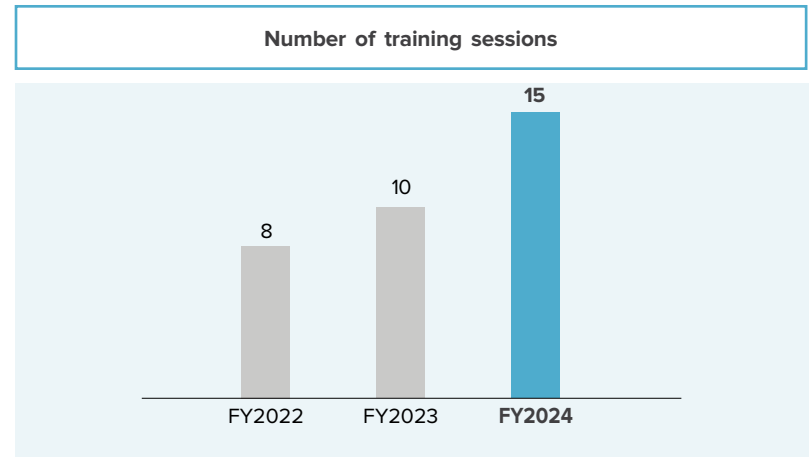
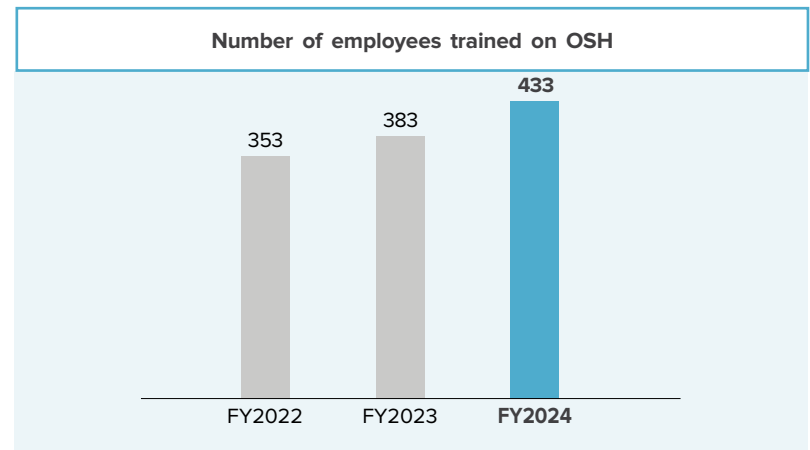
Nutrition and Healthy Eating Webinars

Employees have free access to webinars that educate them on nutrition and healthy eating habits, fostering healthier lifestyle choices.

Our OSH Management System is comprehensive, encompassing all our employees. We adhere to the highest safety standards, maintaining certification under ISO 45001 since 2018, specifically at Menara AmBank (MAB) and YKS Branch. This certification underscores our dedication to creating a workplace where safety is paramount and non-negotiable.

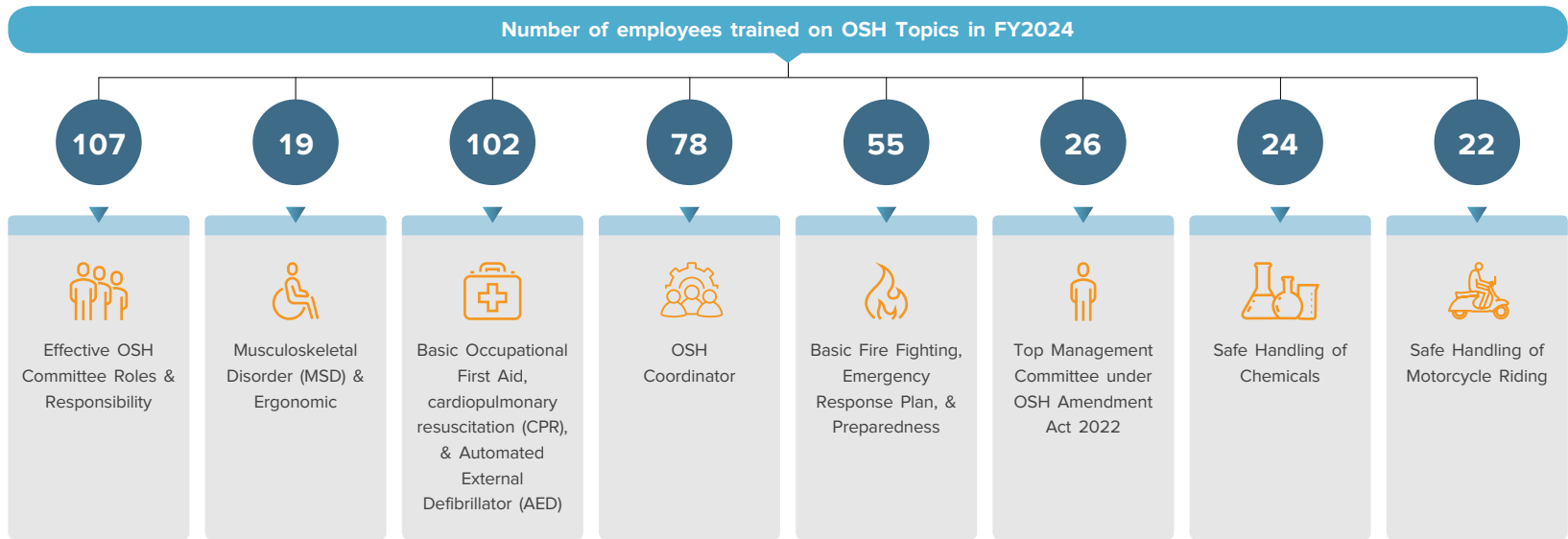
In FY2024, AmBank Group significantly enhanced the scope and depth of our OSH training to strengthen our workplace safety culture. This year, we increased both the frequency and the range of our OSH training sessions, broadening employee participation and engagement.

These sessions addressed a comprehensive range of OSH risks, equipping our workforce with the necessary skills and knowledge for maintaining safety and health standards under various conditions and across different roles.



Conscious Self-Conduct

M7



Through our focused initiatives, we successfully sustained a low rate of work-related injuries. In CY2023, we reported no fatalities and five Accidents with Lost Workdays. This maintains our record of zero fatalities over the past three years, demonstrating the effectiveness of our safety measures. The Lost Time Injury Frequency Rate (LTIFR) and the Lost Time Injury Incident Rate (LTIIR) have been kept to minimal, reflecting our commitment to providing a safe working environment.

For more details, please refer to page 125 to 126 on Performance Data.

National Council Occupational Safety & Health (NCOSH) Excellence Award



AmBank Group won the 2022 National Council Occupational Safety & Health (NCOSH) Excellence Award under the Financial Category in a grand Ceremony held at One World Hotel, PJ on Wednesday, 25th October 2023 attended by former Group CEO, Dato' Sulaiman Tahir, current Group CEO, Jamie Ling, Group Chief Human Resources Officer, Pn Rohani Mustafa, Building OSH Chairperson & other Management and OSH representatives.

OSH Collaboration Projects and Special Events (OSH, GHR, GCCM, KAG) – 2023 Regional Health & Wellness (H&W) Programme



AmBank Group organised 2023 Physical Health and Wellness Programme on 25 November 2023 at Taman Rekreasi Bandar Perdana, Sg Petani, Kedah for Northern Region. This is one of the 6 programmes organised by OSH to continuously create the awareness on OSH and inculcate wellness practices throughout AmBank Group. The same programme also was held Sabah Region on 16th December 2023 at Likas Stadium, Kota Kinabalu while the other four programmes will be conducted in FY2025.



Mental Well-Being

We understand that mental well-being is essential for a healthy and productive work environment. We are committed to fostering a workplace that supports our employees' mental health, recognising that it is just as important as physical health for overall happiness and job satisfaction. In FY2024, a total of 1,964 people participated in AmBank Group's Wellness and Mental Health Programmes. By providing resources and support, we aim to empower our employees to thrive both personally and professionally, ensuring that they feel supported, valued, and engaged in their roles.

Key Programmes and Benefits

Mental Wellness Education Series

We conduct ongoing educational sessions aimed at promoting awareness and understanding of mental health issues. These sessions provide employees with strategies to manage stress, techniques for mindfulness, and ways to enhance overall well-being.

Learning and Development Opportunities

We offer a range of programmes focused on personal and professional growth, which are essential for mental wellness. These initiatives help employees gain new skills, boost confidence, and achieve their career aspirations, contributing to their overall satisfaction and engagement at work.

Support for Mental Health Care

Our medical benefits include coverage for visits to psychiatrists or counselors to ensure that our employees have access to necessary mental health services. This support is vital for employees seeking professional help to navigate mental health challenges.

Recognition

To celebrate and acknowledge our team's hard work and achievements, we have a recognition programme that includes measures like an e-Thank You platform, ensuring employees feel valued and appreciated.

Social Well-Being

We understand the profound impact of social connections on overall well-being. We are dedicated to creating a work environment that promotes purpose and fulfilment through a variety of social well-being programmes. These activities are designed to enhance employees' sense of belonging, foster a spirit of camaraderie and provide a break from the routine, contributing to both individual and team well-being.

Our key social well-being initiatives for employees include:

Team-Building Programmes

Fun and engaging activities that allow employees to bond and strengthen their network within the organisation.

Volunteer Programmes

Employees get to engage in community service, supporting social causes and contributing positively to societal well-being. Employees are able to take up to three working days annually for charity or sustainability initiatives.

Kelab AmBank Group (KAG)

Social interaction through various events and outings, offering employees a platform to unwind and enjoy shared interests.

Social and Recreational Programmes

Employees get to engage in a range of activities such as sports, treasure hunts, and community projects.


For more detailed insights into our efforts to enhance community development through volunteerism, please refer to page 111 on Supporting Communities.

Conscious Self-Conduct



Financial Well-Being

As a financial institution, we recognise the role that financial security plays in overall well-being. With this in mind, we provide a suite of programmes designed to enhance the financial wellness of our staff. These programmes and initiatives reflect our commitment to supporting our employees in achieving a stable and secure financial future.

- 
Employee Provident Fund
 Statutory contributions to aid in building a stable retirement fund.
- 
Private Retirement Scheme
 Additional contribution for retirement security, above the statutory requirements.
- 
Flexible Retirement Plan
 Options for early retirement starting at age fifty, accommodating diverse financial and personal situations.
- 
Retirement Planning
 Providing guidance for a financially stable retirement.
- 
Tax Maximisation Strategies
 Information on how to maximise tax relief optimising financial resources through tax savings.
- 
Will Administration
 Support in estate planning to ensure proper management of assets according to employees' wishes.

WORK-LIFE BALANCE AND FLEXIBILITY

We strive to cultivate a supportive work environment that promotes work-life balance and flexibility for its employees. We offer a range of policies and programmes designed to meet the diverse needs of our workforce, ensuring that everyone has the opportunity to reach their full potential.

AmFlex, our flexible benefits programme, allows greater flexibility for the employees to personalise selected benefit items that best suit the individuals' needs. Since its implementation, 70% of eligible employees have engaged with the platform to tailor their benefits, with half adjusting their default entitlements to better meet their personal needs.

How does AmFlex work?



- 1** Staff are given the option to select their preferred health plan.
- 2** Staff then customise other benefits, example, sale of carry forward or current year annual leave, opt for lower or higher coverage for Outpatient, Group Term Life, Group Personal Accident, and Group Hospitalisation in exchange for flexpoints which carry monetary value.



STRONG EMPLOYEE ENGAGEMENT

We conduct annual Employee Engagement Index (EEI) surveys to measure the effectiveness of our strategies in fostering a connected and motivated workforce. Through our well-being and engagement efforts, we have demonstrated consistent improvements in our EEI scores over the years.



EEI Results

	FY2022	FY2023	FY2024
Participation Rate	96%	98%	98%
Engagement Mean	78%	86%	89%
Engagement Ratio (Engaged:Neutral:Disengaged)	35:57:8	58:37:5	67:29:4

- ▶ **Participation Rate** reflects the high level of involvement from our staff, demonstrating their commitment to contributing feedback.
- ▶ **Engagement Mean** shows a significant rise, indicating that an increasing percentage of our employees feel actively engaged with their work and the company's culture.
- ▶ **Engagement Ratio** highlights a positive shift towards greater engagement, with a decreasing proportion of neutral and disengaged responses, underscoring the success of our ongoing efforts to enhance workplace satisfaction and loyalty.

FUTURE OUTLOOK

In the short-term, AmBank Group is committed to maintaining a safe and supportive work environment, especially given the challenges posed by the pandemic. We will continue to offer flexible work arrangements, enhance our health and wellness initiatives, and ensure ongoing communication and feedback to meet our employees' immediate needs.

For the medium-term, our focus will shift towards enriching our employees' professional lives through increased investments in learning and development, structured career progression pathways, and comprehensive recognition programmes designed to boost growth and engagement.

Looking to the long-term, our goal is to cultivate a culture of excellence, innovation, and collaboration. We aspire to empower our employees to reach their full potential and make significant contributions towards our collective vision and strategic goals.

Additionally, feedback from our materiality assessment revealed that many employees would prefer to have more information about the Group's benefit programmes, such as the Total Rewards programme. To address this, our strategies going forward will include:

- ▶ **Total Rewards Portal:** Utilising our staff Intranet to create a comprehensive portal that houses all relevant information, enhances accessibility, and provides direct communication channels for queries.
- ▶ **Regular Webinar Series:** Focusing on Flex Benefits to keep employees informed and engaged with their options.
- ▶ **Informative Briefing Packs:** For Annual Reviews and new initiatives like Salary Adjustments and Critical Retention Arrangements. These packs will include FAQs, explainer videos, and other pertinent information to aid line managers in effectively disseminating information to their teams.

Conscious Self-Conduct

DEVELOPING OUR PEOPLE

M8

Our success in the financial sector depends on empowering our employees. By investing in targeted training and development, we nurture a workforce capable of adapting to rapid changes and driving responsible banking practices. This ensures we remain responsive to stakeholders’ needs and contribute to the communities we serve while fostering a culture of growth for all associated with AmBank Group.

AmBank Group’s Learning and Development (L&D) strategy is built on key principles that foster a continuous learning culture. These principles nurture a high-performance environment, ensuring we adapt to market dynamics and sustain growth in the banking industry.

Principle

1

Continuous Learning Culture

All employees are expected to engage in ongoing formal and on-the-job learning to complete the required hours of formal learning and support high performance.

Principle

2

Employee Ownership

Individuals need to take responsibility for their development, with guidance from supervisors.

Principle

3

Mandatory Training Compliance

Employees are required to fulfil mandatory training in areas that are required by regulators and management promptly.

Principle

4

Career Development Focus

Knowledge and skills gaps must be identified, at individual and department levels to support career progression effectively and efficiently.

Principle

5

Alignment with Business Goals

L&D must be aligned with job functions or performance improvement requirements in addition to individual staff learning needs.

TRAINING AND DEVELOPMENT

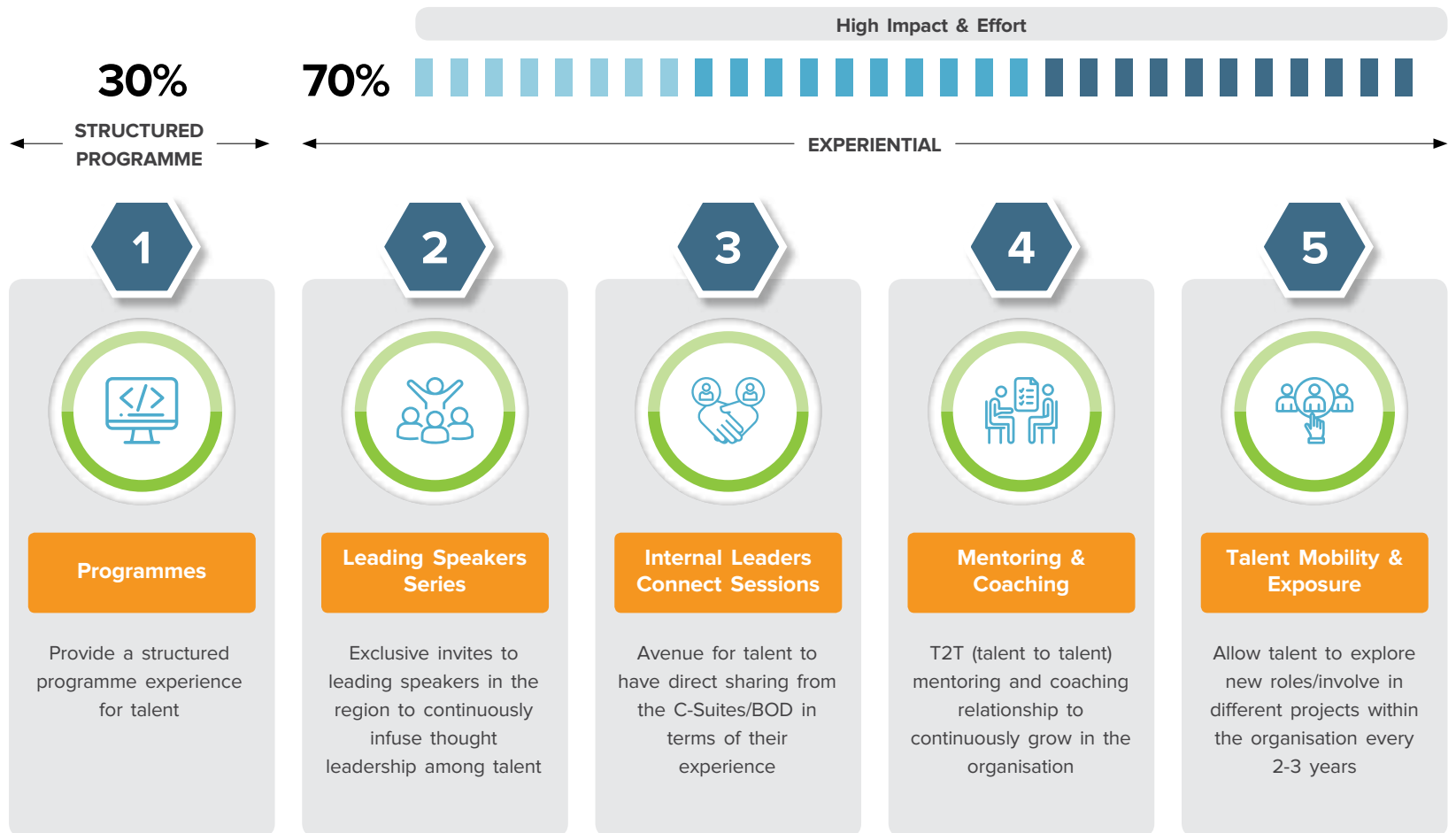
We are committed to developing and enhancing the skills and capabilities of our employees to create an efficient and adaptable workforce. To achieve this, we offer our employees various training opportunities, enabling them to excel in their roles and advance in their careers in AmBank Group.


 For more detailed insights into our number of training hours per employee by gender and working level, please refer to page 127 on Performance Data.

Key Talent Development Programmes

In response to the Future Skills Framework introduced by BNM in late 2023, AmBank Group is aligning our L&D programmes with the framework’s guidance. This framework provides a detailed mapping of emerging skill requirements, job roles, career paths, and capacity building programmes for the upcoming three years, ensuring our workforce is well-equipped for future demands.

While 30% of our efforts are dedicated to structured programmes, the remaining 70% emphasise experiential learning, allowing employees to gain practical experience and insights directly related to their job roles. This approach ensures a balanced development pathway that supports both immediate job performance and long-term career progression.



 Provide an exclusive and notable talent immersion experience to continuously engage and retain talent

Our structured talent development programmes are each tailored to different employee groups, fostering business acumen and accelerating leadership capabilities.

Conscious Self-Conduct



Employee Development Programmes in FY2024

Executive Education Programme

Individual development programmes aligned with top-tier courses from prestigious universities for C-Suite members and select C-1 executives.

Learning Partners include Asian Banking School in collaboration with leading institutions such as University of Cambridge, University of Edinburgh, and Frankfurt School of Business.



11
People

Leadership Enhancement & Acceleration Programme (LEAP)

Designed to cultivate business acumen and leadership skills focused on Senior Vice Presidents. Learning Partner is INSEAD.

“ This programme has changed the way I think, make decisions, and implement them efficiently. Through the LEAP programme, I have enhanced my leadership capabilities and competencies that are essential for my current role. I have also benefited from the opportunity to expand my network and forge relationships with senior leaders, peers, mentors, and coaches who have been very supportive throughout the programme. It is an excellent programme that the bank should continue to invest in developing stronger leaders within the bank. ”



31
People

Ramesh Singaraju

Global Information and Operations Division (GIOD)

Emerging Leaders Programme (ELP)

Focused on accelerating leadership capabilities among emerging leaders which include Senior Managers and Vice Presidents. Learning Partner was Business Training Systems (BTS).

“ The valuable insights shared by the mentors have inspired me to strive for excellence and pursue my goals with renewed determination. The networking opportunities provided during the programme have been invaluable. I have the privilege of connecting with professional and like-minded individuals who have offered guidance, support and encouragement. Moreover, the feedback and constructive criticism I received during the programme have helped me identify areas of improvement and growth. I have been able to implement these suggestions in my work, leading to better performance and increased confidence in my abilities. ”



46
People

Yik Kit Yeng

Group Compliance

Being A Talented Manager (BATMAN)

Focused on mid-level managers to enhance management and leadership skills. Learning Partner was Leaderonomics.

“ Joining the BATMAN programme was a very rewarding experience for me. The programme was very well structured and planned, which included useful materials covered in classroom trainings and group projects that are beneficial for each participant's personal growth and career development. The field trip to Vietnam was definitely the highlight of the programme. Not only were we lucky to be given the chance to be exposed to different culture and to learn on the businesses, but the valuable learning experience from the trip also helps us to apply what we learned to our daily work in AmBank Group. ”



21
People

Khairunnisa Azman

Investment Banking



AmGraduate Programme

A 18-month initiative with intensive training and job rotations across different functions, aimed at integrating graduates into critical areas of the bank. This programme targeting the high potential fresh graduates identified.

“
The AmGraduate Management Trainee Programme has enabled me to experience and gain perspective on different industries. Aside from being able to work on challenging projects in each rotation, we also get to participate in many engaging and fun activities which allow us to make connections with AmBankers from different levels and Lines of Businesses including our programme’s alumni.”

Jade Nathalie Willie
Cohort 8



14
People

AmDigital Graduate Programme

A 12-month programme to attract and develop digital talents that has passion for technology and digitalisation, featuring immersive digital training and job rotations.

“
Aspiring to embark on a challenging and rewarding career journey, I was drawn to the AmBank AmDigital Graduate Programme due to its stellar reputation for nurturing future leaders in the finance industry. The programme’s emphasis on mentorship, cross-functional exposure, and leadership training aligned perfectly with my career aspirations.”

Dhaveenya Maha Vishnu
Cohort 2



13
People

AmApprentice Programme

Focused on front-line roles, preparing participants to become top Relationship Managers and sales leaders through comprehensive training and mentorship.



18
People

Structured Internship Programme (SIP)

Offered internships to outstanding students, with a high absorption rate into permanent positions post-internship, enhancing our talent pipeline.



32
People

Conscious Self-Conduct

M8



As part of our commitment to continue to develop our people, our employees are given the opportunity to obtain certifications to elevate their skills and competencies. In FY2024, 397 employees pursued such programmes and 231 have obtained certifications in various areas of specialisation including Chartered Banker, Associate Chartered Banker, Bank Risk Management, Certified Credit Executive, Anti-Money Laundering & Counter Financing of Terrorism, Climate Risk, and Credit Professional courses. These certifications are a result of our close collaboration with institutions like the Asian Institute of Chartered Bankers (AICB) and Institute of Enterprise Risk Management (IERM), amongst others.

Building upon our talent programmes, we have recently implemented several key initiatives to enhance talent engagement and mobility at AmBank Group.

- **Coffee Chat with GCEO/C-suites:** Offers a unique forum for talented employees to engage directly with top management in a private setting, fostering an exchange of experiences and ideas.
- **Talent Trail:** Fun and engaging physical activities designed as part of our talent engagement initiative.
- **Internal Talent Mobility Programme – Guest Auditor Programme (GAP):** Recently launched, this programme began its first cycle in early July, facilitating internal career mobility.
- **External Talent Mobility Programme – Talent Exchange Programme with Permodalan Nasional Berhad (PNB):** This new initiative was launched with the inaugural talent exchange that commenced in July 2023.
- **Graduates Engagement:** We actively participated in career fairs and events in both private and public universities to identify Talent, promote AmBank Group career opportunities, and foster relationships.



397 employees pursued programmes such as Chartered Banker Bank Risk Management, Certified Credit Executive, Anti-Money Laundering & Counter Financing of Terrorism, Climate Risk, and Credit Professional Courses



231 employees obtained certifications in these specialisations



Development Programmes

Leadership

Number of Participating Employees
(Attended Programme)



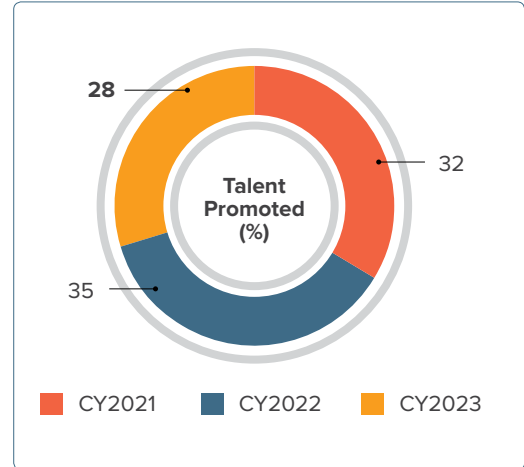
Total Training Hours Completed



Number of Training Hours
(Talent Programmes)

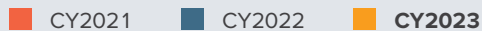


Number of Training Hours
(Other Programmes)



Mission Critical Positions (MCP) and Successor Development

MCP: Successor Ratio



Key Positions with Successors



Note: Data is based on calendar year (CY) to align with our report to BNM.

