



Your Bank. Malaysia's Bank. AmBank.™

## About This Report

## The AmBank Group's Sustainability Report 2025, also referred to as the Sustainability Report, showcases our continued commitment to embedding sustainability at the core of our business.

It outlines how we play our part in Malaysia's financial sector to drive good governance practices as well as positive economic, environmental, and social impact, while supporting long-term economic growth.

This report details the actions we take to integrate sustainability across our operations, from strategic decision-making to daily business activities. It also assesses the impact of these initiatives on our stakeholders and the environment. Complementing our Integrated Annual Report 2025, it highlights our structured, value-driven approach to balance stakeholder interests and advancing sustainability goals.



Sustainability Report

#### **Cover Rationale**

AmBank Group's 2025 Sustainability Report takes inspiration from the nostalgic Malay game *Tarik Upih*, famously illustrated through Datuk Lat's well-loved caricatures. This traditional childhood game, where one child pulls another seated on a palm frond, captures the spirit of teamwork, camaraderie, and shared joy. Much like the game itself, it perfectly embodies our theme, **"Winning Together**."

Just like in *Tarik Upih*, AmBank Group's success is a collective effort. It is about the rhythm and unity of movement, harnessing individual strengths to achieve shared goals. The design's playful energy and cultural resonance reflect the Group's 50-year journey, celebrating our enduring values of collaboration, resilience, and forward momentum. As we chart our path forward, we continue to embrace this spirit of togetherness: moving as one, growing as one, and winning as one.

### REPORTING PERIOD

The Sustainability Report covers the period from 1 April 2024 to 31 March 2025 (FY2025) unless stated otherwise. Where possible, we provide comparative data from the past three years to demonstrate year-on-year progress.

### REPORTING BOUNDARIES

This report focuses on our three key subsidiaries: AmBank (M) Berhad, AmBank Islamic Berhad, and AmInvestment Bank Berhad and its relevant entities (collectively known as "AmBank Group" or "the Group" or "we"), and excludes joint ventures and associates due to the Group's non-controlling interest.

We track the progress of 12 Sustainability Matters, which are critical to creating long-term value for stakeholders and ensuring the sustainability of our business. To enhance clarity, specific icons are used throughout this report to indicate the impact of various sustainability initiatives.



### PRINCIPLES OF REPORTING

As part of our approach to provide a credible and transparent Sustainability Report, we apply the following GRI Standards Reporting Principles:

- Accuracy
- Balance
- Clarity
- Comparability

- Completeness
- Sustainability Context
- Timeliness
- Verifiability

### REPORTING ECOSYSTEM



INDEPENDENT ASSURANCE

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222 Independent Limited Assurance Report

## AMMB HOLDINGS

SUSTAINABILITY REPORT

2025



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For further updates on our sustainability journey, please visit https://www.ambankgroup. com/sustainability



# Winning Together...

At AmBank Group, we understand that our achievements are inseparable from the efforts and achievements of our stakeholders.

Together, we navigate challenges, celebrate milestones, and drive progress towards a brighter future. This belief in the power of unity, teamwork, and collaboration inspires us to move forward, towards mutual success.

At AmBank Group, Winning Together is what matters.

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## **Sustainability Achievements**



AMMB HOLDINGS BERHAD SUSTAINABILITY REPORT 2025

RM14.6 billion of

**Financing mobilised** 

**Sustainable** 

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### Developed the Sustainable, Transition & Green (STG) Financing Guideline as an



internal guiding document for relationship managers, risk management and credit approvers



AmOnline: 128 million monthly average

44%

number of online transactions



Contributed a total of RM592 million to **local suppliers**, representing 87% of total suppliers





### Achieved a **participation rate** of 97% in our Employee Engagement Index (EEI) survey & received the

female Board

members

Gallup Exceptional Workplace Award 2025 for Engagement Supported the early development of 23 children by establishing the **'AmBank Little Explorers' (ALEX) Childcare Centre** 

Recognised at the Association of Banks in Malaysia's 50th Anniversary



### Corporate Social Responsibility Excellence Awards 2024

for Women's Empowerment/ Diversity, Equity & Inclusion and Inclusive Economic Growth



Saved **134,306** meals and prevented 119,117 kgCO<sub>2</sub> through **The Lost Food Project (TLFP)** 



# Joint Leadership Statement -Chairman & Group CEO

### Dear Stakeholders,

For 50 years, AmBank Group has grown with Malaysia. From day one, we have built our reputation by focusing on what matters: empowering individuals, supporting businesses, and contributing to national progress. That purpose has never changed, but the world around us has, and at an unprecedented rate. Climate risks are escalating, social inequality is widening, and regulatory expectations are rising. Sustainability is no longer an ambition; it is an imperative.

We view sustainability as our legitimacy to operate, embedding it into every part of our growth and operations, advancing responsible finance and climate resilience. This is central to our commitment to *Shaping Tomorrow Together* through our inaugural Net Zero Transition Plan, as we build an institution that delivers both financial strength, and meaningful impact.

