Maybank

PURPOSE DRIVEN

ENVIRONMENTAL REPORT 2024

About This Report

We are pleased to present Maybank Group's ("the Group" or "Maybank") second standalone Environmental Report, disclosing climate action and environmental performance. This report complements the Sustainability Report and Integrated Annual Report 2024, providing a comprehensive view of the Group's sustainability integration. It outlines the Group's environmental strategy, initiatives and decarbonisation progress under the M25+ strategy, underscoring our commitment to transparency and accountability on climate action.

REPORTING APPROACH

This report is guided by the National Sustainability Reporting Framework (NSRF), which serves as the overarching framework for sustainability reporting requirements in Malaysia. While not yet mandatory, we make reference to the framework as part of our efforts to align with evolving national standards.

We are also guided by other key standards and guidelines, ensuring our disclosures are relevant and aligned with stakeholder expectations:

International Frameworks

- GRI Sustainability Reporting Standards: Prepared in accordance with the latest version of the GRI Standards (2021). A GRI Content Index is included in the Sustainability Report 2024 on pages 130 to 140.
- Sustainability Accounting Standards Board (SASB): In reference to all seven industries within the Financial sector. A SASB Content Index is included in the Sustainability Report 2024 on pages 141 to 146.
- International Financial Reporting Standards (IFRS): In reference to IFRS S1 (General Requirements for Disclosure of Sustainability-related Financial Information) and IFRS S2 (Climate-related Disclosures).
- United Nations Sustainable Development Goals (UN SDGs).

Malaysia-Specific Frameworks and Regulations

- Bursa Malaysia Main Market Listing Requirements (MMLR).
- Bursa Malaysia Sustainability Reporting Guide.
- Securities Commission Malaysia Malaysian Code on Corporate Governance (MCCG).
- Bank Negara Malaysia Climate Risk Management and Scenario Analysis (BNM CRMSA) Policy Document.

Climate and Environmental Standards

- Task Force on Climate-related Financial Disclosures (TCFD) Recommendations.
- Greenhouse Gas (GHG) Protocol: A Corporate Accounting and Reporting Standard by the World Business Council for Sustainable Development (WBCSD) and World Resources Institute (WRI).
- The Global GHG Accounting and Reporting Standard for the Financial Industry by the Partnership for Carbon Accounting Financials (PCAF).
- Guidelines for Climate Target Setting for Banks – Version 2 by United Nations Environment Programme Finance Initiatives (UNEP FI) and Net Zero Banking Alliance (NZBA).

REPORTING SCOPE AND PERIOD

This annual report covers the period of **1 January 2024** to **31 December 2024 (FY2024)** unless stated otherwise. Significant restatements of data compared to previous years are noted in the respective sections.

This report covers the Group, including its principal subsidiaries and all regional offices. Outsourced activities and joint ventures are excluded unless otherwise stated. The report includes both qualitative and quantitative disclosures on material issues to the Group, aligning with regulatory and stakeholder expectations.

In line with the BNM CRMSA requirements for TCFD-aligned disclosure, this report incorporates the Group's consolidated disclosure, including data mapping across the Group and its licensed entities. These entities, which are individually licensed under BNM and required to have TCFD-aligned disclosures, include:

- Maybank Islamic Berhad
- Maybank Investment Bank Berhad
- Etiqa entities, comprising:
  - Etiqa Life Insurance Berhad
  - Etiqa General Insurance Berhad
  - Etiqa Family Takaful Berhad
  - Etiqa General Takaful Berhad

Data mapping has been carefully aligned and consolidated, where applicable at both the Group and entity levels to ensure clarity, consistency and adherence to regulatory requirements.

EXTERNAL ASSURANCE

The contents of this report have been reviewed and assured by SIRIM QAS International Sdn Bhd (SIRIM), which has verified the accuracy and reliability of key sustainability disclosures. SIRIM's assurance standard encompasses an assessment of Maybank's sustainability reporting practices, performance and alignment with national and global frameworks. In addition, the Group's Scope 1, 2 and selected Scope 3 greenhouse gas (GHG) emissions for the period of 1 January 2024 to 31 December 2024 had been subjected to an independent limited assurance by PricewaterhouseCoopers PLT, Malaysia (PwC).

SIRIM's independent assurance statement provides a summary of the audit report findings, which can be found on page 73 of this report.

For more information on the subject matter and the scope of PWC's assurance, please refer to the independent limited assurance report on pages 74 to 75 of this report.

FORWARD-LOOKING STATEMENTS

This report includes forward-looking statements about our strategies, priorities and growth opportunities. These statements are based on current projections and expectations, which may evolve due to market conditions, the operating environment and factors beyond our control. Consequently, these statements involve risks and uncertainties and have not been reviewed or verified by auditors.

BOARD'S RESPONSIBILITY STATEMENT

To ensure credible, fair and balanced reporting, the Environmental Report has been reviewed by the EXCO Sustainability Committee (ESC) and the Board Sustainability Committee (BSC) before being recommended to the Board of Directors for approval.

GIVE US YOUR FEEDBACK!

To improve our sustainability practices, we welcome comments, suggestions and remarks from all parties. Please submit your feedback to:

Group Sustainability
Malayan Banking Berhad
14th Floor, Menara Maybank
100, Jalan Tun Perak
50050, Kuala Lumpur, Malaysia
Tel : +603 2070 8833
Email : sustainability@maybank.com

What's Inside

OVERVIEW

Our key achievements and high-level approach to managing environmental-related risks and opportunities.

GOVERNANCE

Overview of the Board's oversight of sustainability matters, showcasing how strong governance and leadership drive value creation while minimising risks. By prioritising sustainability, the Board fosters resilience and long-term success for Maybank.

STRATEGY

Our approach to integrating climate-related risks and opportunities into our business strategy and financial planning. It outlines how we align with global frameworks to strengthen resilience and support a low-carbon economy.

RISK MANAGEMENT

Our strategy for managing environmental risks through a strong risk culture, effective governance and a comprehensive risk management framework. These elements enable us to identify and mitigate environmental risks effectively.

METRICS & TARGETS

Our key performance indicators and targets related to climate and environmental action. It details how we measure our progress, track our environmental impact and set ambitious goals to drive continuous improvement and accountability in our sustainability efforts.

APPENDIX

A digital copy is available for download at www.maybank.com/en/sustainability.page or www.maybank.com/ar or scan the QR code on the left.

ICONS USED IN OUR REPORT

Our Identified Material Matters:

- Governance
- Employees
- Products and Services
- Environment
- Society

Our Identified Stakeholders:

- Customers
- Employees
- Regulators and Governments
- Investors
- Communities

Our Strategic Programmes (SPs):

- **SP1** Reshape wholesale target operating model
- **SP2** Build a regional transaction banking proposition
- **SP3** Reimagine the consumer banking customer journey
- **SP9** Be the sustainability leader in Southeast Asia (SEA)
- **SP10** Elevate Maybankers
- **SP12** Build next-gen technology capabilities

Related UN SDGs:

Cross references:

- Tells you where you can find more information within the reports
- Tells you where you can find more information online at www.maybank.com
- Links you to related online content

Milestones and Achievements in 2024

Establishing Sectoral Decarbonisation Targets: Published the **Net Zero White Paper,** establishing interim sectoral targets for **Power, Palm Oil, Steel and Aluminium.**

For more details, please refer to pages 19 and 57 of this report.

Championing Green Finance Discussions: Co-curated the **inaugural JC3-GFANZ CEO Roundtable Luncheon** and hosted the **Institute of International Finance (IIF)-Maybank Sustainable Finance Forum,** bringing together **industry players and financial institutions** to foster dialogue on climate transition and drive sustainable economic transformation.

For more details, please refer to pages 30 and 31 of this report.

Driving Global Sustainability Efforts: Appointed as a **Steering Group Member** of the **Net Zero Banking Alliance (NZBA)**, further emphasising Maybank's leadership in the sustainability space.

For more details, please refer to page 31 and 57 of this report.

Advancing Sustainable Finance for Corporates: Appointed as the **Sole Sustainability Framework Adviser** for **three published transition finance frameworks across ASEAN.**

For more details, please refer to page 20 of this report.

Progressing Data-Driven Carbon Insights: Enhanced the **Net Zero Carbon Calculator (NZCC)** to empower Relationship Managers on the environmental impact of transactions, deploying the tool in Malaysia, Singapore and Indonesia.

For more details, please refer to page 19 of this report.

Managing Carbon Footprint: Achieved **53.0%** initiatives-based **operational GHG emission reduction** for Scope 1 and 2, compared to the 2019 baseline.

For more details, please refer to pages 70 to 72 of this report.

Enhancing Climate Risk Oversight: Introduced the **Climate Risk Dashboard** to improve monitoring and management of **climate risk exposure.**

For more details, please refer to pages 38 and 39 of this report.

Overview

OUR JOURNEY TOWARDS NET ZERO: MILESTONES AND PROGRESS

The world is at a tipping point. With the United Nations warning of a narrow path to avoid the worst impacts of climate change, urgent and decisive action is imperative. Maybank recognises its critical role in driving the decarbonisation of industries across the region—a responsibility we take seriously. The challenge ahead demands bold targets, substantial investments, innovation and collective resolve. This determination underpins the development of our pathway to net zero.

SETTING AMBITIOUS TARGETS

- In 2021, Maybank committed to achieving net zero carbon emissions by 2050, aligned with the Paris Agreement's goal of limiting global warming to 1.5°C above pre-industrial levels. This alignment reflects a global commitment to mitigating the worst impacts of climate change.

MANAGING RISKS, UNLOCKING OPPORTUNITIES

- Climate change poses both risks and opportunities. Physical and transition risks impact customers, businesses and financial performance, requiring robust frameworks for mitigation, especially in high-risk sectors.
- At the same time, the low-carbon transition offers growth potential. By fostering a market for sustainable financing, Maybank supports clients in achieving green growth while advancing long-term socio-economic resilience.

EMBEDDING NET ZERO INTO OUR M25+ STRATEGY

- Recognising the importance of climate action, Maybank has embedded its net zero commitment into the M25+ strategy. **Strategic Thrust 4 (ST4): Drive Leadership in Sustainability Agenda**, positions Maybank as a regional sustainability leader.
- Within ST4, **Strategic Programme 9 (SP9): Be the Sustainability Leader in Southeast Asia,** integrates our climate pathway into broader business strategies, driven by a dedicated SP9 team.

DEVELOPING OUR TRANSITION STRATEGY

- Maybank's transition strategy is built on strategic pillars and key enablers designed to accelerate the shift to a low-carbon economy. Going beyond compliance, the strategy leverages innovation, partnerships and sustainable financing to catalyse decarbonisation across industries.
- Our approach aims to empower businesses and communities to embrace a low-carbon future while driving meaningful change across the region.

2024 Key Highlights

Governance

- Established the Group Sustainability Engagement and Governance (EAG) platform to strengthen collaboration within the Group Sustainability ecosystem.
- Certified 19 senior leaders, including four Black Belt holders, under the Maybank Sustainability Practitioner Certification (MSPC) Programme to strengthen leadership in sustainability.
- Improved tracking and alignment of sustainability-related KPIs with global standards to enhance decision-making and performance management.

Strategy

- Appointed as a Steering Group Member of the Net Zero Banking Alliance (NZBA).
- Hosted the Institute of International Finance (IIF)-Maybank Sustainable Finance Forum, enabling over 300 attendees towards sustainable economic transformation.
- Rolling out the Net Zero Emission Intensity Analysis (NZEIA) process ensuring carbon impacts are accounted for financing of high emitting sectors projects.
- Updated and enhanced the Maybank Group Sustainable Product Framework (SPF) and Transition Finance Framework (TFF) aligning with latest industry standards and practices.

Risk Management

- Introduced the Climate Risk Dashboard to improve monitoring and management of climate risk exposure.
- Developed two new Risk Acceptance Criteria (RAC) for the hotel and semiconductor sectors to include high-risk industries.
- Conducted 1,209 risk assessments under RAC, enabling RM 159.40 billion in project funding.
- Completed the first draft of Climate Scenario Analysis for Malaysia under the CRMSA framework.

Metrics & Targets

- Established interim sectoral targets for Power, Palm Oil, Steel and Aluminium.
- Recorded Financed Emissions at 32.6 million tCO_2e (including Land Use, Land-use Change and Forestry (LULUCF)), a 6.2% reduction from previous year.
- Achieved 53% initiatives-based operational GHG emission reduction for Scope 1 and 2, compared to the 2019 baseline.
- Embarking on an afforestation strategy to strengthen our biodiversity commitments.
- Broadened operational GHG emissions reporting boundary to include employee commuting.

Overview

OUR APPROACH TO THE ENVIRONMENTAL REPORT

As Malaysia's largest financial institution, Maybank strives to lead sustainability efforts across Southeast Asia. Guided by our M25+ strategy and three core sustainability pillars, we aim to mobilise capital towards sustainable finance, accelerate the low-carbon transition, enhance community well-being through financial inclusion and uphold robust governance practices.

A strong governance foundation drives our approach, ensuring that climate-related risks and opportunities are integrated across all operations. Sustainability oversight is led by the Group Board, supported by a robust governance framework that includes the Maybank Group ESG Risk Management Framework and Climate Risk Policy, which provide a structured approach to embedding ESG considerations across our operations. In 2024, we advanced our climate reporting by transitioning to IFRS S1 and IFRS S2 standards, building on TCFD-aligned disclosures, further underscoring our commitment to transparency and accountability.

In addition, our Environmental Report addresses the following identified material matters:

- Good Governance and Conduct
- Public Policy and Advocacy
- Environmental and Climate Action
- Biodiversity and Nature
- Sustainable Products and Services

Our Approach to the Environmental Report in Transition Towards IFRS S1 and S2

GOVERNANCE	Group Board
	Board Sustainability Committee; EXCO Sustainability Committee and Subcommittee; Group Chief Sustainability Officer
	Business and Country-level Committee Governance
EXECUTION	Group Sustainability Office and Group Risk
	Business and Country-level Execution
STRATEGY	Sustainability Pillars; Climate Change Goals; M25+ Strategy Strategic Programme 9*
RISK MANAGEMENT	Frameworks, Policies and Risk Management Systems and Processes
	Climate-related Scenario Analysis
METRICS AND TARGETS	Scope 3 Financed Emissions, Baseline and Targets; Scope 1 and 2 Operational GHG Emissions, Baseline and Targets; Sectoral Exposures; Sectoral Decarbonisation Pathways

Governance

GRI 2-12, 2-13

Overview of the Board's oversight of sustainability matters, showcasing how strong governance and leadership drive value creation while minimising risks. By prioritising sustainability, the Board fosters resilience and long-term success for Maybank.

KEY HIGHLIGHTS

- Established Group Sustainability Engagement and Governance (EAG) platform to strengthen collaboration within the Group Sustainability ecosystem.
- Certified 19 senior leaders, including four Black Belt holders, under the Maybank Sustainability Practitioner Certification (MSPC) Programme to enhance internal expertise and solidify leadership in sustainability.
- Board members attended ten trainings related to ESG and sustainability.
- Enhanced tracking and alignment of sustainability-related KPIs with global standards and long-term goals to strengthen decision-making and performance management.

CORPORATE GOVERNANCE

Strong governance forms the foundation of our sustainability goals, driving accountability and impactful outcomes. By integrating sustainability into our Corporate Governance Framework and aligning with the Maybank Group Sustainability Framework, we ensure informed decision-making and effective implementation.

Corporate Governance Framework

* Established on 31 January 2024.

For more information on board composition and corporate governance, please refer to page 126 of the Integrated Annual Report 2024 and our Corporate Governance Report available on www.maybank.com/ar

For an excerpt of the Maybank Group Sustainability Framework, please refer to https://www.maybank.com/en/sustainability.page

Governance

GRI 2-12, 2-13, 2-16

SUSTAINABILITY GOVERNANCE

Our sustainability governance framework is designed to provide effective oversight of ESG risks, including climate risks, which are among the most material for our business. By adopting a top-down approach, we ensure that ESG risks are integrated into decision-making at all levels, starting from the Board and cascading to the working level. Committee members within this structure are selected based on their roles, expertise and alignment with the strategic priorities of the committees, adhering to Maybank's Corporate Governance Framework.

Board-level Governance

Board of Directors

Directs and oversees the Group's business, periodically reviews strategies and policies, ensures alignment with ESG and ESG risks for long-term value creation and supervises Board-level committees focused on sustainability.

Board Sustainability Committee (BSC)

Oversees sustainability strategy and execution, reviews governance structure, priorities and targets and ensures environmental and climate-related risks and opportunities are considered across the Group.

Risk Management Committee (RMC)

Ensures ESG risks are integrated into remuneration, approves ESG strategies and frameworks, monitors risk management effectiveness and reviews ESG risk exposure reports.

Credit Review Committee (CRC)

Affirms or vetoes new and additional credits to counterparty groups, endorses credits to Connected Parties, to be updated on the account strategies, including but not limited to the global limits comprising existing and proposed limits and oversees credit portfolio management aligned with the Group's risk appetite.

Audit Committee of the Board (ACB)

Reviews the adequacy of the internal audit scope and plan, functions and resources.

Management-level Governance

EXCO Sustainability Committee (ESC)

Leads the Group's sustainability agenda, develops and implements strategy and policies, endorses plans and oversees transformation programmes.

Group Executive Risk and Compliance Committee (GERCC)

Reviews and recommends on risk frameworks, policies, strategic actions, Risk Appetite Statements (RAS) and Key Risk Indicators (KRIs), including those related to ESG risk.

Group Management Credit Committee (GMCC)

Independent review on ESG risks associated with lending and financing activities.

Group Non-Financial Risk Committee (GNFRC)

Reviews and monitors the effectiveness of non-financial ESG risk management strategies, framework, policies, risk tolerance and risk appetite limits.

Senior Management Governance

President and Group CEO (PGCEO)

Group Chief Sustainability Officer (GCSO)

Leads the design, alignment and integration of sustainability initiatives and goals across the Group, embedding sustainability as a guiding principle in Maybank strategic plans. Provides the BSC and ESC with updates on the Group's sustainability strategy, ambition levels, roadmaps and goals, while overseeing its development and execution.

Group Chief Risk Officer (GCRO)

Ensures Maybank's climate resilience in light of both climate-related financial risks and non-financial risks. This is executed through the deployment of effective and forward-looking climate risk management in collaboration with Group Sustainability and the Business segments.

Working Level

Group Sustainability Office

Responsible for embedding and integrating sustainability across the Group.

Group Risk

Provides oversight of risk management on an enterprise-wide level by incorporating climate risk elements into frameworks and policies with independent assessment and monitoring.

Legend: Sustainability Risk governance

The table highlights the committees' roles in overseeing ESG matters. For a complete overview of their responsibilities, refer to the Corporate Governance section on page 130 of the Integrated Annual Report 2024.

Governance

GRI 2-12, 2-13, 2-16

	Governance Body	Key Actions in 2024
Board	Members of the Board Non-Independent Non-Executive Director Monthly	• Annual review of the Sustainability Strategy Updates. These updates are presented to the Group EXCO, ESC and BSC for feedback prior to dissemination to the Board. • Discussed quarterly updates on the progress of sustainability targets and Group scorecard. • Reviewed, as part of the monthly PGCEO's report, key Group sustainability achievements, including that of the respective countries and businesses, industry and regulatory developments, as well as climate risks and opportunities.
BSC	Selected members of the board, including PGCEO Independent Non-Executive Director Quarterly	• Reviewed and discussed all sustainability issues, including climate change and business strategies, as well as operational and financed emissions. • Reviewed progress updates on sustainability, covering sustainability commitments and framework strategy implementation, action plans, decarbonisation strategy and stakeholder engagements. • Deliberated and recommended sectors net zero pathway targets white papers.
ESC	Selected Group EXCO members and Senior Management PGCEO Bi-monthly	• Reviewed progress updates related to SP9 and myimpact initiatives, climate transition strategy, initiatives under the sustainability pillars, sustainability-related deals and developments on Capability Leadership, Thought Leadership and Business Leadership. • Oversaw ESG performance and plans by respective countries and businesses, updates on regulatory compliance, sustainability disclosures and communications plans. • Deliberated, approved and endorsed Transition Finance, Sustainable Finance and Sustainable Product Frameworks, MSPC Programme, ESG RACs, sectors net zero pathway targets white papers and the commencement of a Human Rights Salience Assessment.
RMC	Members of the Board Independent Non-Executive Director Monthly (except December)	• Deliberated on compliance with the requirements relating to Bank Negara Malaysia Climate Risk Management and Scenario Analysis Policy Document. • Deliberated on Maybank Group Climate Risk Policy. • Reviewed and monitored sustainability risk and climate risk on a monthly basis. • Reviewed and monitored Risk Appetite Statement of ESG on a quarterly basis.

Legend: Members | Chaired by | Meeting frequency

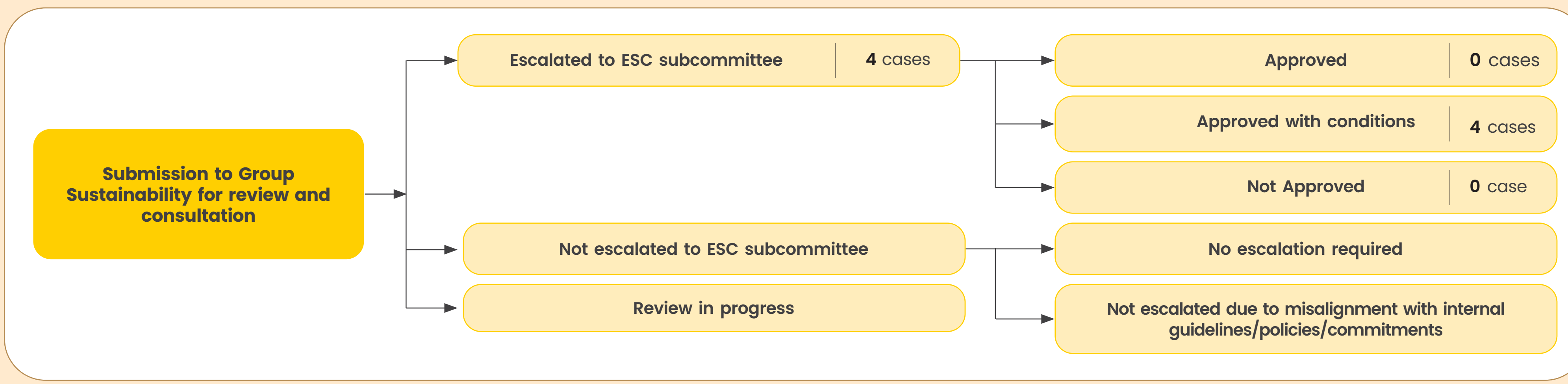
GRI 2-12, 2-13

MANAGING ESG-RELATED DEALS

As a subset of our ESC, we have a dedicated ESC Subcommittee that serves as a review and approval committee for contentious deals involving ESG-related matters. Amongst others, this includes deals that are:

- Beyond the scope of our Risk Acceptance Criteria;
- Varied in stances between Business, Risk and/or Sustainability teams; OR
- Select high risk deals

Whilst the Group's existing risk ecosystem provides sufficient ESG risk evaluation for most deals, some deals require additional steer from our leadership team to ensure alignment to our overarching sustainability aspirations and commitments. The ESC Subcommittee deliberates on the viability of pursuing such deals taking into account all ESG considerations put forth by the business teams and Group Sustainability's Independent Sustainability Review Paper.



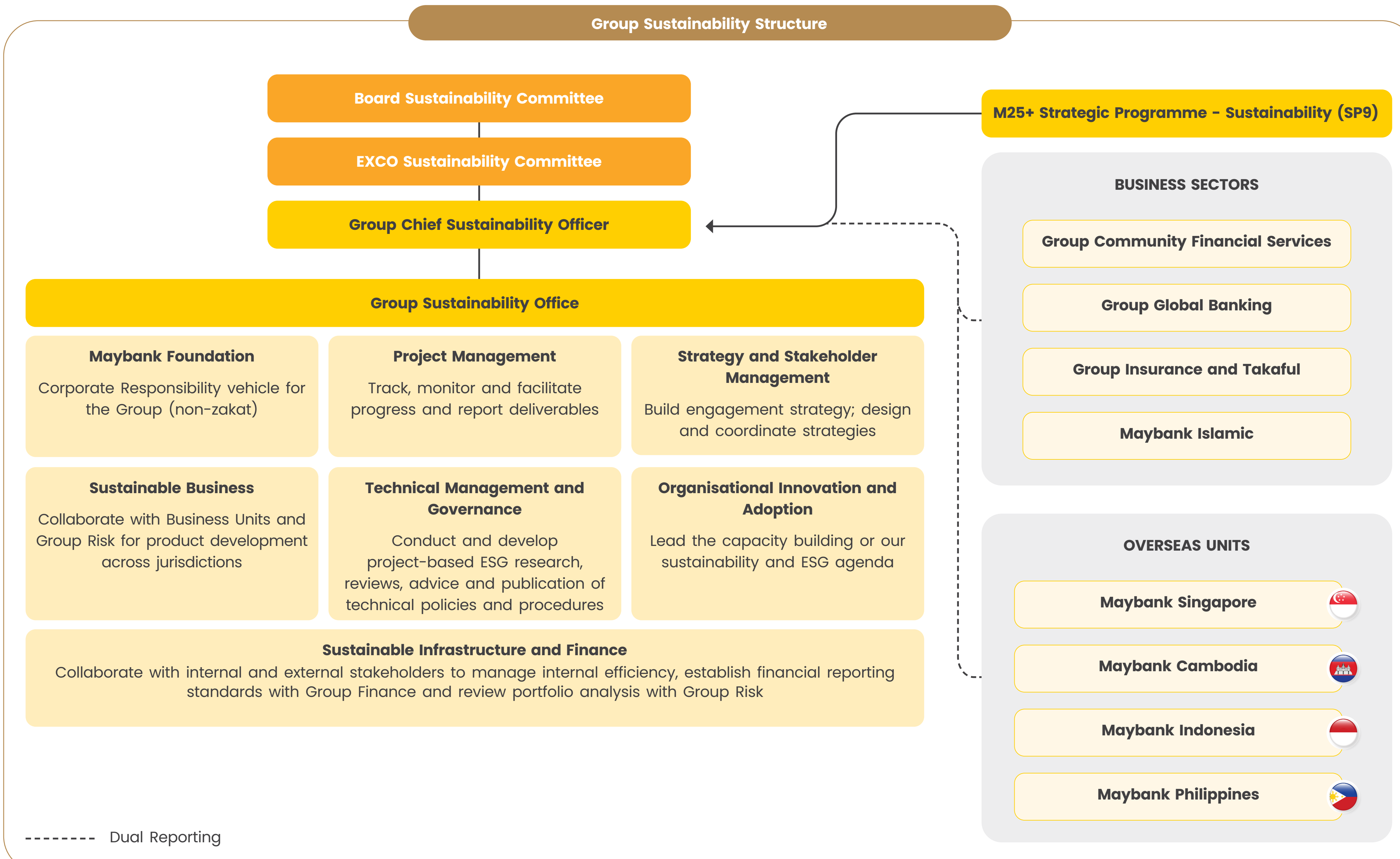
Approach

- Deals that intend to be tabled to the ESC Subcommittee must first be submitted to Group Sustainability, who acts as the secretariat for the process.
- The secretariat will then review the deal to assess the suitability and need for tabling to the ESC Subcommittee.
- Should the secretariat determine that the deal warrants an escalation to the ESC Subcommittee, the following will take place:
  - The deal team will draft a memo to put forward their proposition on why the deal should be allowed from an ESG perspective
  - Group Sustainability will prepare an Independent Sustainability Review Paper with a recommendation on whether the deal should be supported, rejected or deferred.
  - The ESC Subcommittee members will then convene to deliberate the permissibility of pursuing the deal taking into account all ESG factors.
- In preparing the Independent Sustainability Review, Group Sustainability will undertake:
  - research on the asset, client, sector and deal (including EI, SIA and EMP reports)
  - analyse the merits of the deal, objectives and/or proposition
  - review and analyse external publications (including but not limited to ESG ratings reports)
  - review ESG issues, allegations and controversies on the asset, deal and/or client and if required, engage the client to better understand their perspective and progress of remediation.

GRI 2-12, 2-13

Group Sustainability Structure

The GCSO leads the Group Sustainability Office, comprising seven key functional units. These units along with SP9 are responsible for driving core sustainability initiatives across the Group. Embedded within the business sectors and overseas units are sustainability functions that follow a dual reporting structure. The Group Sustainability Engagement and Governance (EAG) platform and Sustainability Circle support this framework by fostering alignment across countries, sectors and business units to strengthen the Group's sustainability efforts.