AmBank Group Celebrates Graduation of Talent Development Programme Cohorts

AmBank Group celebrated the graduation of 126 professionals from its talent development programmes, including AmGraduates, AmDigital Graduates, BATMAN, ELP, LEAP, and AmApprentice, showcasing its commitment to workforce development. Our Group Chief (CEO), Jamie Ling and other executives distributed certificates and offered encouragement during the convocation-like ceremony. This is part of our annual Talent Graduation and Festival Celebration where we recognise graduating Talent and foster networking and relationship-building through engaging sessions.



Conscious Self-Conduct



AMBANK GROUP'S DIGITAL ACADEMY

Our Digital Academy, established in 2022, provides personalised learning pathways to support the Group's digital transformation. We offer tailored programmes for different digital competency levels, including specialists, product and process owners, and the future workforce. In FY2024, we have rolled-out digital competency programmes to educate the workforce on rapid digital development in the finance sector.

Key Digital Upskilling Initiatives in FY2024		
Initiatives	Description	People Reached in FY2024
Emerging Tech Series	A six-month programme focusing on technologies like AI, Blockchain, Metaverse, and IoT was introduced in 2023 to address the finance sector's future.	663
Personalised Learning Programme	Aims to prepare AmBankers for success in a rapidly evolving technological landscape by developing capabilities to adapt and innovate.	1,151
Cybersecurity Fundamentals for Bankers	Encourages exposure to good cyber hygiene practices as part of building a strong cybersecurity culture.	2,613

Feedback from Digital Learning Programmes

In FY2024, Group L&D surveyed approximately 5,000 staff members to evaluate the impact of our digital learning programmes. The feedback revealed:

<p>68% of participants attended programmes that were relevant to their job roles.</p>	<p>29% reported improved job processes post-training.</p>
<p>39% are currently implementing process optimisation in their tasks.</p>	<p>21% mentioned optimising costs based on the knowledge acquired.</p>
<p>29% are actively applying cost optimisation techniques in their tasks.</p>	<p>95% recognised the critical importance of technology and digital skills for cost and time optimisation efforts.</p>



PERSONALISED LEARNING & GROWTH

We understand that the future of our leadership and the efficacy of specialised positions hinge on our ability to adapt and evolve. Through an Organisational Learning Needs Analysis (LNA), we identify the requisite skills and knowledge across different departments and Lines of Business (LOBs). This analysis ensures that our training initiatives are aligned with our strategic goals and business needs. Integral to this strategy is the Individual Development Plan (IDP), which empowers each employee to tailor their development trajectory based on their unique skills, needs, and career aspirations.

Implementation of personalised learning includes:

▶ **Self-Paced Learning Programme:** Initiated as a pilot in 2022 and expanded in 2023, this programme allows over 1,000 staff members to learn at their own pace. We conduct regular follow-ups to gauge the impact of the training on job performance, ensuring that learning is meaningful and applicable.

▶ **Tailored Learning Catalogues:** We provide customised learning pathways that are specifically designed for different roles within the organisation. For example, a Vice President (VP) in Group Human Resource HR might have different learning recommendations compared to a VP in Group Information Technology and Operation (GIOD), reflecting the distinct needs of their positions.

▶ **Enhanced Autonomy in Learning:** By shifting control to employees and their supervisors, we have seen higher engagement rates among staff who voluntarily choose their courses compared to those nominated by department heads. This autonomy not only empowers our employees but also aligns with our goal to foster a continuous learning culture within AmBank Group.

Hear from Our AmBankers!



I really love the way the trainers shared their knowledge and experience on what happens in the background of data collection: data handling, managing the data, as well as impact of data leakage. ”

Nuur Aabidatul Aatiiqoh Binti Musa
Customer Care



The content is quite good and there are options. You can choose which course you want to go through. If you change your mind, then you can just stop and move to another. For certain topics e.g. AI, you can learn and gain insight with greater depth without any restrictions. The key thing is it’s flexible and you can tailor your learning to your own schedule. ”

Ho Shiew Yi
Group Risk Management

Conscious Self-Conduct

M8

SUSTAINABILITY LEARNING PROGRAMMES

To drive AmBank Group's sustainability agenda forward and embed sustainability into every aspect of our operations, we offer comprehensive sustainability learning programmes. These programmes are tailored for various organisational levels, from Board and Management to all employees, ensuring a unified approach to our sustainability commitments.



6,284 employees completed training on Sustainability 101

Key Sustainability Learning Programmes:

Programmes	Objectives	Participants	What We Did
AmBank Group Sustainability 101	Provide foundational knowledge on sustainability principles, concepts, and practices. This was customised for AmBank Group employees that covered Sustainability, ESG, Climate Change, and the UN SDGs.	All Employees	Conducted a four-hour training session for 6,284 employee that was customised for AmBank Group and conducted in collaboration with the Asian Banking School.
AmBank Group Sustainability e-Learning Modules	Explore key elements of sustainability to integrate these practices effectively into operations.	All Employees	A refresher programme for all staff as well as a programme for new joiners that was developed internally.
Climate Change Risk and the Asian Economy	Discuss the impact of climate change on the Malaysian, regional, and global economy.	Board Members, Senior Management, Shariah Committee	Conducted two progressive sessions in FY24 by an external consultant that has been engaged to facilitate BNM's Climate Risk Management and Scenario Analysis (CRMSA).
AmBank Group's Climate Change Principle based Taxonomy (CCPT) and ESG Risk Assessment	Provide a deep understanding of ESG risk assessment and CCPT to stakeholders involved in implementation.	Relationship Managers, Risk Managers and members from the control, compliance and audit functions	Training focused on application of regulatory requirements on CCPT and AmBank Group's own ESG risk rating. These have been done continually through the year by Group Sustainability team.
ESG Risk Assessments for Leaders and Asset Managers	Offer insights into risk management, sustainable investing, and financing, including comprehensive sustainability research.	Selected Relationship Managers, Risk Managers, and members from the control, compliance, and audit functions	Conducted by an external consultant that has been engaged to facilitate BNM's Climate Risk Management and Scenario Analysis (CRMSA).



ENHANCING EMPLOYEE DEVELOPMENT THROUGH STRATEGIC REMUNERATION

Our approach to employee development is integrated into our remuneration strategies, which are designed to support long-term career growth and sustainability. By leveraging a holistic Total Rewards approach, we offer competitive financial compensation and enrich our employees' careers through developmental opportunities, recognition, and a balanced work-life environment.

Remuneration & Compensation Approach

<p>Bonus Funding & Allocation Framework</p>	<ul style="list-style-type: none"> • Strategic Reviews: Regular assessments of our bonus pool funding and distribution ensure alignment with personal and organisational achievements. • Performance-Based Rewards: By linking bonuses to clear financial metrics and performance triggers, we incentivise continuous personal and professional development.
<p>Long-Term Incentive (LTI) Shares Framework</p>	<ul style="list-style-type: none"> • Future-Focused Rewards: Our LTI framework is designed to encourage senior management to drive sustainable business practices that align with AmBank's long-term objectives. • Performance Measures: Incorporation of Total Shareholder Return (TSR) and other relevant metrics ensures that long-term incentives support broader business and career growth goals.
<p>Comprehensive Compensation Strategy</p>	<ul style="list-style-type: none"> • Varied Pay Mix: Reflecting our commitment to development, we offer different pay structures tailored to various roles within the organisation. • Equitable Compensation Ratios: The total compensation ratio between senior management and median employees underlines our commitment to fairness and equity.



FUTURE OUTLOOK

Looking ahead, AmBank Group is committed to equitable access to development opportunities for all staff. Our approach supports flexible career paths, enabling exploration across diverse roles aligned with individual interests and expertise. We continuously enhance our learning offerings through regular assessments and feedback, to align with evolving business needs and organisational goals.

In the short-term, we are integrating individual career development plans into our bi-annual performance reviews. These plans will facilitate one-on-one discussions between employees and supervisors to pinpoint skill development and career advancement opportunities. Additionally, mentorship programmes are set to launch, pairing experienced colleagues with newer staff to foster professional growth and internal talent cultivation – supporting our goals for succession planning, leadership development, and a culture of continuous learning.

Conscious Self-Conduct

DRIVING DIVERSITY, EQUITY & INCLUSION

M9

Our strength lies in our diversity. Embracing a wide array of perspectives, backgrounds, and experiences not only fosters a more inclusive workplace but also drives innovation and creativity. Diversity, Equity, and Inclusion (DEI) are critical to ensuring that all employees feel valued and empowered to contribute their best. By cultivating an environment where everyone can thrive, we enhance our organisational resilience and effectiveness, better reflecting the diverse communities we serve.

Our DEI strategy is structured to embed these values deeply into our corporate culture and operational practices:



Talent Management: Attract, retain, and develop diverse talent across all levels and functions of the organisation.



Education and Awareness: Provide learning and development opportunities for employees to raise their awareness and skills on diversity and inclusion topics.



Collaboration and Awareness: Partner with external organisations and stakeholders that share our commitment and vision for diversity and inclusion.

Our principles, rooted in the AmBank Group's Code of Conduct, mandate a fair and respectful workplace that encompasses workplace diversity and non-discrimination, reinforcing our commitment to equity.

Leadership drives our DEI culture, setting the tone and direction at AmBank Group. Senior leaders champion these efforts, modeling inclusive behaviours and aligning DEI initiatives with strategic objectives. They actively engage with stakeholders to discuss DEI issues, fostering openness and accountability.

Our benefits packages are designed without bias, ensuring equal standards regardless of gender, religion, or grade. This equitable approach promotes fairness across all employees. We also prioritise hiring individuals from underprivileged backgrounds or with limited formal education, supporting social mobility and enriching our team with diverse perspectives.

Case Study: Empowering Change Through Employee Resource Groups (ERGs)

AmBank Group has strategically established ERGs to address the needs and harness the potential of underrepresented groups.

Key Focus of ERGs:

▶ Networking

Connecting members with peers and leaders within and outside the organisation to build professional relationships and gain industry insights.

▶ Mentoring

Offering guidance and support to help members navigate their career paths, enhance their skills, and achieve their professional goals.

▶ Community Outreach

Engaging in initiatives that extend the impact of ERGs beyond the workplace, particularly through involvement in community service and social responsibility projects.



GENDER EMPOWERMENT

We recognise the critical importance of gender diversity in fostering a balanced and inclusive corporate culture. Our initiatives aim to empower women within our workforce, ensuring diverse perspectives at every level of the company.

In conjunction with International Women’s Day (IWD) 2024, we organised a specially curated one-day event for women at AmBank Group, featuring programmes designed to enhance the overall well-being of AmBankers, addressing their physical, mental, and intellectual needs. We partnered up with National Cancer Society of Malaysia (NCSM) to provide free cancer and health-related screening to interested employees. A total of 368 employees were screened in our Klang Valley offices within half a day.

Additionally, we rolled out a Fireside Chat Series: IWD Special Edition where we invited Tracy Chen, CEO of AmInvestment Bank; Faradina Mohammad Ghouse, AmBank Group Chief Compliance Officer; and Rohani Mustafa, AmBank Group Chief Human Resources Officer to share their stories career learning and aspirations in a session entitled “Inspire Inclusion”.



We are shifting our focus beyond traditional rewards to foster a sustainable working environment, improve employee well-being, and promote DEI. In support of these goals, we introduced an Employee Resource Group (ERG) named Ladies at Work (L@W), which was launched and piloted within Group HR on 17th October 2023. Some of the activities that L@W organised are shown below.

October 17, 2023

Fitness Yoga with Atilia Haron

Our launch event featured a revitalising fitness yoga session led by local singer, Atilia Haron, aimed at promoting physical and mental wellness.

November 29, 2023

Crochet Class (for Beginners)

We hosted a beginner-friendly crochet class, providing female employees a creative opportunity to learn and master a new skill. This initiative allowed participants to connect with other female colleagues and discover the joys of crafting.

January 31, 2024

Sign Language Class

Our latest event featured a sign language class taught by qualified teachers and interpreters from Sekolah Pendidikan Khas Jalan Peel and Putrajaya. This class aimed to provide basic communication skills using sign language to allow us to communicate with the hard of hearing.

December 8, 2023

Year-End Movie & Lunch

To celebrate the end of the year, we organised a movie and lunch session in a fun and relaxing environment for female employees to bond and enjoy together.

Conscious Self-Conduct

M9

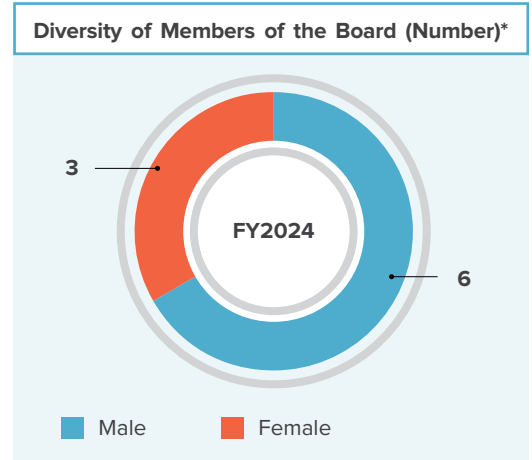
The consistent proportion of women in senior management roles and the high percentage of female employees highlights the effectiveness of our policies and initiatives. Strong promotion rates for women, particularly at senior and executive levels, underscore our focus on advancing women into leadership positions.

Number of Employees by Gender*			
	FY2022	FY2023	FY2024
Male	3,476	3,045	2,929
Female	5,815	4,873	4,766
Total	9,291	7,918	7,695

* Employee data for FY2023 and FY2024 excludes Life Insurance and Family Takaful Businesses.

For more detailed insights into our percentage of employees by working level and gender, please refer to page 129 on Performance Data.

For more detailed insights into our internal promotion rate by gender and working level, please refer to page 138 on Performance Data.



* This information is as of 31 March 2024

CELEBRATING CULTURAL DIFFERENCES

We are proud of Malaysia's rich and diverse cultural tapestry and are committed to fostering an inclusive workplace that reflects this diversity. Our initiatives to celebrate cultural differences are designed to ensure that all employees feel valued and respected, regardless of their background.

Key Initiatives in Cultural Diversity

Festive Celebrations



We celebrate a broad spectrum of cultural holidays, going beyond the four major Malaysian festivals of Chinese New Year, Hari Raya, Deepavali and Christmas. By celebrating diverse holidays, we promote understanding and appreciation among our employees, which enhances teamwork and mutual respect.

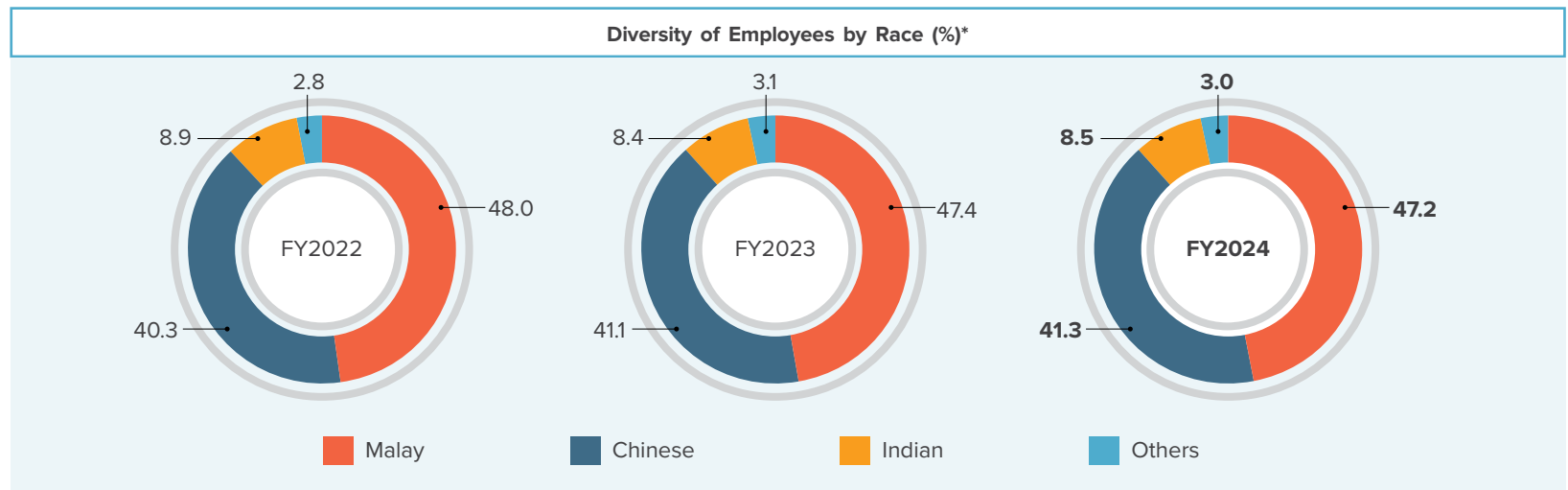
Spiritual Wellness



We recognise and respect the spiritual needs of our employees, which facilitates personal growth and fulfilment. Therefore, our employees are entitled to:

- **Hajj Leave:** For Muslim employees to perform their pilgrimage.
- **Pilgrimage Leave:** For non-Muslim employees to undertake their respective spiritual journeys.


Through our racial and culturally inclusive practices, we are able to maintain a diverse workforce that reflects the diversity of Malaysia.





* Employee data for FY2023 and FY2024 excludes AmBank General and Takaful.

VALUING AGE DIVERSITY

Age diversity in the workplace brings a multitude of perspectives that enrich decision-making and foster a more dynamic and adaptable workforce. By leveraging the unique strengths and experiences of different generations, we foster innovation, mentorship, and continuity. It ensures a blend of stability and agility that can better address evolving market demands and societal changes.

 For more detailed insights into our diversity of employees by age and gender, please refer to page 137 on Performance Data.

 For more detailed insights into our percentage of employees by age and working level, please refer to page 133 on Performance Data.

 For more detailed insights into our percentage of employees by years of service and gender, please refer to page 134 on Performance Data.

DISABILITY INCLUSION AT THE WORKPLACE

In driving disability inclusion and social justice, we are committed to fostering an environment where every employee can thrive. This includes removing physical barriers, providing appropriate accommodations, and promoting a culture of respect and understanding.

Number of Vulnerable Employees by Gender*			
	FY2022	FY2023	FY2024
Male			
Blind	2	1	2
Deaf	0	0	0
Limb loss	1	1	1
Walk with limited ability	0	0	0
Total Male	3	2	3
Female			
Blind	3	3	3
Deaf	1	0	0
Limb loss	0	0	0
Walk with limited ability	1	0	0
Total Female	5	3	3

* Employee data for FY2023 and FY2024 excludes Life Insurance and Family Takaful Businesses.

UPHOLDING HUMAN RIGHTS

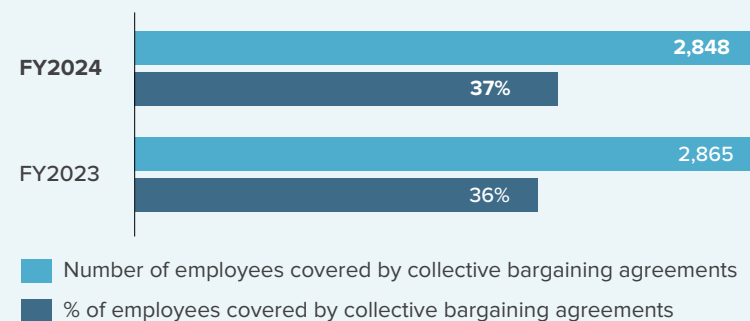
Our commitment to DEI extends to actively upholding human rights across all our operations. We recognise that protecting human rights is fundamental to fostering a respectful and equitable workplace.

As part of our approach in human rights, we support the right to collective bargaining as it plays a critical role in fostering a transparent dialogue between management and staff. Our employees are represented by the various unions, which help facilitate a fair and constructive negotiation process.

Employee Unions:

- 01 Kesatuan Pekerja-Pekerja AmBank (M) Berhad
- 02 Sabah Banking Employees' Union
- 03 Sarawak Bank Employees' Union
- 04 Kesatuan Eksekutif AmBank (M) Berhad (Semenanjung)

Employees Covered by Collective Bargaining Agreements and Trade Unions



Conscious Self-Conduct



ADVANCING PAY EQUITY

By ensuring equitable compensation, we contribute to the economic well-being of our employees, which in turn fosters a more motivated and engaged workforce. This focus on fair compensation aligns with our broader goals to promote social justice within our operations and mitigate financial inequalities that can affect morale and productivity.

Approach to Fair Income Distribution:

- ▶ **Pay Equality Across Genders:** We ensure pay equality between men and women at all levels within the organisation. Regular pay audits and thorough analyses are conducted to ensure that our compensation policies are applied uniformly and fairly, with corrective measures taken to address any disparities. This is reinforced through transparent and consistent pay structures and processes.
- ▶ **Reducing Pay Gaps Across Employee Levels:** We focus on equitable compensation reflective of employees' roles and responsibilities. Clear and objective criteria are applied for pay decisions and promotions, encouraging a culture where achievements are recognised and rewarded fairly.
- ▶ **Living Wage vs Minimum Salary:** We adopt the concept of a Living Wage, defined as a salary that allows employees to maintain a decent standard of living. This concept goes beyond the statutory minimum wage by considering the actual cost of living and ensuring that employees can lead a respectable lifestyle.

FUTURE OUTLOOK

As we reflect on our journey toward greater DEI, we are encouraged by the progress we have made. However, we recognise that the path to true inclusivity is ongoing and requires constant dedication and adaptability. Therefore, we are committed to strengthening our diversity and inclusion efforts in the future by:



RESPONSIBLE CONSUMPTION

M10

The world is facing an unprecedented environmental crisis, with climate change at its forefront. The recent declaration by the World Meteorological Organisation (WMO) that 2023 was the hottest year on record serves as a stark reminder of the urgency to act. Climate change and other pressing environmental issues, such as the global waste problem, water shortages, and resource depletion, demand immediate and concerted action.

As a sustainable financial institution, AmBank Group is committed to not only minimising our own environmental impact but also in driving positive change across our value chain. Our efforts are aimed at safeguarding the planet for future generations by ensuring that our business practices promote environmental sustainability.

To operationalise our commitment, we have established a robust framework of policies and guidelines that govern our environmental practices. This suite of policies, detailed here and elaborated further in subsequent sections, guides our comprehensive efforts:



Group Environmental Policy: This cornerstone policy establishes the framework for managing environmental impact across all our operations. It sets forth fundamental principles for employees and suppliers to adhere to environmental compliance and fosters ongoing improvement in our environmental performance.



Environmental Objectives, Targets, and Plans Practice Guide: This guide provides detailed directives for developing, implementing, monitoring, and evaluating our environmental objectives and targets. It is an integral part of our Environmental Management Plan (EMP), ensuring our strategies effectively align with our environmental goals.



Environmental Monitoring and Measurement Practice Guide: This guide outlines the procedures for monitoring, analysing, and evaluating our environmental performance. It focuses on using Environmental Performance Indicators (EPIs) to track and enhance our sustainability efforts effectively.



Environmental Resource Management Practice Guide: This guide outlines best practices for efficiently managing resource consumption, covering principles, resource classification, energy management, and sustainable material management.



Greenhouse Gas (GHG) Accounting and Reporting Practice Guide: This guide aligns with the GHG Protocol Standards, outlining our methods for emission identification, calculation, reporting and verification for accurate GHG emissions tracking.

Conscious Self-Conduct



MINIMISING ENTERPRISE GHG EMISSIONS

We are committed to significantly reducing our GHG emissions in response to the urgent global need to lower greenhouse gas emissions. We have achieved a 16% reduction in GHG emissions in FY2024 from our FY2019 baseline. This goal is part of our ongoing efforts to monitor and reduce our carbon output systematically each year.

This year, we have expanded the scope of our enterprise emissions tracking to include new categories of emissions, reflecting our commitment to a more comprehensive and accurate environmental assessment. These enhancements are part of our continuous improvement approach to carbon management, ensuring that our practices remain reflective of current conditions and are aligned with best practices in sustainability.

Looking ahead, we plan to expand our emissions reporting to cover financed emissions and other relevant areas currently not included in our current scope. This expansion is aimed at providing a more comprehensive view of our climate impact across our value chain.