AmBank Climate Group's Action

Banking

Conscious Self-Conduct

We view sustainability as our legitimacy to operate, embedding it into every part of our growth and operations. advancing responsible finance and climate resilience.



### A NEW ERA OF ACCOUNTABILITY

While some global financial players have begun retreating from sustainability commitments, Asia's momentum is holding firm — and Malaysia is leading by example. As the ASEAN Chair in 2025, Malaysia has placed "Inclusivity and Sustainability" at the heart of its regional agenda. Domestically, this commitment is codified into actions through firm expectations from our regulators. Bank Negara Malaysia (BNM), as well as the Securities Commission Malaysia (SC) and Bursa Malaysia.

In the past year alone, we have seen a decisive shift in how sustainability is being enforced. The National Sustainability Reporting Framework (NSRF), built on globally aligned disclosure standards, marks a clear national push to raise the floor for corporate sustainability disclosures. BNM has issued multiple guidance documents to promote climate alignment in finance. The message is clear: climate risk is a financial risk, and financial institutions must respond with structured transition plans, scenario analysis, and integrated risk governance.

At AmBank Group, we contributed actively to national and sector-level dialogues, through our roles in the Joint Committee on Climate Change (JC3), the Association of Banks in Malaysia (ABM) ESG Committee and the Malaysian Institute of Accountants (MIA) Integrated Reporting Committee. Through these platforms, we help shape national climate finance strategies, strengthen sustainability governance standards, and support industry-wide capacity building.

While the regulatory landscape is accelerating pressure on businesses to decarbonise, many still require technical or financial assistance to respond. This is where the financial sector plays a pivotal role: not just financing growth, but also to enable credible and inclusive transition at scale.

### BUILDING IMPACT INTO THE BUSINESS

As regulatory expectations rise, so too does the performance gap between companies that treat sustainability as part of strategy — and those that treat it as compliance. Global studies consistently show that businesses with deep sustainability integration are more profitable, more resilient to shocks, and more trusted by stakeholders. Sustainability is now a business differentiator.

This thinking is integral to our Winning Together 2029 (WT29) Strategy, where sustainability is positioned as a one of the three core pillars of growth, risk management, and long-term value creation. We operationalise this through a Group-wide Sustainability Strategy, anchored on five interconnected pillars:



This approach quides how we embed sustainability across the Group; from how we assess risk and manage capital, to how we support our customers' transition, prepare our workforce, and ensure transparent communication with stakeholders.



We are also actively preparing for the NSRF's mandatory disclosure requirements, with efforts underway to enhance our internal sustainability data systems and reporting readiness.



### Joint Leadership Statement – Chairman & Group CEO

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We published our Net Zero Transition Plan (NZTP), with a structured pathway to align our capital deployment with long-term decarbonisation goals.



Execution is reinforced by strong governance. The Board maintains direct oversight of sustainability progress, with sustainability positioned as a standing agenda item at every Board meeting. This is further supported by Management-level committees and a clear management agenda which oversees the management of sustainability risks, opportunities and the execution of the Group's sustainability strategy.

The environmental and climate change impact on our lending and investment portfolios continues to be a key management focus, thus reinforcing the importance of proactive sustainability oversight. We have embedded sustainability-linked KPIs into leadership performance frameworks that is tied to measurable outcomes since FY2021. These KPIs cover scope 1 and scope 2 emission reduction targets, sustainable and green financing, capacity building, employee engagement and disclosure quality.

We are also actively preparing for the NSRF's mandatory disclosure requirements, with efforts underway to enhance our internal sustainability data systems and reporting readiness. Our efforts reflect how we turn ambition into impact: not through isolated initiatives, but through an integrated, accountable, and organisation-wide approach.

### FINANCING THE NET ZERO ECONOMY

The United Nations Environment Programme (UNEP) Emissions Gap Report 2024 warns that the world remains far off track from limiting global temperatures. Without immediate and deep emission cuts, the risk of irreversible climate consequences continues to grow. At COP28 in Dubai, global leaders reaffirmed that finance is the critical lever for climate action, especially in emerging markets. Malaysia's own National Energy Transition Roadmap (NETR) has set the tone domestically, outlining the urgent need to accelerate decarbonisation while maintaining inclusive economic growth. For financial institutions, this raises the bar on how we mobilise and allocate capital.

### What We Did in FY2025

A total of



**RM14.6 billion** in sustainable financing was mobilised in FY2025.

Secured the Euromoney Award



winning Malaysia's Best Bank for ESG 2024

We published our Net Zero Transition Plan (NZTP), with a structured pathway to align our capital deployment with long-term decarbonisation goals. Developed using science-based methodologies and adapted for the Malaysian market, our NZTP provides sectoral decarbonisation pathways for seven hard-to-abate sectors, with six sector-specific near-term targets for 2030, and a full phase out of thermal coal mining exposures by 2030.