Governance

GRI 2-12, 2-13

M25 + Strategic Programme	Description and Roles
SP9	Drives Maybank's environmental strategy by enhancing net zero measurement, setting decarbonisation pathway, integrating sustainability into credit processes, organising expertise and offering tailored transition finance solutions to support decarbonisation and sustainable growth.
Business Sectors	
Group Community Financial Services	The Community Financial Services Sustainable Solutions team is responsible for the planning and execution of all sustainability-related projects and initiatives. All initiatives are reviewed, tracked and reported into the Community Financial Services Committee (CFSC) Meeting on a monthly basis to ensure continuous growth and positive traction.
Group Global Banking Maybank Asset Management Group	Sustainability updates comprising progress of Maybank Asset Management Group (MAMG) sustainability commitments, including key achievements are discussed and reported at its executive-level committee and Board on a quarterly basis.
Group Global Banking Maybank Investment Banking Group	Maybank Investment Banking Group (MIBG)'s ESG progress, including achievements, are deliberated and discussed at the executive-level committee and Board of Directors meetings.
Group Insurance and Takaful	The Value-Based Intermediation and Sustainability Steering Committee (VBIS SC), led by CEOs, manages sustainability efforts, reviews the agenda, sets boundaries and approves sustainability proposals for operations in Malaysia and Singapore.
Maybank Islamic	Maybank Islamic ensures robust sustainability governance through regular reporting to its Management Committee, Board of Directors and Shariah Committee, while its sustainability efforts are managed by the Group myimpact Centre of Excellence under the CEO's Office.
Overseas Units	
Singapore	The Singapore Sustainability Council, chaired by the Country CEO, meets quarterly to review and approve sustainability-related initiatives and oversee progress against sustainability commitments.
Indonesia	The Sustainability Unit in Maybank Indonesia, similar to the Group's structure, manages sustainability efforts and reports monthly progress to the Board.
Cambodia	The Senior Management Sustainability Council, chaired by the CEO and Country Head, meets bi-monthly to track sustainability progress, discuss initiatives, address issues, identify sustainable finance opportunities and share Group updates on sustainability.
Philippines	The Senior Management Sustainability committee, chaired by the PCEO meets bi-monthly to review progress, strategies, compliance updates and share Group updates on sustainability. This meeting is also attended by representatives from Group Sustainability Office.

GROUP SUSTAINABILITY ENGAGEMENT AND GOVERNANCE

The Group Sustainability Engagement and Governance (EAG) platform was established in April 2024 as a checkpoint for the GCSO and sustainability leaders from selected countries and business sectors to engage directly on a bimonthly basis. The first kick-off meeting was held on 28 May 2024.

Key Objectives

- Reinforce alignment and drive team cohesion among countries, business sectors and the Group Sustainability Office.
- Instill ownership and ensure smooth execution of sustainability initiatives.
- Nurture a culture of trust, transparency and reliability among sustainability leaders.
- Strengthen collaboration within the Group Sustainability ecosystem.

SUSTAINABILITY CIRCLE

Established in 2022 and chaired by the GCSO, the Sustainability Circle facilitate the exchanging of views and the promotion of sustainability practices across the Group. It consists of sustainability representatives within the Group from different sectors and countries, namely Maybank Singapore, Maybank Indonesia, Maybank Philippines and Maybank Cambodia.

Key Objectives

- Advocate sustainability practices
- Drive sustainability plans and targets
- Foster transparent communication
- Explore new sustainability opportunities

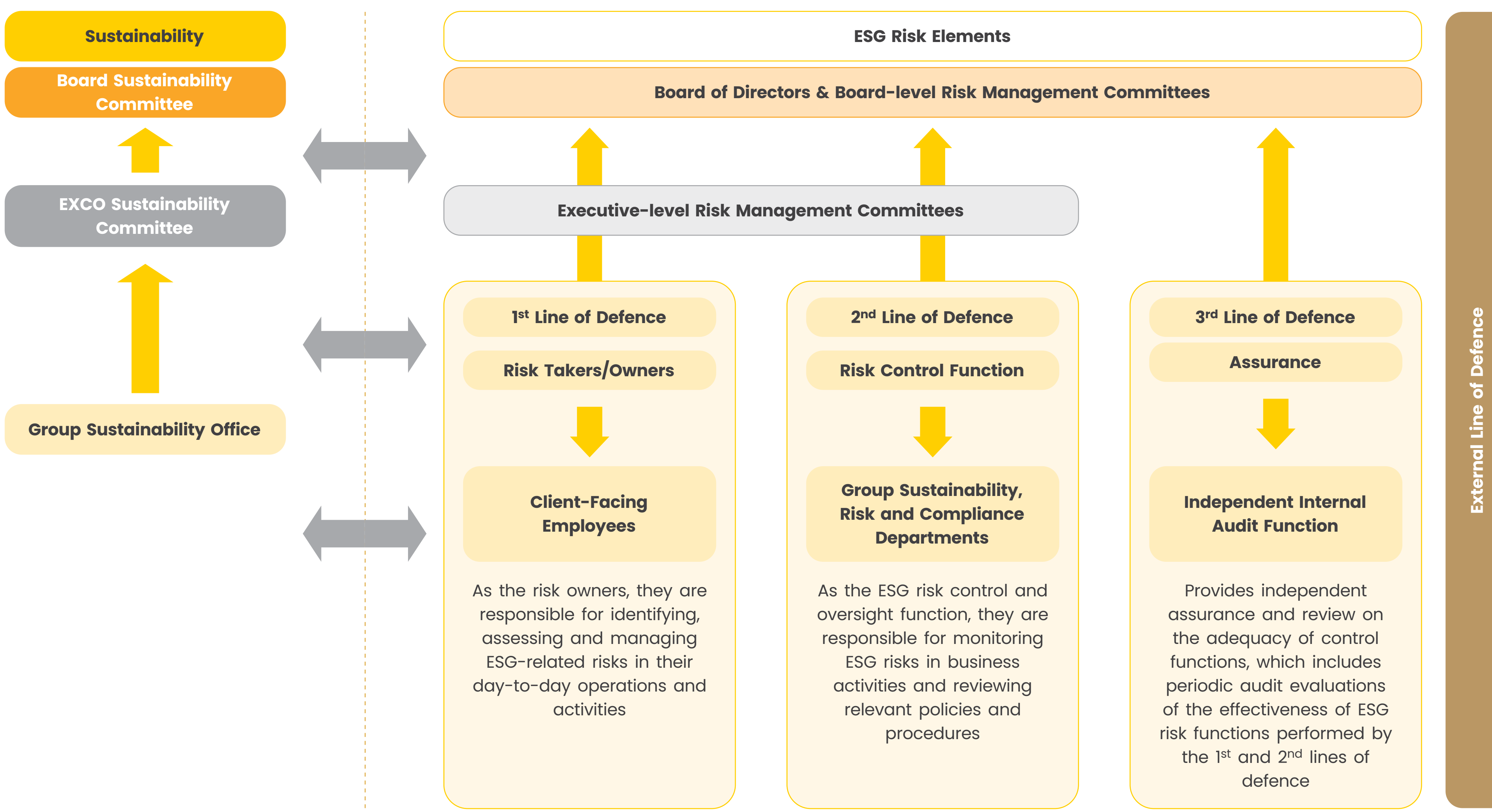
Outcomes in 2024

- Conducted quarterly meetings where members received updates on the latest sustainability developments across sectors and regions.
- Provided a comprehensive overview of the Group's Sustainability progress, enabling targeted actions across all operating markets.

ESG RISK GOVERNANCE

Effective management of ESG risks is essential to achieving our sustainability goals and ensuring long-term resilience. Our ESG Risk Management Framework establishes clear accountability and provides a unified approach to mitigating environmental and social risks. Supported by robust governance, this framework drives consistent implementation across the Group, aligning with our commitment to protect people and the planet.

For more information on our ESG Risk Management approach, please refer to page 38 of this report.

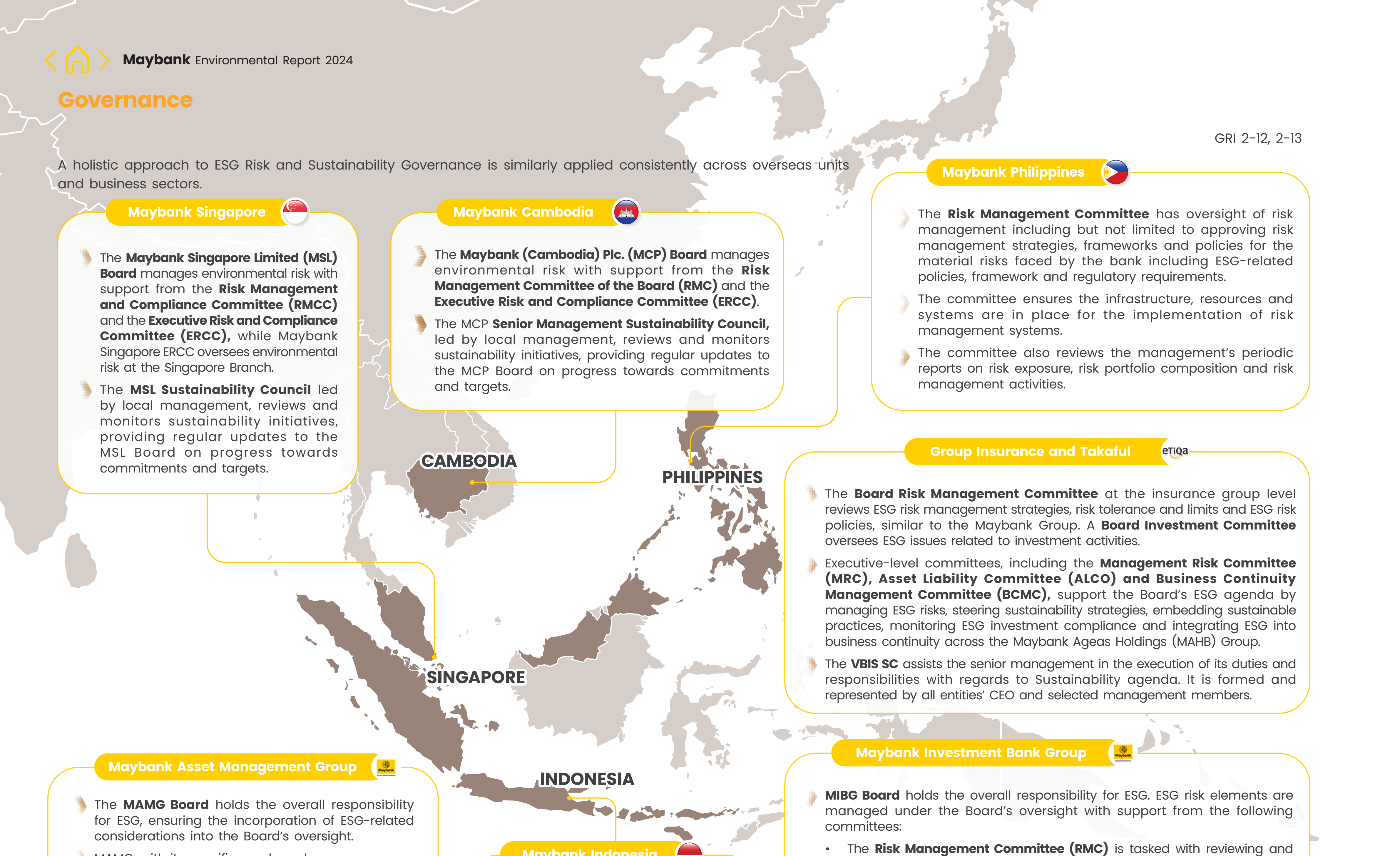


For more information of the roles and responsibilities of the Risk Governance structure, please refer to pages 11 to 12 of this report.

Governance

GRI 2-12, 2-13

A holistic approach to ESG Risk and Sustainability Governance is similarly applied consistently across overseas units and business sectors.



Maybank Singapore

- The **Maybank Singapore Limited (MSL) Board** manages environmental risk with support from the **Risk Management and Compliance Committee (RMCC)** and the **Executive Risk and Compliance Committee (ERCC),** while Maybank Singapore ERCC oversees environmental risk at the Singapore Branch.
- The **MSL Sustainability Council** led by local management, reviews and monitors sustainability initiatives, providing regular updates to the MSL Board on progress towards commitments and targets.

Maybank Cambodia

- The **Maybank (Cambodia) Plc. (MCP) Board** manages environmental risk with support from the **Risk Management Committee of the Board (RMC)** and the **Executive Risk and Compliance Committee (ERCC)**.
- The MCP **Senior Management Sustainability Council,** led by local management, reviews and monitors sustainability initiatives, providing regular updates to the MCP Board on progress towards commitments and targets.

Maybank Philippines

- The **Risk Management Committee** has oversight of risk management including but not limited to approving risk management strategies, frameworks and policies for the material risks faced by the bank including ESG-related policies, framework and regulatory requirements.
- The committee ensures the infrastructure, resources and systems are in place for the implementation of risk management systems.
- The committee also reviews the management's periodic reports on risk exposure, risk portfolio composition and risk management activities.

Group Insurance and Takaful

- The **Board Risk Management Committee** at the insurance group level reviews ESG risk management strategies, risk tolerance and limits and ESG risk policies, similar to the Maybank Group. A **Board Investment Committee** oversees ESG issues related to investment activities.
- Executive-level committees, including the **Management Risk Committee (MRC), Asset Liability Committee (ALCO) and Business Continuity Management Committee (BCMC),** support the Board's ESG agenda by managing ESG risks, steering sustainability strategies, embedding sustainable practices, monitoring ESG investment compliance and integrating ESG into business continuity across the Maybank Ageas Holdings (MAHB) Group.
- The **VBIS SC** assists the senior management in the execution of its duties and responsibilities with regards to Sustainability agenda. It is formed and represented by all entities' CEO and selected management members.

Maybank Asset Management Group

- The **MAMG Board** holds the overall responsibility for ESG, ensuring the incorporation of ESG-related considerations into the Board's oversight.
- MAMG, with its specific needs and processes as an asset/investment manager, has established and implemented the Maybank Group ESG Risk Management Framework, which is integrated into the **Regional Investment Policy.**
- The MAMG Board will oversee ESG risk elements at the group level with the support of its Board committees including the Investment Committee and the Risk Management Committee.
- At the management level, the **Executive Risk Committee and Portfolio Management Committee** will assist in monitoring ESG risk-related matters.

Maybank Indonesia

- Maybank Indonesia's **Enterprise Risk Management** unit collaborates with the Sustainability team to develop Climate Risk Stress Testing assessments, which are submitted to Indonesia's Financial Services Authority (OJK). Oversight of ESG risk strategies, frameworks and policies is managed by the **Risk Management Committee (RMC)** and the **Risk Oversight Committee.**

Maybank Investment Bank Group

- **MIBG Board** holds the overall responsibility for ESG. ESG risk elements are managed under the Board's oversight with support from the following committees:
  - The **Risk Management Committee (RMC)** is tasked with reviewing and approving ESG risk management strategies, risk tolerance and limits as well as new and significant ESG frameworks and policies.
  - The **Crediting and Underwriting Review Committee (CURC)** provides oversight and advisory on credit and capital market transactions, ensuring ESG risk considerations are included.
  - The **Management Risk Committee (MRC)** ensures sufficient resources are allocated for managing ESG risks, reviews periodic reports on ESG risk exposures and evaluates the effectiveness of ESG risk management strategies, tolerance and risk appetite limits.
  - The **Credit and Underwriting Committee (CUC)** focuses on recommending credit decisions requiring Board approval and conducts independent reviews on ESG risks tied to credit and capital market transactions.

GRI 2-12, 2-13, 2-17

BOARD TRAINING

We believe that a strong organisational culture, combined with diverse expertise and skills, is essential to driving sustainable growth and delivering value to our stakeholders. Therefore, by leveraging the collective expertise and diverse skill sets of our Board members, we are well-positioned to navigate complex challenges, uphold strong governance and steer the Group towards achieving long-term sustainability goals. Below is a summary of the trainings attended by the Group Board in 2024.

Training	Description	Attendees
Mandatory Accreditation Programme Part II – Leading for Impact (LIP)	A mandatory onboarding programme for directors of Bursa Malaysia-listed companies focused on sustainability governance and risk management.	4
IIC Corporate Governance Conference 2024 – Countdown to 2030: Investing Towards Sustainable Development in Malaysia	A conference exploring the role of corporate governance in driving sustainable development and improving Malaysia's capital market.	1
ESG: Global Trends and Rising Stakeholder Demand for Board of Directors	An ESG talk by EY covering the ASEAN sustainable financing landscape, carbon pricing trends, nature-related risks and opportunities and sustainability governance reporting requirements.	11
MIA Conference 2024 – Navigating New Frontier, Embracing Sustainability	Expand horizons to adapt to growing stakeholder expectations around ESG issues, rapid technological advancements, changing business models, the rise of Artificial Intelligence and Automation, as well as a more complex and volatile regulatory and global landscape.	1
Carbon Markets: What Directors Need to Know	A session covering the role of carbon markets in addressing climate change, the opportunities and challenges in developing and trading carbon credits and the mechanism of Bursa Carbon Exchange (BCX) as a trading platform.	2
Understanding ESG and its Impacts on Business	A session conducted by the Chief Executive of Hong Kong Chartered Governance Institute, providing an overview of ESG, offering practical examples and discussing its significance as a compliance priority for governance professionals.	1
JC3-GFANZ CEO Roundtable Luncheon - A Just Transition Towards a Shared Future	A session that brought together the Malaysian financial sector and real economy companies to enhance dialogue on the country's net zero ambition through the sharing of net zero strategies, highlighting opportunities and challenges faced and discussing cross-sectoral partnerships to address commercial challenges in supporting the nation's net zero ambition.	1
Future-proofing Your Business: What You Need to Know About the "S" in ESG	This session explored the "S" in ESG, defining its relevance for businesses and examining the EU's Corporate Sustainability Reporting Directive (CSRD), which addresses social, employee and human rights, as well as anti-corruption measures. It also highlighted challenges and strategies to future-proof Malaysian businesses.	1
From Bench to Business: Innovations in Electrochemical Technology for the Low Carbon Energy Transition	A session exploring electrochemical technology and how it supports the transition to low-carbon energy systems, focusing on efficient molecule-to-electron conversion and renewable power storage for balancing electricity demand.	1
University of Hong Kong's Collaboration Week for Sustainability	A session focusing on advancements in hydrogen and fuel cell technologies for achieving net zero, along with roadmapping towards sustainable business and industry practices.	1

MAYBANK SUSTAINABILITY PRACTITIONER CERTIFICATION PROGRAMME

The **Maybank Sustainability Practitioner Certification (MSPC)** Programme is Maybank's proprietary certification initiative to build capacity and provide credibility for sustainability practitioners. Developed in collaboration with the UN Global Compact Network Malaysia and Brunei, the programme provides a structured pathway for employees to develop and certify their sustainability expertise. The MSPC is the first programme of its kind in the industry, further solidifying Maybank's leadership in sustainability.

A total of **19 senior leaders**, including the Chairman of Board Sustainability Committee and Group EXCO members, have been certified as **MSPC Level 4 Black Belt** holders, demonstrating expert-level knowledge of sustainability principles and the ability to shape Maybank's vision, strategy and targets.

For more information on MSPC, please refer to page 102 of the Sustainability Report 2024.

Governance

GRI 2-12, 2-13, 2-19

SUSTAINABILITY-LINKED REMUNERATION

Maybank has integrated sustainability Key Performance Indicators (KPIs) into the Long-Term Incentive Plan (LTIP) for our senior management, directly aligning leadership accountability with the Group's sustainability and climate-related goals. This approach ensures that sustainability remains central to our strategic decision-making and long-term growth objectives.

The LTIP is designed to align the interests of senior management with the institution's long-term sustainability goals. By incorporating sustainability metrics, the LTIP aims to:

Embed Accountability: Ensure senior management remains accountable for delivering on key sustainability and climate-related objectives alongside financial and operational performance.

Encourage Long-Term Planning: Incentivise leaders to focus on transformative initiatives that yield enduring ESG outcomes.

Foster Alignment with Stakeholders: Reinforce our commitment to stakeholders, including investors, clients and communities by integrating sustainability into strategic priorities.

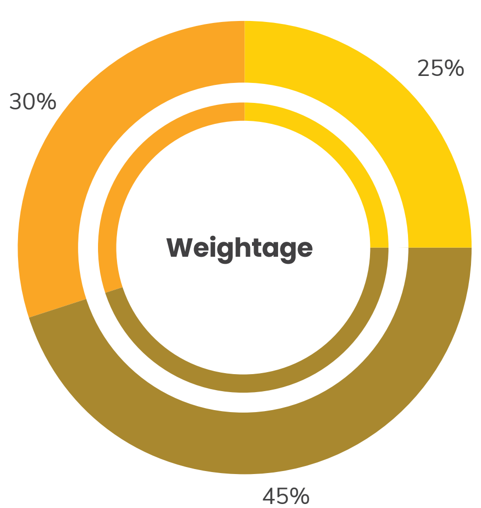
Updates and Enhancements in 2024

Building on the foundation laid in FY2023, we have further enhanced our approach to integrating sustainability into decision-making and performance management:

Enhanced tracking and reporting of sustainability-related KPIs to ensure alignment with global standards.

Strengthened engagement with stakeholders to ensure our sustainability initiatives address evolving challenges and opportunities.

Sustainability and Performance Metrics



- Environmental, Social and Governance (ESG)
- Return on Equity (ROE)
- Relative Total Shareholder Return (TSR)

These ESG metrics are assessed using specific sustainability criteria, reflecting our efforts in:

01 Mobilising Sustainable Finance
Driving financing to support sustainable development initiatives by 2025.

02 Advancing Renewable Energy and Decarbonisation
Facilitating investments in renewable energy projects and decarbonisation efforts by 2025.

03 Enhancing Community Well-being Across ASEAN
Positively impacting the lives of households in the region through initiatives promoting financial inclusion and community support by 2025.

04 Achieving Carbon Neutrality and Net Zero Commitments
Targeting carbon neutrality for Scope 1 and 2 emissions by 2030 and progressing towards Net Zero Carbon Equivalent by 2050.

GRI 2-12, 2-13, 2-18, 2-19

BOARD EFFECTIVENESS EVALUATION

An evaluation on the Board's effectiveness in overseeing sustainability-related matters was conducted as part of the annual Board Effectiveness Evaluation (BEE) exercise for FY2024. The evaluation focused on four key areas:

- The Board's effectiveness in setting strategies, priorities and targets for sustainability.
- The Board's effectiveness in addressing material sustainability risks and opportunities.
- The effectiveness of the BSC in fulfilling its responsibilities.
- The adequacy of time allocated to ESG issues.

Key Outcomes

Based on the results of the BEE conducted for FY2024, the Board has been effective in setting strategies, priorities and targets for sustainability as well as in addressing material sustainability risks and opportunities. The BSC was rated as Satisfactory in performing its roles and responsibilities during FY2024. During the BEE exercise, the Directors and Management members generally agreed that the Board has spent sufficient time in addressing ESG issues during FY2024. There were also suggestions that the Board should devote more time on the following ESG related issues:

- **Climate change, carbon emissions and use of natural resources**
- **Sustainability focused products and services**
- **Employee well-being/ people empowerment**
- **Sustainable procurement/ supply chain**
- **Diversity, equity and inclusion**

For more information on the Board Effectiveness Evaluation, please refer to pages 132-133 of the Integrated Annual Report 2024.

For information on Remuneration and Executive compensation, please refer to pages 72, 73 and 134 of the Integrated Annual Report 2024.

Strategy

Our approach to integrating climate-related risks and opportunities into our business strategy and financial planning. It outlines how we align with global frameworks to strengthen resilience and support a low-carbon economy.

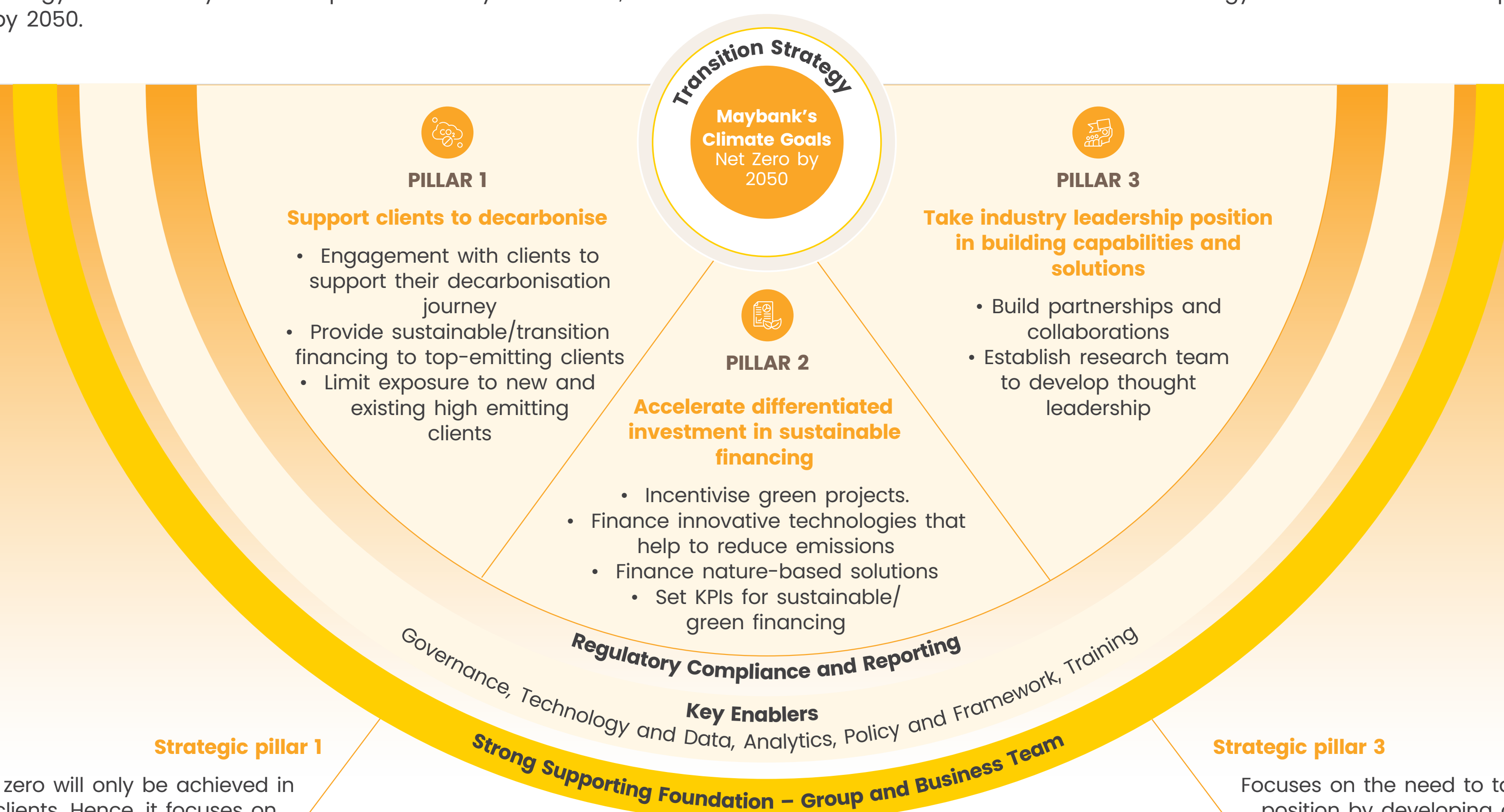
KEY HIGHLIGHTS

- Appointed as a Steering Group Member of the Net Zero Banking Alliance (NZBA).
- Hosted the Institute of International Finance (IIF)-Maybank Sustainable Finance Forum, enabling over 300 attendees towards sustainable economic transformation.
- Rolling out the Net Zero Emission Intensity Analysis (NZEIA) process ensuring carbon impacts are accounted for financing of high emitting sectors projects.
- Updated and enhanced the Maybank Group Sustainable Product Framework and Transition Finance Framework aligning with latest industry standards and practices.

OUR STRATEGIC APPROACH TO ENVIRONMENTAL ACTION

At Maybank, our environmental strategy embodies a comprehensive approach to tackling global challenges. With climate change identified as both highly material and urgent, we are strategically focused on driving the low-carbon transition while fostering broader environmental stewardship and collaboration.

Guided by the M25+ strategy and the Maybank Group Sustainability Framework, we have established a robust climate transition strategy that outlines clear steps toward achieving our net zero commitment by 2050.