Scope 1

Direct emissions from the Group's owned/controlled sources

What It Covers:

Fuel consumption of company-owned vehicles

Scope 2

Indirect emissions from electricity consumption

What It Covers:

Electricity Consumption

Scope 3

Indirect emissions from the value chain

What It Covers:

Business-related Travel:

- Air Travel
- Outsourced Shuttle Service
- Employee Mileage*

Waste Generated*

Methodology

▼

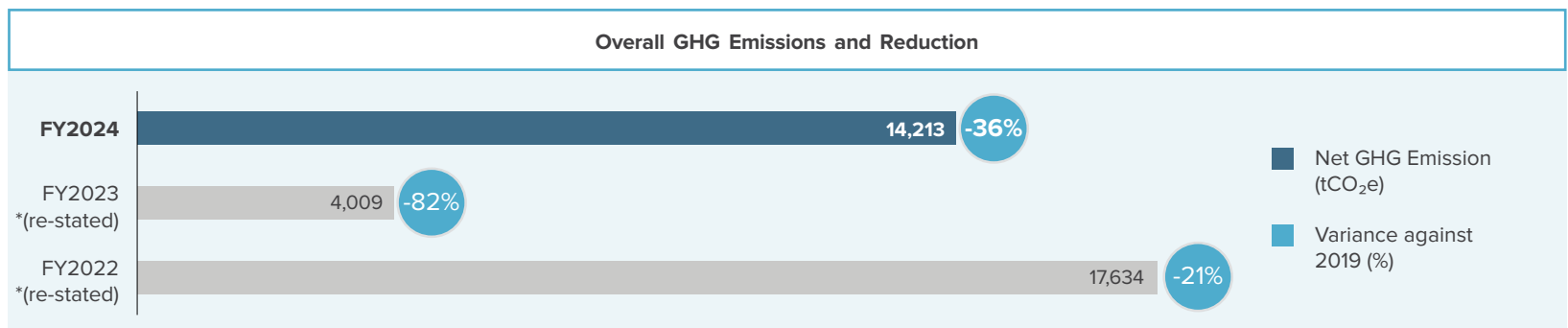
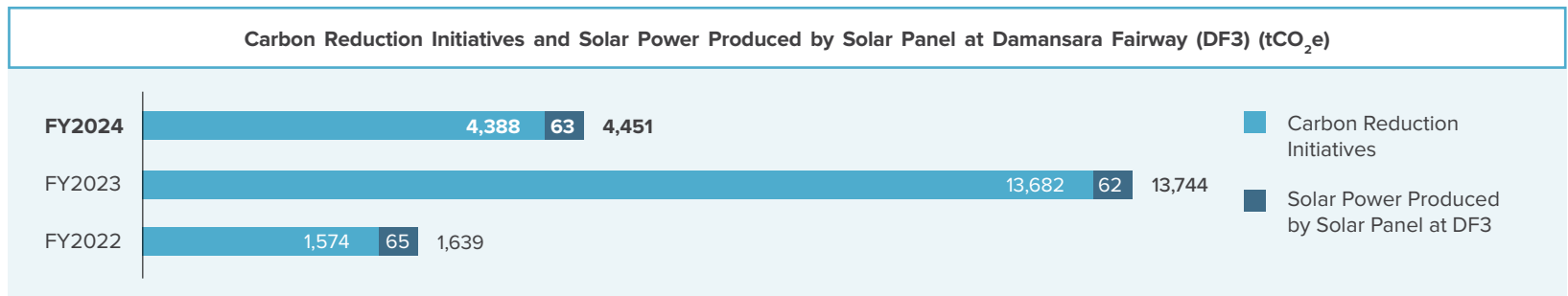
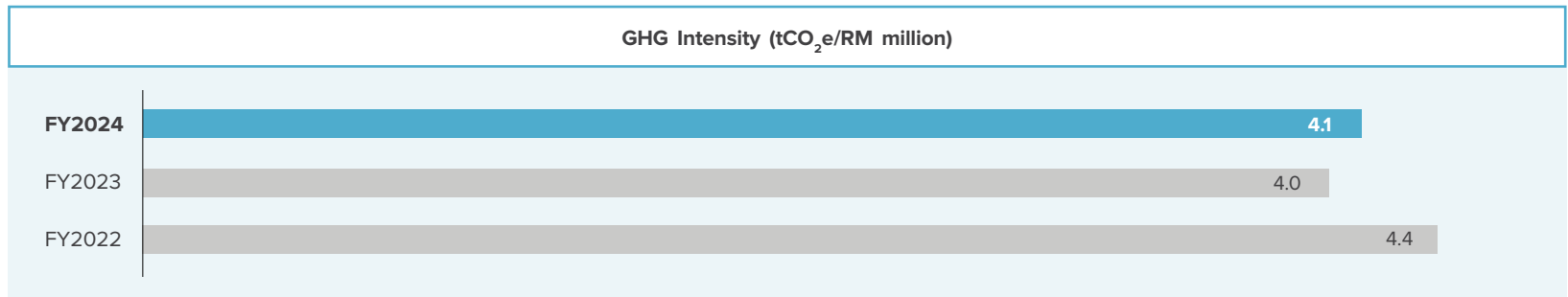
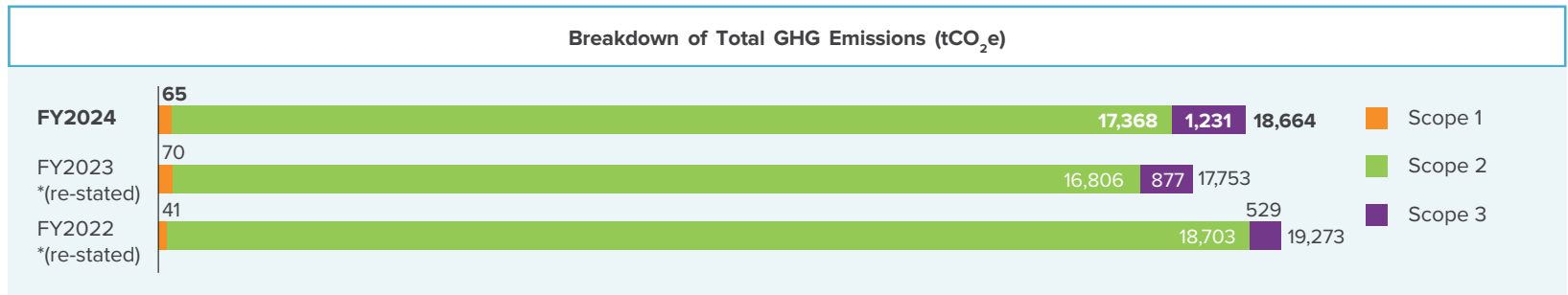
We adhere to the requirements of GHG Protocol to calculate our emissions, gathering data on fuel, energy, and water consumption from electricity bills, fuel invoices, water bills, internal e-claims, and vendor and management records. Using standard emission factors from reputable organisations and relevant national agencies, we convert this energy consumption into GHG emissions.

* New emissions tracked in FY2024



Overall Enterprise Emissions

AmBank Group's comprehensive sustainability efforts across all operational areas underscore our dedication to reducing our GHG emissions. In the current year, we achieved a 16% decrease in our total GHG emissions from the 2019 baseline, totalling 18,664 tCO₂e. With carbon reduction initiatives, we further reduced our emissions to 36% against the 2019 baseline.



Our 2019 GHG Emissions Baseline is 22,184 tCO₂e

* We revised Scope 2 and Scope 3 calculations to capture more comprehensive emissions data for Scope 2 and included our waste-generated emissions as well as employee mileage claims for Scope 3. This adjustment, using the latest emission factors (Grid Emission Factor 2021 & The Department for Environment, Food and Rural Affairs (DEFRA) 2023), provides a more accurate representation of AmBank Group's GHG emissions.

Conscious Self-Conduct



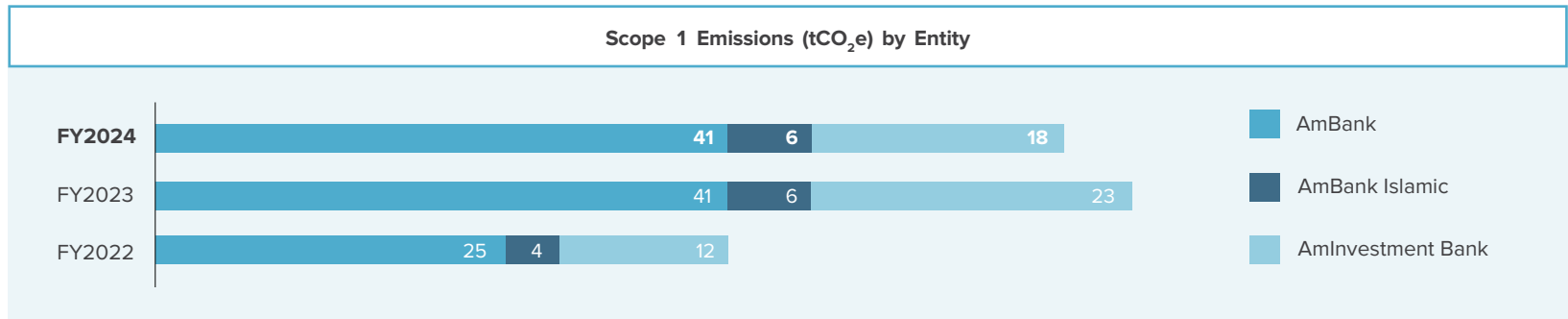
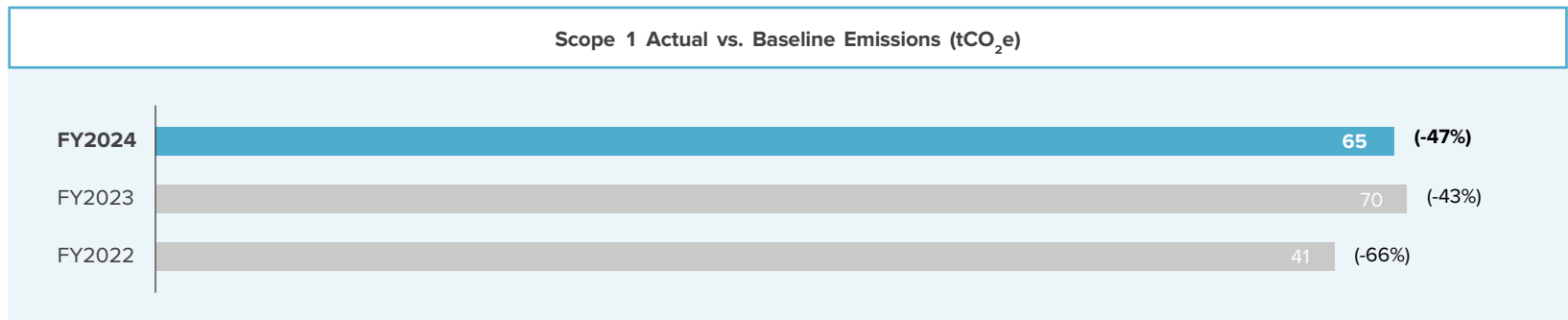
Scope 1: Direct Emissions

Our vehicle fleet constitutes the main source of Scope 1 emissions. Through our efforts, we successfully reduced our Scope 1 GHG emissions compared to FY2023 from 70 tCO₂e to 65 tCO₂e. This reduction was primarily driven by lower vehicle fuel consumption. As a result, we achieved 47% reduction in Scope 1 GHG emissions from our 2019 baseline.

For more detailed insights into our type of vehicles, please refer to page 140 on Performance Data.

For more detailed insights into our petrol consumption per year, please refer to page 140 on Performance Data.

For more detailed insights into our GHG emission from petrol consumption, please refer to page 140 on Performance Data.



Our 2019 Scope 1 Emissions Baseline is 122 tCO₂e



Scope 2: Indirect Emissions

As a financial institution, our main source of enterprise emissions stems from our electricity consumption. To effectively manage these emissions, we have established the Environmental and Energy Management Forum (EEMF), which champions our energy management systems and environmental conservation measures. Our efforts are guided by the following policies and certifications:

- **Group Energy Policy:** Forms the foundation of our energy management programme, formalising support to robust energy management across all our buildings and activities.
- **ISO 14001:2015 Certification:** Aligns our environmental management practices with international standards, ensuring systematic improvements across our operations.
- **Energy Management Gold Standard (EMGS):** Sets rigorous benchmarks for energy efficiency within our head office and serves as a model for all our facilities.

This year, we encountered the depletion of low-cost and medium-cost energy-saving options and challenges with the subscription processes for Tenaga Nasional Berhad (TNB) Green Energy Tariffs (GET). As such we were not able to benefit from GET and as such our carbon reduction initiatives declined. Nonetheless, we responded with innovative solutions and revised procurement strategies, maintaining the momentum of our energy reduction initiatives that are detailed below.

Scope 2 Initiatives

Initiatives	What We Did								
Energy Efficiency									
Air Conditioning Upgrades	Upgraded to MEPS 5-star rated and inverter-type air conditioning models, which are more energy-efficient than conventional models.								
Variable Refrigerant Volume (VRV) Systems Implementation	Installed at Damansara Fairway 3 (DF3) to provide enhanced energy efficiency by adjusting the refrigerant volume within the system to match the building's cooling demands.								
LED Lighting Conversion	Converted lighting to LED technology in main buildings and branches to reduce energy usage.								
Renewable Energy									
Renewable Energy Sourcing	Energy is sourced from providers like Tenaga Nasional Berhad who offers Green Energy Tariffs (GET) and Sarawak Energy Berhad who offers Malaysian Renewable Energy Certificates (mREC) to decrease reliance on non-renewable sources.								
Solar Panels Installation	Solar panels were installed at our Damansara Fairway (DF3) building for daily.								
	<table border="1"> <thead> <tr> <th></th> <th>FY2022 '000 kWh</th> <th>FY2023 '000 kWh</th> <th>FY2024 '000 kWh</th> </tr> </thead> <tbody> <tr> <td>Power produced by solar panels at DF3</td> <td>86</td> <td>82</td> <td>83</td> </tr> </tbody> </table>		FY2022 '000 kWh	FY2023 '000 kWh	FY2024 '000 kWh	Power produced by solar panels at DF3	86	82	83
	FY2022 '000 kWh	FY2023 '000 kWh	FY2024 '000 kWh						
Power produced by solar panels at DF3	86	82	83						

Conscious Self-Conduct



Case Study: AmBank's Achievements in Energy Management

We have set benchmarks in Malaysia for sustainable energy management in the financial sector. Our recognition in energy management is not only a testament to AmBank Group's dedication to environmental stewardship but also highlights our ability to innovate and enhance energy efficiency.

1. Energy Management Gold Standard (EMGS) Certification

AmBank Group is the first financial institution in Malaysia to receive the prestigious EMGS certification, underscoring our role as a leader in sustainable energy practices.

2. Building Energy Label

AmBank Group's DF3 was awarded the 5-Star National Building Energy Intensity (BEI) Label on 25 October 2023 for achieving an outstanding BEI of 69 kWh/m²/year, significantly below the maximum efficient threshold of 100 kWh/m²/year.

This achievement highlighted the building's top-tier energy efficiency as well as sets a benchmark for the industry, proving that even older structures can be transitioned to meet rigorous energy standards.

Key Milestones:

➤ Menara AmBank (MAB)

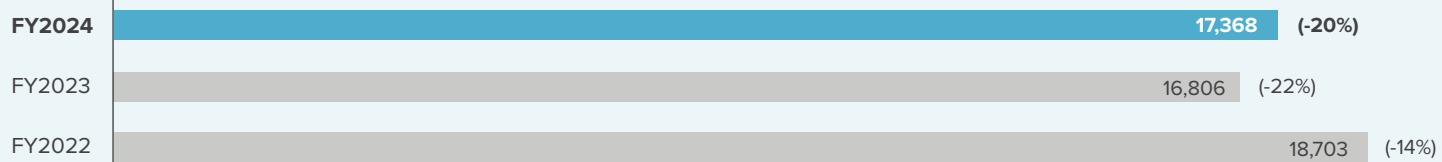
Achieved EMGS 2-star certification on 23 December 2023, surpassing the requirement by saving more than 5% above the minimum 2-star criteria.

➤ Other Buildings

Initiated effort to obtain certification for EMGS 1-Star for Bangunan AmBank Group on Jalan Raja Chulan, Wisma AmFirst in Kelana Jaya, and DF3, demonstrating comprehensive energy management across multiple properties.

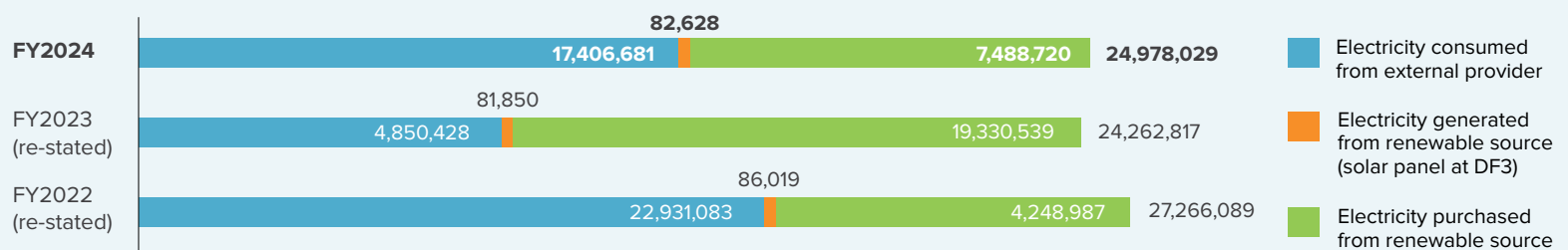


Scope 2 Actual vs. Baseline Emissions (tCO₂e)



Our 2019 Scope 2 Emissions Baseline is 21,638 tCO₂e

Breakdown of Electricity Consumption (kWh)

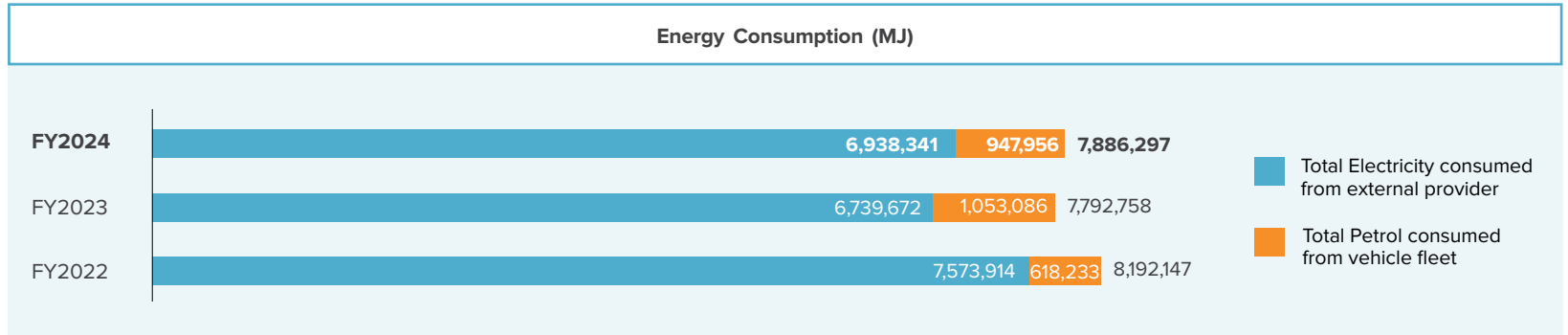


* We revised Scope 2 and Scope 3 calculations to capture more comprehensive emissions data for Scope 2 and included our waste-generated emissions as well as employee mileage claims for Scope 3. This adjustment, using the latest emission factors (Grid Emission Factor 2021 & The Department for Environment, Food and Rural Affairs (DEFRA) 2023), provides a more accurate representation of AmBank Group's GHG emissions.



Energy Consumption

Electricity consumption from electricity represents a significant portion of total energy use in AmBank Group. In comparison, only 947,955.6 MJ of our energy consumption comes from petrol used for our vehicle fleet.



Scope 3: Other Indirect Emissions

We understand that the full spectrum of our environmental impact is crucial, particularly with reference to indirect emissions that occur outside our direct operations. In FY2024, we have enhanced our Scope 3 emissions disclosures, actively expanding the categories to provide a more comprehensive view.

Business Travel

Employee travel represents a major component of our Scope 3 emissions. To manage these effectively, we continue to implement a series of initiatives:

- **Shuttle Services:** By providing shuttle services for our employees to travel from train stations to our offices, we reduce the need for individual car travel, decreasing our collective emissions and easing traffic congestion.
- **Virtual Meetings:** We promote using virtual meeting technologies to reduce the necessity for travel, helping to cut emissions while maintaining productivity and connectivity among teams.

In FY2024, total employee travel-related GHG emissions increased from 876 tCO₂e to 1,231 tCO₂e, reflecting a rise in the number of employees submitting mileage claims as our operations returned to full capacity post the COVID pandemic. However, we remain steadfast in our commitment to implementing various programmes and initiatives aimed at continuously enhancing our environmental impact.

Waste Management

Addressing waste production is critical to mitigating environmental impact, particularly as global waste challenges contribute significantly to climate change by increasing landfill use, intensifying resource depletion, and escalating greenhouse gas emissions. In response, we have strengthened our waste management protocols in FY2024, focusing on efficient resource handling and reduction of waste output.

AmBank Group's Approach to Waste Management

Environmental Waste Management Practice Guide

Emphasises sustainable practices such as reduction, reuse, and recycling to minimise waste production. It guides solid and scheduled waste management across AmBank's operations.

Adherence to Department of Environment (DOE) Guidelines

Focuses on responsible disposal and recycling practices, ensuring that waste management complies with national environmental regulations.

Conscious Self-Conduct



In support of our waste reduction efforts, we continued to implement a range of initiatives across key areas in FY2024:

1. Paper Waste Management:

- **Recycling Initiatives:** Continued initiatives to recycle paper waste, collaborating with third-party vendors to ensure proper disposal and recovery. Promoted double-sided printing and digital signatures and monitored paper consumption.


Recovery Value (RM)	FY2022	FY2023	FY2024
Total Paper Waste Recycled by Third-Party Vendor	3,231	4,757	2,888

- **Digital Solutions:** Implemented paperless receipts and promoted digital communication tools to reduce paper use.
- **Sustainable Sourcing:** Embarked on sourcing sustainable or recycled paper products within the Peninsular region, ensuring that our environmental impact is minimised even when paper use is unavoidable.

2. e-Waste Management:

- **e-Waste Collection and Recycling:** Introduced an e-waste store at Menara AmBank, providing employees with a convenient disposal solution for electronic devices at the end of their lifecycle. This includes computers, printers and mobile phones, ensuring these items are either refurbished or recycled.

Through our focused efforts, we have continued to reduce waste across various categories year over year. This trend is particularly evident in our management of paper waste, where we have not only reduced the quantities generated, but also enhanced our recycling efforts significantly. We have reduced total waste generated from 17.81 tonnes in FY2023 to 17.54 tonnes in FY2024.



In FY2024, we collected a total of **6.47** metric tonne of e-waste.

Waste Generated by Type									
Type of Waste	FY2022			FY2023			FY2024		
	Waste generated (kg)	Waste diverted from disposal (kg)	Waste directed to disposal (kg)	Waste generated (kg)	Waste diverted from disposal (kg)	Waste directed to disposal (kg)	Waste generated (kg)	Waste diverted from disposal (kg)	Waste directed to disposal (kg)
Hazardous Waste									
e-Waste	-	-	-	-	-	-	6,468	5,289	-
Non Hazardous Waste									
Paper	11,271	11,271	0	15,391	15,391	0	9,213	9,213	0
Other [#] (specified below)	1,927	1,927	0	2,414	2,414	0	1,858	1,858	0
Total	13,198	13,198	0	17,805	17,805	0	17,539	16,360	0

[#] Plastic, cardboard, can and metal

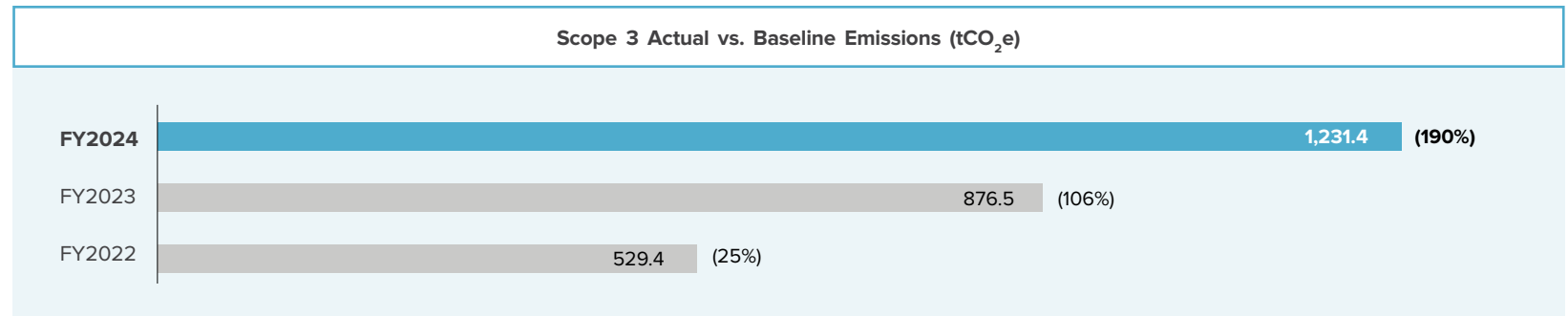


Total Scope 3 Enterprise Emissions

In FY2024, we saw an increase in scope 3 emissions to 1,231 tCO₂e from 876 tCO₂e in the previous year. This increase is attributed to disclosure of additional categories that we are including for the first time in FY2024. This includes both employee travel (mileage/air travel claims) and waste generated emissions allowing us to obtain a better understanding of our Scope 3 enterprise emissions and implement relevant initiatives to reduce our Scope 3 emissions going forward.