Strategic pillar 1

Acknowledges that net zero will only be achieved in partnership with our clients. Hence, it focuses on our aim to assist and support our clients in decarbonising their operations to meet carbon reduction targets. We plan to achieve this by working with clients in sectors where abatement is the most challenging and/or where emissions are the greatest.

Strategic pillar 2

Emphasises the need to accelerate business growth and investments in sustainable finance and sustainable solutions through our commitment to mobilise RM80 billion in sustainable finance by 2025. Aligned to this, the Maybank Group Sustainable Product Framework which was implemented in 2022 was enhanced, guiding our growth in sustainable finance. Key focus will be placed on providing solutions that are linked to sustainability performance targets. The Group will also identify targeted ways to incentivise clients' portfolio transition.

Strategic pillar 3

Focuses on the need to take a proactive position by developing our internal capabilities, nurturing strategic partnerships and collaborations, as well as providing Maybank's expertise to our clients where needed.

Supporting Malaysia's National Climate Ambitions: Aligning with the National Climate Change Policy 2.0

In 2024, Malaysia introduced the National Climate Change Policy 2.0 (NCCP 2.0), a framework to drive the nation's low-carbon transition and enhance climate resilience. The policy focuses on reducing GHG emissions, promoting renewable energy, advancing sustainable land use and strengthening climate adaptation, aligning with the Paris Agreement and global climate goals.

Maybank is working towards supporting the NCCP 2.0 through its M25+ strategy and net zero commitment by 2050. By financing green projects, reducing operational carbon emissions and offering sustainable financial products, we align our climate transition strategy with national climate objectives, contributing to Malaysia's sustainable development and climate resilience efforts.

DRIVING OUR ENVIRONMENTAL-RELATED STRATEGY

As one of the 12 Strategic Programmes under M25+, SP9 aims to elevate Maybank's Net Zero commitment by 2050 with an End-State vision 'The Leading Enabler in Sustainability, Accelerating Our Clients Transition Towards Net Zero'. As such, SP9 centres on the "Environmental" element of "ESG", covering the following five initiatives:

Core Actions

- Enhance baseline, measurement and target-setting capabilities
- Build segment-specific business strategies
- Develop a sustainability integrated target operating model covering governance and organisation, business/ individual KPIs and credit approval processes

Our Net Zero Commitment

9B KPIs and Target Setting for all Business Units

- High emission sectors net zero pathways and decarbonisation strategy
- Business level granular KPIs and targets to drive the decarbonisation strategy
- Scenario analysis and emissions forecasting

Enablers

9A Enhance Net Zero Measurement Capabilities SP12

- 1.5°C emissions tracker and analyser
- Central ESG data repository
- Dynamic and web-based visualisation
- Emissions calculation automation by economic sector, line of business, geography/entity and emissions arising from specific clients
- Green products/avoided emissions
- Pre-deal emission calculator

9D Organisation and Intergration of Sustainability Expertise SP1 SP2 SP12

- Enhance ESG sector specialist – in-house experts and scientist
- Enhance sustainability, ESG and decarbonisation curriculum for the business and credit domains in collaboration with business units
- Capability building in new areas such as Circular Economy and Waste Management

9E Embed and Integrate Sustainability into End-to-End Credit Process SP1

- Integrating ESG in the credit approval process/ ecosystem

ESG Screening | ESG Framework and Risk Appetite | Climate Risk Scoring | Risk Acceptance Criteria

Transition Finance Opportunities

9C SP1 SP2 SP3

Sustainability Strategy and Product Offerings

- Sustainable and tailored solutions including transition finance
- Sector-specific solutions
- Strategic third party alliances
- Pricing and incentive framework
- Participate in review/ development of sustainable finance, transition finance and decarbonisation frameworks

Communication and Thought Leadership

- Ensure effective, timely and strategic communications in relation to net zero strategy and commitments
- Showcase achievements
- External sustainability communication playbook/guide
- Promote thought leadership via flagship forums and conferences

End-state 2025

- Clear leadership in sustainability by accelerating our clients' decarbonisation transition
- Clarity in our net zero pathway and strategies
- Significant transition finance deals
- Mobilised sustainable finance of RM80 billion

Strategy

GRI 3-3, 203-1, 203-2

PILLAR 1: SUPPORTING CLIENTS TO DECARBONISE

Acknowledges that net zero will only be achieved in partnership with our clients. Hence, it focuses on our aim to assist and support our clients in decarbonising their operations to meet carbon reduction targets. We plan to achieve this by working with clients in sectors where abatement is the most challenging and or where emissions are the greatest.

STRATEGIC PILLAR 1

- Engagement with clients to support their decarbonisation journey
- Provide sustainable/transition financing to top-emitting clients
- Limit exposure to new and existing high-emitting clients

OUR DECARBONISATION PATHWAY

We have established an overall approach to facilitate the development of our net zero pathway which includes a six-step process. Once we have identified the priority sectors, our decarbonisation journey focuses on refining the strategy by assessing each sector's emissions profile and decarbonisation potential. This enables a thorough baseline review, identifying emissions sources and forecasting future trends with accurate data. Green sector strategies are then developed by exploring both passive and active measures tailored to sector characteristics. The process culminates in setting clear, actionable targets that align with the Group's broader net zero commitments, supported by ongoing collaboration and implementation with clients across sectors.

Our Decarbonisation Pathway

Finalise methodology and pathway design

- Determine the sectors that should be prioritised including the scope and metrics.
- Identify the parameters required, level of materiality and the reference pathways that should be adopted.

Initial sector overview and client profiling

- Review the identified sector's emission footprint, decarbonisation enablers and pathways.
- This includes the client's business type and the availability of emissions data.

Sector baseline summary

- Calculate baseline emissions based on chosen methodology.
- Forecast emissions using various scenario assumptions.

Baseline emissions walkthrough

- Review emissions baseline, data availability and parameter.
- This includes assessing the availability of emissions and activity data, methodologies used in baseline calculation and the client's current emissions profile.
- Review the emissions forecasting approach.

Review Green Sector Strategy outputs

- Review the passive and active levers that allow Maybank to decarbonise its portfolio and how these differ by client archetype.
- Analyse available options to implement the identified Green Sector Strategies and their relevance to Maybank's portfolio/clients.

Finalisation of target setting per sector

- Business engagements and committee approval on the proposed targets and onward implementation of targets.

GRI 3-3, 203-1, 203-2

SUPPORTING HARD-TO-ABATE SECTORS

As Maybank progresses on its net zero pathway, we focus on sectors within our portfolio that significantly contribute to GHG emissions and are crucial for achieving climate targets. Guided by the NZBA, we focus on high-emitting sectors undergoing substantial decarbonisation transitions. Recognising their importance to the Southeast Asian economy, we have prioritised sectors such as Power, Palm Oil, Steel and Aluminium, aligning with regional decarbonisation efforts.

NZBA Priority Sectors[3]	Total Lending and Investments (RM millions)[1]	Financed Emissions (million tCO_2e)[2]
Agriculture, excluding Palm Oil	7,586.92	1.63
Palm Oil*	9,945.95	2.86
Aluminium*	732.54	0.04
Cement	1,122.99	0.61
Coal	5.15	–
Commercial and Residential Real Estate	313,100.37	5.34
Iron and Steel*	1,063.27	0.18
Oil and Gas	11,088.33	2.29
Power Generation*	8,940.80	1.81
Transport, including Aviation	103,297.67	3.85

* Maybank's Group Priority Sector.

[1] As of December 2024

[2] Based on PCAF emissions estimations

[3] Across all our markets, 80% of our financed emissions come from listed equities and corporate bonds, business loans, unlisted equities and project finance. Most of our financed emissions come from our home markets Malaysia, Singapore and Indonesia.

For more information on sectoral exposure and financed emissions, please refer to pages 49 to 50 and 54 to 56 of this report.

Enhanced Net Zero Carbon Calculator

The enhanced Net Zero Carbon Calculator (NZCC) empowers our Relationship Managers to make informed decisions by providing insights into the environmental impact of each transaction. To date, the NZCC tool has been deployed across Malaysia, Singapore and Indonesia, with plans for expansions.

Key Enhancements:

Seamless Data Integration

Input financial data across high emitting sectors with a user-friendly interface for business front-end use.

Business Analysis

Use advanced algorithms to analyse every business deal, from carbon footprints to the environmental impact of loans.

Empowerment Through Insight

Gain detailed emissions insights to make informed decisions aligned with Maybank's sustainability goals.

Net Zero Emission Intensity Analysis: Enhancing Decision-Making in High-Emitting Sectors

As part of Maybank's Net-Zero Pathway (NZP) announced in 2024, the Net Zero Emission Intensity Analysis (NZEIA) process is being rolled out to ensure that Relationship Managers and Approvers account for carbon impacts when financing projects in high-emitting sectors. This structured approach integrates sustainability considerations directly into our financing decisions, reinforcing our commitment to achieving net zero.

Approach:

Identify Relevant Deals

Relationship Managers must check if a financing deal falls within sectors covered by the NZEIA, prompting additional review for carbon impact.

Conduct Carbon Simulation

For deals in scope, Relationship Managers must use the NZCC to estimate the project's carbon impact.

Align with Emission Targets

Cross-check the carbon impact against Maybank's Portfolio Emission Intensity (PEI) targets to ensure alignment with our net zero goals.

Document for Approval

Attach the NZCC results to approval documents as evidence that PEI was considered in the decision.

Strategy

GRI 3-3, 203-1

CLIENT ENGAGEMENT GUIDEBOOK

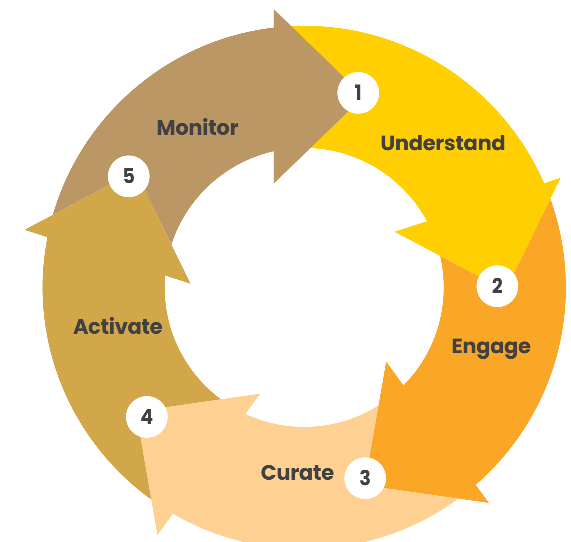
To support the decarbonisation efforts of our clients, Maybank has developed an internal, sector-agnostic Client Engagement Guidebook. The Guidebook aims to support our client-facing teams to have more meaningful conversations with large and medium corporate clients on their decarbonisation strategies and the support needed from Maybank. This approach ensures that our net zero alignment is reinforced through strategic initiatives and client collaboration, instead of immediate divestment. The Guidebook's modular five-step process is designed to:

Equip Relationship Managers with skills to engage large and medium corporate clients on sustainability and climate matters.

Supplement Relationship Managers with sufficient tools and resources at their disposal to be able to strategically identify potential financing and advisory opportunities prior to engaging with clients.

Guide Relationship Managers on how to host meaningful conversations with their clients by asking the right questions.

Educate Relationship Managers on how to convert the information gathered from their research and client engagement into providing meaningful and unique solutions to clients to assist them in their decarbonisation journey.



As part of the Maybank Sustainability Series (MSS), we have conducted technical workshops to upskill Maybankers and facilitate the integration of sustainability-related frameworks and tools, including the Guidebook across regional business units. In 2024, we had 48 participants from Singapore, 14 participants from the Philippines and 42 participants from Cambodia.

For more information on how we are building our ESG capabilities, please refer to pages 27 to 29 of this report.

Creating Value Through Client Engagement

Maybank's client-focused approach drives the development of tailored sustainable finance solutions, enabling clients to achieve their decarbonisation and transition goals.

Maybank is the first bank in Malaysia to set up a dedicated Sustainable Finance team within Debt Markets. Tasked to facilitate and guide issuers through the end-to-end process of Sustainable Debt Financing, the fully ICMA-certified team has accumulated a total deal value of RM19.3 billion since October 2021. The team is capable of acting as our clients' Sustainability Structuring Advisor in establishing their Sustainable and Transition Finance Framework.

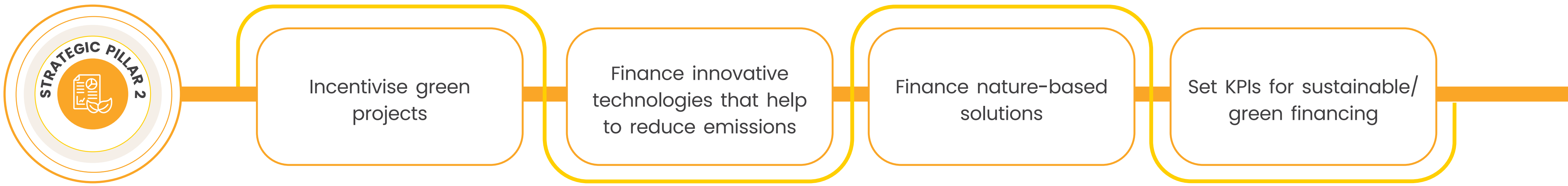
- Sole Sustainability Framework Adviser for three published transition finance frameworks across ASEAN:
  - Tenaga Nasional Berhad, Malakoff Corporation Berhad and Wasco Berhad's frameworks all feature disclosures aligned to the ICMA Climate Transition Finance Handbook.
- Sole Sustainability Structuring Adviser, Sole Principal Advisor, Joint Lead Arranger, Joint Lead Manager for Johor Plantation Bhd's Sustainability-linked Sukuk - World's first Sustainability-linked Sukuk in the plantation sector and first rated Sukuk under the SRI-linked Sukuk Guidelines.
- Sole Financier and Sustainability Structuring Advisor, USD100 million Sustainability-linked Islamic revolving credit facility for AET Singapore Holdings Pte Ltd - First-of-its kind facility in the Southeast Asia shipping industry.

For more information on our Landmark Deals, please refer to page 52 of the Sustainability Report 2024.

GRI 3-3, 203-1, 203-2

PILLAR 2: ACCELERATE DIFFERENTIATED INVESTMENT IN SUSTAINABLE FINANCING

Emphasises the need to accelerate business growth and investments in sustainable finance and sustainable solutions through our commitment to mobilise RM80 billion in sustainable finance by 2025. The key focus will be placed on providing solutions that are linked to sustainability performance targets. The Group will also identify targeted ways to incentivise clients' portfolio transition.



SUSTAINABILITY-RELATED FRAMEWORKS AND PRODUCTS

Maybank drives sustainable financing by delivering innovative solutions that create meaningful environmental and social impact. Through targeted frameworks and products, we prioritise financing that supports the transition to a low-carbon economy while aligning with global sustainability standards. In 2024, we expanded our sustainable finance offerings to include diversified green, social and transition financing solutions designed to address sector-specific challenges and accelerate decarbonisation across industries.

<table>
<tr><th colspan="2">Maybank Group Sustainable Product Framework[1]</th></tr>
<tr><td>Objectives
• To guide the development of themed Green, Social, Sustainable and Sustainability-linked Products that reference specific use of proceeds.
• To outline the methodology and associated procedures to classify and report financial products and services offered by Maybank as sustainable finance.</td><td>Features
• Governs the classification of green, social, sustainable and sustainability-linked products.
• Applicable to all financial products such as insurance, asset management, corporate lending, trade financing, retail finance and debt and equity capital markets.
• Outlines the classification logic, eligibility criteria, verification process and exclusion criteria for financing to be labelled as sustainable finance.
• Updated periodically to reflect evolving market standards.</td></tr>
<tr><td colspan="2">Key Updates in 2024
› Expanded the list of Eligible Green and Social activities within Appendix 1 of the Maybank Group Sustainable Product Framework (SPF) and enhanced existing criteria to provide better clarity.
› Updated sustainable finance recognition approach for Asset and Wealth Management from incremental increase to new fund sales to be consistent with the industry.
› Expanded the scope of Sustainable Insurance recognition to include insurance underwriting, effective in 2025.</td></tr>
</table>

Strategy

GRI 3-3, 203-1, 203-2

Maybank Group Sustainability-linked Product Guidelines

Objectives	Features
• Assist all Relationship Managers in identifying material sustainable KPIs and SPT for SLPs. • Provide guidance on the relevant internal approving authorities required for SLPs to be recognised as sustainable finance.	• Developed in 2022 and updated in 2023 to assist and empower Relationship Managers to identify material sustainability KPIs and develop ambitious Sustainable Performance Targets (SPTs). • Includes a template that Relationship Managers will need to populate to justify the materiality of the KPIs and SPTs of any SLP financing pursued. Serves to further upskill and empower them as the first line of defense, ensuring that all SPTs are critically analysed and justified in terms of materiality. • Requires GCSO approval on KPIs and SPTs for all SLPs established across the Group that do not possess a Second Party Opinion (SPO) validating the materiality and the ambitiousness of the SPTs.

Total SLPs Recognised in FY2024 *20 Transactions*

KPIS/SPTS REVIEWED BY GROUP SUSTAINABILITY

11 Transactions

KPIS/SPTS NOT REVIEWED BY GROUP SUSTAINABILITY[2]

9 Transactions

MALAYSIA
5
2 2 1

SINGAPORE
12
8 3 1

GREATER CHINA
3
1 2

Nature of business of clients undertaking the SLP transactions:

- Real Estate
- Oil and Gas
- Financial Services
- Agriculture

Maybank Group Transition Finance Framework[3]

Objectives	Features
• Outline Maybank's approach of classification and recognition of financing solutions offered as transition finance. Aimed at providing transparency in Maybank's approach to transition finance, the framework clearly specifies the governance structure, due diligence processes and methodology to classify and report financial products and services offered as transition finance. • Guide the development of credible transition finance solutions within Maybank based on internationally accepted guidelines and principles.	• Provides a plurality of approach to transition finance recognition via: – Principles-based approach – Pure-play approach – Eligible activities approach – Net Zero Strategies and Essential Criteria approach • Supported by a set of Guiding Principles to ensure credibility and transparency of our approach towards transition finance. • Includes key guardrails in dealing with the managed phase-out of assets, to ensure a just transition and to prevent asset stranding. • Aligned to Maybank Group's Net Zero White Paper. • Complements the SPF and updated periodically to reflect evolving market standards.

Key Updates in 2024

- Updated classification logic to include 'Pure-Play Approach' and removal of 'Net Zero Strategies - Entity Level'.
- Enhanced 'Net Zero Strategies - Activity Approach' to allow for expansion of Appendix 1 and quicker turnaround time for precedent deals that have been approved by ESC.
- Introduced Guiding Principles for transparency and clarity of evaluation in labeling a transaction as transition finance.
- Expanded list of Eligible Transition Activities to include new categories and transition activities aligned to Maybank Group's Net Zero White Paper.

GRI 3-3, 203-1, 203-2

Sustainable Financing for Corporates[4]	
Objectives • Mobilise sustainable financing for corporates across various sectors. • Support clients in their decarbonisation and transition journey towards a low-carbon economy.	**Features** • Key financing products include Green Loans, Green Bonds, Eligible Green and Pure-play Green financing. • Aligned with recognised frameworks and principles, these products aim to accelerate decarbonisation across all sectors.
Key Updates in 2024 Total mobilisation of sustainable finance for Group Global Banking across Green, Eligible Green and Sustainability Deals is RM10,185 million through 39 deals for FY2024.	

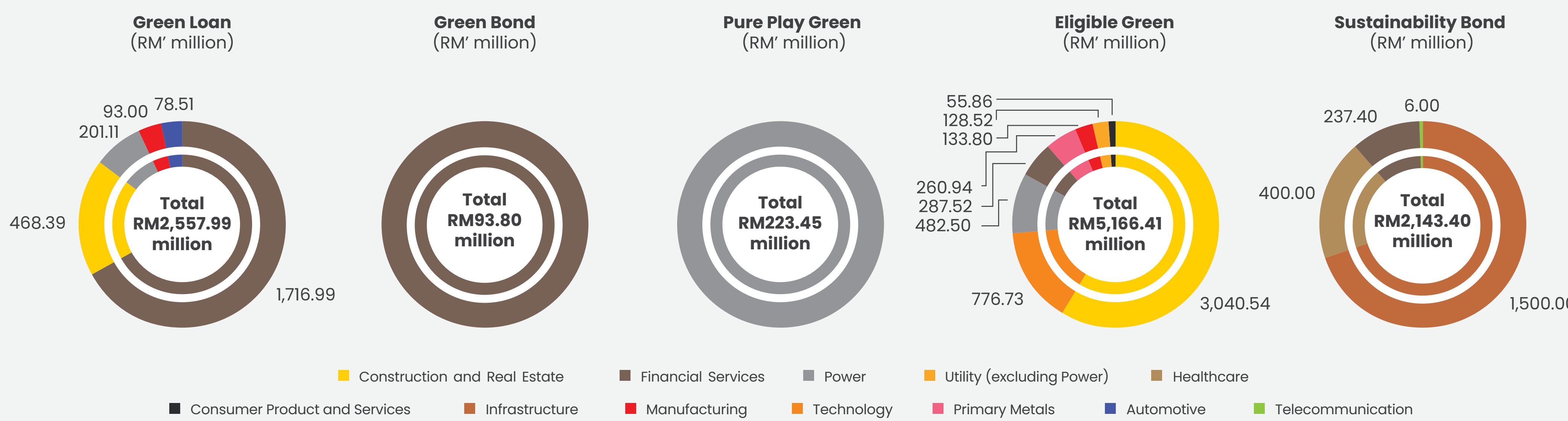
Group Global Banking

Product Type	Nature of Business	Description
Green Loan	Automotive, Financial Services, Manufacturing, Construction and Real Estate, Power	Loans aligned with the Asia Pacific Loan Market Association (APLMA)/Loan Market Association (LMA)/Loan Syndications and Trading Association (LSTA) Green Loan Principles, supported by a Second Party Opinion/external review by a reputable external review provider, confirming the green benefits of the framework and compliance with the principles
Green Bond	Financial Services	Bonds aligned with the ICMA Green Bond Principles, supported by a Second Party Opinion/external review by a reputable external review provider, that has concluded that the green benefits of the framework are in compliance with the principles
Sustainability Bond/Sukuk	Healthcare, Financials, Infrastructure, Telecommunications	Bonds and Sukuk issuances aligned with the Sustainability Bond Guidelines, supported by a Second Party Opinion/external review by a reputable external review provider, confirming compliance with the principles
Pure-play Green	Power	Financing provided to a company generates at least 90% of its revenue from eligible activities aligned with the Green criteria in the framework, supported by financial statements that are externally audited
Eligible Green	Construction and Real Estate	Financing mobilised towards qualifying green buildings, green data centres, energy efficiency initiatives as well as solar projects as per listed in the SPF
	Technology	Financing mobilised for construction of data centres qualifying under the Energy Efficiency category in the SPF
	Power	Financing mobilised for the construction of solar power plants and other renewable energy projects as per the Renewable Energy category in the SPF
	Financial Services	Financing mobilised towards the development of solar and waste to energy equipment, electric vehicles and their charging ports as per listed in the SPF
	Primary Metals	Financing mobilised for the procurement of scrap metals under the Eco-Efficient and/or Circular Economy Adapted Products, Production Technologies and Processes category in the SPF
	Manufacturing	Financing mobilised for the procurement of scrap metals for manufacturing as per under the Eco-Efficient and/or Circular Economy Adapted Products, Production Technologies and Processes category in the SPF
	Utility (excluding Power)	Financing mobilised for the expansion of capacity at a water treatment facility as per under the Sustainable Water and Wastewater Management category in the SPF
	Consumer Products and Services	Financing mobilised towards the development of solar equipment as per the Renewable Energy category in the SPF

Strategy

GRI 3-3, 203-1, 203-2

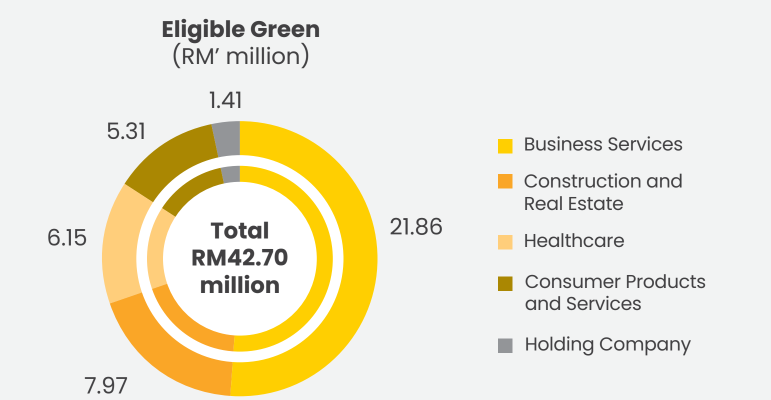
Group Global Banking by Product Type



SME Financing

Product Type	Nature of Business	Description
Eligible Green	Business Services Real Estate Healthcare Consumer Products and Services Holding Company	Financing mobilised towards mortgages for businesses that acquire green-certified building units under BCA Green Mark as per the Green Building category in the SPF

SME Banking by Product Type



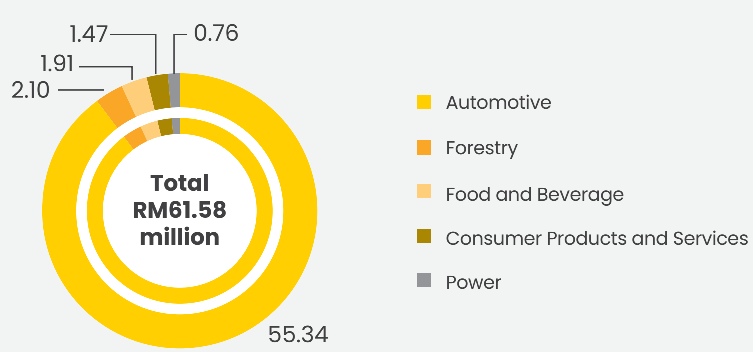
GRI 3-3, 203-1, 203-2

Business Banking

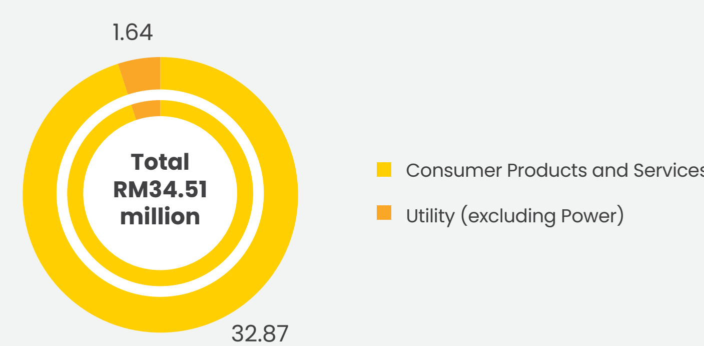
Product Type	Nature of Business	Description
Eligible Green	Automotive	Financing mobilised towards the purchase of EV cars for a car rental business
	Forestry	Financing mobilised to support the installation of solar as per the Renewable Energy category in the SPF
	Food and Beverage	
	Power	
	Consumer Products and Services	Financing mobilised to support the construction of solar power plants and other renewable energy projects under the Renewable Energy category in the SPF
Pure-play Green	Consumer Products and Services	Financing provided to a company generating at least 90% of its revenue from eligible activities aligned with the Green criteria in the framework, supported by financial statements that are externally audited
	Utility (excluding Power)	

Business Banking by Product Type

Eligible Green
(RM' million)



Pure-play Green
(RM' million)



Strategy

GRI 3-3, 203-1, 203-2

Sustainable Securities	
Objectives • Support the transition to a low-carbon economy by leveraging sustainable financing for long-term positive impacts. • Align clients' sustainability performance with financing terms through green, social and sustainability-linked loans and bonds.	**Features** • Products include Green, Sustainability Bond/Sukuk and Sustainability-linked Bond/Sukuk. • Bonds are aligned with ICMA Green/Bond Principles and the Sustainability Bond Guidelines, verified by reputable external reviewers. • Includes mobilisation via advisory where Maybank performs the role of a sustainability structuring advisor which serves as a critical component to the overall transaction.

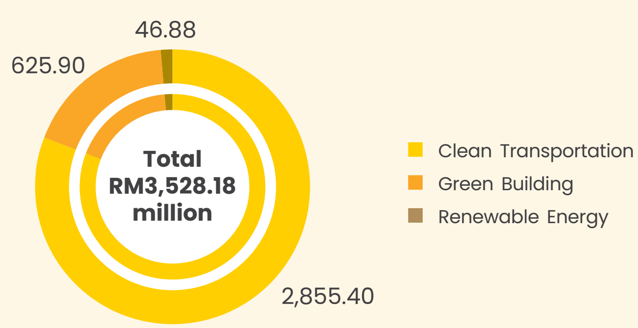
Sustainable Financing for Retail Customers[4]

Objectives

- Facilitate green financing for retail customers, aligning with environmental stewardship, regulatory expectations and economic interests.
- Support customers in decarbonisation journeys, reinforcing ASEAN member states' commitment to net zero targets.

Key Updates in 2024

Eligible Green
(RM' million)



Product Type	Use of Proceeds	Description
Eligible Green	Clean Transportation	Mobilisation of funds are directed towards the financing of hybrid vehicles and EVs
	Green Building	Funds are used towards the financing of green mortgages
	Renewable Energy	Funds are used towards solar PV and solar panel financing

[1] For details on the SPF, please refer to https://www.maybank.com/iwov-resources/documents/pdf/annual-report/2023/Maybank-Group-Sustainable-Product-Framework-2023.pdf

[2] Sustainability-linked Loans (SLLs) or Sustainability-linked Bonds (SLBs) with an SLL Framework, SLB Framework, Sustainable Finance Framework or equivalent with an accompanying Second Party Opinion are automatically recognised as sustainable finance as prescribed in the Maybank Group Sustainability-linked Product Guidelines.

[3] For details on the TFF, please refer to https://www.maybank.com/iwov-resources/documents/pdf/annual-report/2023/Maybank-Group-Transition-Finance-Framework-2023.pdf

[4] For details on the total mobilisation for financing for corporate and financing for retail customers, please refer to pages 2 and 3 of the Sustainability Performance Data 2024.

For more information on our Sustainable Products and Services, please refer to pages 47 to 61 of the Sustainability Report 2024.

PILLAR 3: LEADING THE INDUSTRY AND BUILDING CAPABILITIES

Focuses on the need to take a proactive position by developing our internal capabilities, nurturing strategic partnerships and collaborations, as well as providing Maybank's expertise to our clients where needed. We also value the importance of engaging a range of external stakeholders to gain insights on current trends and challenges regarding climate change.

Establish research team to develop thought leadership

Build partnerships and collaborations

CULTIVATING ESG CULTURE

We are committed to fostering a strong ESG culture, embedding sustainability and ESG principles into our employees' core values. Through efforts led by Maybank Risk Academy, Group Sustainability and our various business units, we have expanded our training offerings, engaging more employees across diverse business units and broadening the range of topics. Our goal is to instil a "sustainability-first" mindset, empowering our teams to create meaningful value for our stakeholders and clients.

Themes	Training	Description	Business Units Involved	Attendees
ESG Risk	ESG Risk: Climate Resilience – Climate Risk Ready	**Objective** • Equip participants with knowledge and tools to understand and manage climate-related risks affecting Maybank's operations and portfolio. **Key Topics Covered** • Understanding physical and transition risks, including regulatory changes and market shifts. • Exploring resilience strategies: adaptation, mitigation and sustainable practices. • Climate risk management tools, including the Industry Climate Risk Matrix (IKLIM) and NZCC.	Group Risk and Business Sectors (Local and Countries)	82
	Oil Palm Financing	**Objective** • Provide an in-depth understanding of the oil palm industry's background, value chain and sustainable solutions, targeting business sectors and risk personnel to enhance their industry knowledge. **Key Topics Covered** • Overview of oil palm industry. • Oil palm financing credit-related matters. • Oil palm financing ESG-related matters. • Future directions and opportunities in the sector.	Group Risk and Business Sectors (Local and Countries)	86

Strategy

GRI 3-3, 203-1

<table>
<tr><th>Themes</th><th>Training</th><th>Description</th><th>Business Units Involved</th><th>Attendees</th></tr>
<tr><td>ESG Risk</td><td>The Renewable Energy Workshop by leading renewable energy solution groups</td><td>Objective
Enhance understanding of Malaysia's renewable energy landscape, including solar rooftop financing and green power programmes to support business proposals.

Key Topics Covered
Client A Group
Overview of the SunLease Programme: Modus operandi and comparison with similar programmes practiced overseas.
Opportunities and challenges in solar rooftop financing across Malaysia and other regions with Maybanks's footprint or Ditrolic's operations.
ESG requirements, challenges and mitigation strategies for solar rooftop projects, including feasibility assessments, operations, maintenance and electricity output sufficiency.
Criteria for selecting and assessing corporate consumers/entities under the SunLease programme, including site selection parameters.
Key clauses in the SunLease Agreement to safeguard the interests of Ditrolic and financiers/lenders.
Opportunities and challenges under the Corporate Green Power Programme (CGPP) for solar players.
Client B Company
Overview of Malaysia's Renewable Energy landscape.
Introduction to the CGPP: Functionality, benefits and opportunities.
Current status and action plans for CGPP implementation.
Review of Malaysia's Renewable Energy Policy and Action Plan, including its relevance to corporate initiatives and the broader energy market.</td><td>Group Risk and Business Sectors (Local and Countries)</td><td>85</td></tr>
<tr><td></td><td>Brown Bag Poultry RAC</td><td>Objective
Provide an overview of the poultry sector in Malaysia and introductory knowledge on the new Poultry RAC and its applicability.</td><td>Group Risk and Business Sectors (Local and Countries)</td><td>153</td></tr>
<tr><td></td><td>General Agriculture RAC</td><td>Objective
Provide an overview of selected agricultural crops, clarify the Risk Appetite Statement and roles in managing General Agriculture RAC and foster open discussions for better understanding of the RAC.</td><td>Group Risk and Business Sectors (Local and Countries)</td><td>125</td></tr>
</table>

GRI 3-3, 203-1

Themes	Training	Description	Business Units Involved	Attendees
ESG	Sustainability Series	**Objective** › Provide support on the delivery of our sustainability agenda, latest developments including capacity-building support tailored to Maybank's international operations, focusing on unique sustainability challenges and needs for each country. **Key Topics Covered** Covering the angles of: › Business - Responsible Transition › Social - Enabling Our Communities › Governance and Culture - Our House is in Order and We Walk the Talk	Business sectors, Group Human Capital, Risk, Finance	621
	Bank-wide Induction Programme	**Objective** › Introduce new hires to the Group's four sustainability commitments and Singapore's progress and action plans. **Key Topics Covered** › Overview of sustainability commitments, ongoing initiatives and group-wide ESG action plans.	Maybank Singapore (New Hires)	295
	ESG Knowledge Sharing	**Objective** › Enhance understanding of ESG frameworks, governance and sustainable product offerings. **Key Topics Covered** › Maybank Group Sustainability Framework, SPF, TFF, government regulations and CFS products (e.g., myimpact SME ecosystem, Enterprise Financing Scheme-Green (EFS-Green)).	Maybank Singapore CFS Business Stakeholders and ESG Specialists	17

For more information on sustainability-related training and ESG culture, please refer to pages 91 to 104 of the Sustainability Report 2024.

Looking Ahead: Strengthening ESG Expertise

- To operationalise the net zero sector targets and pathways, Group Global Banking plans to introduce a Net Zero Portfolio Manager role. This position will combine traditional portfolio management skills with environmental science expertise to effectively manage portfolio emissions intensity for identified sectors.
- Additionally, Relationship Managers in Group Global Banking will undergo upskilling on Net Zero Sector Pathway implementation to engage clients effectively and strategically align business decisions with emissions intensity goals.
- MAMG plans to introduce Sustainability and ESG Investing courses for analysts and portfolio managers. Currently, our strategic partner, Schroders Investment, conducts quarterly knowledge-sharing sessions for portfolio managers.

Strategy

GRI 3-3

OUR STRATEGIC PARTNERSHIPS

As a leading financial institution, Maybank collaborates with regulators and key players to drive Malaysia's transition to a low-carbon economy. In 2024, we deepened our partnerships by addressing critical gaps, leveraging expertise and fostering alliances that amplify our impact while aligning with national climate and sustainability objectives.

IMPACT STORY

Maybank at COP29

Maybank reaffirmed its commitment to sustainability at COP29 (29th Annual Conference of the Parties to the United Nations Framework Convention on Climate Change), with Shahril Azuar Jimin, Group Chief Sustainability Officer and Chong Wee Yeat, Singapore Head of Corporate Banking, representing the Group in key panel discussions at the Malaysia and Singapore Pavilions.

The focus was on:

- Innovative Financing: Promoting sustainability-linked Sukuk and transition finance to support adaptation.
- Empowering SMEs: Expanding the myImpact SME Initiative to Singapore for accessible sustainable solutions.
- Tech-Driven Decarbonisation: Exploring technologies like RAZER-GAIA to enhance green accountability.

IIF-Maybank Sustainable Finance Forum 2024

Building on the success of the inaugural event in 2023, Maybank hosted the second IIF-Maybank Sustainable Finance Forum in November 2024. The forum brought together over 300 participants, including prominent corporates, sovereign wealth funds, financial institutions and NGOs, to foster collaboration and share insights on driving a low-carbon economy through sustainable financing.

The focus was on:

- Transition Finance: Exploring the role of industrial policies in accelerating sustainable transitions.
- Market Development: Addressing the growth and challenges in sustainable finance markets.
- Technology in Finance: Examining the use of Artificial Intelligence to enhance sustainable finance solutions.
- Regulatory Alignment: Highlighting the need for international consistency in policies and regulations.

PARTNERSHIP	Description	Impacts and Highlights
Glasgow Financial Alliance for Net Zero (GFANZ)	Maybank acts as the Co-chair of Southeast Asia Public Policy Engagement Workstream for GFANZ.	Partnered to circulate an industry-wide capacity building survey, co-curated by GFANZ with UNEP FI to assess the needs of the Malaysian financial sector with respect to climate. The results then guided tailored capacity building sessions as part of the JUST Series 2024.
Net Zero Banking Alliance (NZBA)	Maybank is one of the first Malaysian banks to join the NZBA, committing to achieving net zero emissions by 2050. This UN-convened alliance facilitates the mobilisation of sustainable finance to support clients in their decarbonisation journeys. The alliance emphasises aligning targets with global best practices, ensuring financial activities contribute positively to climate action.	Maybank has been appointed as a **member of the NZBA Steering Group** in July 2024, reinforcing its leadership role in driving sustainability within the financial sector.
Joint Committee on Climate Change (JC3)	Maybank is actively represented across all five JC3 sub-committees (SCs), reflecting its commitment to strengthening climate resilience in Malaysia's financial sector. As deputy chair and lead secretariat of SC4 on Engagement and Capacity Building, Maybank plays a pivotal role in fostering collaboration and building capacity for climate action.	**Co-curated the JC3-GFANZ CEO Roundtable Luncheon** in 2024, promoting dialogue on climate transition between financial institutions and the real economy. **Launched the first Transition Planning Clinic** under the **JUST Series 2024**, enhancing industry capacity-building efforts to support climate transition initiatives.
Institutional Investors Council Malaysia (IIC)	Maybank Asset Management Sdn Bhd and Islamic Asset Management Sdn Bhd are Council and Working Group Committee members of the IIC.	Engaged with four public-listed investee companies on their ESG progress in 2024. Discussed the proxy voting platform project with the objective of coming out with the local version of the proxy voting mechanism as an alternative to the foreign sources' providers to assist IIC's members and beyond to vote with informed decisions at annual shareholders' meetings as well as encourage further transparency in governance. **Signatory of Statement of Compliance** to the Malaysian Code for Institutional Investors (MCII).
ASEAN Capital Markets Forum (ACMF) and ASEAN Working Committee on Capital Market Development (WC-CMD)	Represented by Maybank Investment Bank as a member of the Industry Advisory Panel (IAP).	Actively contributed to the stakeholder consultation process for the **ASEAN Transition Finance Guidance Version 2 (ATFG v2).** Supported shaping the guidance to address regional challenges and provide clearer direction for capital flows toward transition activities in ASEAN.
Malaysian Association of Asset Managers (MAAM)	Both Maybank Asset Management Sdn Bhd and Maybank Islamic Asset Management Sdn Bhd are members of the MAAM.	Participated in the **dialogue with the Securities Commission (SC)** on their recent proposed **revision of fee guidelines** in October 2024.
Bursa Malaysia Bhd	Maybank is a pioneer in Bursa Malaysia's Early Adopter Programme, an initiative aimed at accelerating Corporate Malaysia's transition to a green economy.	Signed a **Memorandum of Understanding (MoU) with Bursa Malaysia** to participate in its **centralised sustainability platform,** enabling financial institutions to leverage disclosed data for structuring sustainable financing solutions. Supported efforts to incentivise corporates to adopt low-carbon initiatives and reduce Scope 3 GHG emissions through i**nnovative supply chain financing programmes.**

Strategy

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PARTNERSHIP	Description	Impacts and Highlights
Gentari	Partnership on multiple joint projects aimed at promoting green mobility and sustainable financing solutions.	Collaboration on **Green Mobility Financing and Solutions** that support business-to-business and business-to-consumer green mobility options. Promotion on EV-related education and materials among employees to support green mobility adoption.
Malaysian Green Technology and Climate Change Corporation (MGTC)	Advancing green technology through upskilling, sustainability training, low-carbon tools, green certifications and community energy efficiency projects.	This strategic collaboration will officially be rolled out in 2025, covering the following scopes: • Green Academy • Low Carbon Operating System (LCOS) • myHijau • Energy Management Gold Standards • Green Incentives • Rumah Ibadat Hijau These initiatives aim to support SMEs with tailored initiatives for energy efficiency and green incentives to the relevant industry and sector.
Sustainable Energy Association of Singapore (SEAS)	SEAS is a non-profit platform for companies in renewable energy, carbon trading, energy efficiency and financial investments. SEAS supports members through capacity building, technology enhancement and market access to drive sustainable growth locally and regionally.	Maybank Singapore has been an **affiliate member of SEAS** since 10 October 2024. SEAS provides a common platform for companies in the Sustainable Energy sector to meet, discuss, collaborate and undertake viable projects together. This presents Maybank Singapore with opportunities to **access and provide sustainable financing** to these companies.
United Nations Global Compact Network Singapore (UNCGNS)	The UNGCNS promotes sustainable development through business leadership, guided by the UN Global Compact's Ten Principles and Sustainable Development Goals. It fosters sustainable practices and supports Singapore's goal of becoming a regional hub for sustainable business.	Maybank Singapore is a **member of UNGCNS** and as a subsidiary of the Maybank Group, undertakes projects to advance the broader development goals of the United Nations, particularly the Sustainable Development Goals.
Singapore Sustainable Finance Association (SFFA)	SSFA is an industry body established by the Monetary Authority of Singapore (MAS) along with the financial industry in January 2024. Building on the works of the Green Finance Industry Taskforce (GFIT), SSFA is established to collaborate across the financial and real economy sectors to support the growth of Singapore as a trusted, vibrant and inclusive sustainable finance centre.	Maybank Singapore has been a **general member of SSFA** since 19 June 2024. As members, we have the opportunity to participate in workstreams, access sustainable finance events and forums and be apprised of the latest developments in government policies and initiatives at the local, regional and global levels.
Solar Providers	Launched partnership with leading solar providers such as GSPARX, Yongyang, Solaroo, Pathgreen and PlusXnergy to drive uptake of solar financing among high net worth individuals, affluent customers and SMEs.	**RM46.88 million (YoY growth of 158.72%) in solar financing** disbursed to empower customers in their journey of transitioning to cleaner energy solutions.
EV Providers	Collaborated with reputable car brands including Tesla and BYD to enhance EV and hybrid accessibility to both individuals and corporate clients.	**RM2.47 billion (YoY growth of 77.7%)** disbursed towards EV's supporting low-emission vehicle adoption in ASEAN.

For more info on our partnerships on sustainable financing, please refer to page 55 of the Sustainability Report 2024.

EXTERNAL STAKEHOLDER ENGAGEMENTS

In 2024, we engaged with a diverse network of stakeholders—including clients, NGOs, industry experts and certification bodies—to foster knowledge exchange and stay ahead of evolving climate challenges. These collaborative sessions offered valuable insights, enhancing our ability to refine strategies and tailor financial solutions that address the needs of the communities we serve.

STAKEHOLDER		Overview of Engagement	Impacts and Highlights
Clients	Palm Oil Clients	Engagement with our clients including market practitioners to gain more insights about their best/ sustainable practices and the latest industry development.	Engagement with clients including market practitioners allow us to have better understanding about their current practices and challenges to foster better collaboration in working towards ESG commitments. Engagement with clients including market practitioners can help us to benchmark our sustainable standard/parameters against industry practices that suggest ways to enhance our RAC.
	Power Clients	Capability Building for Solar Roof Top and Corporate Green Power Programme Financing. Renewable Energy Landscape in Malaysia. Overview of Corporate Green Power Programme (CGPP) and Virtual Power Purchase Agreement (VPPA). Reviewing and Assessing Power Purchase Agreement (PPA).	Ability to discuss and source for renewable energy deals with knowledge and confidence as well as ability to enhance assessment and structuring skills for renewable energy transactions. Ability to identify and structure renewable energy financing and improve analysis skills in repayment sources, risk and mitigation of risks.
Industry Experts	Department of Veterinary Services (DVS)	The Agriculture team, in collaboration with DVS Malaysia, organised a Poultry Workshop, inviting a representative from the Federation of Livestock Farmers Associations of Malaysia (FLFAM). The workshop provided insights on smart farming and transformational practices within the poultry sector. The participants were from Corporate Banking, Community Financial Services, Retail SME, Group Sustainability and other relevant stakeholders.	Enhanced understanding of the poultry industry, including farming and management practices in Malaysia. Increased awareness of food security and safety in poultry operations, guided by regulatory and good agricultural practices. Improved understanding of potential risks associated with poultry farming to better support the sector.
	Feed the Future | United States Agency for International Development (USAID)	Introduction of tailored financial products including working capital loans, trade finance, foreign exchange services, remittance solutions and export credit facilities. Partnership with the Credit Guarantee Corporation of Cambodia (CGCC) to include a Credit Guarantee Scheme and Building Capacity and Capability (BCC) Programme. Creation of network-sharing sessions and forums to engage SME exporters, fostering opportunities to associate, learn and share insights on international market access and competitiveness.	Enhanced financial access for SMEs through tailored trade finance solutions, addressing challenges like insufficient collateral and cash flow gaps. Improved skills and knowledge among SMEs via the BCC Programme, with specialised training in trade finance, financial management and strategic planning. Increased market expansion opportunities for Cambodian SMEs, empowering them to secure international orders and grow export revenue. Strengthened economic resilience through job creation and sustainable growth, fostering a robust and competitive SME sector. Elevated Cambodia's regional and global competitiveness, enhancing its presence in ASEAN markets and beyond.

Strategy

GRI 3-3

STAKEHOLDER		Overview of Engagement	Impacts and Highlights
	Ikatan Keuangan Berkelanjutan Indonesia (IKBI)	IKBI serves as a forum to promote sustainable finance principles and practices in Indonesia, aligning with global sustainability goals such as the Paris Agreement and the UN SDGs.	Together with 14 other banks, PT Sarana Multi Infrastruktur (a Special Mission Vehicle (SMV) under the Ministry of Finance of the Republic of Indonesia) and World Wildlife Funds (WWF) in Indonesia allows us to have a platform for knowledge sharing and discuss challenges and issues faced in the market.
	Malaysian Sustainable Palm Oil (MSPO) Malaysian Palm Oil Board (MPOB)	The Agriculture team invited speakers from MPOB and MSPO an in-person session with Maybankers. The session covered key topics on palm oil certification requirements and the challenges faced by oil palm smallholders.	Participants were briefed on the **latest developments in MSPO 2022,** including updated Certification Standards, New Key Elements and MSPO Trace initiatives. Insights were shared on the **challenges faced by smallholders and practical measures** to overcome them, fostering better understanding and support for sustainable practices.
Rating Agencies	Fitch Rating – Insurer Financial Strength RAM Rating – Corporate Credit Ratings AM Best Ratings - Financial Strength Rating and the Long-Term Issuer Credit Rating	The ratings agencies provided assessments of Etiqa Insurance and Takaful's financial strength and creditworthiness. Their evaluations highlight the company's robust financial position, reliability and ability to meet its obligations.	Rated "A" by Fitch Ratings. Rated "AA1" by RAM Ratings. AM Best Ratings "A-" for Etiqa General Insurance Berhad. The overall ratings indicate a strong performance in the insurance sector, reflecting confidence in Etiqa's stability and risk management, reinforcing its ability to uphold commitments to policyholders and stakeholders.
	Morningstar Sustainalytics	Morningstar Sustainalytics is a leading independent ESG and corporate governance research, ratings and analytics firm that supports investors around the world with the development and implementation of responsible investment strategies.	Morningstar's ESG risk ratings specifically measure a company's exposure to material ESG risks and the effectiveness of its management in mitigating these risks. Maybank's **exposure to ESG risks is rated as "Medium"**, meaning it faces a moderate level of risk related to various material ESG factors. However, **Maybank's management towards ESG risks is rated as "Strong"** indicating that Maybank has implemented robust ESG programmes, practices and policies to address these risks.
Non-Governmental Organisation (NGO)	Indonesia Renewable Energy Society (METI-IRES)	METI-IRES is a non-profit organisation committed to promoting the use of Renewable Energy in Indonesia. It acts as a forum for scientists, educators, regulators, business developers and organisations, NGO's, associations of renewable energy sector and other stakeholders to discuss and exchange views on Renewable Energy to serve the Indonesia's interest and objectives to be less dependence on fossil energy.	Maybank Indonesia (MBI) Risk Management Director, Mr. Effendi Hengki served as a **panel speaker** during METI-IRES Roundtable Talk Series #2 held on 13 June 2024 with the theme of "Funding Innovation to Investment Opportunities for Renewable Energy Development". Allows MBI to be visible in the renewable energy landscape in Indonesia and drive thought leadership.
	Bloomberg Technoz Ecofest 2024	Ecofest 2024 is an event hosted by Bloomberg Technoz on 28 November 2024 with the theme "Building the Future: Create a Sustainable Green Ecosystem". The event focuses on energy as part of the efforts to support sustainable development in Indonesia.	MBI Head of Sustainability, Maria Trifanny Fransiska, **spoke as a panelist** on the topic "How Green Taxonomy Can Help Prevent Greenwashing" together with OJK, JETP Secretariat and *"Transformasi Untuk Keadilan Indonesia"* Executive Director. Allows MBI to be visible in the ESG landscape in Indonesia and drive thought leadership.

CLIMATE-RELATED OPPORTUNITIES

Addressing climate change is not just a challenge but a pathway to growth and resilience. With Responsible Transition as one of our sustainability pillars, we align environmental imperatives with stakeholder expectations, unlocking opportunities to drive sustainable economic transformation across our key business sectors.

GROUP GLOBAL BANKING

Transition Finance

- Acted as the Sustainability Framework Advisor for Tenaga Nasional Berhad's Transition Finance Framework, the first in ASEAN by an electricity utility player.
- Acted as the Sole Sustainability Advisor for integrated energy group Wasco Berhad's establishment of a Sustainable and Transition Finance Framework, marking the first of its kind in ASEAN.

Renewable Energy

- Lender to Sinohydro Corporation for an engineering, procurement and construction project to construct offshore wind power farms of Ca Mau 1 Wind Power Project in the southern-most province of Vietnam, with an expected total installed capacity of 350MW.

Carbon Credit

- Executed MoU with Iskandar Investment Berhad to explore opportunities for nature-based solution projects.
- We are also actively engaging with clients across various industries, including those in hard-to-abate sectors, using carbon credits as a key lever for decarbonisation.

Food Security and Sustainable Farming

- Maybank Investment Bank Berhad acted as Sole Principal Adviser, Sole Sustainability Structuring Adviser, Joint Lead Arranger and Joint Lead Manager for Johor Plantations Group Berhad's first Sustainability-Linked Sukuk, a world first for the plantation sector.

Electric Vehicles

- Acted as Joint Mandated Lead Arranger and Bookrunner and Joint Green Loan Co-ordinator for PT IMG Sejahtera Langgeng's (IMGSL) maiden Sustainability Syndicated Senior Term Loan facilities of USD450 million, with proceeds towards financing eligible green projects, including the procurement of Electric Vehicles.

GROUP COMMUNITY FINANCIAL SERVICES

Renewable Energy

- RM46.88 million (YoY growth of 158.72%) in solar financing disbursed to empower customers in their journey of transitioning to cleaner energy solutions.

Electric Vehicles

- RM2.47 billion (YoY growth of 77.7%) disbursed towards EV's supporting low-emission vehicle adoption in ASEAN.

Strategy

GRI 3-3

GROUP ISLAMIC BANKING

Electric Vehicles

- In 2024, RM979.43 million has been financed through EV/Hybrid Vehicles, across Malaysia, Singapore and Indonesia. Maybank Islamic continued its inCharge membership programme, a collaboration with Parkeasy on EV charging. In total, we have installed five charging stations in Kuantan and Klang Valley.

Green Home

- Maybank Green Home Financing is a campaign that ran from 9 August 2024 to 31 December 2024, providing financing for certified green properties from industry recognised green ratings. In 2024, RM117.73 million has been financed in Malaysia by Maybank Islamic.

SME Low Carbon Transition Facility-i

- A facility designed to encourage and facilitate SME customers on their transition to low-carbon and sustainable operations. In 2024, the released amount for the facility was RM22.31 million for 49 accounts.

Solar PV Financing

- In 2024, RM0.26 million has been financed in Malaysia.

GROUP INSURANCE AND TAKAFUL

Renewable Energy

- Etiqa under its subsidiary, Etiqa General Takaful Berhad (EGTB), launched Solar Energy Shortfall Takaful (SEST) in September 2024. The plan provides takaful protection to solar farm operators for financial losses arising from shortfall in solar energy production due to a reduction in solar irradiation or reception of light energy from the sun. This product will aid energy producers, owners and operators by ensuring a more consistent revenue stream and stable cashflow.

Electric Vehicles

Etiqa introduced innovative insurance and takaful motor coverage plans tailored for EVs, including Plug-in Hybrid Electric Vehicles (PHEVs) and Battery Electric Vehicles (BEVs), to support the transition to sustainable mobility. Notable initiatives include:

- **Commercial EV Coverage:** Providing special rates of 10% to 15% for corporate clients, insuring a total of 82 EV buses.
- **Tesla Ensure:** Launching a comprehensive insurance and takaful plan for individual Tesla owners, including coverage for EV home chargers up to RM12,000 for replacement or repair.
- **Home Charger Protection:** Offering add-on coverage for home wall chargers under Motor Takaful/Insurance, leading to 3,495 policies/certificates issued in 2024.

In 2024, these initiatives achieved RM44.8 million in premiums/contributions, with 11,450 policies/certificates sold, establishing long-term partnerships with EV manufacturers like GWM, Audi and BYD and driving new revenue streams in the green vehicle market.

Risk Management

GRI 3-3

Our strategy for managing environmental risks through a strong risk culture, effective governance and a comprehensive risk management framework. These elements enable us to identify and mitigate environmental risks effectively.

KEY HIGHLIGHTS

- Introduced the Climate Risk Dashboard to strengthen monitoring and management of climate risk exposure.
- Developed two new Risk Acceptance Criteria (RAC) for the Hotel and Semiconductor sectors to enhance coverage of high-risk industries.
- Conducted 1,209 risk assessments through the RAC and provided RM159.40 billion in funding for sustainable projects.
- Completed the first draft of climate scenario analysis for Malaysia under the Climate Risk Management and Scenario Analysis (CRMSA) framework.

ENTERPRISE RISK MANAGEMENT

Our ESG Risk Integration Journey

2015
Responsible Lending Guideline established

2017
Maybank Group ESG Risk Management Framework 2017 established with blacklist activities identified

2018
ESG Policy endorsed by the Board. Established Palm Oil RAC

2020
No Deforestation, No New Peat and No Exploitation (NDPE) stance approved by the Board

2021
No New Coal Financing stance published. Established Position Statements and RACs for 6 high-risk sectors. Maybank Group Sustainability Framework introduced

2022
ESG Screening Document for clients introduced. Developed Maybank Group Sustainable Product Framework

2023
Established Climate Risk Management and Research department

2024
Developed Climate Risk Dashboard and Climate Scenario Analysis Capabilities. Enhanced credit assessment process to include Climate Risk factors

We will not finance/service activities/businesses that:

Environmental

- Adversely contribute to climate change due to:
  - Significant or irreversible degradation of the environment; or
  - No effort or plans made to mitigate negative environmental impact; or
  - No effort or plans made toward increasing resilience to withstand negative environmental impact.