Scope 3 GHG Emissions (tCO ₂ e) by Category			
	FY2022	FY2023	FY2024
Business Travel (Air fare)	34.00	262.00	180.00
Business Travel (Mileage)	461.00	329.00	1,035.00
Outsourced Shuttle Services for Employees	34.00	285.00	16.00
Waste Generated	0.41	0.54	0.39
Total	529.41	876.54	1,231.39

For more detailed insights into our non-hazardous waste by type, please refer to page 144 on Performance Data.



Our 2019 Scope 3 Emissions Baseline is 424 tCO₂e

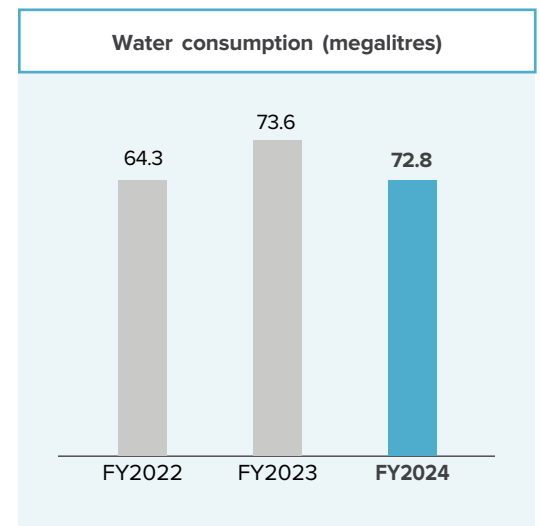
Broader Environmental Stewardship Efforts

Continuing our commitment to environmental responsibility, we carried forward additional impactful environmental stewardship beyond GHG emissions management. In FY2024, we intensified our efforts across various environmental fronts, including:

1. Water Management

We closely monitor our water usage to ensure the effectiveness of our conservation efforts and identify areas for further improvement. Additionally, self-timing taps and bidet sprays were installed across our facilities to optimise water use and reduce wastage.

The annual water usage data reflects our focused efforts on water conservation, which helps us track progress and make informed decisions about future initiatives.



Conscious Self-Conduct



2. Sustainable Pest Control

Effective pest control is essential for maintaining a healthy and safe environment within our facilities. However, traditional pest management methods often rely on chemicals that can be harmful to both the environment and human health.

To protect the natural environment and safeguard the well-being of our stakeholders, we began implementing green chemicals for pest control in FY2024. These environmentally friendly alternatives are derived from natural sources and are designed to be less toxic than conventional pesticides.

3. Awareness Campaigns

Environmental awareness is important in driving meaningful action and building a culture of sustainability within the company. At AmBank Group, we deliver awareness campaigns with our employees and partners to reinforce the importance of collective action and ensure that our sustainability initiatives are more than just policies—they are a way of life at AmBank Group.

AmBank Group's Approach to Waste Management

Group Administration Townhall on Environmental Awareness

We organised a townhall event that brought together 51 employees from various departments to discuss critical topics related to energy consumption, environmental impact, and sustainable practices. This townhall provided a platform for open dialogue, enhancing understanding and alignment with our environmental stewardship goals. Through these discussions, employees were encouraged to consider how their actions impact the broader environmental objectives of the Group.

Weekly Screensaver Awareness Reminders

To keep environmental responsibility top of mind, we implemented weekly screensaver reminders for all employee workstations across the group. These reminders serve as gentle nudges to encourage energy-efficient behaviours and environmentally responsible practices throughout the workday. By continuously highlighting small but impactful actions, we aim to integrate sustainability into the routine activities of every staff member.

Educational Sessions for Vendors and Related Business Units

Recognising the importance of influencing our entire value chain, we extended our educational efforts to include vendors and business units. These sessions, participated by 31 vendors, were designed to share knowledge and best practices on environmental and energy management, encouraging our partners to adopt similar sustainable measures. By doing so, we not only amplify the impact of our initiatives but also foster a network of cooperation that supports widespread environmental improvements.



FUTURE OUTLOOK

Looking ahead, AmBank Group is committed to significantly reducing our GHG emissions, with a particular focus on Scope 2 emissions, which represent our largest source of our enterprise emissions. Our strategic focus is not only on minimising our environmental impact across all operational facets but also on enhancing our overall environmental performance through targeted initiatives and pursuing relevant certifications.

Plans in the Pipeline:

1. ISO 14001 Certification

In FY2025, we plan to achieve ISO 14001 Environmental Management System certification for Menara AmBank. This internationally recognised standard will benchmark our environmental management systems. It will help us intensify our environmental performance, optimise resource efficiency, comply with regulations, enhance our reputation, and improve risk management.

2. Scope 2 Emissions Reduction:

For FY2025 and beyond, we will continue implementing several key projects to reduce our Scope 2 emissions:

- **Energy Efficiency Enhancements:** Upgrade to Variable Refrigerant Volume (VRV) systems at DF3 and transition from 3-star to 5-star/inverter air-conditioning systems to reduce energy use.
- **Renewable Energy:** Install solar panels at selected branches to decrease reliance on non-renewable energy sources.
- **Lighting Optimisation:** Convert neon signage to LED in our headquarters to enhance energy efficiency.
- **Energy Conservation Campaigns:** Initiate monthly Earth Hour events to significantly cut electricity consumption and deploy lock screen awareness programmes to remind employees of energy-saving practices.
- **Energy Management Gold Standard (EMGS):** Achieve 1-star certification for DF3, BAG, and WAF and purchase Malaysian Renewable Energy Certificates (mREC) from SESCO, and GET from TNB.

In the longer term, we also plan to elevate the EMGS rating to 3 stars for MAB and improve ratings for our other key buildings.

3. Resource Stewardship Initiatives:

We are set to implement a series of initiatives aimed at promoting sustainable use and sourcing of materials, underscoring our dedication to enhance environmental sustainability across all facets of our operations.

- **Water Management:** Implement rainwater harvesting systems at our AmBank branch in Jalan Kelawei, Pulau Pinang and DF3 to promote sustainable water use.
- **Sustainable Sourcing:** Ensure all paper used in Sabah and Sarawak regions is sustainably sourced.
- **Paper Use Optimisation:** Monitor and manage paper consumption across Group operations to reduce waste and encourage recycling.
- **Vendor Requirements:** Introduce new sustainability criteria in RFQs for cleaning services to ensure partners align with our environmental goals.

By implementing these forward-looking initiatives, AmBank Group aims to lead by example in the financial sector, demonstrating a commitment to environmental stewardship that transcends traditional business practices and contributes to global sustainability efforts.

Conscious Self-Conduct

RESPONSIBLE PROCUREMENT

M11

We view our supply chain as a critical lever for amplifying our positive impact on society and the environment. By aligning our procurement practices with robust sustainability standards, we ensure that our operations foster fair and empowering business relationships with our suppliers. This commitment extends beyond business efficiency, driving meaningful change within the communities we serve, and reinforcing our dedication to responsible corporate citizenship.

We require all our suppliers to operate with the utmost integrity and ethics. This is driven by our ethical sourcing practices, which respect human rights, ensure fair labour practices, and enforce a zero-tolerance policy towards child or forced labour. Suppliers are expected to fully comply with all relevant laws and regulations, upholding our standards for social performance and safety, environmental well-being, and ethical conduct.

Our procurement operations are governed by comprehensive policies that ensure transparency, accountability, and fairness in all our dealings:

Key Procurement Policies



Group Procurement Policy, Group Outsourcing Policy and Sourcing Guidelines and Outsourcing Guidelines: These policies and guidelines are periodically reviewed and updated to align with current sustainability standards. They detail our sourcing practices to ensure fairness in evaluating project proposals and risk management practices to protect against any adverse impact.



AmBank Group's Code of Conduct: This code focuses on fostering trust and cooperation with suppliers, ensuring long-term, sustainable relationships. It emphasises the importance of oversight in the procurement processes to maintain integrity and honesty throughout our supply chain.



Supplier Code of Conduct (SCOC): This code mandates that suppliers act with integrity, responsibility, honesty, and respect and maintain ethical, safe, and environmentally responsible practices. It outlines the expectations for suppliers to contribute positively to our sustainability goals.



Anti-Bribery & Corrupt Practices Policy and No Gift Policy: These policies extend to our suppliers, ensuring that all business interactions are conducted legally and ethically.



ESG SCREENING IN PROCUREMENT PROCESSES

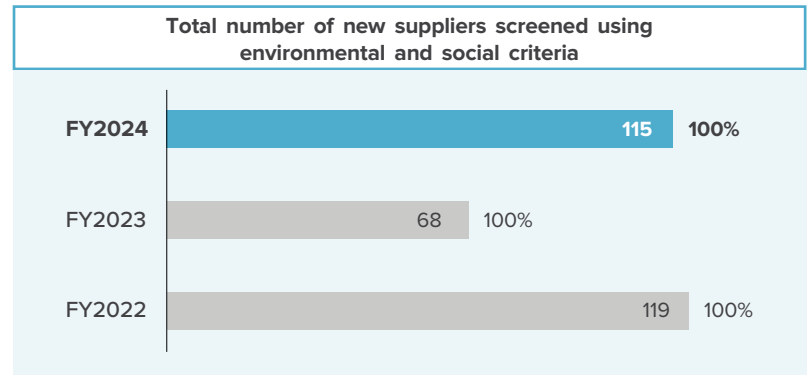
AmBank Group’s procurement process is designed to integrate sustainability into our supply chain management. Our procurement events are tracked using an Enterprise Resource Planning (ERP) system. This system ensures accountability and transparency by recording time stamps, employing criteria-based evaluations, and supporting committee-based decision-making throughout the procurement process.

During the vendor pre-qualification onboarding process, potential suppliers are rigorously assessed through detailed questionnaires that cover:



Suppliers must achieve the required marks in these areas to move forward to the final qualification stage and become AmBank Group’s preferred vendors. This ensures that our suppliers align with our commitment to sustainability and ethical practices.

Vendors who do not meet the necessary standards are given a detailed reassessment to understand their potential impact on our sustainable procurement goals. If the impact is deemed minimal, exceptional approval may be considered. Additionally, we provide guidance and educational support to these vendors to help them improve and meet our requirements, reflecting AmBank Group’s proactive approach to fostering responsible business practices within our supply chain.



SOCIAL EMPOWERMENT IN SUPPLY CHAINS

To further ensure the integrity of our supply chain, we apply a robust set of social criteria during the supplier onboarding process. These criteria are instrumental in proactively identifying and addressing any potential negative social impact:

- **Thorough Assessments:** Conduct in-depth evaluations to uncover the root causes of negative social impact and develop effective mitigation strategies.
- **Supplier Engagement:** Collaborate with suppliers to foster the improvement of their social practices and rectify any issues identified.
- **Collaborative Corrective Actions:** Work together with suppliers to implement customised action plans that address specific social concerns.
- **Stakeholder Collaboration:** Engage with broader stakeholders to enhance awareness and collectively tackle social issues within the supply chain.
- **Continuous Monitoring:** Regularly monitor progress and report transparently on improvements to ensure accountability and encourage continuous enhancement of social practices.

Our robust set of social criteria is customised to ensure our suppliers are well equipped to enhance and adopt sustainable practices in their own operations. We also monitor our suppliers to ensure their compliance to our policies. These policies and our engagement with suppliers have ensured that in FY2024 all the suppliers are compliant to our policies.

Conscious Self-Conduct

M11

Case Study: Empowering Social Enterprises through Strategic Procurement

AmBank Group's strategic inclusion of social enterprises in our procurement processes aims to drive economic inclusion and community development.



Objective

To provide economic opportunities to local businesses and social enterprises, integrating them into our supply network to support their growth and sustainability.



Implementation

We collaborated with the Malaysian Global Innovation & Creative Centre (MaGIC) to onboard 20 SMEs and social enterprises across a range of fields:

- **Food and Beverages:** Including caterers and suppliers of festive treats.
- **Arts and Crafts:** Artisans creating culturally significant handwoven bags.
- **Lifestyle and Fashion:** Makers of premium gifts.
- **Environmental and Social Training:** Providers of essential team-building and soft skills training.



Impact & Outcome

This initiative has supported the income of these vendors, providing them with access to a broader market and enabling community interactions that foster long-term relationships. Our approach demonstrates a commitment to economic diversity and is a model for corporate-community collaboration.

GREENING OUR SUPPLY CHAIN

AmBank Group has continued to work with Pantas Climate Solutions to apply the Greening Value Chain (GVC) Programme to our supply chain. This programme, unveiled at the COP-27 conference in Egypt in 2022, is a collaborative initiative led by Bank Negara Malaysia, Pantas Climate Solutions, various knowledge partners, and AmBank Group. This national programme is designed to empower Malaysian SMEs to implement sustainable practices and contribute to the decarbonisation of supply chains. Since November 2023, our main suppliers have started using the Pantas carbon accounting software to record their Scope 1 and Scope 2 emissions.

The GVC Programme aims to:

- **Support SMEs:** Assist SMEs in adopting sustainable operational practices that reduce their environmental impact, particularly in terms of carbon emissions.
- **Provide Resources:** Offer technical advisories and access to software tools for managing and reporting greenhouse gas (GHG) emissions, particularly Scope 1 and Scope 2.
- **Facilitate Financing:** Enable SMEs to access favourable financing options like the Low Carbon Transition Facility (LCTF) by BNM, which offers improved rates to businesses achieving specific climate targets. This fund has a blended finance structure, facilitate public and private funding partnership.



AmBank Group's Progress

Since integrating the Pantas GVC Programme, our procurement team have actively engaged our vendors in our supply chain to align with the programme's objectives:

- **Training and Development:** AmBank Group's procurement team and vendors participated in comprehensive training sessions to familiarise themselves with the objectives and tools provided by the Pantas GVC Programme.
- **Vendor Onboarding and Monitoring:** As of March 2024, 170 vendors were successfully onboarded to the platform, with 80 of these vendors already submitting their Scope 1 and Scope 2 emissions reports using the Pantas software.

EMPOWERING LOCAL SUPPLIERS

We actively prioritise our sourcing from local suppliers. Approximately 91% of our suppliers are Malaysian registered companies. By engaging predominantly with local businesses, we foster economic growth within the community and enhance the resilience of our supply chain. This strategic focus is evident in our consistently high percentage of local suppliers, demonstrating our role in driving economic activity and sustainability in the regions where we operate.

		FY2022	FY2023	FY2024
Breakdown of Suppliers				
<i>Local Suppliers</i>		1,866	1,136	1,075
<i>International Suppliers</i>		102	98	110
Total		1,968	1,234	1,185
Economic Contribution to Suppliers				
<i>Local Suppliers</i>	<i>(RM million)</i>	1,069.6	656.0	565.8
	<i>(%)</i>	91.3	89.6	85.6
<i>International Suppliers</i>	<i>(RM million)</i>	101.4	76.0	95.3
	<i>(%)</i>	8.7	10.4	14.4
Total	<i>(RM million)</i>	1,171.0	732.0	661.1
	<i>(%)</i>	100	100	100

FUTURE OUTLOOK

In the coming years, Group Procurement will focus on enhancing our impact through targeted environmental and social initiatives, ensuring our procurement practices contribute positively to sustainability and community support.

Environmental Initiatives

Our environmental efforts are geared towards promoting sustainability within the supply chain. Key initiatives include:

- Phasing out non-degradable plastics.
- Procuring products that are compliant with safety data sheets (SDS) and material safety data sheets (MSDS).
- Investing in energy-efficient equipment and lighting.
- Emphasising the use of recyclable materials.
- Aiming for full vendor integration into Pantas Climate Solutions by FY2026 to enhance transparency and accuracy in carbon emissions reporting.

Social Responsibility

At the same time, our social responsibility initiatives are designed to uplift local communities and empower underserved vendors. Planned activities for FY2025 involve continuing to source products from underserved vendors for AmBank Group events to support local businesses.

Creating Value

POSITIVE SOCIETAL IMPACT



M12 Supporting Communities



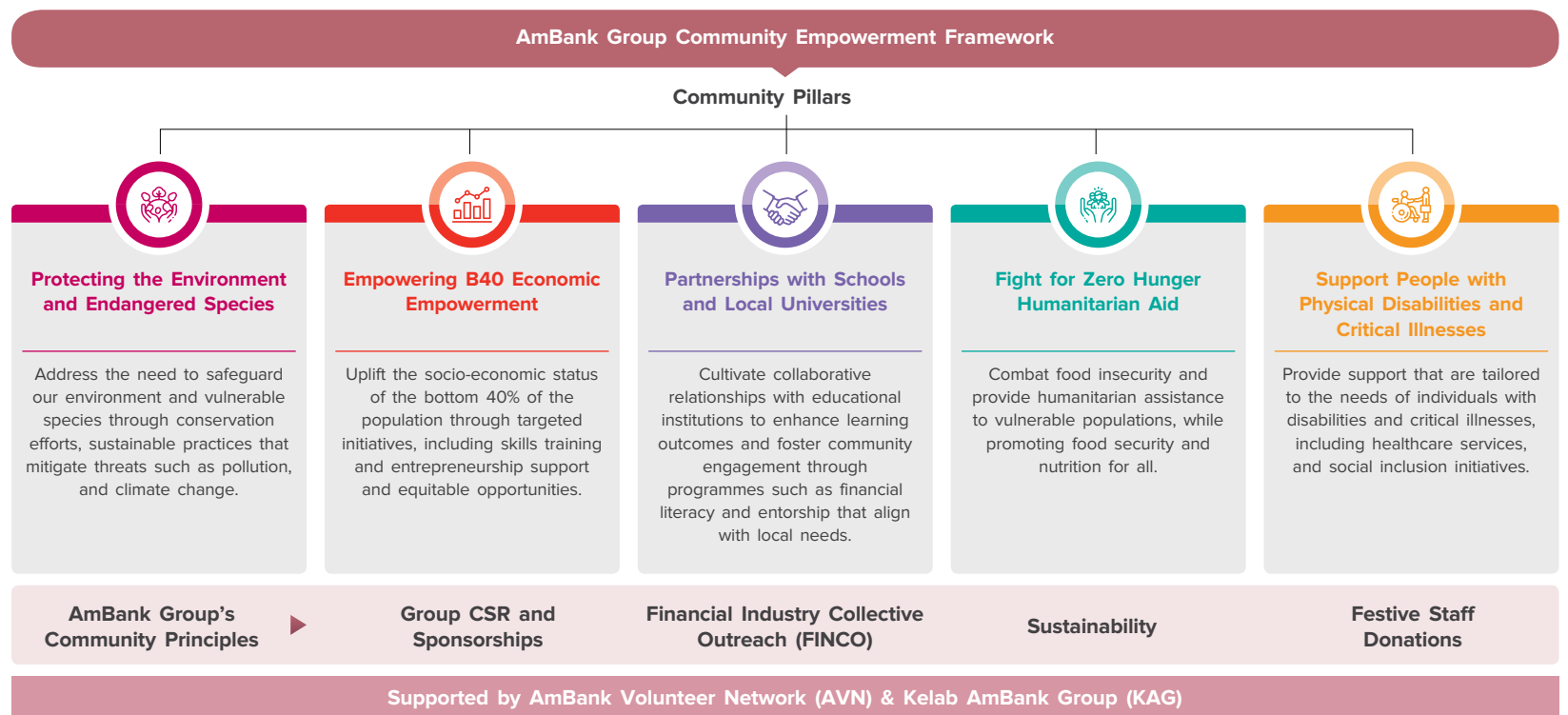
SUPPORTING COMMUNITIES

M12

At AmBank Group, our commitment to “Winning Together” extends to the communities we serve. We believe that social empowerment and community engagement are crucial for creating an ecosystem where everyone thrives. By fostering strong communities and supporting local initiatives, we contribute to the overall well-being and prosperity of our markets. This dedication to community support aligns with our business objectives as a responsible and inclusive bank, reinforcing our role in driving sustainable growth and ensuring that our success is shared with all stakeholders.

Our community work is aligned with the United Nations Sustainable Development Goals (UN SDGs) we support and reflects our commitment to creating lasting, positive impact. By partnering with local stakeholders, including NGOs, government agencies, and community leaders, we identify key community priorities, understand their needs, and implement initiatives designed to yield long-term, tangible benefits.

AmBank Group’s community empowerment is institutionalised in our Code of Conduct under Positive Social Impact, addressing a wide range of matters to foster community development through clear guidelines and principles. Our efforts are further driven by the AmBank Group Community Empowerment Framework, which organises our initiatives and amplifies our impact.



The framework is founded on the principle that businesses must collaborate and leverage a broad network of relationships to uplift communities effectively. By sharing skills, knowledge, and resources, we can drive meaningful change and support sustainable community development.

The AmBank Group Community Empowerment Framework focuses on AmBank Group’s Community Principles: Group CSR and Sponsorships, Financial Industry Collective Outreach (FINCO), Sustainability, and Festive Staff Donations. Through these principles, we strive to make a significant impact across AmBank Group’s Community Pillars.

Positive Societal Impact

M12

Volunteerism is central to our community empowerment strategy. We provide our employees with opportunities to engage with local communities and support growth through two primary platforms:

01

AMBANK VOLUNTEERING NETWORK (AVN)

Central to AmBank Group's corporate culture is the AmBank Volunteering Network (AVN), a comprehensive platform that consolidates and streamlines our volunteer initiatives. It serves as a central resource for all volunteering activities, offering tools for event registration and volunteer hour tracking management, ensuring a seamless and rewarding experience for all participants. Employees also benefit from three days of paid leave per year to engage in charitable work or sustainability projects.

AVN's Objectives

Connects AmBankers with the Community

Encourages meaningful engagement between employees and the communities we serve, fostering hands-on participation in social responsibility programmes and a deeper commitment to addressing societal challenges.

Promotes P2ACE Values

Instills core values – Principled, Proactive, Appreciative, Collaborative, and Experimental – across our workforce and volunteering activities, fostering a culture of innovation, inclusivity, and community support.

Builds a Purpose-Driven Network

Creates a network of dedicated individuals committed to making a long-term positive impact on society. This aligns with AmBank Group's mission and values, propelling the bank toward greater corporate citizenship.

02

KELAB AMBANK GROUP (KAG)

KAG, AmBank Group's sports and recreation club, promotes community involvement through sports, social activities, and competitive events. By organising activities such as the annual AmBank Run and Treasure Hunts, KAG fosters teamwork and community spirit. These events provide employees with opportunities to engage in community service, build stronger relationships, and contribute to local development.

In FY2024, we invested a total of RM901,584 across 116 programmes, impacting 17,229 individuals from all levels of society across the nation.





Please scan this QR code to watch a video showcasing our CSR and sustainability initiatives.

PROTECTING THE ENVIRONMENT AND ENDANGERED SPECIES

Environmental Protection is critical to ensuring ecological balance and sustainability for future generations. Throughout the financial year, we have invested in various initiatives aimed at conservation and environmental awareness, impacting our stakeholders.



Initiatives	What We Did	Investment/Impact/Beneficiaries
AmBank CSR Programme at Zoo Melaka	We expanded our sponsorship at Zoo Melaka by adopting two orangutans and financially aiding for their care and conservation.	<ul style="list-style-type: none"> ➤ Total investment: RM40,000 ➤ Total volunteers: 100
Grow, Green, Groom at Zoo Negara	We planted over 800 seedlings, cleaned enclosures, and renewed our sponsorship for three Dromedary Camels.	<ul style="list-style-type: none"> ➤ Total investment: RM50,000 ➤ Total volunteers: 150
Coral Reef Restoration with Reef Check Malaysia (RCM)	We focused on protecting coral reefs near Pulau Tioman by planting 200 corals, and constructing coral blocks, enhancing marine biodiversity and supporting the local community.	<ul style="list-style-type: none"> ➤ Total investment: RM30,000 ➤ Total volunteers: 10
Collaborated with Readycare for the Reduce, Reuse & Recycle campaign	We installed recycling bins and bio-based liquid detergent refill machines in our corporate offices and offered a 50% discount on refills to incentivise sustainable practices.	<ul style="list-style-type: none"> ➤ Total impact: 7,278 kgCO₂ emissions prevented
Vertical Farming with Glyde Sdn Bhd	We conducted interactive sessions to deepen awareness of modern agricultural practices and promote a greener lifestyle among employees.	<ul style="list-style-type: none"> ➤ Total investment: RM8,250 ➤ Total participants: 100
International ESG Conference	We hosted an International ESG Conference to promote sustainability and responsible banking practices among customers and investors. The conference featured five panel discussions with experts from various organisations, drawing a range of delegates, including customers, investors, and regulators.	<ul style="list-style-type: none"> ➤ Total investment: RM200,000 ➤ Total participants: 500

Driven by:

● Group CSR and Sponsorships

● Financial Industry Collective Outreach (FINCO)

● Sustainability

● Festive Staff Donations

Positive Societal Impact



Initiatives	What We Did	Investment/Impact/Beneficiaries
<p>Mangrove Restoration with Kelab Belia Prihatin</p>	<p>We planted 350 mangrove saplings and collected 690kg of garbage at Mangrove Point, Port Klang, contributing to carbon footprint reduction.</p>	<ul style="list-style-type: none"> ➤ Total investment: RM30,000 ➤ Total impact: removing 107,800 kg of CO₂ emissions from the atmosphere over the next 25 years ➤ Total volunteers: 105
<p>E-waste Collection and Management</p>	<p>We diverted hazardous waste from landfills by collecting 764.5 kg of e-waste for recycling.</p>	<ul style="list-style-type: none"> ➤ Total impact: 764.5kg of e-Waste collected
<p>Cultivating Green Spaces in the City</p>	<p>We conducted a sustainable living workshop for AmBankers, teaching innovative gardening techniques, seed starting, and propagation to ensure year-round harvests.</p>	<ul style="list-style-type: none"> ➤ Total investment: RM13,200 ➤ Number of participants: 50
<p>Towards a Greener Future at Utama Farm, Bandar Utama</p>	<p>We hosted a composting workshop to educate AmBank Group employees on the environmental benefits of composting and waste reduction for sustainable living.</p>	<ul style="list-style-type: none"> ➤ Total investment: RM4,060 ➤ Total impact: 20 employees
<p>Sabah Japan Forum and Kota Kinabalu Matsuri</p>	<p>We supported the Sabah Japan Forum & Kota Kinabalu Matsuri, a platform aimed at creating positive and sustainable long-term impacts on Sabah's economy.</p>	<ul style="list-style-type: none"> ➤ Total investment: RM200,000 ➤ Total participants: 500

Driven by:

- Group CSR and Sponsorships
- Financial Industry Collective Outreach (FINCO)
- Sustainability
- Festive Staff Donations



EMPOWERING B40 ECONOMIC EMPOWERMENT

By providing targeted support and opportunities, we strive to uplift the B40 segment of the population, enabling them to achieve an improved quality of life.