Social

- Directly contribute to potential negative societal impact; or
- Any misuse from such activities/businesses that could have a detrimental impact on the health, safety and well-being of society.

Governance

- Violate any laws or regulations which are fundamental in safeguarding the rights and liberties of people and the planet.
- Unethical business conduct and compliance practices like bribery and corruption in the organisation.
- Lack of internal systems of practices, controls and procedures to make effective decisions, comply with the law and meet the needs of external stakeholders.

Risk Management

GRI 3-3

ESG risks remain a core focus for Maybank, underscoring its critical role in building business resilience and stakeholder trust. To address these risks, we have developed policies, enhanced systems and dedicated resources specifically for ESG risk management. Our approach follows the Maybank Group Enterprise Risk Management Framework, ESG Risk Management Framework (ESGRMF) and an enhanced Climate Risk Policy introduced in January 2024. These structures provide consistent ESG risk management across our operations.

The RAC complements the Credit Underwriting Standards for lending to selected high concentration risk sectors. It defines the minimum credit lending and ESG, including climate risk, criteria where applicable, for a specific sector.

In 2024, we introduced new RACs for the Hotel and Semiconductor sectors. These new RACs were created in response to market dynamics, economic conditions and business strategies. In addition, we also developed a Climate Risk Dashboard to measure our exposure to climate risks and climate scenario analysis to estimate the impact of climate risk over progressive time periods in the long term.

MAYBANK GROUP ESG RISK MANAGEMENT FRAMEWORK

The ESGRMF takes into account key principles and best practices from:

- UN Human Rights policy
- International Finance Corporation (IFC)'s standards
- Global Environment Standards
  - The World Bank Group's Environmental and Social Standards (ESS)
  - International Organisation for Standardisation (ISO) in setting environmental performance standards.

We identify and assess risks at the portfolio, client and operational levels to support long-term growth. At the portfolio level, we consider industry sectors and geographic locations for potential ESG risks. We leverage on the Quarterly Industry Outlook (QIO) and the Industry Climate Risk Matrix (IKLIM) to overcome this. Client assessments focus on ESG risks related to operations, supply chains and credit. We also review our internal operations for any potential ESG impacts, as well as external risks from ESG-related events. This approach helps guide decision-making and align with broader sustainability goals.

We track ESG risks across portfolio, client and operational levels as part of our ongoing risk management and compliance efforts. Key risk indicators and thresholds are used to guide mitigation actions when needed. This is done through the quarterly Climate Risk Dashboard which highlights the potential exposure of our portfolio to physical and transition risks. We provide timely reporting to the Board and Senior Management, with external disclosures made at least annually to maintain transparency and build stakeholder trust. Additionally, data analytics is used for geospatial analysis to offer insights into ESG risks.

We use both quantitative and qualitative methods to understand and manage ESG risks. We apply ESG risk assessments to areas such as transition risks and physical risks, referencing global frameworks like TCFD for consistency. We have developed tools to embed climate risk in credit processes and have developed methods to estimate expected credit loss due to climate risks. Stress testing and scenario analysis are used to help identify potential ESG-driven vulnerabilities in credit, market and operations to help facilitate our risk mitigation strategies.

Our approach to controlling ESG risks focuses on managing financial, operational and reputational risks. We establish ESG-related targets, support clients in their sustainability transitions and integrate ESG considerations into internal policies where appropriate. At the portfolio level, we set ESG risk limits, while at the client level, we implement measures such as covenants and ESG-sensitive pricing to encourage sustainable practices. This includes encouraging clients to meet domestic and certification standards for palm oil and forestry sectors.

Objectives

- Integrate ESG risk considerations into the Group's internal operations, day-to-day activities and across all products and services.
- Embed ESG risk considerations into corporate strategy and decision-making.
- Identify and understand material ESG risks within our business activities.
- Encourage our clients and business partners to embrace practices that manage their ESG risks, in line with local and international standards and best practices.
- Build the capacity of employees to understand and assess ESG risks and opportunities.
- Cultivate an ESG Risk intelligent Culture among Maybankers.

GRI 3-3

OUR ESG RISKS: HOW WE IDENTIFY AND ASSESS THEM

In 2024, we strengthened our ESG risk management framework to stay ahead of evolving challenges, aligning with global standards and best practices, including the recommendations of the TCFD. This evaluation ensures our approach remains robust, relevant and adaptable to emerging ESG risks and opportunities.

We define ESG risks as encompassing environmental, social and governance factors that could significantly impact our operations, investments, assets and reputation. For climate risks, we address both physical risks, such as extreme weather events and transition risks, including regulatory changes, market shifts and technological advances. We also assess the impact of emerging climate-related regulations on our risk exposure and decision-making.

Failure to address these risks could lead to stranded assets, operational disruptions and reputational damage. To mitigate these threats, we embed ESG and climate risk considerations into our governance structures and operational processes, ensuring resilience and sustainable growth.

Climate Risk Assessment

- Identify
- Measure
- Evaluate

Climate Risk Management

- Adaptation
- Mitigation
- Control
- Monitoring

Climate Risk Principles

- Orderly Transition Pathway
- Operational Efficiency and Flexibility
- Sustainability of Business Activity
- Navigating Complex Regulatory Landscape
- Pursuing Climate Social Justice

Industry Climate Risk Matrix (IKLIM)

Developed by Group Risk Research, IKLIM uses the Industry Value Chain (IVC) framework to assess climate risks across sub-industries. It provides insights into major transition and physical risks, detailing risk factors and risk levels. IKLIM enables Maybank to identify and assess climate risks for clients across industries, supports credit risk scoring and highlights key areas for risk mitigation and adaptation. Currently focused on Malaysia, IKLIM's scope may expand to other high-exposure regions with additional resources.

Climate Risk Dashboard

Climate Risk Dashboard (CRD) was developed to identify Maybank's portfolio exposure to both physical and climate transition risks using a top-down approach. This enables Maybank to identify potential stranded assets and vulnerabilities in a targeted manner.

The CRD, established by Climate Risk Management and Research (CRMR), provides quarterly updates on transition risk assessments for high carbon-emitting sectors. These updates are presented and discussed at the Group Executive Risk and Compliance Committee (GERCC) to ensure timely management of ongoing and emerging climate-related risks.

The assessment of transition risk on certain high carbon emitting sectors in CRD was performed using Maybank's exposures data and the measurements are presented in terms of absolute amount and percentage.

CASE STUDY

Flood Risk Analysis Across Maybank Branches

In 2024, we undertook a detailed flood risk analysis to assess Maybank's exposure to one of Malaysia's most pressing physical risks—flooding, driven by its tropical climate.

Leveraging geocoding technology, we precisely mapped 93 branches and other assets, out of a total of 550, located in flood-prone areas. This approach provided a significantly more accurate assessment compared to traditional postal code-based analysis, which often overestimates exposure by failing to account for location-specific nuances.

This enhanced precision allows us to better understand our risk landscape, improve mitigation strategies and strengthen the resilience of our operations in vulnerable areas.

OUR CLIMATE-RELATED RISKS

Identifying and managing transition, physical and liability risks from climate change is essential for ensuring resilience and supporting a low-carbon transition. Guided by TCFD recommendations, we are committed to transparently addressing and reporting our climate impacts. Climate risks can affect our business sustainability, operations and asset values. To manage these risks and prevent asset stranding, we have established and implemented short-, medium- and long-term mitigation plans.

We have identified our risks and categorised them through the following:

- Transition risk
- Physical risk
- Liability risk

Risk Management

GRI 3-3

Transition Risks

Transition risk encompasses the potential financial or reputational losses associated with the shift toward a low-carbon economy. Key components include:

- Regulatory and Policy Changes
- Technological Advancements
- Market Demand Shifts
- Carbon Tax

Current and Emerging Fiscal Policies, Financial Regulations and Non-Regulatory Reporting

Transition Risks

- Introduction of new policies such as Malaysia's National Energy Transition Roadmap (NETR).
- Potential carbon tax for selected sectors in Malaysia in 2026.
- Regulatory reforms from insurance/takaful, banking and capital market regulators (e.g., Climate Risk Management and Scenario Analysis and Climate Change Principled Based Taxonomy by BNM, Bursa listing requirements, MAS's Environmental Risk Management Guideline, Singapore-Asia Taxonomy, issuance and requirements of green bonds and sustainability-based debt securities and Sukuk, the Green Taxonomy by OJK).
- Evolving complex reporting standards, including disclosures (e.g., new global reporting standards which require greater due diligence).

Potential Impacts on Business Strategy

- Higher costs for compliance with environmental regulations.
- Asset devaluation due to increased stranded asset risks.
- Additional client data requirements that could delay onboarding processes.
- Reduced business opportunities due to prolonged processing times and regulatory-driven obligations.
- Potential shifts in investor preferences, leading to volatility in valuations.

Time horizon: short – long term

Response and Mitigation Plan

- Integrated ESG risk management strategies into the Group's enterprise risk management practices to strengthen ESG and its surrounding risks through five key stages of the risk management process.
- Developed the Maybank Group Climate Risk Policy, covering climate risk assessment and management. The policy has been adopted by businesses and countries.
- Integrated Risk Acceptance Criteria in financing, investment and underwriting decisions, complemented with Maybank Group Credit Risk Policy.
- Conducted ESG exposure measurement, aggregation and reporting.
- Performed stress testing and scenario analysis.
- Established ESG risk screening and assessment.
- Evaluated investable assets based on integrated qualitative and quantitative analysis, thus enabling Etiqa to provide comprehensive ESG analysis when evaluating its investment activities.
- Established a quantitative Risk Appetite Statement focusing on transactions that support climate adaptation and transition as well as sustainable finance.
- Aligning with the transition towards the Group's emissions target over multiple fixed time horizons.
- Implementing ESG risk assessment at three levels as outlined in the Maybank Group ESGRMF:
  - Industry
  - Client
  - Transactional
- Enhancing disclosure practices to ensure alignment with regulatory requirements and international standards.

Building a Sustainability Culture

- Building a culture of sustainability and creating value for the community and the environment by intensifying sustainability awareness within the organisation and among its stakeholders, including advocating sustainable practices to suppliers who have yet to adopt the concept of sustainability.

Engagements and Participation

- Actively engaging clients in different industries in understanding their plans and needs to facilitate their transition towards a low-carbon economy.
- Working with regulators through participation in industry-led initiatives and committees.

Other Focus Areas to be Implemented

- Fully integrating climate risk elements into risk management strategies of the Group.
- Employing a forward-looking climate scenario analysis based on industry value chain and outlook.
- Building climate resilience by focusing on an orderly transition pathway, operational efficiency and flexibility, sustainability of business activities and pursuing climate social justice.
- Progressively identifying ESG risks, including climate prior to the development of a new product, investment, business relationship or strategy to enable the assessment, evaluation and measurement of the associated risks.
- Developing a robust methodology that analyses clients' portfolios for ESG/climate risk and impacts. This includes enhancing its underwriting risk assessment tool, model and data.
- Identifying opportunities in developing new ESG and sustainable products to expand existing green clientele and increase innovative green products and services.

GRI 3-3

Technological Advancement

Transition Risks

- Technological advancements bringing about greater efficiency and lower cost of production for the Group's operations and portfolio. (e.g., CAPEX replacement for more efficient machinery and equipment, automation and mechanisation and digital disruption of normal counter services).
- Rise in stranded assets risk for old technology that has become obsolete and inefficient. This includes items which are no longer energy efficient and require more energy per unit of output or more emissions, ranging from manufacturing equipment, vehicles and machinery.
- Technological advancements may impact the Group Insurance and Takaful's clients in the EV and energy industry. (e.g., fire risk, accidental and hospitalisation and surgical rate).

Potential Impacts on Business Strategy

- Provides the Group with new opportunities and avenues to expand its clientele, especially within the new, up-and-coming technologically advanced solution players.
- Impact to Maybank's Banking, Investment and Insurance businesses:
  1. Increased competition for the incumbents, due to the emergence of new technology, which will be more efficient and cost less.
  2. Short-term clients' margins and repayment capacity affected due to an increase in new technology replacement and deployment.
  3. Rise in stranded assets risk for old technology that has become obsolete and inefficient.
  4. Insurance/takaful renewal rates affected in the short term due to clients' reprioritisation of operating costs (i.e., insurance cost) to adapt to the emergence of new technology.
- Higher claim risk due to instability of new technology; lack of credible data may lead to mis-pricing risk and resulting in higher claim risk.
- Challenges to accurately price the insurance services for new low-carbon technologies.

Time horizon: short – long term

Response and Mitigation Plan

- Committed to supporting businesses that adopt digital technologies to help sustain their businesses over the long term. Technology is seen as an enabler, a value proposition tool that helps to address customers' needs.
- Continuously explore ways to leverage technology to innovate and utilise ESG tools to support our assessments and add value to existing practices.

Changes in Market Demand and Sentiment

Transition Risks

- Changing client demand towards climate-conscious products and services (e.g., processes that require less emissions, banking products and merchandise made of recyclable materials, greater demand for green home, EV and green consumer product financing).
- Expanded stakeholder mandates in addressing climate change (e.g., restrictions on certain business activities such as our blacklist activities and our No Deforestation, No Peat and No Exploitation stance and shareholder activism).

Potential Impacts on Business Strategy

- Repayment capacity for clients in the short term impacted, due to climate change mitigation and adaptation to investment activities.
- Customers' change in preferences leads to increased stranded assets (especially for hard-to-abate sectors).
- Clients' income and margin affected by slow acceptance of higher-priced climate-positive products and services.
- Insurance/takaful renewal rates affected in the short term due to clients' reprioritisation of operating costs (i.e., insurance cost) to investing in mitigating and adapting to climate change.

Time horizon: short – long term

Response and Mitigation Plan

- Offer decarbonisation and carbon credit solutions for corporate clients.
- Provide EV, hybrid and solar financing facilities to retail customers as well as supporting SME customers to transition to low-carbon solutions.
- Launched ESG-themed products such as Solar Energy Shortfall Insurance (SESI), Life/Family and General Products for the B40 and the underserved segment as well as EV coverage.

Risk Management

GRI 3-3

Carbon Tax

Transition Risks

- New government policies in setting a carbon emission limit in line with the Nationally Determined Contributions (e.g., the imposition of carbon tax and carbon credit in Singapore and Bursa Malaysia Voluntary Carbon Market participation).

Potential Impacts on Business Strategy

- Financial obligations which penalise high carbon emitters could lead to faster adoption of climate change management practices. This would increase the cost of doing business in general, by way of higher taxes or greater investments in new technology to reduce emissions.
- Carbon tax may impact repayment ability of clients from high-emitting sectors, imports and exports and hard-to-abate sectors with limited or no carbon transition pathways.

Time horizon: medium – long term

Response and Mitigation Plan

- Being proactive in local industry collaborations on climate change development.
- Developed Emission Tracker and Dashboard to facilitate monitoring and management of financed emissions.
- Committed to not financing new greenfield coal or oil-fired power plants and power value chain business activities classified as unacceptable under Maybank's ESG Risk Classification.
- Supporting clients who are committed to stopping building new coal-fired power plants, where more sustainable alternatives are available, reduce reliance on coal power, transition towards sustainable energy mix, practices or economic activities and aim for carbon neutrality by 2050.
- Facilitating clients in adopting sustainable practices and decarbonising their operations to meet carbon reduction targets.

Note:
Time horizon: short term (0-2 years), medium term (2-5 years), long term (>5 years)

Physical Risks

Maybank defines physical risk as the potential impact of extreme weather events and climate changes on the Group's assets, financials and operations. These risks are categorised into:

Acute Physical Risk:
Short-term, event-driven risks such as severe weather events, including cyclones, hurricanes and floods.

Chronic Physical Risk:
Long-term shifts in climate patterns, such as rising sea levels and prolonged heatwaves.

These risks vary across the locations in which Maybank operates, influencing business strategies and operational resilience.

Risk Management

GRI 3-3

Physical Risk	Impact on Business Strategy	Impact on Operations	Action Plans
Acute – Increase in the severity/ frequency of extreme weather events, such as: • Storms • Floods • Fires • Heatwaves • Drought Chronic – Arising from longer-term shifts in climate patterns, such as: • Rising temperatures • Rising sea levels • Reduced water availability • Loss of biodiversity • Changes in land and soil productivity	• Impaired lending and investment asset values, leading to increased underwriting risks for the Group's insurance arm and possibly lower insurance coverage for Group's assets. • Impact to Maybank's balance sheet, profit and loss and insurance risk. • Potential damage to customers' business activities and critical assets, resulting in a disruption to operations and impacting profitability. • Disruption of the supply chain due to the inability to obtain materials and products, impacting distribution channels. • Credit and liquidity risk impact – lending/investment/ underwriting portfolios: – Clients' property damages and business interruptions leading to a potential surge in defaults due to impaired debt servicing capacity. – Abrupt climate events leading to sudden large amounts of deposit withdrawals and insurance payouts. – The extent of customer liability might impact repayment or threaten solvency of the company. • Insurance Portfolio: – Higher general insurance/takaful claims on coverages that are affected by physical climate events (e.g., claims for damaged cars, damaged machineries, damaged properties and business interruptions). – Sudden increase in claims may cause delays in processing them, which may lead to an increase in customer complaints. – Increase in medical and insurance claims over the medium to long term due to illness or diseases arising from higher average temperatures and abnormal weather (e.g., waterborne diseases and respiratory illnesses) and injuries during climate events. – Increase in death claims due to climate events such as floods. • Investment Portfolio: – Impaired value of invested assets due to expanding loss incurred by investees upon increased damage from natural disasters that could lead to loss of investment income and writing off of equities (if significantly affected by the event).	• Flash floods and landslides could disrupt branch operations, data centres and strategic buildings, among others, causing damage to the Group's properties. • Closure of branches near the coastal areas due to rising sea levels. • Wildfires or open burning resulting in heavily polluted air, toxic fumes and haze leading to disruption of the Group's operations. • Major climate events disrupting electricity and water supply and internet connection. • Business interruption that may lead to financial, regulatory, reputation and service delivery impacts (e.g., wildfire/ open burning, flood, landslide). • Potential failure of third-party services that are essential. • Damage to Maybank-owned physical assets. • Total loss of assets from severe damage. • Premature write-down of assets' value. • Surge in building repair and maintenance costs. • Surge in insurance premiums. • Reduction in income earned from leased buildings.	• ESG Risk Management: – Developed the Maybank Group Climate Risk Policy, covering climate risk assessment and management. The policy has been adopted by businesses and countries. – Developed an assessment template that incorporates guiding principles and classification requirements as part of BNM's Climate Change and Principle-based Taxonomy (CCPT) for financial investment activities. – Integrated climate risk elements into Maybank's risk management strategies. • Engagements: – Engaging with clients to facilitate and support their transition towards sustainable and climate-resilient practices, particularly for highly vulnerable sectors such as palm oil, oil and gas, forestry and power. • Other focus areas to be implemented: – Employing a forward-looking climate scenario analysis. – Developing a physical risk adaptation plan following a complete risk assessment exercise. – Setting climate risk metrics, parameters and key risk indicators. – Assessing the Group's flood exposures via rating using Annual Average Losses and exposures monitoring. – Flood alert and flood management tool in Etiqa+ mobile application provides real-time alerts and historical data, empowering users to make informed decisions on their flood risk.

Risk Management

GRI 3-3

Liability Risk

Liability risk arises from potential claims against the Group due to its actions or inaction in addressing physical or transition risks, as well as regulatory enforcement. This is particularly relevant to the Group's insurance and takaful businesses, which may face increased exposure to claims related to climate protection. Failure to adequately address climate risks could result in financial losses or missed opportunities for the Group due to lack of preparation.

Liability Risks*

- Potential claims related to Maybank Ageas Holding Berhad's (MAHB) response to physical, transitional and regulatory enforcement.
- Climate-related protection underwriting can further elevate liability risk.
- Inadequate response to climate risks, coupled with issues on ethical conduct, greenwashing, or immaterial climate goals.

Impact on Business Strategy

- Regulatory repercussions, increase in litigation costs and loss of reputation due to inaction/action by Etiqa in response to physical and/or transition risks as well as regulatory enforcement.
- Increase in liability insurance payments.
- Decrease in revenue due to deteriorating corporate reputation caused by poor preparation or missed business opportunities.

Action Plans

- Implementing MAHB Group Climate Risk Policy requirements – climate risk assessment and management:
  - Integrating climate risk elements into MAHB risk management strategies.
  - Employing a forward-looking climate scenario analysis.
- Engagement with stakeholders:
  - Holding periodic dialogue sessions with brokers and reinsurers to understand their expectations and requirements on ESG. This includes discussions on ESG targets and goals.
- Building a culture of sustainability:
  - Creating value for the community and the environment by intensifying sustainability awareness within the organisation and among its stakeholders, including advocating sustainable practices to suppliers who have yet to adopt the concept of sustainability.
- Evaluating investable assets:
  - Conducting integrated qualitative and quantitative analysis that is tried and tested, thus enabling Etiqa to provide a comprehensive ESG analysis when evaluating its investment activities.
- Developing methodologies:
  - Developing a robust methodology that analyses clients' portfolios for ESG/climate risk and impacts. This includes enhancing its underwriting risk assessment tools, models and data.
- Expanding ESG offerings:
  - Identifying opportunities in developing new ESG and sustainable products to expand existing green clientele and increase innovative green products and services.

* Liability risks covers MAHB, which is the holding company for Maybank Group's insurance business.

Risk Management

GRI 3-3

Our identified risks are mapped to Maybank's Risk Management Framework by assessing how climate risks influence economic and financial systems. These risks are categorised into three main areas: Climate Risks (physical and transition), Economic Transmission Channels (impacting businesses, households and the macroeconomy) and Financial Risks (credit, market, underwriting, operational and liquidity). This model illustrates how climate risks drive disruptions, asset depreciation and financial impacts, underscoring the importance of integrated risk management to enhance resilience and support Maybank's sustainable finance objectives.

CLIMATE RISKS

Physical risks

Identify the physical risks from both extreme weather events such as floods, hurricanes and wildfires and chronic weather patterns such as rising sea levels

Transition risks

Identify the transition risks associated with the transition to a low-carbon future, for example, technology advances, changes in policies or consumer preferences

Economic Transmissions Channels

Micro
Affecting individual businesses and households

Businesses

- Property damage and business disruption due to severe weather
- Stranded assets and new capital expenditure due to transition
- Changing demand costs
- Legal liability (from failure to act)

Households

- Loss of income due to disruptions
- Property damage (from severe weather) or restrictions (from low-carbon policies), increasing costs and affecting valuations

Macro
Aggregate impacts on the macroeconomy

- Capital depreciation and increased investment
- Shifts in prices (from structural changes, supply shocks, etc.)
- Productivity changes (from severe heat, diversion of investment to mitigation and adaptation, higher risk aversion, etc.)
- Labour market frictions (from physical and transition risks)
- Socio-economic changes (from changing consumption patterns, migration, conflict, etc.)
- Other impacts on international trade, government revenues, fiscal space, output, interest rates and exchange rates

FINANCIAL RISKS

Credit risk

- Defaults by businesses and households
- Collateral depreciation

Market risk

- Repricing of equities, fixed income, commodities, etc.

Underwriting risk

- Increased insured losses
- Increased insurance gap

Operational risk

- Supply chain disruption
- Forced facility closure

Liquidity risk

- Increased demand for liquidity
- Refinancing risk

Climate and economy feedback effects

Economy and financial system feedback effects

Risk Management

GRI 3-3

PROCESS OF MANAGING ESG RISKS

INTEGRATING ENVIRONMENTAL RISK PROCESSES AND ASSESSMENTS

The ESGRMF embeds environmental risks into Maybank's overall risk management processes, ensuring comprehensive and seamless oversight. Through structured processes, detailed risk assessments and continuous monitoring, we maintain full visibility and address potential gaps or blind spots, thus reinforcing informed decision-making.

Environmental-related Risk Integration Process

PROCESS LEVELS

Industry

Aims to develop a broad overview of the industry, focusing on environmental and social factors

Client

Considers governance aspects including capacity, transparency and track record, to determine if the client is capable of managing ESG risks

Transactional

ESG risk profile is determined based on the purpose of financing; this profiling is conducted on top of Know Your Customer (KYC) processes

INTEGRATED RISK ASSESSMENT

Evaluates client sustainability commitment, target setting and ESG risk management capability

Assesses alignment with Maybank's ESG risk appetite

Categorises clients into risk categories based on assessment

MONITORING AND DOCUMENTATION

On-going Client Reviews

- Periodic evaluations to check client progress
- Re-profiling, screening and reassessment when needed

Financing Documentation

- Includes ESG-related clauses to ensure client adherence to relevant standards

GRI 3-3

Risk Assessment Tools

Assessment Tools	Levels	Risk Categories	Actions in 2024
RAC for High ESG Risk Sectors	• Industry • Client • Transactional	• Environment • Climate • Social • Governance	• Enhanced all nine RACs with updated credit, product and ESG criteria. This includes sandboxing nature and biodiversity considerations within the RACs. • Introduced new RACs for Hotel and Semiconductor sectors, reflecting market dynamics, economic conditions and business strategies. For more details, refer to page 48 of this report.
Sector Exposure Reporting	• Industry	• Climate	• As of November 2024, a total of 14 reports have been completed to monitor and manage portfolio exposure to high risk sectors. For more details, refer to pages 49 to 51 of this report.
ESG Screening Document	• Client • Transactional	• Environment • Climate • Social • Governance	• Enhanced to include BNM CCPT GP3 and GP4 due diligence questionnaire. • Conducted initial exploration of methods to incorporate the implementation of the Group's interim 2030 Net Zero targets into the document. For more details, refer to page 51 of this report.
Land Assessment Geoportal	• Client • Transactional	• Environment • Climate • Social	• Provides pre-screening assessment of underlying assets (land) for Agriculture and Real Estate sector prior to on-boarding. For more details, refer to page 51 of this report.
Stress Testing and Scenario Analysis	• Industry • Client	• Environment • Climate • Social • Governance	Stress Testing: • Conducted a pilot Malaysia Climate Risk Stress Test, results presented to the Group Executive Risk Committee. • Prepared for BNM 2024 Climate Risk Stress Test, with requirements released in February 2024. • Initiated work on data extraction and methodological approaches for both long- and short-term scenarios. Scenario Analysis: • Completed the first draft of climate scenario analysis for Malaysia as part of CRMSA Framework requirement. For more details, refer to pages 52 to 53 of this report.
Financed Emissions Calculator and Dashboard	• Industry	• Climate	• The financed emissions calculator, NZCC has been deployed across Malaysia, Singapore and Indonesia, enabling Relationship Managers to advise clients on the emissions impact per lending amount. For more details, refer to page 19 of this report.

Risk Management

GRI 2-24, 3-3

MANAGING SECTOR-SPECIFIC RISKS

Risk Acceptance Criteria (RAC)

Sector-specific financing requirements that integrate ESG factors into the evaluation, decision-making and the monitoring and review processes for credit risk assessment. These documents aim to:

- Identify risks associated with specific industries
- Establish guidance to mitigate ESG risks
- Educate clients on sustainable practices
- Explore potential business opportunities within these sectors

We require clients within high ESG risk sectors to apply for external ESG-related certifications or verifications where applicable, such as the following certifications:

- Roundtable Sustainable Palm Oil
- Malaysia Sustainable Palm Oil
- The Forest Stewardship Council (FSC)

All the sectoral RACs have been infused with our NDPE stance where non-compliance with the Group's NDPE stance will be categorised as a 'Knock-Out'/'Do Not Proceed'.

No Deforestation

Prevent forest clearing for commodity production or other projects. Control burning practices and encourage efforts to lower GHG emissions from current plantations.

No Peat

Avoid establishing new projects on peatlands. Promote best practices on existing peat plantations, including efforts to restore peat areas whenever possible.

No Exploitation

Protect workers and small-scale farmers from exploitation, seek prior and informed consent from local communities and uphold human rights and community respect.

Key High Risk Sectors

We streamlined RACs for high ESG risk sectors to ensure consistent application and reinforce responsible lending practices. Through rigorous development and review of the ESG RACs, supported by research, analysis and stakeholder engagement, we enhance our ESG assessment, demonstrating genuine sustainability commitments while managing ESG and reputational risks.