It was an experience we had never encountered before! This initiative became our largest income contributor from on-the-ground activities, impacting nine mothers who participated in various stages, from sourcing ingredients and baking to packing and sales activities – thus supporting their income. We also allocated a portion of the proceeds from the workshop to cover utilities, ensuring Ibupreneur’s sustainability as a social enterprise. This allows us to continue making an impact on mothers (single, B40, retired), helping them feel included in the workforce, which is our main mission at Ibupreneur. With your support, the mothers experienced an additional income increase of up to 22-23% this month.

Aida Zunaidi
Chief Executive Officer |
Co-Founder

Initiatives

Business Zakat Contributions

Our Business Zakat Contributions through AmBank Islamic Berhad aim to support *asnaf* (eligible recipients under Islamic law) across various sectors, addressing immediate needs and fostering long-term economic stability. In FY2024, the funds were distributed as follows:

- **Entrepreneurs:** RM400,000 to 168 *asnaf* entrepreneurs in Johor, Perak, Penang, Kedah, and Perlis as part of the iTEKAD 2.0 initiative. This includes seed capital, microfinancing, and capacity building.
- **Education:** RM345,133.52 to 671 eligible *asnaf* recipients, including university students and those pursuing ACCA programmes, for food and education purposes.
- **Medical Assistance:** RM132,177.44 to two medical centres to cover expenses associated with medical treatment, medication, and procurement of medical equipment for *asnaf* patients.
- **Charity Support:** RM371,729.04 to five charity associations for assistance to cover essential expenses and to two Islamic organisations for religious programmes.
- **Community:** Paid RM498,000 to state zakat collection centres, aiding *asnaf* groups improving their socio-economic statu

We offered comprehensive entrepreneurship training, covering baking skills, marketing, budgeting, and technology. Additionally, we provided sustainable platforms for their businesses, including sales booths at our corporate offices and an online shopping platform. Additionally, a Batik Donation Drive allowed these women to upcycle donated batik into products for additional income.

Women Economic’s Empowerment with Ibupreneur

Investment/Impact/Beneficiaries

- **Total zakat contributions:** RM1,747,040
- **Beneficiaries:** 1,211 recipients

- **Total investment:** RM10,000
- **Total Beneficiaries:** 37 mothers
- **Total Volunteers:** 20

Driven by:

- Group CSR and Sponsorships
- Financial Industry Collective Outreach (FINCO)
- Sustainability
- Festive Staff Donations

Positive Societal Impact

M12



Initiatives	What We Did	Investment/Impact/Beneficiaries
<p>Donation for <i>Tabung Kebajikan Pasaran Modal</i></p>	<p>In a joint effort with key industry associations and supported by the Securities Commission Malaysia and Bursa Malaysia Berhad, we established the <i>Tabung Kebajikan Pasaran Modal</i>. This initiative offers financial aid to deserving B40 students, helping them pursue education and develop skills markets.</p>	<ul style="list-style-type: none"> ➤ Total investment: RM30,000 ➤ Beneficiary: Yayasan Bursa Malaysia
<p>PETRONAS SEED. Lab Incubation Programme</p>	<p>Collaborating with PETRONAS and Tata Consultancy Services, we participated in the PETRONAS Social Enterprise Education Laboratory (Seed.Lab), fostering self-sustaining social enterprises that leverage technology and innovation to address community challenges.</p>	<ul style="list-style-type: none"> ➤ Total Impact/Beneficiaries: 14 individuals
<p>Ramadhan and Hari Raya Aidilfitri CSR Programme</p>	<p>Partnered with <i>Amanah Ikhtiar Malaysia</i> (AIM) to distribute food hampers worth RM75,000 to 500 <i>asnaf</i> families nationwide. Additionally, under the AmBank School Adoption Programme, we provided hampers worth RM90,000 to 600 selected B40 students from various schools across Malaysia, ensuring they had the resources needed to celebrate the festive season.</p>	<ul style="list-style-type: none"> ➤ Total investment: RM187,000 ➤ Total Beneficiaries: 1,100
<p>Ramadhan Festive Cheer</p>	<p>Our Ramadhan Donation Drive 2023 raised RM10,845.50, which was used to provide back-to-school kits and prayer sets for three charities and to renovate a children's <i>surau</i> with new carpets.</p>	<ul style="list-style-type: none"> ➤ Total Funds Raised: RM10,845.50 ➤ Total Beneficiaries: 78 ➤ Total Volunteers: 9
<p>Bringing the Festival of Lights to Underprivileged Children</p>	<p>To support underprivileged children aged 5 to 17 from single-parent B40 households, we raised funds and donated a 55-inch Smart TV and a two-door refrigerator to <i>Pusat Jagaan Kebajikan Bhagawan Sri Ramakrishna</i> in Melaka. Our employees organised meals, entertainment, and games for the children.</p>	<ul style="list-style-type: none"> ➤ Total Funds Raised: RM7,607.00 ➤ Total Beneficiaries: 40 children ➤ Total Volunteers: 24



Driven by:

- Group CSR and Sponsorships
- Financial Industry Collective Outreach (FINCO)
- Sustainability
- Festive Staff Donations



PARTNERSHIPS WITH SCHOOLS AND LOCAL UNIVERSITIES

The foundation of a thriving community lies in the education and development of its young people. By partnering with schools and local universities, we aim to enhance educational experiences, support diverse cultural celebrations, and provide critical resources during times of need.

In FY2024, our initiatives focused on celebrating cultural diversity, promoting financial literacy, and providing disaster relief, which is a reflection of our commitment to nurturing the next generation.

Initiatives	What We Did	Investment/Impact/Beneficiaries
<p>Financial Industry Collective Outreach (FINCO)</p>	<p>We provided comprehensive support to underprivileged children and youth, focusing on English proficiency, life aspirations, and financial literacy.</p> <p>Key Activities:</p> <ul style="list-style-type: none"> Extended programmes on English proficiency, life aspirations, and financial literacy. Conducted disaster relief activities, including cleaning school compounds post-floods in Pahang, involving about 200 volunteers. Enrolled 10 additional schools in the Financial Literacy programme, Good SENS, investing over RM100,000. Engaged AmBank Group senior management and the Group CEO to serve as judges for student pitches, promoting social enterprise concepts, financial planning, and ESG principles. Delivered a talk by our GCEO to secondary students at the FINCO Aspire Workshop. <p>Here is a list of awards we won at the FINCO Annual Awards Ceremony 2023:</p> <ul style="list-style-type: none"> Overall Banking Financial Institution with the Most Volunteers 2023 – Participated in 138 volunteering events, totalling 539 volunteering hours. Best Coordination Lead 2023. Highest Repeat Volunteer 2023 – Participated in 12 volunteering activities with 24.5 volunteering hours. Most Engaging Volunteer 2023. 	<ul style="list-style-type: none"> Total investment industry contribution: RM225,000 Total investment to Good SENS: RM110,800: Total Beneficiaries: 15,532 students Total Volunteers: 200
<p>Hari Raya Aidilfitri Charity Shopping Session</p>	<p>We sponsored 100 <i>asnaf</i> and B40 students from SK (2) Kuala Ampang, providing each student with RM200 for Raya clothes, bags, shoes, and other items. These students also enjoyed the <i>Majlis Berbuka Puasa Kumpulan</i> AmBank with KAG at <i>Dewan Perdana Felda</i>.</p>	<ul style="list-style-type: none"> Total investment: RM41,560 Total Beneficiaries: 100
<p>Deepavali CSR Programme with SJK (T) Desa Cempaka, Nilai</p>	<p>To celebrate Deepavali, we organised activities like henna drawing and face painting for students at SJK (T) Desa Cempaka, Nilai. To further enhance their learning experience, we donated Smart-TV units to the school, benefiting both students and teachers.</p>	<ul style="list-style-type: none"> Total investment: RM35,560 Total Beneficiaries: 86 students and 10 teachers Total Volunteers: 10



Driven by:

- Group CSR and Sponsorships
- Financial Industry Collective Outreach (FINCO)
- Sustainability
- Festive Staff Donations

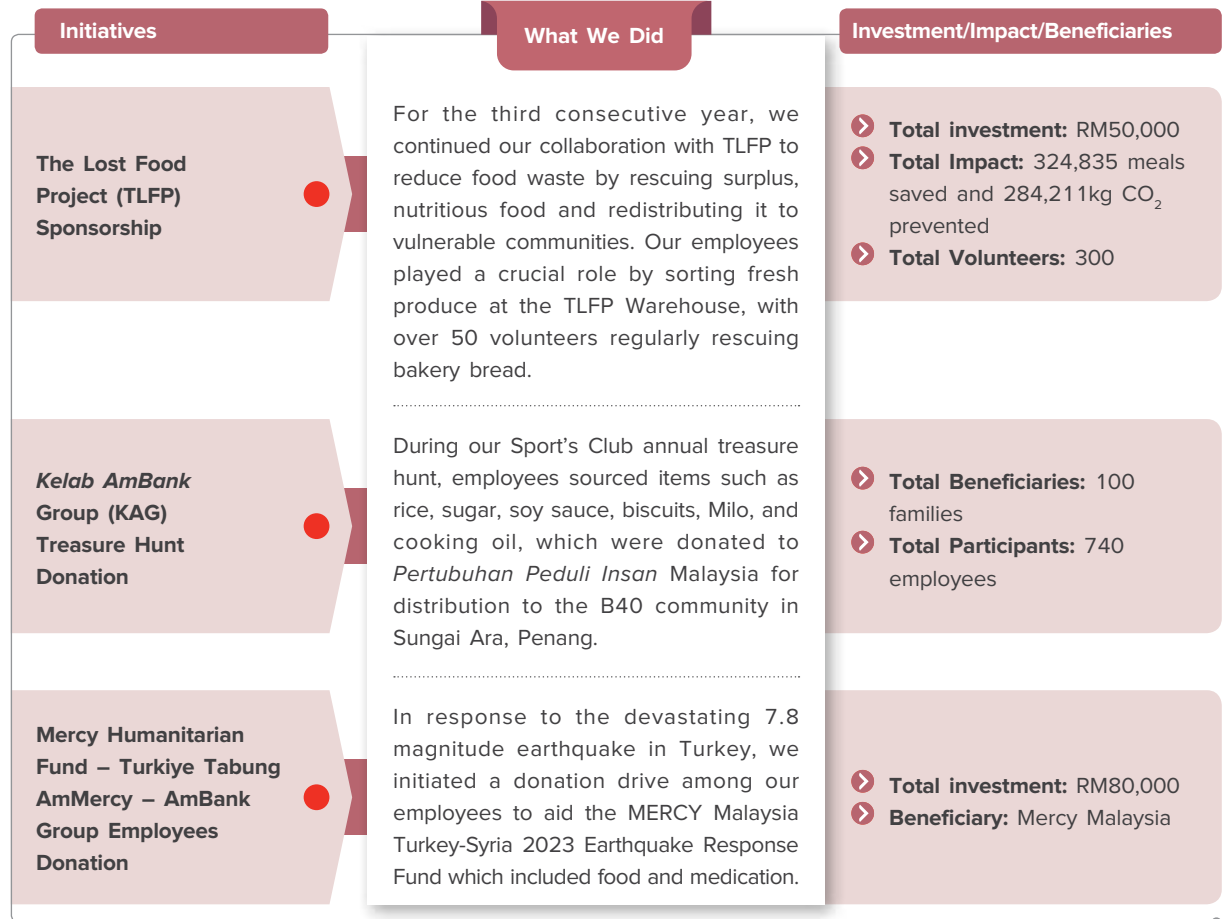
Positive Societal Impact

M12



FIGHT FOR ZERO HUNGER HUMANITARIAN AID

We are committed to addressing critical issues like hunger through impactful initiatives that engage our employees and support vulnerable communities. Our key partnership with The Lost Food Project (TLFP) exemplifies this commitment, demonstrating how we leverage employee engagement to make a significant difference in the fight against hunger.



Driven by:

● Group CSR and Sponsorships

● Financial Industry Collective Outreach (FINCO)

● Sustainability

● Festive Staff Donations



SUPPORT PEOPLE WITH PHYSICAL DISABILITIES AND CRITICAL ILLNESSES

We believe in fostering an inclusive society where people with physical disabilities and critical illnesses are empowered and supported. Our initiatives aim to improve their quality of life, ensuring they feel valued and integrated within the community.

Initiatives	What We Did	Investment/Impact/Beneficiaries
<p>Spreading the Joy of Christmas to Terminally Ill Children under National Cancer Society of Malaysia.</p>	<p>At the Children’s Home of Hope in KL, we set up a play area with educational board games and hosted a Hi-Tea with the children and their families, accompanied by a Santa Claus clown. Special Christmas gifts were provided for each child.</p> <p>Similarly, at the Caritas Home of Hope in Ipoh, we created a play area with educational board games. Volunteers from our Perak branches also spent time with these children.</p>	<ul style="list-style-type: none"> ➤ Total Funds Raised: RM5,815.00 ➤ Total Beneficiaries: 43 children ➤ Total Volunteers: 8
<p>Welcoming the Year of Dragon with Senior Citizens</p>	<p>We reached out to the senior citizens aged 60 to 95 years old at Silver Jubilee Home in Penang. We visited senior citizens aged 60 to 95 years old at Silver Jubilee Home in Penang and donated two 65” Smart TV units and two carrom boards.</p>	<ul style="list-style-type: none"> ➤ Total Funds Raised: RM7,697.11 ➤ Total Beneficiaries: 140 residents ➤ Total Volunteers: 25
<p>The Flawed Beauty, Flawless Prosperity,” Yee Sang boxes in collaboration with TLFP</p>	<p>We created unique Yee Sang boxes made with less than perfect ingredients and delivered to selected Old Folks homes and orphanages.</p>	<ul style="list-style-type: none"> ➤ Total Beneficiaries: 10 old folks’ homes and orphanages in Klang Valley

Driven by:

- Group CSR and Sponsorships
- Financial Industry Collective Outreach (FINCO)
- Sustainability
- Festive Staff Donations

FUTURE OUTLOOK

Community empowerment is central to our efforts to create positive social impact. Advocating sustainable practices and empowering communities, demonstrates our commitment to advancing humanity and building meaningful, long-term relationships. We at AmBank Group are committed to continue our efforts to support our communities and the nation at large.

APPENDIX



- Sustainability Performance Data
- Bursa Malaysia ESG Platform: Sustainability Performance Table
- Global Reporting Initiative (GRI) Content Index
- Task Force On Climate-Related Financial Disclosures (TCFD)
- Statement Of Independent Assurance

Sustainability Performance Data

RESPONSIBLE FINANCING & BUILDING CLIMATE RESILIENCE

M1

Disbursement Amount of Green Loans/Financing			
Green Financing	FY2022	FY2023	FY2024
Total disbursement amount of green loans/financing (RM million)	3,715	1,938	3,022

Overall Sukuk Performance			
Sukuk	FY2022	FY2023	FY2024
Total value of Sukuk issued (RM million)	8,707	10,453	9,166
Rank for Overall Malaysian Bonds/Sukuk	4	4	4

CUSTOMER EXPERIENCE & SATISFACTION

M2

Overall Customer Satisfaction			
	FY2022	FY2023	FY2024
Customer Satisfaction Score (CSAT) (%)	79	78	81
Net Promoter Score (first ranking)	+19	+20	+27
Total Customer Compliments*	–	6,029	24,531
Customer Compliments from Branches*	–	5,298	21,822

* Data for FY2022 are not available.

Customer-related Training			
	FY2022	FY2023	FY2024
Number of employees trained on consumer financial protection	888	3,921	7,610

Assessment on Products and Services			
	FY2022	FY2023	FY2024
Incidents of non-compliance concerning marketing communications	0	0	0

Customer Complaints			
	FY2022	FY2023	FY2024
Number of customer complaints	2,119	2,229	1,139
Number of customer complaints resolved	2,119	2,229	1,124

Sustainability Performance Data

DIGITAL INNOVATION

M3

AmOnline			
	FY2022	FY2023	FY2024
Registered users	1,401,867	1,565,513	1,804,470
Increase in registered users year-on-year (%)	13	12	15
Average number of online transactions (monthly) (million)	87	89	107
Percentage of online transactions (%)	83	82	84

AmAccess Biz			
	FY2022	FY2023	FY2024
Number of total registered companies	27,235	39,029	46,743
Number of total registered companies using the platform	16,516	22,970	26,408
The average volume of monthly transactions	1,711,220	4,421,262	6,335,247
Value of monthly transactions (RM million)	20,566	50,567	73,074
Total transactions from Digital Tokens (%)	68	68	65
Total deposits supported by AmAccess Biz (RM million)	4,052	6,969	8,313

CYBERSECURITY & DATA PRIVACY

M4

Cybersecurity Resilience			
	FY2022	FY2023	FY2024
Fines or penalties related to cybersecurity (RM)	0	0	0

Data Privacy Incidents			
	FY2022	FY2023	FY2024
Number of complaints received and resolved on customer data and privacy*	12	15	24
Total number of identified leaks, theft or losses of customer data	8	8	3

* Complaints were received through various channels (contact centre, email, and etc). The majority of the complaints in FY2024 were related to customers receiving calls from third parties offering loans and financing facilities.

FINANCIAL INCLUSION

M5

Empowering SMEs			
	FY2022	FY2023	FY2024
Total loans/financing disbursed to the SME sector (RM billion)	24.9	26.7	27.4
Percentage of Group's total loan portfolio made up of SMEs (%)	20.8	20.5	21.0
Number of businesses trained at AmBank BizCLUB	10,619	11,088	12,361
Number of businesses that participated in BizCONFERENCE	5,382	8,217	8,632
Number of businesses that participated in BizRACE	2,645	4,013	4,826

Other initiatives for Community Benefits			
	FY2022	FY2023	FY2024
Total loans/financing disbursed affordable housing loans/financing schemes for homes (e.g PR1MA SPEF; Skim Rumah Pertamaku) (RM million)	3,235	4,624	5,623
Total number of homes purchased	15,836	20,552	24,913
Total disbursement for auto financing to B40 communities* (RM million)	–	1,211	1,048
Total number of vehicles purchased*	–	20,552	18,207

* Data for FY2022 are not available.

INTEGRITY AND PREVENTING FINANCIAL CRIME

M6

Communication and Training on Anti-Bribery and Corrupt Practices (ABCP) Policy and Procedures – Board Members (in Numbers and %)			
	FY2022	FY2023	FY2024
Number of Board members that ABCP policy and procedures have been communicated to	9	9	9
Number of Board members that have received training on ABCP policy and procedures	9	9	9
Percentage of Board members that ABCP policy and procedures have been communicated to	100	100	100
Percentage of Board members that have received training on ABCP policy and procedures	100	100	100

Communication and Training on Anti-Bribery and Corrupt Practices (ABCP) Policy Procedures – Employees (in Numbers and %)			
	FY2022	FY2023	FY2024
Percentage of employees that ABCP policy and procedures have been communicated to	100	100	100
Percentage of employees that have received training on ABCP policy and procedures			
Top Management	0.2	0.2	0.2
Senior Management	2.0	3.8	3.7
Mid Management	14.6	15.8	16.0
Junior Management	83.2	67.0	67.8
Non-Management	0.0	13.2	12.3

Note: Data represents all employees, including employees who have left AmBank Group during the financial year.

Sustainability Performance Data

Confirmed Incidents of Corruption and Actions Taken			
	FY2022	FY2023	FY2024
Number of Complaints and Grievances Reported Through the Whistleblower Channel	7	4	16
Total percentage of operations assessed for risks related to corruption	100	100	100
Confirmed incidents of corruption and action taken	0	0	0
Significant risks related to corruption identified through the risk assessment	0	0	0
Total number of confirmed incidents in which employees were dismissed or disciplined for corruption	0	0	0
Total number of confirmed incidents when contracts with business partners were terminated or not renewed due to violations related to corruption	0	0	0
Public legal cases regarding corruption brought against the organisation or its employees during the reporting period and the outcomes of such cases	0	0	0

Governance and Ethics			
	FY2022	FY2023	FY2024
Scoring for Governance-related disclosures in MSCI	7.1/10.0	6.4/10.0	7.6/10
Scoring for Governance-related disclosures in FTSE4Good	4.3/5.0	4.3/5.0	5.0/5.0
Number of political contributions	0	0	0

Communication and Training on Anti-Bribery and Corrupt Practices (ABCP) Policy and Procedures – Business Partners			
	FY2023	FY2024	
Estimated number of business partners that AmBank Group's ABCP policy and procedures have been communicated to	363	330	
Percentage of business partners that AmBank Group's ABCP policy and procedures have been communicated to	100%	100%	

Internal Audit Reviews Conducted and Ratings			
	FY2022	FY2023	FY2024
Strong (%)	10	9	8.9
Satisfactory (%)	86	88	88.1
Weak (%)	3	3	2.6
Unsatisfactory (%)	1	0	0.4
Number of Internal Audits Conducted	306	277	249

ENHANCING EMPLOYEE WELL-BEING

M7

OSH Training			
	FY2022	FY2023	FY2024
Number of employees trained on OSH	353	383	433
Number of training sessions	8	10	15
Investment in OSH training (RM '000)	65	80	150

Key OSH Training Topics in FY2024	
Training Topics	Participants
Effective OSH Committee Roles & Responsibility	107
Musculoskeletal Disorder (MSD) & Ergonomic	19
Basic Occupational First Aid, CPR & AED	102
OSH Co-Ordinator	78
Basic Fire Fighting, Emergency Response Plan & Preparedness	55
Top Management Committee under OSH Amendment Act 2022	26
Safe Handling of Chemicals	24
Safe Handling of Motorcycle Riding	22

Work-related Injuries			
	CY2021	CY2022	CY2023
Total Employee (TE)	9,926	9,736	7,383
Manpower Worked (8x26x12xTE)	24,775,296	24,301,056	18,427,344
Accidents			
Total number of accidents	3	0	5
Accidents with fatality	0	0	0
Fatality rate	0	0	0
Accidents with lost workdays	3	0	5
Lost Time Injury Frequency Rate (LTIFR)	0.12	0	0.27
Incidents			
Total Lost Workdays Due to Incidents	220	0	79
Fatality as a result of work-related ill health	0	0	0
Lost Time Injury Incident Rate (LTIIIR)	0.30	0	0.68
Accident without Lost Workdays	0	0	0

Note:

- Data does not cover contract workers and this data reported according to Calendar Year (CY) to align with Department of Occupational Safety and Health (DOSH) reporting requirements.
- AmBank Group utilises a different formula from Bursa Malaysia for calculating LTIFR. Instead of using 200,000 worked hours, we use 1,000,000 worked hours, aligning with DOSH requirements under JKKP 8 form.

Sustainability Performance Data

OSH Meetings in CY2023 chaired by Group Chief Human Resources Officer, Rohani Mustafa as Group OSH Chairperson:

1. 23 March 2023	2. 13 June 2023	3. 9 September 2023	4. 9 January 2024
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DOSH audited the group's premises in CY2023. Satisfactory safety and health ratings were accorded to the following branches which were audited:

No	Branch	Region	Grade
1	Labuan	Sabah	A
2	Ipoh GreenTown	Perak	A
3	Taiping	Perak	A
4	Bentong	East Coast	A
5	Raub	East Coast	A
6	Damanasara Utama	Klang Valley	A
7	Bangsar Baru	Klang Valley	A
8	Desa Sri Hartamas	Klang Valley	A
9	Kepong Baru	Klang Valley	A

Employee Engagement Index (EEI) Results

	FY2022	FY2023	FY2024
Participation Rate	96%	98%	98%
Engagement Mean	78%	86%	89%
Engagement Ratio (Engaged:Neutral:Disengaged)	35:57:8	58:37:5	67:29:4

DEVELOPING OUR PEOPLE

M8

Total Number of Training Hours by Working Level and Average Training Hours by Gender

	CY2021	CY2022	CY2023
Top Management	706	764	994
Senior Management	17,199	14,134	32,498
Mid Management	84,887	57,673	158,668
Junior Management	315,152	228,701	651,528
Non-Management	43,034	22,506	96,967
Total	460,977	323,778	940,655
Average number of training hours	54	38	104
Male			
Top Management	52	22	61
Senior Management	61	54	108
Mid Management	66	47	115
Junior Management	52	41	105
Non-Management	36	20	95
Average Male	53	41	105
Female			
Top Management	59	25	81
Senior Management	69	53	108
Mid Management	73	45	111
Junior Management	54	38	101
Non-Management	41	22	89
Average Female	55	37	102

Note: Data is based on calendar year (CY) to align with our report to BNM.

Sustainability Performance Data

Total Training Hours Completed by Entity and Working Level			
	CY2021	CY2022	CY2023
AmBank (M) Bhd			
Top Management	589	625	799
Senior Management	14,763	12,313	28,240
Mid Management	76,360	52,273	143,493
Junior Management	299,741	219,486	623,797
Non-Management	42,096	21,845	94,658
Total	433,549	306,542	890,987
AmBank Islamic Bhd			
Top Management	58	109	118
Senior Management	296	372	773
Mid Management	2,913	1,599	5,480
Junior Management	4,384	1,355	6,069
Non-Management			–
Total	7,651	3,435	12,440
AmInvestment Bank Bhd			
Top Management	59	31	78
Senior Management	2,141	1,449	3,485
Mid Management	5,614	3,801	9,695
Junior Management	11,025	7,860	21,662
Non-Management	938	660	2,309
Total	19,777	13,801	37,229

Note: Data is based on calendar year (CY) to align with our report to BNM.

Total Training Hours Completed by Entity and Working Level			
	CY2021	CY2022	CY2023
Training and development Expenditure (RM)	17,661,348	19,666,577	17,621,975

Note: Data is based on calendar year (CY) to align with our report to BNM.

Total Number of Employees Trained by Entity and Working Level			
	CY2021	CY2022	CY2023
AmBank (M) Bhd			
Top Management	11	18	11
Senior Management	223	223	254
Mid Management	1,095	1,131	1,268
Junior Management	5,671	5,559	6,028
Non-Management	1,050	1,031	1,011
Total	8,050	7,962	8,572
AmBank Islamic Bhd			
Top Management	1	7	1
Senior Management	5	6	7
Mid Management	31	30	31
Junior Management	44	43	43
Non-Management	–	–	–
Total	81	86	82
AmInvestment Bank Bhd			
Top Management	1	8	1
Senior Management	39	35	40
Mid Management	89	94	103
Junior Management	232	227	231
Non-Management	31	31	31
Total	392	395	406

Note: Data is based on calendar year (CY) to align with our report to BNM.

Sustainability Performance Data

Total Number of Employees Trained by Learning Type and Working Level

Leadership			
Top Management	–	2	11
Senior Management	29	97	202
Mid Management	44	327	399
Junior Management	46	465	449
Non-Management	–	25	15
Total	119	916	1,076
Soft Skill			
Top Management	–	13	10
Senior Management	2	240	222
Mid Management	26	964	1,026
Junior Management	34	2,901	3,487
Non-Management	–	259	296
Total	62	4,377	5,041
Technical			
Top Management	13	13	12
Senior Management	267	264	290
Mid Management	1,215	1,257	1,327
Junior Management	5,947	5,865	5,887
Non-Management	1,081	1,041	1,062
Total	8,523	8,440	8,578

Development Programmes

	CY2021	CY2022	CY2023
Leadership			
No. of Participating Emp. (Attended Programme)	119	916	1,076
Total Training Hours Completed	1,518	15,762	25,955
No. of Training Hours (Talent Programmes)	1,099	8,634	16,483
No. of Training Hours (Other Programmes)	419	7,128	9,472
Talent Promoted (%)	33	35	28
Mission Critical Positions (MCP) and Successor Development			
MCP: Successor Ratio	1 MCP: 4.6	1 MCP: 4.7	1 MCP: 4.3
Key Positions with Successors (%)	100	100	100

Note: Data is based on calendar year (CY) to align with our report to BNM.

Performance and Career Development Review by Working Level in FY2024						
	Top Management	Senior Management	Mid Management	Junior Management	Non Management	Total
Number of employees who received a regular performance and career development review	12	285	1,252	5,082	1,064	7,695
% of employees who received a regular performance and career development review (Denominator: number of employees in each working level)	100	100	100	100	100	100

Talent Engagement			
	FY2022	FY2023	FY2024
Employee Engagement Index (EEI)			
Talent	4.17	4.26	4.46
Number of participants joining talent programmes			
<i>LEAP</i>	–	12	31
<i>ELP</i>	26	34	46
<i>BATMAN</i>	23	–	21
Talent Retention Rate (%)	86	92	93
Evaluation result from post-completion of talent programmes (%)	–	91	92

Sustainability Performance Data

DRIVING DIVERSITY, EQUITY & INCLUSION

M9

Note: Employee data for FY2023 and FY2024 excludes Life Insurance and Family Takaful Businesses.

Number of Employees by Gender			
	FY2022	FY2023	FY2024
Male	3,476	3,045	2,929
Female	5,815	4,873	4,766
Total	9,291	7,918	7,695

Percentage of Employees by Working Level by Gender (%)			
	FY2022	FY2023	FY2024
Male			
Top Management	66.7	75.0	75.0
Senior Management	58.0	57.8	56.8
Mid Management	49.0	49.3	48.6
Junior Management	35.3	36.6	36.0
Non-Management	31.6	30.1	30.1
	37.4	38.5	38.1
Female			
Top Management	33.3	25.0	25.0
Senior Management	42.0	42.2	43.2
Mid Management	51.0	50.7	51.4
Junior Management	64.7	63.4	64.0
Non-Management	68.4	69.9	69.9
	62.6	61.5	61.9

Percentage of employees by employment contract, by gender (%)			
	FY2022	FY2023	FY2024
Permanent employees	98.6	99.4	99.5
Male	36.8	38.1	37.8
Female	61.8	61.3	61.7
Fixed term or temporary contract employees	1.4	0.6	0.5
Male	0.6	0.4	0.3
Female	0.8	0.2	0.2
Total	100	100	100

Percentage of Employees by Business Unit (%)

	FY2022	FY2023	FY2024
Male			
AmAssurance-General	36.6	n/a	n/a
Business Banking	43.0	44.0	46.1
Investment Banking (incl. Subsidiaries)	50.4	52.2	49.9
Islamic Banking	46.8	47.4	48.7
Retail Banking	33.8	34.7	33.6
Wholesale Banking	44.8	47.9	45.1
Group Information & Ops Div	40.9	42.1	42.4
Group Shared Services	37.4	37.3	37.7
	37.4	38.5	38.1
Female			
AmAssurance-General	63.4	n/a	n/a
Business Banking	57.0	56.0	53.9
Investment Banking (incl. Subsidiaries)	49.6	47.8	50.1
Islamic Banking	53.2	52.6	51.3
Retail Banking	66.2	65.3	66.4
Wholesale Banking	55.2	52.1	54.9
Group Information & Ops Div	59.1	57.9	57.6
Group Shared Services	62.6	62.7	62.3
	62.6	61.5	61.9

Percentage of Employees by Age and Working Level (%)

	FY2022	FY2023	FY2024
Under 30 years old			
Top Management	0.0	0.0	0.0
Senior Management	0.0	0.0	0.0
Mid Management	0.2	0.3	0.3
Junior Management	94.0	96.4	97.9
Non-Management	5.8	3.3	1.8
	14.4	13.9	12.5
30-50 years old			
Top Management	0.1	0.1	0.1
Senior Management	2.4	2.9	3.0
Mid Management	14.8	16.4	17.8
Junior Management	66.6	65.0	63.8
Non-Management	16.1	15.6	15.3
	69.3	69.0	68.8
Over 50 years old			
Top Management	0.5	0.5	0.6
Senior Management	8.1	9.0	8.9
Mid Management	23.0	23.0	21.4
Junior Management	56.5	53.0	52.8
Non-Management	11.9	14.5	16.3
	16.3	17.1	18.7

Sustainability Performance Data

Percentage of Employees by Years of Service (%)			
	FY2022	FY2023	FY2024
Male			
Less than 2 years	44.9	48.3	48.5
> 2-5 years	40.7	41.2	43.0
> 5-10 years	34.2	37.1	38.0
> 10-15 years	33.8	32.1	31.0
> 15-20 years	28.4	26.3	25.8
> 20 years	37.2	36.8	34.7
	37.4	38.5	38.1
Female			
Less than 2 years	55.1	51.7	51.5
> 2-5 years	59.3	58.8	57.0
> 5-10 years	65.8	62.9	62.0
> 10-15 years	66.2	67.9	69.0
> 15-20 years	71.6	73.7	74.2
> 20 years	62.8	63.2	65.3
	62.6	61.5	61.9

High Performer Retention Rate (%)			
	FY2022	FY2023	FY2024
Top Management	92.3	100.0	100.0
Senior Management	94.4	95.4	92.6
Mid Management	94.7	93.7	94.4
Junior Management	94.9	95.4	95.0
Non-Management	99.3	99.2	99.4
Overall	95.5	95.7	95.4

Employee Turnover by Working Level (%)

	FY2022	FY2023	FY2024
Voluntary			
Top Management	15.4	8.3	8.3
Senior Management	12.8	8.9	11.3
Mid Management	14.0	14.1	12.7
Junior Management	16.8	21.2	19.2
Non-Management	2.7	2.3	1.0
Overall Voluntary Turnover	14.3	17.0	15.4
Involuntary			
Top Management	0.0	0.0	0.0
Senior Management	0.0	0.0	0.7
Mid Management	0.3	0.2	0.2
Junior Management	0.4	0.7	1.3
Non-Management	0.5	0.2	0.2
Overall Involuntary Turnover	0.4	0.5	1.0
Overall turnover (data of voluntary and involuntary)	14.7	17.5	16.4
Employee Turnover Rate by Gender (%)			
Male	17.7	20.0	20.7
Female	12.9	16.0	13.7
Employee Turnover Rate by Age Group (%)			
<30 years	39.2	42.6	37.4
30 – 45 years	13.2	17.4	13.9
Above 45 years	8.0	8.8	11.5
Employee Turnover Rate by Region (%)			
Peninsular	14.8	17.5	16.1
Sabah	11.1	20.9	14.0
Sarawak	13.9	15.6	2.9

Employees by Employment Contract (Number and %)

	FY2022	FY2023	FY2024
Contract			
Male	0.6	0.4	0.3
Female	0.8	0.2	0.2
Permanent			
Male	36.8	38.1	37.8
Female	61.8	61.3	61.7

Sustainability Performance Data

Number of Contract Staff			
	FY2022	FY2023	FY2024
Number of Contract Staff	126	45	39

New Hires by Category (%)			
	FY2022	FY2023	FY2024
Total number of new hires	1,158	1,351	1,056
Age Group			
< 30 years	42.9	39.8	41.7
30 – 45 years	49.3	53.3	50.2
> 45 years	7.8	6.9	8.1
Gender			
Male	45.3	48.6	47.7
Female	54.7	51.4	52.3
Region			
Peninsular	94.2	92.5	95.0
Sabah	1.9	3.3	1.6
Sarawak	3.9	4.2	3.4

Diversity of Members of the Board (Number and %)*			
	FY2022	FY2023	FY2024
Gender			
Male			
Number	6	6	6
%	67	67	67
Female			
Number	3	3	3
%	33	33	33
Age			
Below 50 years			
Number	0	0	0
%	0	0	0
50 – 60 years			
Number	3	2	2
%	33	22	22
Over 60 years			
Number	6	7	7
%	67	78	78

* This information is as of 31 March 2024

Diversity of Employees by Race and Gender (%)

	FY2022	FY2023	FY2024
Overall			
Malay	48.0	47.4	47.2
Chinese	40.3	41.1	41.3
Indian	8.9	8.4	8.5
Others	2.8	3.1	3.0
Total	100.0	100.0	100.0
Male			
Malay	36.8	37.6	37.1
Chinese	37.5	38.9	38.8
Indian	41.5	41.3	40.3
Others	34.6	37.5	37.3
Total Male	37.4	38.5	38.1
Female			
Malay	63.2	62.4	62.9
Chinese	62.5	61.1	61.2
Indian	58.5	58.7	59.7
Others	65.4	62.5	62.7
Total Female	62.6	61.5	61.9

Diversity of Employees by Age and Gender (%)

	FY2022	FY2023	FY2024
Overall			
< 20 years	0.1	0.1	0.0
20-25 years	2.4	3.6	3.0
26-30 years	12.3	13.4	12.3
31-35 years	16.7	16.9	15.9
36-40 years	18.7	18.8	18.7
41-45 years	17.7	17.3	18.1
46-50 years	15.9	15.5	15.9
> 50 years	16.2	14.4	16.1
Total	100.0	100.0	100.0
Male			
< 20 years	0.0	0.0	0.0
20-25 years	43.2	43.3	42.4
26-30 years	40.3	43.2	44.3
31-35 years	36.5	39.1	40.0
36-40 years	34.7	35.1	35.8
41-45 years	32.0	32.0	32.7
46-50 years	37.5	37.6	35.6
> 50 years	44.3	45.2	41.7
Total Male	37.4	38.5	38.1

Sustainability Performance Data

Diversity of Employees by Age and Gender (%)

	FY2022	FY2023	FY2024
Female			
< 20 years	100.0	100.0	0.0
20-25 years	56.8	56.7	57.6
26-30 years	59.7	56.8	55.7
31-35 years	63.5	60.9	60.0
36-40 years	65.3	64.9	64.2
41-45 years	68.0	68.0	67.3
46-50 years	62.5	62.4	64.4
> 50 years	55.7	54.8	58.3
Total Female	62.6	61.5	61.9

Number of Vulnerable Employment Group and Gender (Number)

	FY2022	FY2023	FY2024
Male			
Blind	2	1	2
Deaf	0	0	0
Limb loss	1	1	1
Walk with limited ability	0	0	0
Total Male	3	2	3
Female			
Blind	3	3	3
Deaf	1	0	0
Limb loss	0	0	0
Walk with limited ability	1	0	0
Total Female	5	3	3

Internal Promotion Rate by Gender and Working Level (%)

	FY2022	FY2023	FY2024
Male			
Top Management	0.0	0.0	0.0
Senior Management	21.9	15.3	11.7
Mid Management	8.6	11.7	10.2
Junior Management	12.3	13.0	11.1
Non-Management	2.7	2.8	2.2
Overall	10.9	11.7	9.9

Internal Promotion Rate by Gender and Working Level (%)			
	FY2022	FY2023	FY2024
Female			
Top Management	0.0	0.0	0.0
Senior Management	17.2	18.5	11.4
Mid Management	12.0	14.8	10.9
Junior Management	10.4	12.4	11.6
Non-Management	2.0	1.8	2.3
Overall	9.4	11.2	10.0

Parental Leave by Gender (%)			
	FY2022	FY2023	FY2024
Parental leave, by gender			
Male	2.6	0.8	4.3
Female	4.0	2.9	3.6
Employees returning to work after parental leave ended, by gender			
Male	100.0	100.0	100.0
Female	100.0	100.0	98.8
Retention rates of employees that took parental leave, by gender			
Male	90.0	87.8	91.4
Female	88.8	86.5	84.8

Collective Bargaining Agreements and Trade Unions		
	FY2023	FY2024
Number of employees covered by collective bargaining agreements	2,865	2,847
% of employees covered by collective bargaining agreements	36%	37%

Human Rights			
	FY2022	FY2023	FY2024
Number of substantiated complains on human rights violations	0	0	0

Sustainability Performance Data

RESPONSIBLE CONSUMPTION



Scope 1

Scope 1 Emissions (tCO ₂ e)			
Total Scope 1 GHG Emissions (tCO ₂ e)	FY2022	FY2023	FY2024
AmBank	25	41	41
AmBank Islamic	4	6	6
AmInvestment Bank	12	23	18
Total	41	70	65

Scope 1 Actual vs. Baseline Emissions			
	FY2022	FY2023	FY2024
Total Scope 1 Emissions	41	70	65
Variance against 2019* (%)	-66%	-43%	-47%

Note: Our FY2019 Scope 1 Emissions Baseline is 122 tCO₂e

Type of Vehicles			
	FY2022	FY2023	FY2024
Total Number of Vehicles	27	24	24
Non-Hybrid Vehicles	24	21	21
Hybrid Vehicles	3	3	3

Emissions from Vehicle Fleet			
	FY2022	FY2023	FY2024
GHG Emission from Petrol Consumption (tCO ₂ e)	41	70	65
Petrol Consumption Per Year (Litres)	18,077	30,792	27,718

Scope 2

Scope 2 Actual vs. Baseline Emissions			
	FY2022	FY2023	FY2024
Total	18,703	16,806	17,368
Variance against 2019 (%)	-14%	-22%	-20%

Note:

- Our 2019 Scope 2 Emissions Baseline is 21,638 tCO₂e.
- We revised Scope 2 and Scope 3 calculations to capture more comprehensive emissions data for Scope 2 and included our waste-generated emissions as well as employee mileage claims for Scope 3. This adjustment, using the latest emission factors (Grid Emission Factor 2021 & The Department for Environment, Food and Rural Affairs (DEFRA) 2023), provides a more accurate representation of AmBank Group's GHG emissions.

Scope 2 GHG Emissions for Head Office Buildings (tCO ₂ e)			
	FY2022	FY2023	FY2024
Menara AmBank, Jalan Yap Kwan Seng (MAB)	1,527	1,252	1,652
Bangunan AmBank Group, Jalan Raja Chulan (BAG)	1,231	818	985
Damansara Fairway 3 (DF3)	2,966	2,958	3,033
Wisma AmFirst, Kelana Jaya (WAF)	898	612	707
Wisma AmBank, Jalan Pudu (WAB)*	156	90	-
Total	6,778	5,730	6,377

* WAB was disposed in January 2023, hence not in operation anymore. All staffs were transferred to MAB & BAG & WAF.

Electricity (kWh)			
	FY2022	FY2023	FY2024
Electricity consumed from external provider	22,931,083	4,850,428	17,406,681
Electricity generated from renewable source	86,019	81,850	82,628
Electricity purchased from renewable source	4,248,987	19,330,539	7,488,720
Total	27,266,089	24,262,817	24,978,029

Sustainability Performance Data

Electricity Consumption based on Head Office Buildings (kWh)

Head Office Buildings	FY2022	FY2023	FY2024
Menara AmBank, Jalan Yap Kwan Seng (MAB)	2,014,918	1,651,993	2,180,318
Bangunan AmBank Group, Jalan Raja Chulan (BAG)	1,623,701	1,078,851	1,299,202
Damansara Fairway 3 (DF3)	3,912,713	3,902,277	4,001,239
Wisma AmFirst, Kelana Jaya (WAF)	1,184,257	807,676	932,504
Wisma AmBank, Jalan Pudu (WAB)*	206,680	118,694	–
Total	8,942,269	7,559,491	8,413,263

* WAB was disposed in January 2023, hence not in operation anymore. All employees were transferred to MAB, BAG & WAF.

Electricity Consumption for Head Office Buildings (kWh/FTE)

Head Office Buildings	FY2022	FY2023	FY2024
Menara AmBank, Jalan Yap Kwan Seng (MAB)	925	768	1,059
Bangunan AmBank Group, Jalan Raja Chulan (BAG)	947	737	867
Damansara Fairway 3 (DF3)	22,358	20,115	21,059
Wisma AmFirst, Kelana Jaya (WAF)	1,200	634	672
Average (kWh/FTE)	1,640	1,487	1,639

Total Energy Consumption for Main Buildings and Branches

	FY2022				FY2023				FY2024			
	(RM'000)	(kWh)	(kWh/FTE)	(tCO ₂ e)	(RM'000)	(kWh)	(kWh/FTE)	(tCO ₂ e)	(RM'000)	(kWh)	(kWh/FTE)	(tCO ₂ e)
Main Buildings	4,129	8,942,269	1,640	6,778	3,942	7,559,491	1,487	5,730	4,722	8,413,263	1,639	6,377
Branches	8,689	18,323,820	9,402	11,925	8,652	16,703,326	7,846	11,077	8,387	16,564,766	6,522	10,991
Total	12,818	27,266,089		18,703	12,594	24,262,817		16,806	13,109	24,978,029		17,368

Scope 3

Scope 3 GHG Emissions (tCO ₂ e) by Category			
	FY2022	FY2023	FY2024
Business Travel (Air travel)	34.00	262.00	180.00
Employee Travel (Mileage)	461.00	329.00	1,035.00
Outsourced Shuttle Services for Employees	34.00	285.00	16.00
Waste Generated	0.41	0.54	0.39
Total	529.41	876.54	1,231.39

Scope 3 Actual vs. Baseline Emissions			
	FY2022	FY2023	FY2024
Total	529.41	876.54	1,231.4
Variance against 2019 (%)	25%	107%	190%

Note: Our 2019 Scope 3 Emissions Baseline is 424 tCO₂e

Paper Usage Reduction			
	FY2022	FY2023	FY2024
Reduction in paper consumption (%)	31%	1%	20%

Waste Management			
Recovery Value (RM)	FY2022	FY2023	FY2024
Total Paper Waste Recycled by Third-Party Vendor	3,231	4,757	2,888

Hazardous Waste: e-Waste (metric tonne)	
	FY2024
Total e-Waste Collected	6.47

Note: Tracking of hazardous waste started in FY2024.

Sustainability Performance Data

Waste Production by Type									
Type of Waste	FY2022			FY2023			FY2024		
	Waste generated (kg)	Waste diverted from disposal (kg)	Waste directed to disposal (kg)	Waste generated (kg)	Waste diverted from disposal (kg)	Waste directed to disposal (kg)	Waste generated (kg)	Waste diverted from disposal (kg)	Waste directed to disposal (kg)
Hazardous Waste									
e-Waste	–	–	–	–	–	–	6,468	5,289	–
Non-Hazardous Waste									
Paper	11,271	11,271	0	15,391	15,391	0	9,213	9,213	0
Other* (specified below)	1,927	1,927	0	2,414	2,414	0	1,858	1,858	0
Total	13,198	13,198	0	17,805	17,805	0	17,539	16,360	0

* Plastics, cardboard, can and metal.

Recycled Waste by Type			
Recycle Waste (kg) and (tCO ₂ e), by type	FY2022	FY2023	FY2024
Plastic			
Kg	200	302	437
tCO ₂ e	0.0440	0.0660	0.0961
Paper			
Kg	11,271	15,391	9,213
tCO ₂ e	0.2460	0.3260	0.1939
Cardboard			
Kg	1,674	2,031	1,321
tCO ₂ e	0.1170	0.1420	0.0925
Can			
Kg	43	81	100
tCO ₂ e	0.0030	0.0050	0.0060
Metal			
Kg	10	–	–
tCO ₂ e	0.0020	–	–
Total			
Kg	13,198	17,805	11,071
tCO ₂ e	0.4100	0.5390	0.3885

Overall Emissions

Total GHG Emissions (tCO ₂ e)			
	FY2022*	FY2023*	FY2024
Scope 1	41	70	65
Scope 2	18,703	16,806	17,368
Scope 3	529	877	1,231
Total GHG Emission	19,273	17,753	18,664

* We revised Scope 2 and Scope 3 calculations to capture more comprehensive emission data for Scope 2 and included our waste-generated emissions as well as employee mileage claims for Scope 3. This adjustment, using the latest emission factors (Grid Emission Factor 2021 & The Department for Environment, Food and Rural Affairs (DEFRA) 2023), provides a more accurate representation of AmBank Group's GHG emissions.

Carbon Reduction Initiatives and Solar Power Produced by Solar Panel at DF3 (tCO ₂ e)			
	FY2022	FY2023	FY2024
Carbon reduction initiatives	1,574	13,682	4,388
Solar Power Produced by Solar Panel at DF3	65	62	63
Total	1,639	13,744	4,451

Overall GHG Emissions and Reduction			
	FY2022	FY2023	FY2024
Net GHG Emission (tCO ₂ e)	17,634	4,009	14,213
Variance against 2019 (%)	-21%	-82%	-36%

Our 2019 GHG Emissions Baseline is 22,184 tCO₂e

GHG Intensity (tCO ₂ e/RM million)			
	FY2022	FY2023	FY2024
GHG Intensity	4.4	4.0	4.1

Energy Consumption (MJ)			
	FY2022	FY2023	FY2024
Energy Consumption	8,192,147	7,792,758	7,886,297
Total Electricity consumed from external provider	7,573,914	6,739,672	6,938,341
Total Petrol consumed from vehicle fleet	618,233	1,053,086	947,956

Water

Water Consumption (megalitres)			
	FY2022	FY2023	FY2024
Water consumption	64.3	73.6	72.8

Sustainability Performance Data

RESPONSIBLE PROCUREMENT



General Supplier Data				
		FY2022	FY2023	FY2024
Breakdown of Suppliers				
Local Suppliers		1,866	1,136	1,075
International Suppliers		102	98	110
Total		1,968	1,234	1185
Economic Contribution to Suppliers				
Local Suppliers	(RM million)	1,069.6	656.0	565.8
	(%)	91.3	89.6	85.6
International Suppliers	(RM million)	101.4	76.0	95.3
	(%)	8.7	10.4	14.4
Total	(RM million)	1,171.0	732.0	661.1
	(%)	100	100	100

ESG Screening and Impact				
		FY2022	FY2023	FY2024
Total number of new suppliers screened using environmental and social criteria		119	68	115
Percentage of new suppliers screened using environmental and social criteria (%)		100	100	100
Cases of human rights impact across the supply chain		0	0	0

SUPPORTING COMMUNITIES



Employee Volunteerism			
AmCare	FY2022	FY2023	FY2024
Total number of hours volunteered	–	–	4,364
Number of employees involved in volunteering	–	–	635

Note: AmCare started in FY2024.