- Palm Oil
- Oil and Gas
- Forestry and Logging
- Mining and Quarrying
- Power
- Real Estate
- Telecommunications
- Hotel
- Semiconductor

These sectors must adopt sustainable practices, demonstrate progress on ESG commitments and implement the following initiatives to address key ESG concerns:

- Water Management
- Waste Management
- Site Decommissioning and Remediation
- Emissions
- Habitat and Biodiversity
- Worker Health and Safety

GRI 2-24, 3-3, 201-2

EXPOSURE TO HIGH-RISK SECTORS

We manage exposure to high-risk sectors through RACs, which provide clear guidelines for assessing and mitigating risks in industries with heightened ESG challenges. As of 2024, we conducted 1,209 risk assessments and provided RM159.40 billion in funding for sustainable projects, underscoring our commitment to driving positive environmental, social and economic outcomes.

Our focus remains on expanding our sustainable portfolio while strategically managing and reducing exposures to sectors that pose significant ESG risks, ensuring long-term resilience and alignment with global best practices.

AGRICULTURE

Applicability:

- All business segments financing the agriculture supply chain.

Highlights:

- Includes perennial/non-perennial crops, animal husbandry and fishery sectors, with strong considerations on food security.

Funded **RM7,373.0 million**

Non-Funded **RM125.3 million**

- Risk Assessments Carried Out: **229**
- Number of Deals Approved: **221**
- Deals Declined: **8**

PALM OIL

Applicability:

- Financing provided by all business segments to the palm oil supply chain.

Highlights:

- Time-bound commitment to meet key requirements, including:
  - Sustainable palm oil certification (local or international).
  - Zero burning practices.
  - Best practices for existing peatlands.
- Climate change mitigation.
- Biodiversity conservation.
- Free Prior Informed Consent (FPIC).

Funded **RM9,541.9 million**

Non-Funded **RM470.8 million**

- Risk Assessments Carried Out: **253**
- Number of Deals Approved: **251**
- Deals Declined: **2**

FORESTRY AND LOGGING

Applicability:

- Covers the entire forestry and logging value chain, including logging, wholesaling, trading and timber products.

Highlights:

- No financing for activities causing significant harm to the environment or communities.
- Zero tolerance for illegal logging and timber trading.
- Adheres to national and regional principles through certification and licensing.
- Time-bound commitments for:
  - Biodiversity protection.
  - FPIC of indigenous people and local communities.

Funded **RM3,197.7 million**

Non-Funded **RM212.3 million**

- Risk Assessments Carried Out: **97**
- Number of Deals Approved: **93**
- Deals Declined: **4**

Risk Management

GRI 2-24, 3-3, 201-2

OIL AND GAS

Applicability:

- Applies to corporate lending, project financing and advisory services (e.g., arranging, syndicating, fundraising, underwriting).

Highlights:

- We will not finance projects or transactions:
  - In the Arctic Circle/Region.
  - Involving oil sands in these regions.
  - Non-compliant with environmental regulations on freshwater and toxic waste management.
  - Shale oil and gas in water-scarce regions lacking strong regulatory oversight.
- Clients must demonstrate sustainable business practices and work toward ESG commitments, with improvement plans focusing on:
  - Emissions.
  - Water management.
- Biodiversity protection.

Funded **RM12,474.6 million**

Non-Funded **RM8,057.8 million**

- Risk Assessments Carried Out: **172**
- Number of Deals Approved: **163**
- Deals Declined: **9**

MINING

Applicability:

- Counterparties engaged in mining ores/ minerals.
- Mining distribution and trading activities.
- Entities deriving over 50% of annual revenue from mining.

Highlights:

- We will not finance:
  - Deep sea mining.
  - Tailings disposal at unsuitable riverine or shallow marine sites.
  - Use of chemicals/techniques inconsistent with international standards.
  - New counterparties in thermal coal mining or related activities deriving over 25% of annual revenue from such activities, without an existing Maybank relationship.

Funded **RM354.8 million**

Non-Funded **RM183.9 million**

- Risk Assessments Carried Out: **23**
- Number of Deals Approved: **22**
- Deals Declined: **1**

REAL ESTATE

Applicability:

- All business segments providing financing to the sector.

Highlights:

- We will:
  - Actively engage clients to promote sustainability in environmental protection and community relations.
  - Avoid transactions/projects with high ESG risks or poor ESG practices.

Funded **RM103,552.0 million**

Non-Funded **RM2,533.8 million**

- Risk Assessments Carried Out: **393**
- Number of Deals Approved: **360**
- Deals Declined: **33**

GRI 2-24, 201-2

POWER

Applicability:

- Applicable to corporate lending, project financing and advisory services such as arranging, syndicating, fundraising and underwriting.

Highlights:

- No financing for new greenfield coal or oil-fired power plants or activities deemed unacceptable under Maybank's ESG Risk Classification.
- Support clients committed to:
  - Halting new coal-fired power plants where sustainable alternatives exist.
  - Reducing reliance on coal power.
  - Transitioning to sustainable energy practices and economic activities.
  - Achieving carbon neutrality by 2050.
- Introduced RAC for Solar Power Plant Financing to encourage renewable energy transitions aligned with the NETR.

Funded **RM6,315.5 million***

Non-Funded **RM3,330.1 million**

* excluding IPP-coal of RM1,595.3 million (funded)

- Risk Assessments Carried Out: **42**
- Number of Deals Approved: **41**
- Deals Declined: **1**

Note: Funded refers to on-balance sheet loans or financing, whereas non-funded refers to off-balance sheet loans or financing.

ESG Screening Document

The ESG Screening Document is an internal tool developed by Maybank to assess our clients' sustainability practices, focusing on the maturity of their ESG policies and practices. It complements other risk assessment tools available within the Group such as the RACs.

Following the rollout of BNM's CCPT GP3 and GP4 Due Diligence Questionnaire, the ESG Screening Document was subsequently enhanced to include the questionnaire. Exploration work was also done to facilitate the integration of our interim 2030 Net Zero targets set under our sector decarbonisation pathways.

Objectives

- Entrench ESG considerations in client and transaction assessments.
- Assess the state of sustainability maturity of clients.
- Increase awareness of client's ESG practices.
- Identify opportunities for sustainability improvements amongst clients.
- Address regulatory requirements such as BNM's CCPT and the Association of Banks in Singapore (ABS) Environmental Risk Questionnaire.

Key developments in 2024

- Updated the ESG Screening Document to include a new tab titled "CCPT Questions." This update reflects the changes introduced by BNM through the JC3 Sub-Committee 1, which launched the revised CCPT Due Diligence Questions covering:
  - Guiding Principle 3 (GP3): Ensuring no significant harm to the environment.
  - Guiding Principle 4 (GP4): Implementing remedial measures to facilitate the transition.

Land Assessment Geoportal

The Land Assessment Geoportal is a tool that enables Maybank to uphold its NDPE commitment by conducting precise, data-driven environmental impact assessments.

Objectives

- Support informed, responsible credit and environmental assessments for clients.
- Minimise ESG risks by assessing areas like peatlands, protected areas, flood-prone zones and forest reserves.
- Help clients, particularly in the Agriculture and Real Estate sectors, address ESG gaps through improved monitoring and insights.

Key developments in 2024

- The application continues to be utilised for pre-screening assessment of underlying assets (land) for the Real Estate and Agriculture sectors which enables business units to perform high level land assessments to facilitate identifying credible and ESG compliant loans prior to on-boarding.

Risk Management

GRI 3-3

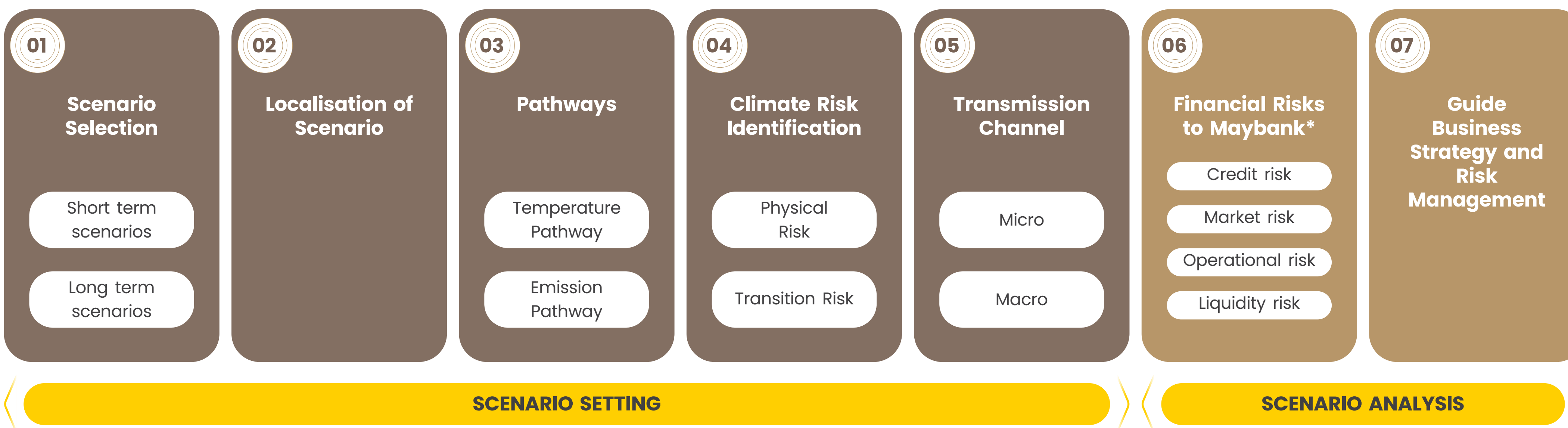
SCENARIO ANALYSIS

We have embarked on a qualitative climate scenario analysis that focuses on identifying different megatrends that may impact Maybank over the different timeframe. This provides the necessary guidance to the Group to make informed decision about business strategy as well as climate risk management.

Maybank has leveraged on climate scenarios provided by the Network for Greening Financial System (NGFS) – an internationally recognised group of central banks and financial supervisors working to enhance the financial sector's role in managing climate-related risks. The scenarios provided by NGFS are widely regarded for their scientific rigour, credibility and alignment with climate goals, making them highly reliable for climate scenario analysis. The chosen global scenario were then localised to incorporate Malaysia-specific climate-related commitments and policies. With these scenarios, material climate risks, both physical and transition, were identified to enable Maybank to conduct the relevant climate-related risk assessment and subsequently guide business strategy and climate risk management.

One of the scenarios considered was the Nationally Determined Contribution (NDC) climate scenario and based on the temperature pathways provided by NGFS, we have identified potential vulnerabilities that Maybank needs to be aware of in the medium term (2030-2040) and long term (2040-2050) as adverse weather events are expected to be more frequent and more severe. This is expected to guide Maybank in various aspects such as taking into consideration climate resilience plans in existing credit origination process and credit approval process. In the same scenario, transition risk has also been highlighted as a cause for concern in the medium and long term as the country races towards its publicly-pledged net zero aspiration by 2050. This is expected to guide Maybank to take a more proactive approach to managing the identified transition and also strategically position us to leverage on opportunities that aligns with the country's aspiration.

GENERAL FRAMEWORK FOR CLIMATE RISK SCENARIO ANALYSIS



* Risk identification requirement may differ for different countries.

Risk Management

GRI 3-3

2024 MAS INDUSTRY WIDE STRESS TEST

Building on our first climate risk stress test in 2022 MAS Industry Wide Stress Test (2022 MAS ISWT), we expanded the scope in 2024 to focus on two climate physical risk scenarios:

1. **Isolated Physical Risk Assessment:** A 1-in-200-year flood event occurring in Q1 2024.
2. **Compound Physical Risk Assessment:** The same flood event compounded by a severe macroeconomic downturn.

MAS has provided detailed climate risk-related data (e.g., rainfall, flooding etc.) based on Centre for Climate Research Singapore (CCRS) data and model projections. Maybank Singapore is working with Moody's Analytics to evaluate the scenario and data requirements for this year's stress test. While Moody's Analytics has provided a solution to evaluate the physical risk damages to our counterparties, it is still subject to granular and accurate data such as our counterparties' assets, locations of these assets and revenue generated by the assets. The MAS focus on physical risk this year underscores the uncertainty and far-reaching implications of acute physical risks on an economy and continues to encourage financial institutions to build capabilities to consider climate-related financial impact more comprehensively.

Although not the focus of the 2024 IWST, we are working to enhance our assessment of transition risk through better data collection (client transition plans, emission data etc.) and methodologies. We are working with the current vendor and exploring other tools in the market to enhance capabilities around transition risk assessment.

The results of the 2024 MAS IWST Climate Risk Stress Test will provide a view of the type of losses Maybank may expect in an acute physical risk event such as a 1-in-200-year flood event. However, given the nascent stage of climate risk management and data limitations, the results may need to be supplemented by a name-by-name analysis of our larger exposures that may help drive conversations forward on how we can implement climate risk considerations into our underwriting policies moving forward. These analyses will help uncover the main contributors of the losses arising from the acute physical risk event, what the drivers behind the losses are and how we implement policies and strategies to combat these scenario results.

2024 CLIMATE RISK STRESS TEST

In 2022, BNM released the 2024 Climate Risk Stress Test (CRST) Discussion Paper, followed by the final Methodology Paper in March 2024, with submission due by June 2025. This marks Malaysia's first industry-wide climate risk stress test, aimed at building financial institutions' capacity to address climate-related risks.

The CRST focuses on three long-term climate scenarios, namely Net Zero 2050 (NZ 2050), Divergent Net Zero 2050 (DNZ 2050) and NDCs and a short-term acute physical risk scenario involving a 1-in-200-year flood event in Malaysia.

OJK CLIMATE RISK STRESS TEST

In 2024, MBI, classified as a KMBI 3 (Bank Category based on Core Capital) Bank, was selected by OJK to pilot the implementation of the Climate Risk Stress Test, with results submitted on 31 July 2024. MBI adhered to the OJK's Climate Risk Management and Scenario Analysis *Perbankan* (CRMS) 2024 Guidelines to integrate climate change impacts into its scenario analysis and stress testing exercises. Leveraging the NGFS version 4 framework applied by OJK, the CRMS results provide MBI with a forward-looking assessment of its exposure to physical and transition risks under various climate scenarios. These insights will support MBI in proactively managing climate-related risks and enhancing resilience across its operations.

CASE STUDY

Assessing Physical Climate Risk Exposure in General/Takaful Business Lines

We identified Fire and Motor as the two lines of business under General/Takaful that are most vulnerable to climate-related physical risks. This heightened vulnerability is attributed to the portfolio size and the increased frequency of flood events, which significantly impact the portfolio's performance. Based on our analysis, we estimate that approximately 10% of the Net Written Premium is exposed to these risks, highlighting the need for targeted risk mitigation strategies and enhanced climate resilience within these business lines.

Metrics & Targets

GRI 3-3, 305-3

Our key performance indicators and targets related to sustainability. It details how we set ambitious goals, measure our progress, track our environmental impact and drive continuous improvement and accountability in our sustainability efforts.

KEY HIGHLIGHTS

- Established interim sectoral targets for Power, Palm Oil, Steel and Aluminium.
- Recorded Financed Emissions at 32.6 million tCO_2e (including LULUCF), a 6.2% reduction from previous year.
- Achieved 53.0% initiatives-based reduction of operational emissions Scope 1 and 2 against the 2019 baseline.
- Embarking on an afforestation strategy to strengthen our biodiversity commitments.
- Broadened operational GHG emissions boundary to include employee commuting.

OUR FINANCED EMISSIONS

We recognise that the emissions linked to the economic activities we finance—our financed emissions—represent a significant extension of our environmental responsibility. Beyond managing our direct operations, we address the broader impacts of our loans and investments to support the transition to a low-carbon economy.

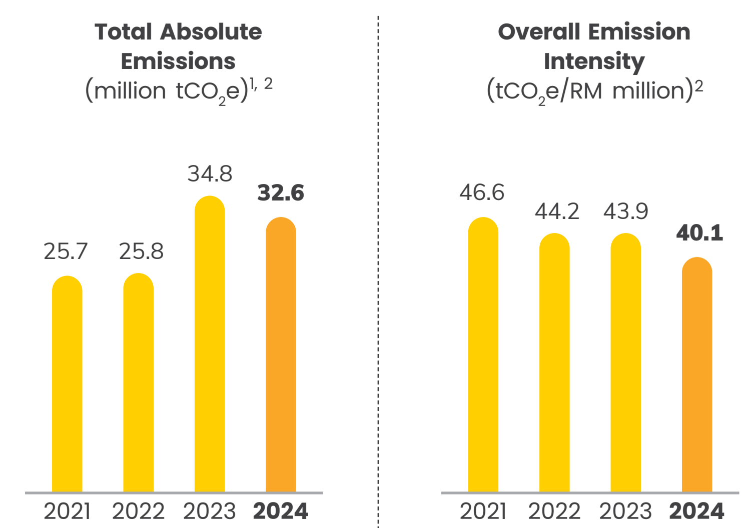
Maybank quantifies its financed emissions on an absolute basis, adhering to Partnership for Carbon Accounting Financials (PCAF) guidelines aligned with the GHG Protocol. Emissions are reported by asset class, economic sector and country to provide a full view of our value chain impacts. Where complete data is unavailable, we generate comprehensive estimates and assess data quality to identify key emission concentrations across these categories.

Building on last year's efforts, we improved data collection methodology and estimation processes, thus enhancing the quality of our emissions data. However, challenges persist, including incomplete client data and complexities in aligning datasets across diverse geographies and asset classes. Addressing these gaps requires continuous refinement and collaboration to achieve more accurate and reliable reporting.

With four years of emissions data, clear portfolio trends are emerging. While many sectors are advancing towards decarbonisation—driven by established clients' sustainability efforts and the onboarding of lower-carbon clients—some areas experienced rebounds in emissions, reaching pre-pandemic levels in 2021.

In 2024, we introduced a country-specific breakdown of sectoral financed emissions to better focus our decarbonisation strategies. We plan to enhance these estimates further, expanding our coverage across more of our portfolio.

Financed Emissions Performance



[1] Total financed emissions boundary was broadened in 2023 to include Asset Class 7 Sovereign Bond

[2] Including Land Use, Land-Use Change, and Foresty (LULUCF) starting in 2023

Metrics & Targets

GRI 2-4, 3-3, 305-3

	Financed Emission							
	2023*				2024			
Asset Class	Total Lending and Investment (RM'mil)	Financed Emissions (tCO_2e)	Emission Intensity (tCO_2e/RM'mil)	PCAF Data Quality Score	Total Lending and Investment (RM'mil)	Financed Emissions (tCO_2e)	Emission Intensity (tCO_2e/RM'mil)	PCAF Data Quality Score
Listed equity and bond	95,509	4,158,065	43.5	4.6	**75,994**	**1,902,114**	**25.0**	**3.44**
Business loans and unlisted equity	265,941	10,209,403	38.4	4.99	**276,634**	**14,954,777**	**54.1**	**4.35**
Project finance	6,950	2,387,988	343.6	4.1	**7,579**	**741,389**	**97.8**	**3.07**
Commercial real estate	26,867	407,894	15.2	4.0	**30,863**	**388,087**	**12.6**	**4.00**
Mortgages	181,648	4,444,795	24.5	4.0	**206,169**	**4,702,484**	**22.8**	**4.00**
Motor vehicle loans	84,414	4,064,274	48.2	5.0	**89,329**	**3,389,803**	**37.9**	**4.04**
Sovereign bond	129,882			1.0	**126,145**			**3.57**
- Including LULUCF		9,083,828	69.9			**6,493,718**	**51.5**	
- Excluding LULUCF		7,334,685	56.5			**6,586,305**	**52.2**	
TOTAL	791,211				**812,713**			
- Including LULUCF		34,756,247	43.9			**32,572,371**	**40.1**	
- Excluding LULUCF		33,007,105	41.7			**32,664,958**	**40.2**	

* Restatement note: The financed emissions performance for mortgages, along with the data quality for commercial real estate and mortgages in 2023 have been revised and restated to reflect improvements in data quality and the integration of third party data sources.

	Financed Emissions by Selected Economic Sector					
	2023			2024		
Economic Sector	Total Lending and Investment (RM'mil)	Financed Emissions (tCO_2e)	Emission Intensity (tCO_2e/RM'mil)	Total Lending and Investment (RM'mil)	Financed Emissions (tCO_2e)	Emission Intensity (tCO_2e/RM'mil)
Power and Utilities	15,356	7,821,685	509.3	**12,358**	**3,080,105**	**249.2**
Agriculture (including Palm Oil)	21,474	2,322,164	108.1	**17,533**	**4,497,577**	**256.5**
Oil and Gas	16,162	2,227,664	137.8	**11,088**	**2,290,843**	**206.6**
Real Estate and Construction	65,806	230,076	3.5	**77,728**	**900,378**	**11.6**
TOTAL	118,798	12,601,590	106.1	**118,708**	**10,768,904**	**90.7**

	Financed Emissions by Country									
	2023					2024				
Country	Total Lending and Investment (RM'mil)	Emissions including LULUCF (tCO_2e)	Emissions excluding LULUCF (tCO_2e)	Intensity including LULUCF (tCO_2e/RM'mil)	Intensity excluding LULUCF (tCO_2e/RM'mil)	Total Lending and Investment (RM'mil)	Emissions including LULUCF (tCO_2e)	Emissions excluding LULUCF (tCO_2e)	Intensity including LULUCF (tCO_2e/RM'mil)	Intensity excluding LULUCF (tCO_2e/RM'mil)
Malaysia	516,455	27,914,054	26,641,168	54.05	51.58	**520,396**	**24,929,002**	**24,986,123**	**47.90**	**48.01**
Singapore	191,568	2,883,419	1,866,701	15.05	14.96	**203,225**	**3,858,418**	**3,882,676**	**18.99**	**19.11**
Indonesia	40,354	2,334,213	1,880,459	57.84	46.60	**44,076**	**2,679,865**	**2,679,865**	**60.80**	**60.80**
Others[1]	42,834	1,624,561	1,618,777	37.93	37.79	**45,016**	**1,105,087**	**1,116,294**	**24.55**	**24.80**
TOTAL	791,211	34,756,247	33,007,105	43.93	41.72	**812,713**	**32,572,371**	**32,664,958**	**40.1**	**40.2**

Metrics & Targets

GRI 3-3, 305-3

Country/Sector	2023 Total Lending and Investment (RM'mil)	2023 Financed Emissions (tCO_2e)	2023 Emission Intensity (tCO_2e/RM'mil)	2024 Total Lending and Investment (RM'mil)	2024 Financed Emissions (tCO_2e)	2024 Emission Intensity (tCO_2e/RM'mil)
Malaysia						
Power and Utilities	15,356	7,821,685	509.3	**9,016**	**2,326,393**	**258.0**
Agriculture (including Palm Oil)	21,474	2,322,164	108.1	**12,151**	**4,018,256**	**330.7**
Oil and Gas	16,162	2,227,664	137.8	**8,093**	**1,402,543**	**173.3**
Real Estate and Construction	65,806	230,076	3.5	**25,863**	**280,437**	**10.8**
Others[2]				**161,912**	**5,199,484**	**32.1**
Singapore						
Power and Utilities				**2,314**	**658,256**	**284.5**
Agriculture (including Palm Oil)				**3,147**	**103,561**	**32.9**
Oil and Gas				**1,622**	**349,798**	**215.6**
Real Estate and Construction				**47,598**	**89,813**	**1.9**
Others[2]				**38,476**	**530,868**	**13.8**
Indonesia						
Power and Utilities				**867**	**70,320**	**81.1**
Agriculture (including Palm Oil)				**1,530**	**222,604**	**145.5**
Oil and Gas				**898**	**401,434**	**446.9**
Real Estate and Construction				**2,372**	**522,425**	**220.2**
Others[2]				**19,315**	**852,001**	**44.1**
Others[1]						
Power and Utilities				**161**	**25,136**	**156.4**
Agriculture (including Palm Oil)				**704**	**153,157**	**217.5**
Oil and Gas				**475**	**137,069**	**288.7**
Real Estate and Construction				**1,895**	**7,705**	**4.1**
Others[2]				**21,796**	**247,021**	**11.3**
TOTAL				**360,207**	**17,598,279**	**48.9**

[1] Others include Maybank and its subsidiary overseas operation.
[2] Others include the rest of the sectors as defined by Maybank Group Sector Industry Code Level 2.

For more information on our year-on-year financed emissions performance, please refer to pages 8-12 of the Sustainability Performance Data 2024.

Metrics & Targets

GRI 3-3, 305-3

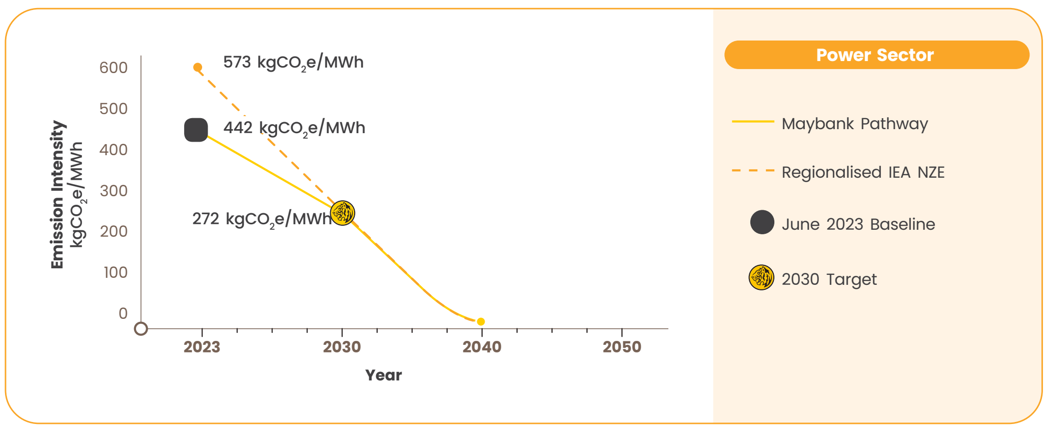
OUR FINANCED EMISSIONS TARGETS

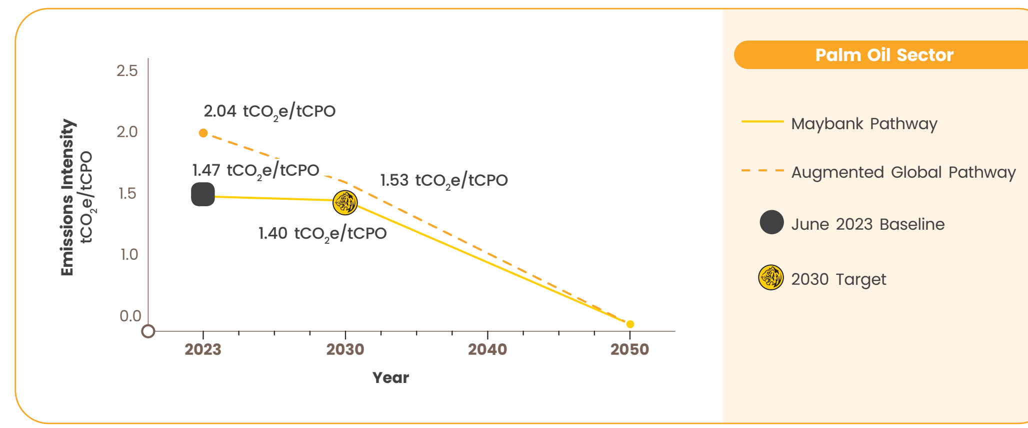
In 2024, our sectoral targets include Power, Palm Oil, Steel and Aluminium. These sectors, accounting for 33% of overall financed emissions, covers four out of nine of the NZBA priority sectors. Our phased sectoral expansion approach enables us to systematically address emissions in industries that constitute the majority of our financed emissions, aligning with our commitment to driving impactful climate action across key economic sectors.

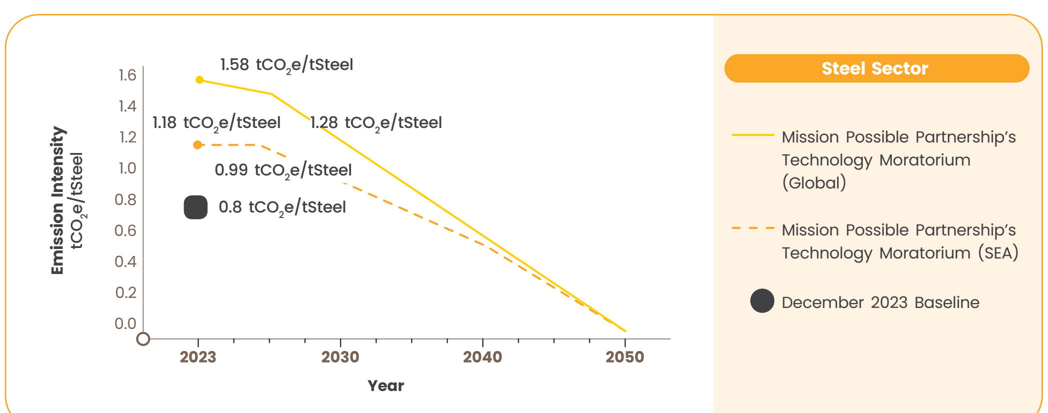
Power and Palm Oil sectors are material to our portfolio and are critical to the Southeast Asia region, while many of the technological solutions to decarbonise these sectors are already known and commercially viable. Both steel and aluminium are hard-to-abate sectors due to their significant energy demand and high-temperature process, which makes it challenging to decarbonise with current technology. As part of the priority sectors in the Net Zero Banking Alliance (NZBA), they contribute significantly to global emissions, primarily due to their reliance on fossil fuels in the production process. The inclusion of these additional hard-to-abate sectors further strengthens and reinforces our long-term commitment to reducing emissions in key industries, which is crucial for achieving our overall decarbonisation objectives and aligning with global climate targets.