Community Empowerment			
	FY2022	FY2023	FY2024
Total number of beneficiaries of the investment in communities	10,315	21,943	17,229
Total Investment for the Sustainability Initiatives (RM)	1,359,650	698,950	901,584

Zakat Contribution			
	FY2022	FY2023	
Zakat Contributions (RM million)		0.991	1.747
State Zakat Collection Centres		0.371	0.498
Community Programmes		0.620	1.249
iTekad			
Total disbursed amount (RM million)		0.180	0.400
Number of Beneficiaries – Customers		58 Asnaf	168 Asnaf
		microentrepreneurs	microentrepreneurs

Note: Figures for FY2024 zakat will be disclosed in the next report as the distribution will only happen in FY2025.

Bursa Malaysia ESG Platform: Sustainability Performance Table

Indicator	Measurement Unit	FY2022	FY2023	FY2024
Bursa (Anti-corruption)				
Bursa C1(a) Percentage of employees who have received training on anti-corruption by employee category				
Top Management	Percentage	0.2	0.2	0.2
Senior Management	Percentage	2.0	3.8	3.7
Mid Management	Percentage	14.6	15.8	16.0
Junior Management	Percentage	83.2	67.0	67.8
Non-Management	Percentage	0.0	13.2	12.3
Bursa C1(b) Percentage of operations assessed for corruption-related risks	Percentage	100	100	100
Bursa C1(c) Confirmed incidents of corruption and action taken	Number	0	0	0
Bursa (Community/Society)				
Bursa C2(a) Total amount invested in the community where the target beneficiaries are external to the listed issuer	MYR	1,359,650	698,950	901,584
Bursa C2(b) Total number of beneficiaries of the investment in communities	Number	10,315	21,943	17,229
Bursa (Diversity)				
Bursa C3(a) Percentage of employees by gender and age group, for each employee category				
Age Group by Employee Category				
Top Management Under 30	Percentage	0.0	0.0	0.0
Top Management Between 30-50	Percentage	0.1	0.1	0.1
Top Management Above 50	Percentage	0.5	0.5	0.6
Senior Management Under 30	Percentage	0.0	0.0	0.0
Senior Management Between 30-50	Percentage	2.4	2.9	3.0
Senior Management Above 50	Percentage	8.1	9.0	8.9
Mid Management Under 30	Percentage	0.2	0.3	0.3
Mid Management Between 30-50	Percentage	14.8	16.4	17.8
Mid Management Above 50	Percentage	23.0	23.0	21.4
Junior Management Under 30	Percentage	94.0	96.4	97.9
Junior Management Between 30-50	Percentage	66.6	65	63.8
Junior Management Above 50	Percentage	56.5	53	52.8
Non-Management Under 30	Percentage	5.8	3.3	1.8
Non-Management Between 30-50	Percentage	16.1	15.6	15.3
Non-Management Above 50	Percentage	11.9	14.5	16.3
Gender Group by Employee Category				
Top Management Male	Percentage	66.7	75.0	75.0
Top Management Female	Percentage	33.3	25.0	25.0
Senior Management Male	Percentage	58.0	57.8	56.8
Senior Management Female	Percentage	42.0	42.2	43.2
Mid Management Male	Percentage	49.0	49.3	48.6
Mid Management Female	Percentage	51.0	50.7	51.4
Junior Management Male	Percentage	35.3	36.6	36.0
Junior Management Female	Percentage	64.7	63.4	64.0
Non-Management Male	Percentage	31.6	30.1	30.1
Non-Management Female	Percentage	68.4	69.9	69.9
Bursa C3(b) Percentage of directors by gender and age group				
Male	Percentage	67	67	67
Female	Percentage	33	33	33
Below 50	Percentage	0	0	0
Between 50-60	Percentage	33	22	22
Above 60	Percentage	67	78	78

Indicator	Measurement Unit	FY2022	FY2023	FY2024
Bursa (Energy management)				
Bursa C4(a) Total energy consumption	MJ	8,192,147	7,792,758	7,886,297
Bursa (Health and safety)				
Bursa C5(a) Number of work-related fatalities	Number	0	0	0
Bursa C5(b) Lost time incident rate ("LTIR")	Rate	0.12	0	0.27
Bursa C5(c) Number of employees trained on health and safety standards	Number	353	383	433
Bursa (Labour practices and standards)				
Bursa C6(a) Total hours of training by employee category				
Top Management	Hours	706	764	994
Senior Management	Hours	17,199	14,134	32,498
Mid Management	Hours	84,887	57,673	158,668
Junior Management	Hours	315,151	228,701	651,528
Non-Management	Hours	43,034	22,506	96,967
Bursa C6(b) Percentage of employees that are contractors or temporary staff	Percentage	1.4	0.6	0.5
Bursa C6(c) Total number of employee turnover by employee category				
Top Management	Number	2	1	1
Senior Management	Number	37	25	32
Mid Management	Number	185	167	156
Junior Management	Number	1,095	1,134	1,002
Non-Management	Number	37	26	11
Bursa C6(d) Number of substantiated complaints concerning human rights violations	Number	0	0	0
Bursa (Supply chain management)				
Bursa C7(a) Proportion of spending on local suppliers	Percentage	91	90	86
Bursa (Data privacy and security)				
Bursa C8(a) Number of substantiated complaints concerning breaches of customer privacy and losses of customer data	Number	12	15	24
Bursa (Water)				
Bursa C9(a) Total volume of water used	Megalitres	64.3	73.6	72.8
Bursa (Waste Management)				
C10(a) Total waste generated, and a breakdown of the following:	Tonnes	13.20	17.81	17.54
(i) total waste diverted from disposal (recycled – Plastic, Paper, Cardboard, Can, Metal)		13.20	17.81	16.36
(ii) total waste directed to disposal		0	0	0
Bursa (Emission Management)				
C11(a) Scope 1 emissions in tonnes of CO ₂ e (fuel consumption)	tCO ₂ e	41	70	65
C11(b) Scope 2 emissions in tonnes of CO ₂ e (electricity consumption)*	tCO ₂ e	18,703	16,806	17,368
C11(c) Scope 3 emissions in tonnes of CO ₂ e (business travel, employee commuting, waste emissions)	tCO ₂ e	529	877	1,231

Global Reporting Initiative (GRI) Content Index

Statement of Use

AMMB Holdings Berhad has reported the information cited in this GRI content index for the period 1 April 2023 to 31 March 2024 (FY2024) with reference to the GRI Standards.

GRI 1 Used

GRI 1: Foundation 2021

GRI Standards

Brief Descriptions of the Disclosures

Reference Page

GRI 2: General Disclosures 2021

GRI Standards	Brief Descriptions of the Disclosures	Reference Page
2-1	Organisational details <i>Overview of AmBank Group. AMMB Holdings Berhad is headquartered in Kuala Lumpur, Malaysia, with a market capitalisation of RM14 billion as at 31 March 2024.</i>	Overview of AmBank Group, pages 8 to 9
2-2	Entities included in the organisation’s sustainability reporting <i>Basis of This Report. This Report covers information pertaining to our three main subsidiaries: AmBank (M) Berhad; AmBank Islamic Berhad; and AmInvestment Bank Berhad, unless otherwise stated.</i>	About this Report, page 0 to 1
2-3	Reporting period, frequency and contact point <i>Basis of This Report. This Report covers the financial year 1 April 2023 to 31 March 2024 (FY2024) unless otherwise specified and is reported annually. Contact Point: Group Sustainability at sustainability@ambankgroup.com</i>	About this Report, page 0 to 1
2-4	Restatements of information <i>Some data from previous years have been restated accordingly to reflect updated methodologies. Significant restatements are explained in the relevant sections where they appear.</i>	About this Report, page 0
2-5	External assurance <i>Statement of Independent Assurance. To ensure the reliability and credibility of our sustainability disclosures, SIRIM QAS International Sdn Bhd, has provided independent assurance on several critical areas of this report.</i>	About this Report, page 1
2-6	Activities, value chain and other business relationships <i>What We Do: Core Business Segments</i>	Overview of AmBank Group, pages 8 to 9
2-7	Employees <i>7,695 employees as of 31 March 2024</i>	Overview of AmBank Group, pages 8 to 9 Creating Value – Driving Diversity, Equity and Inclusion, page 90
2-8	Workers who are not employees <i>There were 39 contract staff as of 31 March 2024.</i>	Sustainability Performance Data, page 136

GRI Standards	Brief Descriptions of the Disclosures	Reference Page
2-9	<p>Governance structure and composition</p> <p><i>Our governance structure details clear roles and responsibilities in the AmBank Group Sustainability Framework to address Environmental (including climate-related), Social and Governance (“ESG”) matters.</i></p>	Sustainability Governance, page 28
2-10	<p>Nomination and selection of the highest governance body</p> <p><i>Nomination and selection of board members at AMMB Holdings Berhad is determined by the Group Nomination and Remuneration Committee (GNRC).</i></p>	Integrated Annual Report 2024: Group Nomination and Remuneration Committee Report, page 152
2-11	<p>Chair of the highest governance body</p> <p><i>AMMB Holdings Berhad is chaired by Tan Sri Md Nor bin Md Yusof, who is the Independent Non-executive Chairman and a Member of the Board.</i></p>	Integrated Annual Report 2024: Corporate Governance Overview Statement, pages 138 to 141
2-12	<p>Role of the highest governance body in overseeing the management of impacts</p> <p><i>The Board has overall accountability and responsibility for the Group’s sustainability/ ESG agenda and sustainability-related decision-making, including climate-related matters.</i></p>	Sustainability Governance, page 28
2-13	<p>Delegation of responsibility for managing impacts</p> <p><i>The Board is supported by the Group Sustainability and Climate Risk Council (GSCRC), which is chaired by the Group CEO. The Chief Sustainability Officer of AmBank Group is the Alternate Chairman of the council.</i></p>	Sustainability Governance, page 28
2-14	<p>Role of the highest governance body in sustainability reporting</p> <p><i>This Sustainability Report will be approved by AMMB Holdings Berhad’s Board of Directors.</i></p>	Sustainability Governance, page 28
2-15	<p>Conflicts of interest</p> <p><i>Conflict of interest of AMMB Board members will be disclosed in the Integrated Annual Report.</i></p>	Integrated Annual Report 2024: Corporate Governance Overview Statement, pages 138 to 151
2-16	<p>Communication of critical concerns</p> <p><i>The whistleblower escalation mechanism and whistleblower protection are detailed in the Sustainability Report.</i></p>	Creating Value – Conscious Self-Conduct: Integrity & Preventing Financial Crime, page 68
2-17	<p>Collective knowledge of the highest governance body</p> <p><i>The experience of AMMB Board members will be disclosed in the Integrated Annual Report.</i></p>	Integrated Annual Report 2024: Profile of the Board of Directors, pages 117 to 124
2-18	<p>Evaluation of the performance of the highest governance body</p> <p><i>Board evaluation and fit and proper assessment.</i></p>	Integrated Annual Report 2024: Corporate Governance Overview Statement, pages 138 to 151

Global Reporting Initiative (GRI) Content Index

GRI Standards	Brief Descriptions of the Disclosures	Reference Page
2-19	<p>Remuneration policies</p> <p><i>Board remuneration policies are detailed in the Group Nomination and Remuneration Committee Report.</i></p>	Integrated Annual Report 2024: Group Nomination & Remuneration Committee Report, pages 155 to 156
2-20	<p>Process to determine remuneration</p> <p><i>The Group's objectives and approach to remuneration are in the Group Nomination and Remuneration Committee Report.</i></p>	Integrated Annual Report 2024: Group Nomination & Remuneration Committee Report, page 160
2-21	<p>Annual total compensation ratio</p> <p><i>2% of top five total remuneration of management compared to 98% of total remuneration for the rest of the Group.</i></p>	Integrated Annual Report 2024: Group Nomination & Remuneration Committee Report, pages 155 to 159
2-22	<p>Statement on sustainable development strategy</p> <p><i>The Group's sustainability strategy is included in the leadership statements and our approach to sustainability.</i></p>	<p>Leadership Statement, page 5</p> <p>Integrated Annual Report 2024: Group Chief Executive Officer's Review, page 16</p>
2-23	<p>Policy commitments</p> <p><i>Key Sustainability policies and guidelines are detailed in the relevant material matters which include escalation of Violation of Human Rights and fundamental freedoms, Instances of potential greenwashing and Damage to the health and safety of persons or to the environment, which are specifically mentioned in the Whistleblower Protection Policy.</i></p>	<p>Sustainability at AmBank Group, page 10</p> <p>Sustainability at AmBank Group, page 10</p>
2-24	<p>Embedding policy commitments</p> <p><i>Sustainability considerations are incorporated in the relevant policies and guidelines to drive sustainability in our organisation and ensure that they are embedded in our business decision-making processes and strategies.</i></p>	<p>Leadership Statement, page 5</p> <p>Sustainability at AmBank Group, page 10</p> <p>Creating Value – Responsible Banking: Responsible Financing & Building Climate Resilience, page 35</p>
2-25	<p>Processes to remediate negative impacts</p> <p><i>We have in place the processes to remediate negative impacts including addressing grievances.</i></p>	Creating Value – Conscious Self-Conduct: Integrity & Preventing Financial Crime, page 68
2-26	<p>Mechanisms for seeking advice and raising concerns</p> <p><i>We have in place a Whistleblower Protection Policy and various grievance mechanisms to facilitate stakeholders to report any corruption or malpractices without fear of repercussion.</i></p>	<p>Creating Value – Conscious Self-Conduct: Integrity & Preventing Financial Crime, page 68</p> <p>Sustainable Performance Data, page 124</p>

GRI Standards	Brief Descriptions of the Disclosures	Reference Page
2-27	<p>Compliance with laws and regulations</p> <p><i>We do not have any incidents of non-compliance with laws and regulations during the reporting period.</i></p>	<p>Creating Value – Conscious Self-Conduct: Integrity & Preventing Financial Crime, page 67</p> <p>Creating Value – Responsible Banking: Cybersecurity and Data Privacy, pages 56 to 58</p>
2-28	<p>Membership associations</p> <p><i>We engage actively in the relevant industry associations and memberships to foster knowledge sharing and collaborative discussions to adopt industry best practices.</i></p>	Sustainability at AmBank Group, page 27
2-29	<p>Approach to stakeholder engagement</p> <p><i>We engage regularly with key stakeholder groups via various internal and external platforms. As part of our recent Materiality Assessment exercise relevant external stakeholders were engaged for feedback.</i></p>	Sustainability at AmBank Group, page 12
2-30	<p>Collective bargaining agreements</p> <p><i>37% of AmBank Group employees are covered by collective bargaining agreements.</i></p>	Creating Value – Conscious Self-Conduct: Driving Diversity, Equity, & Inclusion, page 93
GRI 3: Material Topics 2021		
3-1	<p>Process to determine material topics</p> <p><i>Conducted sustainability materiality assessment including sessions with stakeholders to identify material sustainability matters to AmBank Group in FY2024.</i></p>	Sustainability at AmBank Group, page 18
3-2	<p>List of material topics</p> <p><i>We have identified 12 sustainability matters that are material to our business and stakeholders.</i></p>	Sustainability at AmBank Group, page 18
Responsible Financing & Building Climate Resilience		
3-3	Management of material topics	Creating Value – Responsible Banking: Responsible Financing & Building Climate Resilience, pages 48 to 51
Customer Experience & Satisfaction		
3-3	Management of material topics	Creating Value – Responsible Banking: Customer Experience & Satisfaction, pages 48 to 51
417-3	<p>Incidents of non-compliance concerning marketing communications</p> <p><i>We do not have any incidents of non-compliance concerning marketing communications.</i></p>	Sustainable Performance Data, page 121
Digital Innovation		
3-3	Management of material topics	Creating Value – Responsible Banking: Digital Innovation, pages 52 to 55

Global Reporting Initiative (GRI) Content Index

GRI Standards	Brief Descriptions of the Disclosures	Reference Page
Cybersecurity & Data Privacy		
3-3	Management of material topics	Creating Value – Responsible Banking: Cybersecurity & Data Privacy, pages 56 to 59
418-1	<p>Substantiated complaints concerning breaches of customer privacy and losses of customer data</p> <p><i>There were 24 complaints related to breaches of customer privacy. The majority of the complaints were related to customers receiving calls from third parties offering loans and financing facilities.</i></p>	Creating Value – Responsible Banking: Cybersecurity & Data Privacy, page 59
Financial Inclusion		
3-3	Management of material topics	Creating Value – Responsible Banking: Financial Inclusion, pages 60 to 65
203-1	<p>Infrastructure investments and services supported</p> <ul style="list-style-type: none"> • <i>Providing financial access to the underbanked such as affordable home financing schemes for individuals and capacity building for SMEs respectively.</i> • <i>AmBank Group participation in the iTekad programme to support asnaf microentrepreneurs.</i> 	Creating Value – Responsible Banking: Financial Inclusion, page 60 & 65
203-2	<p>Significant indirect economic impacts</p> <p><i>More than RM27 billion of loans/financing was disbursed to SMEs, RM5.6 billion disbursed under the affordable home financing schemes with 24,913 homes purchased and RM1.05 billion of auto-financing for B40 segment.</i></p>	<p>Creating Value – Responsible Banking: Financial Inclusion, page 62 & 65</p> <p>Sustainable Performance Data, page 123</p>
Integrity & Preventing Financial Crime		
3-3	Management of material topics	Creating Value – Conscious Self-Conduct: Integrity & Preventing Financial Crime, pages 67 to 73
205-1	<p>Operations assessed for risks related to corruption</p> <p><i>All our operations are assessed for risks related to corruption. All employees attest that they at all times will abide by the requirements of the AmBank Group Policy on Anti-Bribery and Corrupt Practices.</i></p>	<p>Creating Value – Conscious Self-Conduct: Integrity & Preventing Financial Crime, page 67</p> <p>Sustainable Performance Data, page 124</p>
205-2	<p>Communication and training about anti-corruption policies and procedures</p> <p><i>100% of members of the Board and employees have received communications and training on the Group's anti-bribery and corruption procedures and policy.</i></p>	<p>Creating Value – Conscious Self-Conduct: Integrity & Preventing Financial Crime, pages 71 to 73</p> <p>Sustainable Performance Data, page 123</p>
205-3	<p>Confirmed incidents of corruption and actions taken</p> <p><i>Zero incidents of corruption in FY2024.</i></p>	Sustainable Performance Data, page 124
415-1	<p>Political Contributions</p> <p><i>There are no political contributions made by the Group.</i></p>	Sustainable Performance Data, page 124

GRI Standards	Brief Descriptions of the Disclosures	Reference Page
Enhancing Employee Well-being		
3-3	Management of material topics	Creating Value – Conscious Self-Conduct: Enhancing Employee Well-being, pages 74 to 79
	Occupational health and safety management system	Creating Value – Conscious Self-Conduct: Enhancing Employee Well-being, page 75
403-1	<i>AmBank Group’s OSH Management is aligned with the ISO 45001:2018 (2018-2024). All our employees, workers, activities and workplaces are covered by the Group’s OSH Management System.</i>	
	Worker participation, consultation, and communication on occupational health and safety	Creating Value – Conscious Self-Conduct: Enhancing Employee Well-being, pages 75 to 76
403-4	<i>Group-wide OSH awareness and feedback are conducted through various activities and platforms.</i>	
	Worker training on occupational health and safety	Creating Value – Conscious Self-Conduct: Enhancing Employee Well-being, page 75
403-5	<i>AmBank Group invested approximately RM150,000.00 in OSH-related training programmes for 433 AmBankers.</i>	Sustainable Performance Data, page 125
	Work-related injuries	Sustainable Performance Data, page 125
403-9	<i>0.27 Lost Time Injury Frequency Rate for CY2023.</i>	
	Benefits provided to full-time employees that are not provided to temporary or part-time employees	Creating Value – Conscious Self-Conduct: Enhancing Employee Well-being, page 74
401-2	<i>Contract or temporary employees are provided life insurance, health care and disability coverage. However, they are not eligible for parental leave, and staff loans.</i>	
401-3	Parental leave	Creating Value – Conscious Self-Conduct: Enhancing Employee Well-being, page 74
Developing Our People		
3-3	Management of material topics	Creating Value – Conscious Self-Conduct: Developing Our People, pages 80 to 89
	Average hours of training per year per employee	Sustainable Performance Data, page 127
404-1	<i>104 hours per year per employee.</i>	
	Programmes for upgrading employee skills and transition assistance programmes	Sustainable Performance Data, page 128
404-2	<i>RM17.6 million were invested in the training and development of employees. The training programmes included various leadership, talent development and those offered through AmBank Group’s Digital Academy.</i>	Creating Value – Conscious Self-Conduct: Developing Our People, pages 81 to 86

Global Reporting Initiative (GRI) Content Index

GRI Standards	Brief Descriptions of the Disclosures	Reference Page
Driving Diversity, Equity, & Inclusion		
3-3	Management of material topics	Creating Value – Conscious Self-Conduct: Driving Diversity, Equity, & Inclusion, pages 90 to 94
401-1	New employee hires and employee turnover <i>1,056 new hires and the turnover rate is 15.4% (voluntary) and 1% (involuntary).</i>	Sustainable Performance Data, page 135, 136
405-1	Diversity of governance bodies and employees <i>25% of Top management and 43.2% of Senior Management positions were held by women, whilst 33% of the Board of Directors were female as at 31 March 2024.</i>	Sustainable Performance Data, page 132, 136
Responsible Consumption		
3-3	Management of material topics	Creating Value – Conscious Self-Conduct: Responsible Consumption, pages 95 to 105
302-1	Energy consumption within the organisation <i>7,886,297 MJ.</i>	Creating Value – Conscious Self-Conduct: Responsible Consumption, page 101
303-5	Water Consumption <i>72.8 megalitres of water consumed.</i>	Creating Value – Conscious Self-Conduct: Responsible Consumption, page 103
305-1	Direct (Scope 1) GHG emissions <i>Scope 1: Direct Emissions from Fuel Consumption – 65 tCO₂e for Scope 1 emissions in FY2024.</i>	Creating Value – Conscious Self-Conduct: Responsible Consumption, page 98
305-2	Energy indirect (Scope 2) GHG emissions <i>Scope 2: Indirect Emissions from Electricity Consumption – 17,368 tCO₂e for Scope 2 emissions in FY2024.</i>	Creating Value – Conscious Self-Conduct: Responsible Consumption, pages 99 to 100
305-3	Other indirect (Scope 3) GHG emissions <i>Scope 3: Indirect Emissions from Business and Employee Travel – 1,231 tCO₂e for Scope 3 emissions in FY2024.</i>	Creating Value – Conscious Self-Conduct: Responsible Consumption, pages 101 to 103
305-4	GHG emissions intensity <i>4.1 tCO₂e/RM mil of GHG emission intensity.</i>	Creating Value – Conscious Self-Conduct: Responsible Consumption, page 97
305-5	Reduction of GHG emissions <i>Achieved 36% GHG emissions reduction against 2019 baseline with carbon reduction initiatives for enterprise operations.</i>	Creating Value – Conscious Self-Conduct: Responsible Consumption, page 97

GRI Standards	Brief Descriptions of the Disclosures	Reference Page
306-1	Waste generation and significant waste-related impacts <i>Our waste is mostly from paper consumption and e-waste.</i>	Creating Value – Conscious Self-Conduct: Responsible Consumption, pages 101 to 102
306-2	Management of significant waste-related impacts <i>Monitoring paper consumption, promoting sustainably sourced paper and raising awareness on waste management.</i>	Creating Value – Conscious Self-Conduct: Responsible Consumption, pages 101 to 102
306-3	Waste generated <i>16,360 kg of waste diverted from disposal.</i>	Creating Value – Conscious Self-Conduct: Responsible Consumption, page 102 Sustainable Performance Data, pages 143 to 144
Responsible Procurement		
3-3	Management of material topics	Creating Value – Conscious Self-Conduct: Responsible Procurement, pages 106 to 109
204-1	Proportion of spending on local suppliers <i>85.6% or RM565.8 mil contributed to our local suppliers.</i>	Creating Value – Conscious Self-Conduct: Responsible Procurement, page 109
308-1	New suppliers that were screened using environmental criteria <i>115 (or 100%) new suppliers were screened using environmental criteria.</i>	Creating Value – Conscious Self-Conduct: Responsible Procurement, page 107
414-1	New suppliers that were screened using social criteria <i>115 (or 100%) new suppliers were screened using social criteria.</i>	Creating Value – Conscious Self-Conduct: Responsible Procurement, page 107
Supporting Communities		
3-3	Management of material topics	Creating Value – Positive Societal Impact, Supporting Communities, pages 111 to 119
413-1	Operations with local community engagement, impact assessments, and development programmes <i>17,229 beneficiaries were reached with collective funding of RM901,584 through all the CSR and sustainability programmes.</i>	Creating Value – Positive Societal Impact, Supporting Communities, pages 111 to 119

Task Force On Climate-Related Financial Disclosures (TCFD)

APPLICATION GUIDE FOR MALAYSIAN FINANCIAL INSTITUTIONS CONTENT INDEX

AmBank Group Integrated Annual Report 2024 and AmBank Group Sustainability Report 2024 was prepared in reference to the TCFD Application Guide for Malaysian Financial Institutions.

Disclosures	Description of Disclosures	References
Governance		
<p>G1: Board Oversight of Sustainability and Climate-related Matters</p>	<p>The Board of Directors holds the highest authority over sustainability issues, embedding ESG principles across the Group. This oversight includes an approach to managing climate-related risks and opportunities. The Board integrates sustainability into long-term strategic planning, considering risks and opportunities. Regular reviews ensure that sustainability is a core part of the Group’s strategy. The assessment of material sustainability and climate-related risks was conducted from a group-wide perspective, ensuring a cohesive and comprehensive approach. The Board is kept informed of sustainability and climate-related matters through regular updates from the Group Sustainability and Climate Risk Council (GSCRC), which evaluates issues at least quarterly before presenting them to the Board. In FY2024, the Board met eight times to discuss sustainability-linked and climate related matters. These meetings cover progress on regulatory guidelines, approval of policies, and updates on risk management and the Group’s Net Zero Strategy.</p>	<p>Sustainability Governance: Sustainability (including Climate) Governance, Functions & Decision-Making, pages 28 to 30</p> <p>Sustainability Governance: Governance & Oversight, pages 30 to 31</p> <p>Creating Value – Responsible Banking: Responsible Financing & Building Climate Resilience, pages 35 to 47</p>
<p>G2: Sustainability Governance Structure Including Climate-Related Matters at the Management Level</p>	<p>The Board of Directors holds the highest authority. We integrate ESG principles, including climate-related risks and opportunities, into the Group’s strategy and decision-making processes. The GSCRC, chaired by the Group CEO, evaluates sustainability issues at least quarterly before these are presented to the RMC and Board. In FY2024, the Group Sustainability Council was enhanced to the GSCRC, and the Chief Sustainability Officer (CSO), appointed on 1 June 2023 reports directly to the Group CEO. Sustainability is one of the three principal mandates for the Group, acknowledgement of its importance for business strategy.</p> <p>Sustainability initiatives are managed and measured through regular updates by the CSO, supported by Group Risk’s Enterprise and Climate Risk Unit. Progress is communicated to stakeholders via intranet updates and a sustainability microsite, ensuring transparency and engagement.</p>	<p>Sustainability Governance: Sustainability (including Climate) Governance, Functions & Decision-Making, pages 28 to 30</p> <p>Sustainability Governance: Governance & Oversight, pages 30 to 31</p>
<p>G3: Sustainability and Climate-related Board Credentials</p>	<p>Regular briefings on key sustainability matters were provided to the Board, leveraging the diverse skill sets and expertise of Board members. The CSO, in collaboration with the Climate Risk team, prepare detailed reports for these sessions, ensuring that the Board’s decisions on sustainability objectives are well-informed and aligned with AmBank Group’s strategic goals. Independent Non-Executive Director Ms Felicity Ann Youl provides sustainability oversight at the Board level, given her subject matter expertise.</p> <p>Since FY2023, comprehensive training programmes have been implemented to enhance the Board and Senior Management’s understanding of sustainability, including climate-related matters. These initiatives are part of our commitment to strengthening leadership competencies in critical sustainability areas, providing a comprehensive range of skills, knowledge, and experience to our Board members.</p>	<p>Sustainability Governance: Governance & Oversight, pages 30 to 31</p> <p>Integrated Annual Report: Corporate Governance Overview Statement, page 141</p> <p>Creating Value – Conscious Self-Conduct: Developing Our People, page 88</p>

Disclosures	Description of Disclosures	References
<p>G4: Sustainability and Climate-related Training</p>	<p>We continuously enhance our leaders' competencies and alignment with sustainability objectives to ensure they are equipped to drive our ESG agenda. Regular briefings on key sustainability matters were provided to the Board, prepared by the CSO and Climate Risk team, thus, ensuring well-informed decisions aligned with AmBank Group's strategic goals.</p> <p>Since FY2023, we have implemented comprehensive training programmes for the Board and Senior Management, part of our commitment to strengthening leadership competencies in sustainability. This includes Board Sustainability Awareness Programme, Board Mandatory Accreditation Programme (MAP) Part 11: Leading the Impact (LIP), BNM Climate Risk Management and Scenario Analysis and Climate Risk Outlook.</p>	<p>Sustainability Governance: Governance & Oversight, pages 30 to 31</p> <p>Integrated Annual Report: Corporate Governance Overview Statement, page 141</p> <p>Creating Value – Responsible Banking: Responsible Financing & Building Climate Resilience, page 45</p> <p>Creating Value – Conscious Self-Conduct: Developing Our People, page 88</p>
<p>G5: Sustainability and Climate-related Discussions in Board Meetings</p>	<p>The Board of Directors meets eight times annually, with the RMC's addressing sustainability-linked topics, including climate-related matters at four sittings in FY2024. Key topics discussed in these meetings include approval of climate-related policies and strategies, updates on climate risk management and scenario analysis, direction and plans for AmBank Group's Net Zero Strategy, and opportunities in sustainability and industry collaboration.</p> <p>Communication and stakeholder engagement are emphasised, with top management, including the Board and Group CEO, stressing the importance of sustainability. Updates and decisions are communicated through various channels to ensure transparency and engagement with both internal and external stakeholders, including regular intranet e-blasts and updates on the sustainability microsite.</p> <p>The Board of Directors oversee the integration of the sustainability agenda into group-wide strategies, risk assessments, and decision-making processes. They evaluate AmBank Group's capacity to address sustainability challenges and assess sustainability and climate risk matters from audits, assurance reports, and regulatory disclosures to ensure the effectiveness of governance, internal controls, and risk management systems.</p>	<p>Sustainability Governance: Governance & Oversight, pages 30 to 31</p>
<p>G6: Sustainability/ Climate-linked Remuneration</p>	<p>Since FY2021, sustainability and climate-related KPIs have been embedded into the annual performance metrics for the Group CEO and direct reports. The Group Nomination and Remuneration Committee (GNRC) reviews these KPIs annually to inform remuneration recommendations for Directors, and senior management, ensuring accountability for achieving sustainability objectives. The GSCRC tracks all sustainability-related KPIs at least quarterly, with selected KPIs cascaded to lower management levels. We have set measurable targets aligned with ten UN SDGs, focusing on areas such as GHG emission reductions and Green Financing.</p>	<p>Sustainability Governance: Governance & Oversight, pages 30 to 31</p>

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Disclosures	Description of Disclosures	References
<p>S1: Identification of Climate-related Risks and Opportunities</p>	<p>We have integrated ESG and climate-related risk identification into our non-retail portfolio risk assessments, guided by the Bank’s Climate Change and ESG Risk Assessment (CERA) guidelines, enhanced in 2024 to meet Bank Negara Malaysia regulatory requirements. Initial internal analysis has determined the Group’s financed emissions for the non-retail portfolio. The hard-to-abate sectors contribute to over half of these financed emissions. A more detailed validation exercise is being undertaken in FY2025.</p> <p>AmBank Group started the identification of physical and transition risks with reference to BNM’s Climate Risk Management and Scenario Analysis (CRMSA) in FY2024, which applies to operations and portfolio management. Physical risk assessment includes operations, the retail portfolio, and collateral assets, while transition risk focuses on non-retail financing and investment portfolios.</p> <p>In support of a just and fair transition, facilities extended to high-emission sectors are controlled and managed by setting of sector limits and observation of additional risk mitigation actions. This aims at management of transition risk, guided by the Non-Retail Credit Policy and Group Risk Appetite Framework. We have embedded the policy and procedure in place for monitoring, analysing, and responding to climate-related risks of the Bank’s operations in our Business Continuity Management (BCM) policy, guideline, and practice guide. The trigger points are based on the physical risk score generated by a licensed analytical tool. A refinement of strategy and risk appetite is expected in FY2025 with further analysis and assessment of physical and transition risks to include the retail portfolio and hard-to-abate sectors as we develop our transition plan.</p>	<p>Creating Value – Responsible Banking: Responsible Financing & Building Climate Resilience, pages 35 to 47</p>
<p>S2: Impact of Climate-related Risks and Opportunities</p>	<p>In FY2024, we established an Enterprise Risk and Climate Risk Unit under Group Risk to manage portfolio climate risks and identify relevant opportunities for business lines. This team, along with others in Portfolio Risk Management, are adequately trained and responsible for monitoring of portfolio emissions and impact indicators such as Probability of Default (PD), Loss Given Default (LGD), and Expected Credit Loss (ECL) using a licensed climate assessment tool. They report to the CSO and Head of Portfolio Risk Management.</p> <p>Relevant Group Operational Risk employees have received training and are responsible for the management of operational climate-related risks for branches, main buildings, data centres, and Third-Party Service Providers using a licensed climate assessment tool.</p> <p>Impact will be reported to the GSCRC, Group Management Risk Committee (GMRC), the RMC and Board going forward on a quarterly basis in FY2025.</p>	<p>Sustainability Governance: Governance & Oversight, pages 30 to 31</p> <p>Creating Value – Responsible Banking: Responsible Financing & Building Climate Resilience, pages 35 to 47</p>

Disclosures	Description of Disclosures	References
<p>S3: Strategy and Risk Appetite on Climate Change-Related Risks and Sustainability Measures</p>	<p>Our Group’s policy and direction on climate change and sustainability are guided by its Sustainability Framework and Risk Appetite Statement (RAS). Key goals include managing exposures to GHG emission-intensive sectors while assisting customers in transitioning to sustainability pathways, aiming for net zero as early as FY2050. The target is to ensure at least 70% of the non-retail loan/financing portfolio (with limits of at least RM10 million) comprises exposures with low Environmental, Social, and Governance (ESG) Risk rating by FY2030. We however anticipate to further refine this metric as we study decarbonisation pathways in FY2025.</p> <p>In addition to the Sustainability Framework, other key policies and frameworks related to climate-related risks and opportunities are disclosed in the Sustainability Report. AmBank Group conducted a materiality assessment to understand stakeholder priorities and have identified 12 sustainability material matters under three environmental themes. The outcomes from the CRMSA, which cover material sustainability and climate-related risks and opportunities, will form the foundation for AmBank Group’s upcoming Net Zero Roadmap, to be developed in FY2025.</p>	<p>Creating Value – Responsible Banking: Responsible Financing & Building Climate Resilience, pages 35 to 44</p>
<p>S4: Scenario Analysis as an Opportunity to Improve Strategic Resilience and Explore Climate Vulnerabilities</p>	<p>AmBank Group is undertaking scenario analysis guided by BNM’s Policy Document on CRMSA. This includes using Network for Greening the Financial System (NGFS) baseline scenarios. We are currently analysing both non-retail and retail portfolios based on these scenarios, following guidelines set by BNM. Our Senior Management and the Board have been briefed on initial assessment outcomes.</p>	<p>Creating Value – Responsible Banking: Responsible Financing & Building Climate Resilience, pages 43 to 44</p>

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We have integrated ESG due diligence into our financing evaluation processes, our CERA questionnaire were enhanced with reference to BNM's Due Diligence Questions (DDQ) for GP3 and GP4 in relation to the Climate Change and Principle Based Taxonomy (CCPT). AmBank Group's Enterprise Risk Management (ERM) Framework was established in January 2024 with the objective of enhancing the understanding and the awareness of the Group's most significant risks including climate-related risks.

The Board-approved qualitative ESG RAS has been established to manage exposures to sectors with high ESG risks. Additionally, we began by identifying vulnerabilities using a physical risk tool, covering corporate offices, data centres, branches, and ATM locations. To enhance AmBank Group's resilience against climate change impact, we have integrated climate-related operational risks into our BCM framework. AmBank Group will adopt scenario analysis under BNM's Climate Risk Management and Scenario Analysis Policy, assessing potential credit losses over a 30-year period across three distinct climate scenarios prescribed by the NGFS – Current Policy, Early Policy, and Late Policy.

To strengthen our internal capabilities, we enlisted the expertise of external consultants to guide our adoption of CRMSA. This collaboration provided us with tools for assessing climate-related risks and helped establish streamlined processes for data gathering, essential for quantifying potential impact on our portfolio and operations.

R1 and R4: Process for Identifying and Assessing Climate-related Risks

We adopted a multi-faceted approach for climate-related risk assessment, covering vulnerability and financial impact assessments. The vulnerability assessment employs various climate tools to identify potential vulnerabilities to physical and transition risks within financing and investment portfolios. Financial impact assessments quantifying key metrics such as climate risk-adjusted Probability of Default (PD), Loss Given Default (LGD) and Expected Credit Loss (ECL), indicating potential impact of physical, transition, and combined effects.

Climate risk significantly impacts AmBank Group's existing risk categories:

- Credit Risk: Affects repayment capacity and collateral values due to physical and transition risks.
- Market Risk: Increased volatility and declining security values from policy changes and investor sentiment.
- Liquidity Risk: Higher provisioning requirements due to increased financing defaults and credit risk.
- Operational Risk: Disruptions to operations and infrastructure.
- Reputational and Strategic Risks: Negative publicity and loss of market share from inadequate climate disclosures and transition challenges.

We identified key sectors such as Electricity, Manufacturing, Oil and Gas, Basic Metals, Iron and Steel, and Cement as high transition risk and are in the midst of developing tailored strategies to align with Malaysia's Net Zero target as early as 2050. Our risk management includes integrating climate risk into the RAS, ensuring operational resilience through the BCM framework, and conducting scenario analyses to anticipate and manage risks across different policy scenarios.

Creating Value – Responsible Banking: Responsible Financing & Building Climate Resilience, pages 35 to 47

Disclosures	Description of Disclosures	References
<p>R2 and R5: Process for Managing Climate related Risks</p>	<p>We perform a comprehensive vulnerability assessment through our climate risk assessment process, using specialised licensed climate risk tools to identify physical and transition risk vulnerabilities across our financing and investment portfolios. This includes a financial impact assessment to quantify climate risk-adjusted metrics such as Probability of Default (PD), Loss Given Default (LGD) and Expected Credit Loss (ECL), leveraging the latest NGFS climate scenarios. Scenario analysis using climate models and financial data to assess risks allows for prioritising risks based on indicators, exposure size, and potential impact. We adopt a multi-faceted approach encompassing both adaptation (resilient infrastructure, backup sites) and mitigation measures.</p> <p>To enhance AmBank Group’s resilience against climate change impact, we have integrated climate-related operational risks into our BCM framework. We began by identifying vulnerabilities using a specialised physical risk tool within our internal operations, covering corporate offices, data centres, branches, and ATM locations. Throughout the assessment process, we remained vigilant for red flags indicating heightened vulnerability or exposure to physical risks. When such red flags are identified, we proactively explore alternate sites or relocation options.</p> <p>ESG due diligence is part of the financing evaluation process to assess climate risks for non-individual customers and understand portfolio climate resilience, aligned to BNM’s CCPT, evaluation of economic activities based on five guiding principles and resulting in an overall ESG score. Transactions identified with a High ESG Risk Grade will undergo mandatory escalation to the Credit and Commitments Committee (CACC) for further review and decision-making. This highlights a structured approach to managing high-risk transactions and ensuring appropriate oversight at a higher level within our organisation comprising of both Business and Risk participation. We are also investing in equipping its decision-makers with the knowledge and skills needed to navigate complexities of sustainability effectively through training programmes focusing on sustainable financing, ESG considerations, and climate change risks in the economy.</p>	<p>Creating Value – Responsible Banking: Responsible Financing & Building Climate Resilience, pages 35 to 47</p>
<p>R3 and R6: Process for Integrating (i) Identifying and Assessing Climate-related Risks and (ii) Managing Climate-related Risks; into Overall Risk Management</p>	<p>We employ an integrated, risk-based approach to managing climate risks, focusing on the interrelationships between various risk types.</p> <p>We have established a Board-approved qualitative ESG RAS, as a foundational step in integrating climate-related risks into the Risk Appetite Framework. This statement outlines the approach to managing business operations and credit exposures with significant environmental risks, particularly focusing on sectors with high ESG risks and high GHG emissions. The RAS guides us in setting strategic priorities and aligning business decisions with environmental sustainability goals. We have begun measuring the financed emissions of the non-retail borrowers’ scope 1 and 2 emissions using a licensed specialised tool.</p> <p>As the methodologies and data used to analyse the climate risks continue to mature over time, we would be in a better position to disclose the capabilities built that will help identify relevant climate-related risk drivers which may materially impact our key portfolios. These include key risk indicators and metrics used to quantify exposures and their impact to these risks. We will continue beefing up our capacity in tandem with the expanding knowledge base on nature and climate, to improve the insights into our exposure to climate risks. In our next phase, we intend to establish appropriate risk appetite metrics for sustainability and climate-related risks as we work on the Group’s transition plan.</p>	<p>Creating Value – Responsible Banking: Responsible Financing & Building Climate Resilience, pages 35 to 47</p>

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Disclosures	Description of Disclosures	References
<p>M1: Key Climate-related Metrics</p>	<p>In FY2024, we reduced our Scope 1 GHG emissions to 65 tCO₂e, down from 70 tCO₂e in FY2023. We reported 17,368 tCO₂e of Scope 2 emissions which is 20% reduction against 2019 baseline. Scope 3 emissions rose to 1,231 tCO₂e from 876 tCO₂e in FY2023, driven by increased employee business travel.</p> <p>The financed and investment portfolio’s exposure to transition risks focuses on sectors such as electricity, gas and water supply, manufacturing, oil and gas, basic metals, iron and steel, and cement. Physical risks are assessed in corporate offices, data centres, branches, and ATM and CDM locations, considering flood zones.</p> <p>We are committed to supporting low-carbon assets and transitional activities. Climate risk engagement involves working with external consultants and proprietary tools for comprehensive risk assessment and strategy development. We actively manage climate-related risks, with sectoral analyses and transition strategies as key components of our approach. We will integrate these efforts into our Net Zero Roadmap and BCM framework, emphasising resilience against climate impact and a systematic transition for high-risk sectors. Additionally, AmBank Group’s efforts are guided by robust policies, frameworks, and certifications such as the Group Energy Policy, Energy Management Practice Guide, ISO 14001:2015, and the Energy Management Gold Standard (EMGS). These measures ensure systematic improvements and energy efficiency across operations.</p>	<p>Creating Value – Responsible Banking: Responsible Financing & Building Climate Resilience, pages 35 to 47</p> <p>Creating Value – Conscious Self-Conduct: Responsible Consumption, pages 95 to 105</p>
<p>M2: Key Climate-related Targets</p>	<p>For FY2024, we have embedded KPIs in senior management targets to drive down GHG emissions. These include a reduction in Scope 1 and 2 GHG emissions and up to a 20% reduction in paper consumption, with an increased use of sustainably sourced paper.</p> <p>We had set a risk direction to ensure that at least 70% of the non-retail loan/financing portfolio (for limits of at least RM10 million) will consist of exposures with low ESG Risk Ratings by FY2030. We however anticipate to further refine this metric as we study decarbonisation pathways in FY2025 as part of our transition plan.</p>	<p>Sustainability Governance: Governance & Oversight, pages 30 to 31</p> <p>Creating Value – Conscious Self-Conduct: Responsible Consumption, page 105</p> <p>Sustainability Performance Data, page 143</p>

Statement Of Independent Assurance



SIRIM QAS INTERNATIONAL SDN BHD INDEPENDENT ASSURANCE STATEMENT

To Board of Directors, Stakeholders, and Interested Parties,

SIRIM QAS International Sdn. Bhd. was engaged by AMMB Holdings Berhad (hereafter referred to as Ambank Group) to perform an independent verification and provide assurance of the Ambank Group Sustainability Report 2024. The main objective of the verification process is to provide assurance to Ambank Group and its stakeholders on the accuracy and reliability of the information as presented in this report. The verification by SIRIM QAS International applied to selected sustainable performance information (subject matter) within the assurance scope which is included in Ambank Group Sustainability Report 2024.

The management of Ambank Group was responsible for the preparation of the Sustainability Report. The objective and impartiality of this 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 Ambank Group's Sustainability Report, and the Integrated Annual Report 2024.

The assurance engagement was designed to provide limited assurance in accordance with the International Standard on Assurance Engagements (ISAE) 3000, Assurance Engagements other than Audits or Reviews of Historical Financial Information, and BURSA Sustainability Reporting Guide, irrespective of the organization's ability to achieve its objectives, targets or expectations on their subject matter and sustainability-related issues. The assurance process entails a restricted verification of six subject matters and its performance data as listed below, and the 11 indicators in Bursa Performance Data Table. Details are provided in Appendix 1.

Subject matter
Sustainability Governance
Responsible Consumption and the Sustainability Performance Data
Responsible Procurement and the Sustainability Performance Data
Employee Well-Being (including Occupational Safety and Health) and the Sustainability Performance Data
Developing Our People and the Sustainability Performance Data
Driving Diversity, Equity and Inclusion and the Sustainability Performance Data

The verification was carried out by SIRIM QAS International in May and June 2024, with the following methodologies:

- Reviewing and verifying the traceability, consistency and accuracy of information collected from various sources; internal and external documentation which are made available during the conduct of assessment.
- Verification of data presented in the Sustainability Report includes a detailed review of the sampled data.
- Interviewing key personnel responsible for collating information and writing various parts of the report to substantiate the veracity of the claims.

Statement Of Independent Assurance

The verification process was subjected to the following limitations:

- The scope of the work did not involve verification of other information reported in Ambank Group's Sustainability Report and its Integrated Annual Report 2024.
- The corporate office at Bangunan Ambank Group, Jalan Raja Chulan, Bukit Ceylon, was visited as part of this assurance engagement. The verification process did not include physical inspections of any of Ambank Group's buildings and branches. And,
- The verification team did not verify any contractor or third-party data.

Conclusion

SIRIM QAS International, a Conformity Assessment Body in Malaysia, is accredited to both ISO/IEC 17021-1:2015 and ISO/IEC 17065:2012 covering all our operational activities. The appointed assessors performing the assurance engagement were selected appropriately based on our internal qualifications, training and experience. The verification process is reviewed by management to ensure that the approach and assurance are strictly followed and operated transparently. 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 information contained in the report. In response to the raised findings, the Sustainability Report was subsequently reviewed and revised by Ambank Group. It is confirmed that changes that have been incorporated into the final version of the report have satisfactorily addressed all issues related to the selected subject matters. Based on the scope of the assessment process and evidence obtained, nothing has come to our attention that causes us to believe that Ambank Group has not complied, in all material respects, with the referred assurance standard and guide. The following represents SIRIM QAS International's opinion:

- The level of data accuracy included in Ambank Group Sustainability Report 2024 is fairly stated;
- The level of disclosure of the selected sustainability performance information presented in the report was found to be properly prepared;
- The personnel responsible were able to demonstrate the origin(s) and interpretation of data contained in the report.

List of Assessors.

1)	Ms. Aernida Abdul Kadir	:	Team Leader
2)	Ms. Kamini Sooriamorthy	:	Team Member
3)	Ms. Suzalina Kamaralarifin	:	Team Member
4)	Ms. Farhanah Ahmad Shah	:	Team Member

Statement Prepared by:



AERNIDA BINTI ABDUL KADIR

Team Leader
Management System Certification Department
SIRIM QAS International Sdn. Bhd.

Date: 14 June 2024

Statement Approved by:



Ts. MD ADHA BIN RAHMAT

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

Date: 28 June 2024

Note 1: This Independent Assurance Statement has been issued based on the content verified prior to the approval date. SIRIM QAS International Sdn Bhd does not express an opinion on, nor guarantees the integrity and/or accuracy of the information provided with the view that the conclusion was conducted post verification assessment, hence not verified. SIRIM QAS International shall not be responsible for any changes or additions made after the referred date (14 & 26 June 2024).

Appendix 1 The topics and subject matters covered in this assessment is limited as tabulated below.	CLASSIFICATION OF DATA			
	HIGH	MEDIUM	LOW	UN SUBSTANTIATED
Sustainability Governance				
Responsible Consumption and the Sustainability Performance Data				
Responsible Procurement and the Sustainability Performance Data				
Developing Our People and the Sustainability Performance Data				
Employee Well-Being (including OSH) and the Sustainability Performance Data				
Driving Diversity, Equity and Inclusion and the Sustainability Performance Data				
BURSA Performance Data				

Note 1:

This Independent Assurance Statement has been issued based on the content verified prior to the approval date. SIRIM QAS International Sdn Bhd shall not be responsible for any changes or additions made after the referred date (14 & 26 June 2024).

Note 2:

The assurance involves activity aims to obtain sufficient appropriate evidence to express a conclusion designed to enhance the degree of confidence of the intended users other than the responsible party, about the subject matter information. It comprises of activities carried out to assess the quality and credibility of the qualitative and quantitative information reported by the organization. This assurance is different from activities used to assess or validate the organization's performance, such as compliance assessments or the issuing of certifications against specific standards.

Note 3:

Definition of HIGH, MEDIUM, LOW and UNSUBSTANTIATED Classification of Data in this Appendix 1.

HIGH: The data and information reviewed has been confirmed with the direct owners. The source of the data origin was provided during the conduct of the assessment.

MEDIUM: Data and information have been confirmed with the direct owners. However, the source of the data has been based on secondary data, where the data origin is not accessible by the verifiers during the conduct of the assessment.

LOW: Data and information reviewed has been based on information endorsed by the data owners. Verifiers did not have access to the source of the data origin. It has been identified as one of the limitations during the conduct of the assessment.

UNSUBSTANTIATED: The sources of data and information disclosed were not made available during the assessment review period due to reasons like confidentiality, unattainable data source and unavailable data owner. It has been identified as one of the limitations during the conduct of the assessment.

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