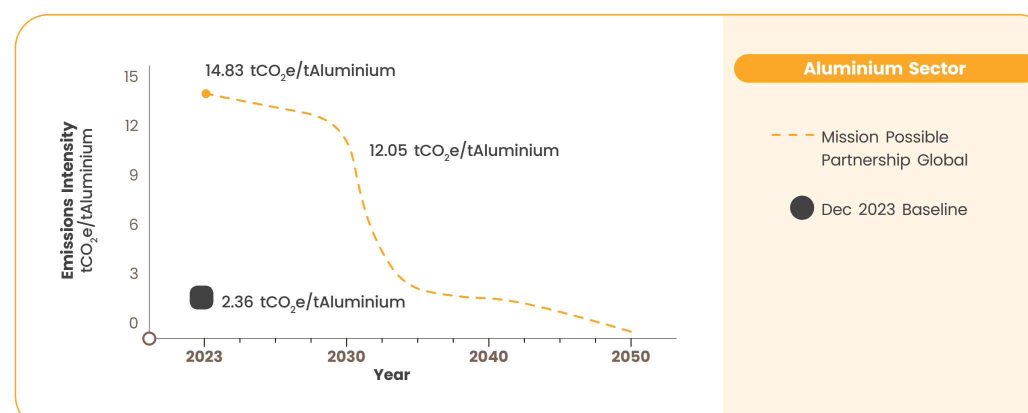
These sectoral targets are visually represented in the graphs below, illustrating the decarbonisation pathways.

Our Sectoral Targets and Decarbonisation Pathways









Metrics & Targets

GRI 3-3, 305-3

Sector	Power	Palm Oil	Steel	Aluminium
Emission Scopes	• Scope 1 (emissions for **generation companies**) • Scope 3 (downstream emissions for **construction engineering companies**)	• Scope 1 and 2 (as they relate to **primary production**) • **Scope 3** (**upstream** emissions included for palm oil mills that procure fresh fruit bunches (FFB) from third party growers)	• Scope 1 and 2 emissions from the **crude steel production process**	• Scope 1 and 2 emissions from the **upstream aluminium production**
Value chain	• Generation: both renewable and non-renewable • Construction and engineering: only companies tied to power generation	• Primary Palm Oil production (growing and milling)	• Crude steel production (BF-BOF, EAF (Scrap) and/or DRI-EAF methods)	• Primary aluminium production (alumina refining and primary aluminium production plant)
Reference Scenario	IEA NZE + IEA SDS	SBTi-FLAG + NGFS REMIND	Mission Possible Partnership (MPP) Tech Moratorium (TM), SEA – 1.5°C	Mission Possible Partnership (MPP) Global – 1.5°C
Measurement	$kgCO_2e/MWh$	$tCO_2e/tCPO$	$tCO_2e/tSteel$	$tCO_2e/Aluminium$
Baseline (As of)	442 (June 2023)	1.47 (June 2023)	0.80 (December 2023)	2.36 (December 2023)
2030 Target	272	1.40	To maintain below the reference pathway	To maintain below the reference pathway
Progress in 2024	388 (As of December 2024)	1.41 (As of December 2024)	December 2023 Baseline established	December 2023 Baseline established

Note:
IEA NZE: International Energy Agency's Net Zero Emissions by 2050 Scenario
IEA SDS: International Energy Agency's Sustainable Development Scenario
SBTi-FLAG: Science-based Targets Initiative Forest, Land and Agriculture pathways
NGFS REMIND: Network for Greening the Financial System Regional Model of Investments and Development

For more information on our sectoral targets, please refer to "Banking on a better tomorrow: Our commitment to net zero" White Paper https://www.maybank.com/en/sustainability.page.

GRI 3-3

OUR OPERATIONAL IMPACT

As a sustainability advocate, Maybank aims to lead by example, embedding exemplary practices within our organisation to reduce the environmental impact of our operations. Currently, our primary focus is on managing our operations to systematically reduce our Scope 1 and 2 GHG emissions, with a goal of achieving carbon neutrality by 2030, setting the stage for our broader aspiration to achieve net zero by 2050. Since our 2019 baseline, we have made significant progress in addressing our Scope 2 emissions, as nearly 80% of our total operational emissions are attributed to purchased electricity. Through targeted initiatives, we have driven a steady year-on-year emissions reduction, demonstrating the effectiveness of our systematic approach.

EMISSIONS REDUCTION APPROACH

We have adopted a multi-pronged strategy to achieve carbon neutrality for our Scope 1 and 2 operational emissions by 2030. This strategy focuses on two key approaches:

Reducing Energy Consumption and Enhancing Efficiency:

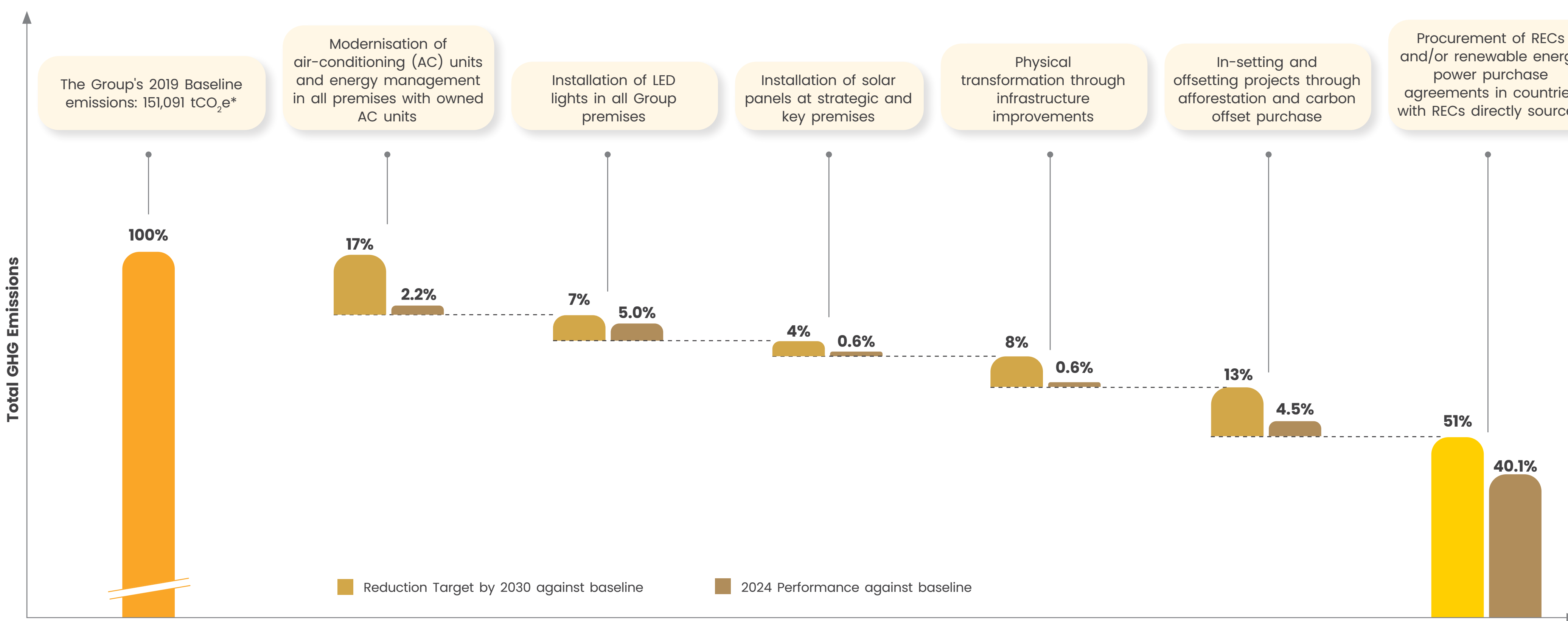
- Implementing strategic initiatives that focus on energy reduction and operational efficiency in line with the energy hierarchy.

Offsetting Residual Emissions:

- Procuring Renewable Energy Certificates (RECs) and carbon credits to bridge the residual gap.
- Launching in-setting projects, such as afforestation initiatives, to support carbon sequestration efforts.

We continuously review and refine these measures to ensure we remain on track to achieve our carbon neutrality target by 2030.

Carbon Neutrality Progress



* The Group's 2019 Baseline (Scope 1 and 2) has been subjected to a limited assurance by an independent third party in 2023.

For more information on our GHG emissions reduction initiatives, please refer to pages 60 to 61 of this report.

Metrics & Targets

GRI 3-3, 305-5

OUR DECARBONISATION INITIATIVES

Our regional operations primarily rely on electricity from energy providers, contributing to our Scope 2 emissions. While much of this electricity is currently generated from fossil fuels like coal and natural gas, energy providers are increasingly transitioning to renewable sources. This shift aligns with our sustainability goals, as electricity consumption remains the largest driver of our operational GHG emissions. Key initiatives supporting this transition include:

Solar Installation

Aim: To reduce overall GHG emissions by installing solar panels at key premises.

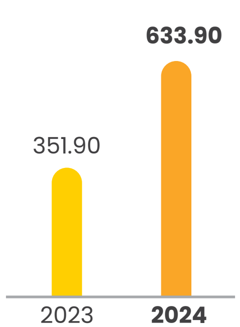
Progress

- Expanded solar panel installations to 14 premises in Malaysia, 1 premise in Singapore and 9 premises under Group Insurance and Takaful.

eTiQa GROUP INSURANCE AND TAKAFUL 9

- Currently in the process of installing solar panels at **16** additional premises.

Estimated GHG Reduction (tCO_2e)



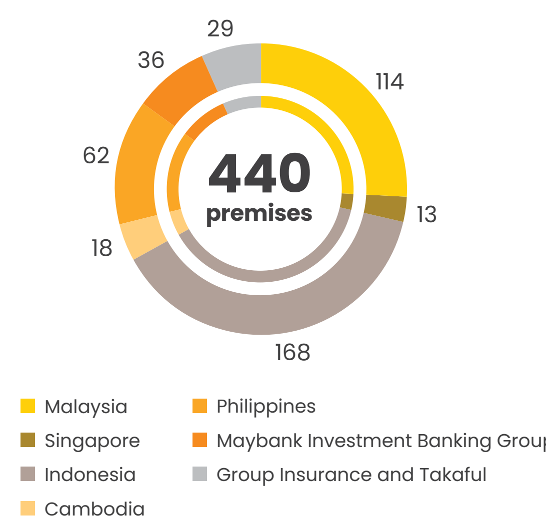
Generation capacity: 1,811.95 kWp for 24 sites

Modernisation of AC Units

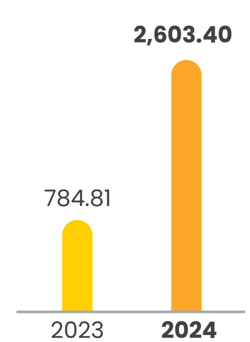
Aim: To enhance energy efficiency and reduce GHG emissions by upgrading existing air-conditioning systems to inverter-based units and modernising chiller systems across selected Maybank's operation.

Progress

- Upgraded premises with inverter-based air-conditioning units:



Estimated GHG Reduction (tCO_2e)

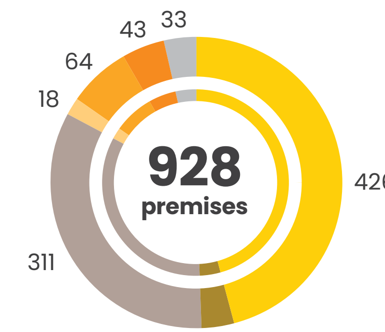


LED Conversion

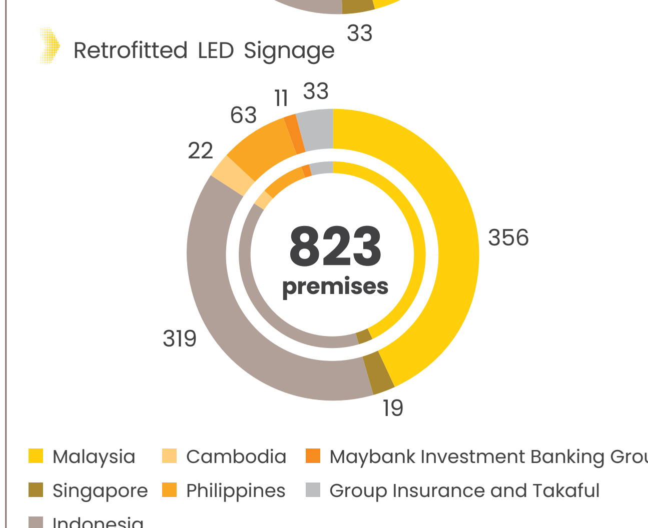
Aim: To enhance energy efficiency and reduce GHG emissions through the implementation of LED lighting and signage across Maybank's premises.

Progress

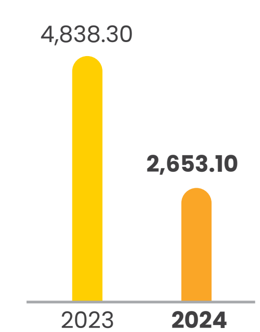
- Retrofitted LED Lighting



- Retrofitted LED Signage



Estimated GHG Reduction (tCO_2e)



Metrics & Targets

GRI 3-3, 2-4, 305-5

Carbon Offsetting

Aim: To offset Maybank's carbon emissions by supporting verified carbon removal and conservation projects, contributing to Scope 1 and 2 reduction goals.

Progress

- Purchased 6,760 tonnes of carbon credits via the BCX. These credits were issued from the Kuamut Rainforest Conservation Project in Sabah.

GHG Reduction

- 6,760 tCO_2e

Renewable Energy Certificate

Aim: To support renewable energy generation as a means to offset carbon emissions and promote the transition to cleaner energy sources.

Progress

- Continued to purchase 80,000 MWh of mRECs.

Estimated GHG Reduction

- 60,640 tCO_2e

Carbon In-setting

- Signed an MoU with Forest Research Institute Malaysia (FRIM) to rehabilitate a five-hectare ex-mining site in Bidor, Perak.
- The project aims to plant about 3,750 trees, contributing to biodiversity enhancement and carbon sequestration in the region.
- As part of our commitment to fostering sustainable practices, we will actively involve local communities through educational programmes, raising awareness about environmental conservation and sustainability.
- The carbon removal potential will be verified by Bureau Veritas Certification Sdn Bhd to ensure transparency and adherence to global GHG standards.

We have also established supporting initiatives to complement our main efforts, aimed at advancing our decarbonisation goals. These includes:

Green Building Index

Aim: To achieve Green Building Index (GBI) certification for selected key premises by 2030.

Progress

- By the end of 2025, Maybank aims to achieve GBI certification for its key buildings including Maybank Academy, MGCC Bukit Jelutong and Dataran Maybank. These buildings are currently undergoing significant infrastructure upgrades, including enhancements to their chiller systems.
- Menara Etiqa in Kuala Lumpur has achieved GBI certification.
- Maybank Tower and Maybank Centre in Singapore have both achieved BCA Green Mark GoldPLUS certification.

Carbon Cut Calculator

Aim:

- The Carbon Cut Calculator (CCC) is an internally developed platform for our employees to report and measure their individual carbon footprint. It also also provides recommendations to reduce their carbon footprint.
- CCC also serves as the source of the baseline key data for Maybank to determine our employee commuting emissions aligning with GHG Protocol.
- As of 2024, the CCC is open for employees working in Malaysia with plans to widen it for the rest of our operating locations.

Supporting Employees with Hybrid Cars

Aim: To enhance sustainable mobility by promoting low-carbon commuting for employees, contributing to the reduction of Scope 3 emission.*

Progress

- Reimbursing employees for charging their EVs.
- Subsidising the purchase and installation of home charging equipment.
- Enhancing the tracking system to monitor travel emissions across the Group.
- Reviewing policies to encourage EV usage among employees and EV ownership for executives participating in the Car Ownership Plan.
- Forward looking initiatives in 2025 include sustainable financing such as employees' preferential rates for EV and Home Solar Panel Loans.

Total Reimbursement

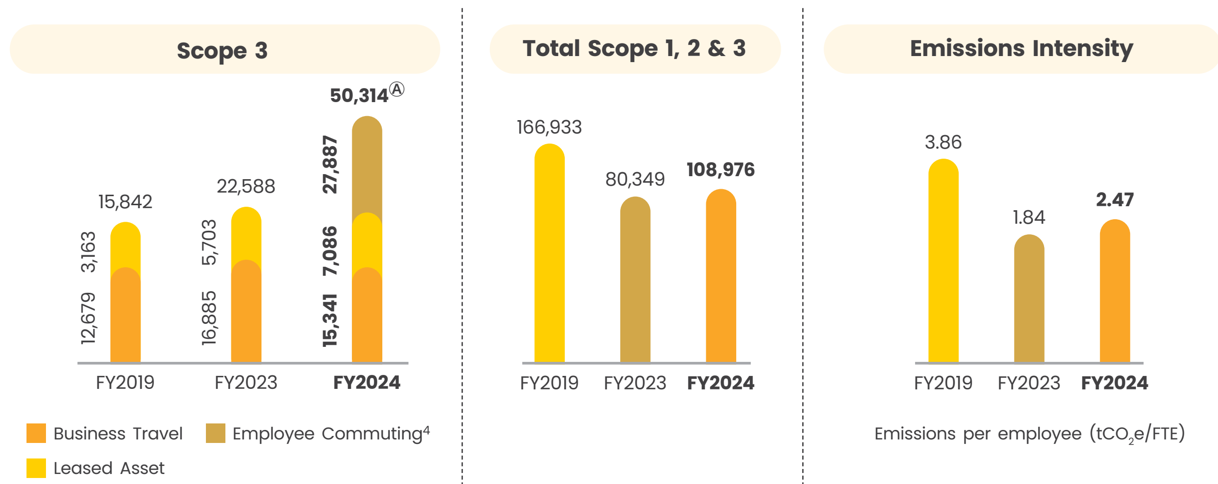
- EV charging: RM82,577
- Purchase and installation of home charging equipment subsidy: RM45,984

* Restatement note: As we are refining our computation methodology and boundaries for scope 3 emissions business travel and employee commuting, we are also in the process of reviewing the previous year disclosed target.

Metrics & Targets

GRI 3-3, 305-1, 305-2, 305-3

GHG Emissions (tCO_2e)



Scope 1 Direct emissions, namely petrol and diesel consumption from company-owned vehicles and petrol and diesel consumption from generators as well as fire extinguisher and chiller refrigerant refill.

Scope 2 Indirect emissions from imported energy, namely electricity consumption.

Scope 3 Other indirect emissions, namely business travel, employee commuting and leased assets.

Location-based: Average emissions intensity of grids on which energy consumption occurs, considering the physical energy generation mix of the regional grid.

Market-based: Emissions from electricity that Maybank has purposefully chosen. It derives emission factors from contractual instruments, such as energy attribute certificates, power purchase agreements and supplier-specific information, representing the emissions associated with the specific energy purchased.

Ⓐ The data has been subjected to a limited assurance by an independent third party. For more information, please refer to the independent limited assurance report on pages 74 to 75 of this report.
1 Scope 2 market-based.
2 Includes the purchase of carbon credit and mREC.
3 Others include the rest of the overseas units where the Group is operating.
4 Employee commuting emissions disclosed starting in 2024 with boundary covering Malaysia's operations only.

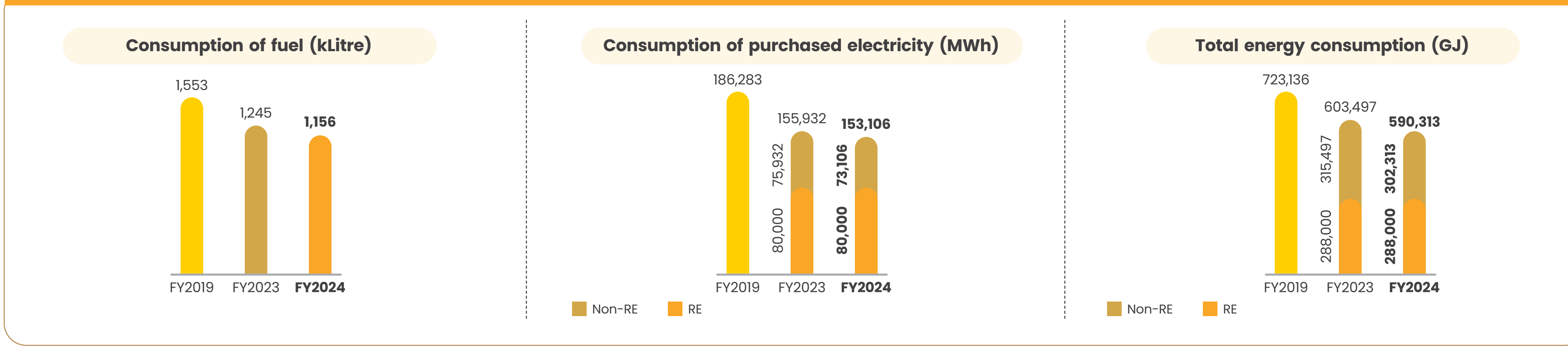
For year-on-year and business segments breakdown of the operational GHG emissions performance, please refer to page 5 of the Sustainability Performance Data 2024.

For more details on the operational GHG emissions methodology, please refer to pages 70 to 72 of this report.

Metrics & Targets

GRI 3-3, 302-1

Energy Consumption*



* Total energy consumption within the organisation (own operations) only.

Metrics & Targets

GRI 3-3, 306-1, 306-3, 306-4, 306-5

EXPANDING OUR ENVIRONMENTAL METRICS

Our approach to environmental responsibility extends beyond climate action. By responsibly managing resources such as waste, water and paper, we aim to drive sustainable consumption and foster circularity within our operations. While these resources may not be our most material environmental impacts, efficient use contributes to addressing critical global challenges and supports sustainable consumption within our operations.

WASTE MANAGEMENT

Maybank operational waste primarily consist of general waste from office activities. We have implemented a structured approach to waste management focusing on a shift towards paperless operations through digitisation efforts, improved waste segregration, garden composting and enhanced recycling initiatives.

Adhering to regulatory compliance, both our non-hazardous general waste and hazardous waste (electric waste) are disposed through specialised licensed companies.

Waste Management Initiatives

Initiatives	Description
Recycling Programme	• Installed a total of 40 recycling bins in Menara Maybank and 19 bins throughout the Maybank Academy compound to encourage employees to properly dispose of recyclable waste. • Continued partnership with Alam Flora Environmental Solutions Sdn Bhd (AFES) on the Reward Separation at Source (S@S) initiative at Menara Maybank and Dataran Maybank, rewarding recyclers with Petronas Mesra points via a barcoding system.
Cooking Oil Recycling	• Partnered with an external vendor to collect used cooking oil from Menara Maybank and Maybank Academy, which is recycled into biodiesel and wax.
General Waste Monitoring	• Installed floor weighing scales at Maybank Academy and MGCC Bukit Jelutong to measure general waste prior to collection, enabling accurate data tracking and better waste management strategies.
Garden Composting Initiative	• Established 13 aerobin garden waste composting units at Maybank Academy in July 2024, producing 3,400 litres of natural fertiliser monthly.
Plastic Waste Reduction	• Organised a Plastic Bottle Collection Drive during Maybank Environmental Day to encourage employees participation, offering incentives to promote engagement. • Encouraged employees to minimise single-use plastics by using reusable alternatives, such as water bottles and tote bags. • Installed plastic bottle collection bins in Menara Maybank and Dataran Maybank to inculcate a continued discipline of segregating plastic bottles.

Waste	2024
Total waste generated (kg)	**2,396,067**
Waste **diverted from** disposal (kg)	**585,828**
Malaysia	**377,566**
Singapore	**173,815**
Group Insurance and Takaful	**21,228**
Maybank Investment Banking Group	**8,047**
Others*	**5,173**
Waste **directed to** disposal (kg)	**1,810,238**
Malaysia	**460,116**
Singapore	**0**
Group Insurance and Takaful	**1,350,123**
Maybank Investment Banking Group	**0**
Others*	**0**

* Others include the overseas business, Maybank Asset Management Group and Maybank Shared Services.

For more information on our year-on-year waste performance, please refer to page 13 of the Sustainability Performance Data 2024.

Future Plans

Planned Initiatives	Description
Food Waste Recycling Initiative (JomCompost)	• Launching at Maybank Academy, this initiative will utilise a machine capable of decomposing organic waste within 24 hours, producing 400 kg of fertiliser monthly. The programme aims to: – Minimise food waste. – Promote circular economy practices. – Provide nutrient-rich fertiliser to support urban farming and enhance green spaces.
Enhanced Waste Data Monitoring	• Expanding the use of weighing scales across strategic locations to collect waste data and improve tracking and management practices. • Collaborating with external waste management partners to ensure reliable data collection, proper disposal practices and adherence to best standards.

GRI 3-3, 303-5

PAPER CONSUMPTION

Paper usage continues to be a significant area of focus for Maybank, with an ambitious goal to reduce usage by 80% by 2030 while ensuring all paper used is sustainably sourced or certified. To reach this goal, we are optimising processes, closely monitoring printing practices and fostering a culture of sustainability across our operations.

Paper	2023	2024
Total paper consumption (tonnes)	1,669.0	**1,727.4**
Malaysia	1,282.7	**1,166.1**
Singapore	73.2	**270.2**
Indonesia	192.8	**137.4**
Cambodia	17.4	**17.4**
Group Insurance and Takaful	48.1	**47.5**
Maybank Investment Banking Group	37.4	**34.7**
Others*	17.5	**54.1**

* Others include the overseas business, Maybank Asset Management Group and Maybank Shared Services.

For more information on our year-on-year paper consumption, please refer to page 13 of the Sustainability Performance Data 2024.

WATER CONSUMPTION

We are committed to maximising water efficiency across our facilities by implementing measures such as dual-flush toilets and self-closing faucets. Through the use of verified billing records for tracking and reporting, these measures are closely monitored, offering valuable insights to drive continuous improvement.

Progress:

- To date, water-efficient systems have been progressively implemented in 77 premises in Malaysia and 17 in Cambodia with plans underway to expand these initiatives further.
- All new and renovated premises must comply with Maybank's sustainability specifications, ensuring the use of standardised water-efficient systems.

Water	2023	2024
Total water consumption (m^3)	944,877	**1,096,002**
Malaysia	457,627	**544,307**
Singapore	28,343	**28,728**
Indonesia	117,668	**104,422**
Cambodia	14,676	**14,989**
Philippines	23,420	**21,263**
Group Insurance and Takaful	285,931	**363,073**
Maybank Investment Banking Group	15,404	**16,906**
Others*	1,808	**2,314**

* Others include the overseas business, Maybank Asset Management Group and Maybank Shared Services.

For more information on our year-on-year water consumption, please refer to page 12 of the Sustainability Performance Data 2024.

Metrics & Targets

GRI 3-3, 304-3

NATURE AND BIODIVERSITY

Biodiversity underpins the resilience of ecosystems vital to our operations and communities. To address this material issue, we have launched projects focused on conserving natural habitats and enhancing biodiversity.

These efforts also align with our preparation for the Taskforce on Nature-related Financial Disclosures (TNFD), laying the foundation for integrating nature-related risks and opportunities into our sustainability strategy.

Afforestation Project in Bidor, Perak, Malaysia

In 2024, Maybank signed an MoU with the FRIM to rehabilitate a five-hectare ex-mining site in Bidor, Perak Malaysia. This afforestation initiative will involve planting approximately 3,750 trees of various native species, contributing to:

- Carbon sequestration to offset our own GHG emissions.
- Enhanced local biodiversity by restoring degraded land.
- Alternative livelihoods for local communities through training and participation in sustainable practices.

This project aligns with Maybank's commitment to achieving carbon neutrality by 2030 and net zero by 2050. It also supports our broader ESG goals by integrating biodiversity conservation with community development.

Maybank has appointed Bureau Veritas Certification Sdn Bhd to verify the carbon removal impact of the Bidor afforestation project. This ensures compliance with GHG Protocol standards, providing transparent and reliable validation of the project's environmental benefits.

Tiger Conservation at the Belum-Temengor Forest Complex

- Maybank continues its commitment to protecting the critically endangered Malayan tiger in partnership with WWF-Malaysia.
- Project Stampede involves deploying rangers to patrol and dismantle snares threatening tiger populations.
- The programme integrates Orang Asli communities to promote sustainable practices and enhance habitat protection.

For more information on our other nature and biodiversity programmes, please refer to pages 85 to 86 of the Sustainability Report 2024.

TCFD BNM Guide Content Index

Recommendation	Description	Section Reference
Governance		
G1: Board Oversight of Sustainability and Climate-related Matters	• Disclose nature of Board oversight and accountability with respect to sustainability and climate-related matters, risks and opportunities.	• Sustainability Governance (Pages 6-7) • ESG Risk Governance (Pages 11 -12)
G2: Sustainability Governance Structure Including Climate-Related Matters at the Management Level	• Disclose management-level sustainability governance structure as well as processes for sustainability and climate-related matters, including accountability, responsibility and decision making.	• Sustainability Governance (Pages 6-7) • Group Sustainability Structure (Pages 9-10)
G3: Sustainability and Climate-related Board Credentials	• Disclose sustainability and climate-related credentials, experience and individual biographies for Board members.	• Integrated Annual Report 2024 (Page 110-115)
G4: Sustainability and Climate-Related Training	• Disclose the initiatives undertaken and training programmes conducted annually to build capacity of Board members and management on sustainability issues including climate-related matters.	• Board Training (Page 13)
G5: Sustainability and Climate-related Discussions in Board Meetings	• Disclose the frequency of Board meetings per year in which sustainability and climate-related issues have been a substantive agenda item and a summary of key climate-related issues and initiatives deliberated.	• Sustainability Governance (Page 7)
G6: Sustainability/Climate-linked Remuneration	• Link Board of Director (excluding independent directors) and top management remuneration to performance against specified sustainability and climate-related targets.	• Sustainability-linked Remuneration (Pages 14- 15)
G7: Separate Committee on Sustainability and Climate-related Matters	• Set up a separate committee to oversee sustainability-related matters, reporting to the Board of Directors for all sustainability and climate-related matters.	• Sustainability Governance (Page 6-7)
Strategy		
S1: Identification of Climate-related Risks and Opportunities	• Review the financial institution's strategy to identify and disclose climate-related risks and opportunities over the short-, medium- and long-term.	• Our Climate-Related Risks (Pages 39-44) • Climate-Related Opportunities (Pages 35–36)
S2: Impact of Climate-related Risks and Opportunities	• Assess and disclose how climate-associated risks and opportunities could affect the financial institution's existing businesses, strategy and financial planning.	• Our Climate-Related Risks (Pages 39-44) • Climate-Related Opportunities (Pages 35–36)
S3: Strategy and Risk Appetite on Climate Change Related Risks and Sustainability Measures	• Disclose strategy and appetite with regard to climate-related risks and opportunities and the measures towards sustainability in the financial institution's business activities.	• Our Climate-Related Risks (Pages 39-44) • Climate-Related Opportunities (Pages 35–36)
S4: Scenario Analysis as an Opportunity to Improve Strategic Resilience and Explore Climate Vulnerabilities	• Perform climate-related scenario analysis to assess potential business implications of climate-related risks and opportunities over time and under different conditions as well as related strategy to manage these.	• Scenario Analysis (Pages 52-53)

TCFD Content Index

Recommendation	Description	Section Reference
Risk Management		
R1: Process for Identifying and Assessing Climate-related Risks	• Disclose how the financial institution looks at existing and emerging regulatory requirements related to climate change and other relevant factors. • Disclose the risk classification framework(s) used. • Disclose the risk terminology definitions used or existing risk classification framework(s) used.	• Our ESG Risks: How We Identify and Assess Them (Page 39)
R2: Process for Managing Climate-related Risks	• Disclose the financial institution's risk management processes and controls. • Disclose the identities of individual(s)/function(s) responsible for oversight of climate-related risks and its relationship with the business operations.	• Enterprise Risk Management (Pages 37-38) • ESG Risk Governance (Pages 11-12)
R3: Process for Integrating (i) Process for Identifying and Assessing Climate-related Risks and (ii) Process for Managing Climate-related Risks; into Overall Risk Management.	• Disclose the integration of processes for identifying, assessing and managing climate-related risks into overall risk management.	• Maybank Group ESG Risk Management Framework (Page 38) • Integrating Environmental Risk Processes and Assessments (Pages 46-47)
R4: Process for Identifying and Assessing Climate-related Risks	• Disclose the financial institution's risk management processes used to identify and assess climate-related risks. • Disclose the financial institution's climate-related risks and their significance within existing risk categories such as credit, market, operational and liquidity risk. • Disclose the financial institution's processes for assessing the potential size and scope of identified climate-related risks. • Disclose key sectors in the financial institution's portfolio that are identified as being highly exposed to climate risk. • Set out the financial institution's risk management controls or actions in managing impacts from direct climate-related risks.	• Our ESG Risks: How We Identify and Assess Them (Pages 39-45) • Managing Sector-specific Risks (Page 48)
R5: Process for Managing Climate-related Risks	• Disclose the financial institution's processes for managing climate-related risks including decisions to mitigate, transfer, accept, or control those risks. • Disclose improvements planned/completed by the financial institution to enhance capabilities and incorporate climate-related risks into existing risk management framework. • Conduct training and employee readiness planning as well as programmes. • Disclose how the financial institution's customers are engaged and helped in mitigating climate-related risks. • Use metrics and targets to monitor progress in managing climate-related risks (i.e. exposure to and quantification of, risk types by business segment and jurisdiction). • Set out the financial institution's risk management controls or actions in managing impacts from indirect climate-related risks (i.e. activities of clients). • Disclose the financial institution's exposure to and quantification of, sustainable financing.	• Our ESG Risks: How We Identify and Assess Them (Pages 39-45) • Managing Sector-specific Risks (Page 48) • Exposure to High-Risk Sectors (Pages 49-51) • Cultivating ESG Culture (Pages 27-29) • Our Decarbonisation Pathway (Page 18) • Supporting Hard-To-Abate Sectors (Page 19) • Client Engagement Guidebook (Page 20) • Our Strategic Partnerships (Pages 30-32) • External Stakeholder Engagements (Pages 33-34)

TCFD Content Index

Recommendation	Description	Section Reference
R6: Process for Integrating (i) Process for Identifying and Assessing Climate-related Risks and (ii) Process for Managing Climate-related Risks; into Overall Risk Management.	• Disclose how the financial institution has integrated climate-related risks into existing risk categories. • Disclose how the financial institution has integrated climate-related risks into existing risk framework(s) and/or directly into credit and investment decision-making (e.g. lending policies, underwriting standards, risk ratings, pricing models). • Disclose the financial institution's exposure to physical and transition risks within its operations and business model, including concentrations of risk at portfolio and transaction levels and by geographical footprint. • Disclose the financial institution's efforts in supporting clients through mitigating climate-related risks via sustainable finance solutions. • Implement policies that restrict/divest from high-risk exposures and in line with international commitments/frameworks. • Enhance the financial institution's climate risk management framework to be more predictive.	• Maybank Group ESG Risk Management Framework (Page 38) • Our ESG Risks: How We Identify and Assess Them (Pages 39-45) • Managing Sector-specific Risks (Page 48) • Exposure to High-Risk Sectors (Pages 49-51) • Sustainability-Related Frameworks and Products (Pages 21-26)
Metrics & Targets		
M1: Key Climate-related Metrics	• Disclose Absolute Scope 1, Scope 2 and Scope 3 (at minimum on business travel and employee commuting) GHG Emissions. • Proportion of portfolio with exposure to assets or business activities vulnerable to transition risks • Proportion of portfolio with exposure to assets or business activities vulnerable to physical risks • portion of portfolio with exposure to low carbon assets or business activities. • Proportion of total engagement meetings on climate risk/opportunity, broken down by topic/theme. • Proportion/share of the portfolio for which engagement on climate-related risk/ opportunities has been a key topic. • Share of financial assets (e.g. loans/financing, investment assets) based on classification by green taxonomy for example BNM's Climate Change and Principles-based Taxonomy (CCPT) • Portion/weightage of directors and/or senior management's remuneration linked to sustainability-related KPIs (e.g. investments in related products, performance against emissions targets).	• Sustainability-linked Remuneration (Pages 14-15) • Supporting Hard-To-Abate Sectors (Page 19) • Sustainability-Related Frameworks and Products (Pages 21-26) • External Stakeholder Engagements (Pages 33-34) • Exposure to High-Risk Sectors (Pages 49-51) • Our Financed Emissions (Pages 54-56) • Our Operational Impact (Pages 59-63)
M2: Key Climate-related Targets	• Set and disclose clear climate-related targets based on recognised metrics (including cross-industry, sector-specific metrics and/or institution-specific metrics).	• Sustainability-linked Remuneration (Pages 14-15) • Our Financed Emissions Targets (Pages 57-58) • Our Operational Impact (Pages 59, 68-69)

GHG Emissions Methodology

GRI 302-1, 305-1, 305-2, 305-3, 305-5

FINANCED EMISSIONS

In developing our approach, we engaged with industry initiatives to formulate our methodology in assessing and measuring our financed emissions. We are signatories of NZBA, which seeks to reinforce, accelerate and support the implementation of decarbonisation strategies for the banking sector. Since 2022, we have been a member of the PCAF, where our financed emissions were measured and calculated based on the GHG Accounting and Reporting Standard for the Financial Industry (the Standard), developed by PCAF. The Standard has been reviewed by the GHG Protocol and conforms to the requirements outlined in the Corporate Value Chain (Scope 3) Accounting and Reporting Standard for Category 15: investment activities. Assets held for short durations and/or designated as held for sale are not included in the calculation. The Standard provides multiple approaches for GHG accounting across all seven asset classes.

Scope and Boundary

The Group's financed emissions cover seven asset classes. Due to the limitation of calculation methodologies, the Group's financed emissions currently exclude products and services such as investment funds, green bonds, loans for securitisation, exchange-traded funds, derivatives, initial public offering (IPO) underwriting and insurance underwriting. We will consider including these products and services in our financed emissions measurement when calculation methodologies are firmly established.

Data Quality

Accurate computation of financed emissions in lending and investment portfolios requires high-quality data, including GHG emissions data for underlying investee and borrowing companies. Companies measuring and publicly reporting their emissions will facilitate high-quality data. However, many customers and investees within the Group's portfolio have yet to report their GHG emissions. Currently, data limitations are primarily related to a lack of granular and sub-sector customer data availability. The Standard recognises this challenge and has provided methodologies for computing financed emissions using various approaches, each with varying data quality scores depending on the level of estimates involved. Therefore, the Group has estimated our financed emissions based on the best available data, aligned with the PCAF Standard calculation methodology. This includes leveraging best estimates from available sectoral and sub-sectoral data as a proxy to measure its absolute financed emissions. Moving forward, we will continuously refine our financed emissions estimates as we enhance our calculation methodologies and data. In addition, the Group intends to improve our processes in gathering actual GHG emissions data from customers and investees.

OPERATIONAL GHG EMISSIONS

Guiding Principles

The operational GHG emissions methodology of Maybank Group is governed by the Maybank Group Environmental Data Management Framework (EDMF) and follows its principles on top of GHG Protocol Corporate Accounting Standard.

Reporting Scopes

Organisational Boundary

We apply the operational control approach to consolidate and report its GHG emissions. Under the operational control approach, the Group accounts for 100% of emissions from those sources over which Maybank has full authority to introduce and implement its operating policies, which includes Maybank and its subsidiaries.

For the full list of the Group's operations, please refer to pages 4 to 6 in the Sustainability Report 2024.

Operational Boundary

We report our Scope 1, 2 and 3 - category 6: business travel and category 8: upstream leased assets. In 2024, we expanded our boundary to include category 7: employee commuting. The primary type of GHG applicable for our operation is carbon dioxide and we incorporate the rest of the Kyoto Protocol gases in terms of total carbon equivalent from the emission factors for completeness.

Reporting Period

The reporting period for the computation covers a 12-month period from 1 January 2024 to 31 December 2024 (Financial Year 2024) unless otherwise stated.

Base Year and Base Year GHG Emissions

Our base year is the Financial Year 2019, covering the emission for Scope 1 and 2, from 1 January 2019 to 31 December 2019. As Maybank Sustainability Commitments was approved in 2021, the base year for GHG emissions was selected to the nearest financial year, with consideration of global operational disruption due to the COVID-19 pandemic. The baseline for FY2019 is 151,091 tCO_2e and has been externally assured.

Data Preparation and Calculation

Activity data are collected, recorded and reported as per the EDMF. The Group applies a centralised approach, where GHG emissions are calculated at the corporate level. The following are the summarised calculation methodology for each of the activity data.

GHG Emissions Methodology

GRI 302-1, 305-1, 305-2, 305-3

Scope	Calculation Methodology
Scope 1 emissions (tCO_2e)	Direct Emissions – fuel consumption from fuel-based generators *= total amount of fuel refill used across all generator dependent branches & buildings (litre)* x *fuel emission factor (tCO_2e/litre)* Direct Emissions – refill of fire extinguisher *= total amount of refill (kg)* x *fire extinguisher type specific emission factor (tCO_2e/kg)* Direct Emissions – fuel consumption from company owned vehicles *= total amount of fuel consumed (litre)* x *average fuel-based vehicle specific emission factor (tCO_2e/litre)* Direct Emissions – refill of refrigerant for HVAC system *= total amount of refill (kg)* x *refrigerant type specific emission factor (tCO_2e/kg)*
Scope 2 emissions (tCO_2e)	Indirect Emissions – electricity purchased for own consumption *= total amount of electricity purchased across all branches & buildings (kWh)* x *grid emission factor (tCO_2e/kWh)*
Scope 3 emissions (tCO_2e)	Category 6 Business Travel Emissions are calculated using hybrid-based method. For air travel, we use direct computed emissions from ICAO calculator based on the route reported by our employees. For land travel, we use a combination of distance-based, fuel-based and spend-based method depending on the activity data we collected from our various system throughout the Group. Land Travel *total distance travelled (km)* x *vehicle specific emission factor (tCO_2e/vehicle-km)* **or** *total amount of fuel consumed (litre)* x *average fuel-based vehicle specific emission factor (tCO_2e/litre)* Category 7 Employee Commuting The employee commuting data was collected from various internal sources (i.e. Employee Data, Surveys and Carbon Cut Calculator (CCC), a platform developed in-house). Selected employees from the Malaysia operations submitted their daily commute (home – office – home) from 4 to 10 December 2024. The data consist of their daily commuting distance and main mode of transport used. From the responses received, the emissions has been extrapolated across total number of employees in Malaysia operation as at December 2024 and across the average number of working days. Category 8 Upstream Leased Asset We use asset-based method by collecting the electricity data from the lessor and applying the same calculation methodology as Scope 2.

GHG Emissions Methodology

GRI 302-1, 305-1, 305-2, 305-3, 305-4, 305-5

Emission Factors

Scope	Source
Scope 1	• Greenhouse Gas Inventory Guidance: Direct Fugitive Emissions from Refrigeration, Air Conditioning, Fire Suppression and Industrial Gases, page 5. Published by United States Environmental Protection Agency. Update December 2023. • Greenhouse Gas Reporting: Conversion Factors 2024. Published by UK Gov Department for Energy Security and Net Zero. Update 30 October 2024.
Scope 2	• Malaysia Energy Commission Grid Emission Factor (GEF) in Malaysia, 2017-2022. • Directorate General of Electricity, Ministry of Energy and Mineral Resources, Indonesia – *Faktor Emisi GRK Sistem Ketenagalistrikan Tahun 2019.* • Singapore Energy Statistic 2024 – Chapter 2: Energy Transformation. Published by Energy Market Authority Singapore. • 2015-2017 National Grid Emission Factor (NGEF) – Luzon-Visayas Grid. • Institute for Global Environmental Strategies (2024). List of Grid Emission Factors, version 11.5. • Carbon Footprint Ltd (2023). 2023 07 International Factors- release v1.1.xlsx (Released September 2023).
Scope 3	• For travel data (business travel and employee commuting) as per Scope 1 emission factors. • For leased asset purchased electricity as per Scope 2 emissions factors.

Data Availability, Estimations and Restatement

The Group aspires to comprehensively track, record and report data across all scopes. Given the Group's global presence, variations in data availability are acknowledged. Recognising these challenges, the Group understands that there may be instances where data acquisition is difficult or unattainable across different countries. The Group adheres to the best effort basis principles to ensure data availability. As we adopt the GHG Protocol Corporate Standard, we will aim to cover at least 95% of Scope 1 and 2 emissions. Our estimation modelling for purchased electricity (Scope 2 and 3 – Leased Assets) is by 12-month rolling average or historical trend from previous data. Business travel will be recognised based on either payment date or travel date, depending on the data availability.

A restatement will be made if there are significant changes to the boundary selected, changes in methodology or recalculation of actual data which leads to +/- 5% deviation from the reported figures, aligning with Intergovernmental Panel on Climate Change (IPCC)'s Good Practice Guidance and Uncertainty Management in National Greenhouse Gas Inventories.

Emission Reduction Calculation Methodology

The reduction in GHG emissions for our energy efficiency project was calculated using the project method, comparing post-project emissions to a pre-project baseline. This approach is consistent with the GHG Protocol for Project Accounting and applies to Scope 1 and 2. We use electricity consumption data and the Group's applied emission factors. Assumptions include consistent operational conditions pre- and post-retrofit, with no significant changes in external factors affecting energy consumption.

Independent Assurance Statement

SIRIM QAS INTERNATIONAL SDN BHD INDEPENDENT ASSURANCE STATEMENT

To Board of Directors, Stakeholders, and Interested Parties,

SIRIM QAS International Sdn. Bhd. was engaged by Malayan Banking Berhad (hereafter referred to as Maybank) to perform an independent verification and provide assurance of the Maybank Environmental Report 2024. The main objective of the verification process is to provide assurance to Maybank and its stakeholders on the accuracy and reliability of the information as presented in this statement. The verification by SIRIM QAS International applied to sustainable and environmental performance information (subject matter) within the assurance scope which is included in Maybank Environmental Report 2024.

The management of Maybank was responsible for the preparation of the Environmental Report. The objectivity 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 the Maybank's Environmental Report, Sustainability Report, and 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 activity evaluates the adequacy of Maybank Environmental Report and its overall presentation against respective frameworks such as UN-SDGs, GRI Standards requirement, TCFD, and other relevant frameworks. As part of our assurance process, we conduct an independent review and verification of the relevant subject matter as presented in the report. This includes disclosures within key chapters, the Governance, Strategy, Risk Management and Metrics and Targets. The results of this verification process have been systematically tabulated in the Report to Management, with further details provided therein.

The verification was carried out by SIRIM QAS International in February 2025, with the following methodologies:

- Reviewing and verifying the traceability, consistency and accuracy of information collected from various sources, including internal and external documentation made available during the assessment.
- Verifying the data presented in the Environmental Report, which includes a detailed review of the sampled data.
- Interviewing key personnel responsible for collating information and developing various sections of the statement to substantiate the veracity of the claims.

The verification process was subjected to the following limitations:

- The scope of work did not involve verification of any other information reported in the Maybank Integrated Annual Report 2024.
- The review excluded all financial-related data, as these are subjected to the company's financial audit.
- The verification team did not assess or verify any data related to contractors or third parties.

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 Maybank relating to the accuracy of some of the information contained in the report. In response to the findings raised, the Environmental Report was subsequently reviewed and revised by Maybank. It is confirmed that changes that have been incorporated into the final version of the report have satisfactorily addressed all issues. Based on the scope of the assessment process and evidence obtained, nothing has come to our attention that causes us to believe that Maybank 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 Maybank Environmental Report 2024 is fairly stated;
- The level of disclosure of the specific 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;
- The report provides a reasonable and balanced presentation of Maybank's sustainable and environmental performance.

List of Assessors.

1)	Ms. Aernida Abdul Kadir	:	Team Leader
2)	Ms. Aine Jamaliah Mohamad Zain	:	Team Member
3)	Ms. Suzalina Kamaralarifin	:	Team Member
4)	Ms. Kamini Sooriamoorthy	:	Team Member

Statement Prepared by:

AERNIDA BINTI ABDUL KADIR
Team Leader
Management System Certification Department
SIRIM QAS International Sdn. Bhd.
Date: 27 February 2025

Statement Approved by:

AMINUDIN BIN ABD AZIZ
Acting Senior General Manager
Management System Certification Department
SIRIM QAS International Sdn. Bhd
Date: 27 February 2025

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 (25 February 2025).

Independent Limited Assurance Report

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Independent Limited Assurance Report to the Board of Directors of Malayan Banking Berhad on the Scope 1, Scope 2 and Scope 3 Category 6, 7 and 8 Greenhouse Gas Emissions disclosed in the Environmental Report 2024

We have been engaged by Malayan Banking Berhad ("Maybank" or "the Group") to perform an independent limited assurance engagement on the Scope 1, Scope 2 and Scope 3 Category 6, 7 and 8 Greenhouse Gas Emissions for the year ended 31 December 2024 (the "Subject Matter Information") as defined below and marked with the symbol "Ⓐ" on page 62 in the Maybank's Environmental Report for the year ended 31 December 2024 (the "Environmental Report 2024").

Our assurance conclusion does not extend to information in respect of earlier periods or to any other information included in the Report.

Our Limited Assurance Conclusion

Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that the Subject Matter Information has not been prepared, in all material respects, in accordance with the Reporting Criteria set out on page 62 of the Environmental Report 2024 and referenced in the "Subject Matter Information and Reporting Criteria" section below.

Subject Matter Information and Reporting Criteria

The Subject Matter Information needs to be read and understood together with the Reporting Criteria, which the Group is solely responsible for selecting and applying.

The Subject Matter Information and the Reporting Criteria are set out below:

Subject Matter Information	Reporting Criteria	Scope	Figures disclosed in the Environmental Report 2024
GHG emissions			
Scope 1 GHG Emissions	• GRI 305-1	All Maybank Operations for: 1. Petrol and diesel consumption from company-owned vehicles 2. Petrol and diesel consumption from generators 3. Fire extinguisher 4. Chiller Refrigerant Refill	11,761 tCO2e
Scope 2 GHG Emissions	• GRI 305-2	All Maybank Operations: 1. Location-based 2. Market-based	114,301 tCO2e 53,661 tCO2e
Scope 3 GHG Emissions	• GRI 305-3	Business Travel for all Maybank Operations	15,341 tCO2e
		Employee Commuting for Malaysia Operations	27,887 tCO2e
		Upstream Leased Assets for Maybank Operations across: 1. Malaysia 2. Singapore 3. Vietnam 4. Laos 5. London	7,086 tCO2e

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Independent Limited Assurance Report to the Board of Directors of Malayan Banking Berhad on the Scope 1, Scope 2 and Scope 3 Category 6, 7 and 8 Greenhouse Gas Emissions disclosed in the Environmental Report 2024 (cont'd)

Subject Matter Information and Reporting Criteria (cont'd)

The reporting criteria used for the reporting of the Subject Matter Information are:

- The Sustainability Reporting Guide (3rd Edition) issued by Bursa Malaysia Securities Berhad;
- Malayan Banking Berhad's Environmental Data Management Framework ("EDMF");
- The Global Reporting Initiative's Sustainability Reporting Standards ("GRI Standards") for disclosures; and
- The GHG Protocol Corporate Protocol Accounting and Reporting Standard ("GHG Protocol")

Responsibilities of the Directors and management

Management of the Group is responsible for the preparation of the Subject Matter Information included in the Maybank's Environmental Report 2024 in accordance with the Reporting Criteria.

This responsibility includes the selection and application of appropriate methods to prepare the Subject Matter Information reported in the Maybank's Environmental Report 2024 as well as the design, implementation and maintenance of internal control relevant for the preparation of the Subject Matter Information that is free from material misstatement, whether due to fraud or error. Furthermore, the responsibility includes the use of assumptions and estimates for disclosures made by the Group which are reasonable in the circumstances.

Those charged with governance are responsible for overseeing the Group's sustainability reporting process.

Inherent limitations

The absence of a significant body of established practice on which to draw to evaluate and measure the Subject Matter Information allows for different, but acceptable, measurement basis and can affect comparability between entities and over time. In addition, Greenhouse Gas ("GHG") quantification is subject to inherent uncertainty because of incomplete scientific knowledge used to determine emissions factors and the values needed to combine emissions of different gases.

Our Responsibility

Our responsibility is to express a limited assurance conclusion on the Subject Matter Information based on the procedures we have performed and the evidence we have obtained. We conducted our limited assurance engagement in accordance with the approved standard for assurance engagements in Malaysia, ISAE 3410 "Assurance Engagements on Greenhouse Gas Statements". This standard requires that we plan and perform this engagement under consideration of materiality to express our conclusion with limited assurance about whether the Subject Matter Information is free from material misstatement.

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Independent Limited Assurance Report to the Board of Directors of Malayan Banking Berhad on the Scope 1, Scope 2 and Scope 3 Category 6, 7 and 8 Greenhouse Gas Emissions disclosed in the Environmental Report 2024 (cont'd)

Our Independence and Quality Management

We have complied with the independence and other ethical requirements of the By-Laws (on Professional Ethics, Conduct and Practice) of the Malaysian Institute of Accountants ("MIA") and the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards), which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

The firm applies International Standard on Quality Management 1, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Summary of work performed

Our work included the following procedures. We:

- Evaluated the suitability in the circumstances of the Group's Reporting Criteria as the basis for preparing the Subject Matter Information;
- Obtained an understanding of the Group's control environment, processes and systems relevant to the preparation of the Subject Matter Information at the consolidated level and operating unit level. Our procedures did not include evaluating the suitability of design or operating effectiveness of control activities;
- Evaluated the appropriateness of measurement and evaluation methods, reporting policies used and estimates made by the Group, noting that our procedures did not involve testing the data on which the estimates are based or separately developing our own estimates against which to evaluate the Group's estimates;
- Performed analytical procedures for consistency of data with trends and our expectation;
- Performed limited substantive testing on a sampling basis on transactions included in the Subject Matter Information of the Group, which involved agreeing data points to/from source information to check that the underlying subject matter had been appropriately evaluated or measured, recorded, collated and reported;
- Checked mathematical formulas, proxies and default values used in the Subject Matter Information against the Group's Reporting Criteria; and
- Evaluated the appropriateness of the disclosures and presentation of the Subject Matter Information based on the Reporting Criteria.

Our assurance procedures involved agreeing to certain information obtained by Malayan Banking Berhad from third party sources. However, our scope did not extend to testing the completeness and accuracy of the information obtained from third party sources. Nor did we perform procedures on financial information extracted from the audited financial statements of the Group and used in the calculation of the Subject Matter Information.

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had we performed a reasonable assurance engagement. Accordingly, we do not express a reasonable assurance opinion about whether the Subject Matter Information has been prepared, in all material respects, in accordance with the Reporting Criteria.

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Independent Limited Assurance Report to the Board of Directors of Malayan Banking Berhad on the Scope 1, Scope 2 and Scope 3 Category 6, 7 and 8 Greenhouse Gas Emissions disclosed in the Environmental Report 2024 (cont'd)

Restriction on Distribution and Use and Disclaimer of Liability to Third Parties and For Any Other Purpose

Our report, including our conclusion, has been prepared solely for the Board of Directors of the Group in accordance with the agreement between us dated 7 January 2025 (the "agreement"). We consent to the inclusion of this report in the Maybank's Environmental Report 2024 which will be accessible at www.maybank.com in connection with the Group's responsibilities under paragraph 6.2(e) of Practice Note 9 of the Main Market Listing Requirements in respect of the disclosure of a statement on whether the listed issuer has sought independent assurance on the Subject Matter Information. To the fullest extent permitted by law, we do not accept or assume responsibility or liability to anyone other than the Group for our work or this report except where terms are expressly agreed between us in writing. Any reliance on this report by any third party is entirely at its own risk.

PricewaterhouseCoopers PLT

PRICEWATERHOUSECOOPERS PLT
LLP0014401-LCA & AF 1146
Chartered Accountants

Kuala Lumpur
27 February 2025

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