Climate-related risks are fully integrated into credit decision-making. This approach reflects our broader commitment to responsible financing. We are not simply financing the present; we are helping to shape a future that is just, inclusive, and net zero-aligned.

To ensure consistency, credibility, and transparency, we introduced our Sustainable Finance Product (SFP) Framework, a structured methodology to classify and report sustainability-labelled solutions. This framework guides how we embed sustainability into our product offerings, ensuring that what we finance contributes positively to both people and planet.

In FY2025, we mobilised a total of RM14.6 billion in sustainable financing, and expanded our sustainable finance portfolio to include green, affordable and low-income financing as well as sustainable investments and capital market issuances.

Sustainability at AmBank Group

AmBank Climate

Group's Action

Banking

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### AN ORGANISATION THAT EMPOWERS

The climate crisis and global economic shifts have made one thing clear: resilience depends on access to opportunity. In Malaysia, small and medium enterprises (SMEs) often have difficulties in obtaining access to affordable financing, while underserved communities face systemic obstacles to mobility and income growth.

Here at AmBank Group, we believe inclusivity drives how we serve, where we invest, and who we reach. SMEs are the backbone of the real economy, and now account for RM29.58 billion (21%) of our loan portfolio.

Impact also goes beyond just capital; it lives in our people. Through the AmBank Volunteer Network (AVN), our employees contributed over 11,700 hours to education, environmental restoration, and social support initiatives. This complements FINCO and Kelab AmBank Group (KAG) outreach, reaching over 27,000 beneficiaries in FY2025. To mark our 50th year, we scaled up our commitment with a RM6.42 million investment in community programmes and zakat to deepen our long-term impact.

Our work has not gone unnoticed. We secured the prestigious Euromoney Award, winning Malaysia's Best Bank for ESG 2024, earned Silver in the 2025 Sustainability Report of The Year by the Australasian Reporting Awards and at the Association of Banks in Malaysia's 50th Anniversary CSR Excellence Awards, AmBank Group was recognised for leadership in Women's Empowerment, Inclusive Economic Growth, and Diversity, Equity and Inclusion — a reflection of our continued commitment in sustainability particularly to empower lives, not just balance sheets.



The next 50 years will present new challenges and new possibilities, but our purpose remains unchanged. We are committed to building a strong institution, one that not only performs, but empowers; one that shapes a more resilient, inclusive, and sustainable Malaysia. What We Did in FY2025

Contributed over





**11,700 hours** to education, environmental restoration, and

social support initiatives, reaching over 27,000 beneficiaries

### THE ROAD AHEAD

As the global sustainability agenda shifts, Malaysia is holding its ground and AmBank Group is responding through our FY2026 Group Sustainability Strategy, which focuses on operationalising our NZTP, climate risk management, customer engagement, and continued advocacy.

Execution, however, requires stronger systems and as such, we are building a sustainability data system aligned with the Group's broader digital and data transformation. This strategic move goes beyond compliance—enabling assurance-grade disclosures, enhancing the accuracy of emissions tracking, and providing deeper, data-driven support for our clients' low-carbon transition efforts. Ultimately, it positions us to deliver robust operational excellence and long-term sustainability performance.

The next 50 years will present new challenges and new possibilities, but our purpose remains unchanged. We are committed to building a strong institution, one that not only performs, but empowers; one that shapes a more resilient, inclusive, and sustainable Malaysia. This ambition is only possible with the continued trust and partnership of our stakeholders — and for that, we remain deeply grateful.

TAN SRI MD NOR BIN MD YUSOF

Chairman AmBank Group

JAMIE LING Group Chief Executive Officer AmBank Group

## **Overview of AmBank Group**

Our Purpose

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

### Who We Are

AmBank Group has five decades of experience as a leading financial services institution, proudly serving over **three million customers** nationwide







### **Our Presence and Reach**

AmBank Group has a nationwide presence, delivering financial solutions that drive economic growth and social progress. With an extensive network of branches, digital banking platforms, and strategic partnerships, we empower individuals, businesses, and underserved communities with responsible financing, ethical investment options, and tailored financial services. Our reach extends beyond traditional banking, integrating ESG principles into our offerings to support a more inclusive and sustainable financial ecosystem across Malaysia.

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With 50 years of experience, AmBank Group is a leading financial institution driving Malaysia's economic growth. Serving over three million customers and supported by a workforce of over 8,200 employees, represents the deep connections we have built among various Malaysian communities. As Malaysia's sixth-largest banking group by assets, with a market capitalisation of RM18.5 billion (as at end of March 2025), we recognise our responsibility to create a lasting impact. Beyond providing financial services, we integrate sustainability into our operations, investments, and customer engagements, ensuring that our growth translates into broader economic, environmental, and social progress.

Reality

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**Branches** 

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States	Branches	ATMs	CRMs	CDMs
1 Perlis	1	3	1	1
② Kedah	6	17	10	5
③ Pulau Pinang	14	35	17	15
④ Perak	18	41	24	19
5 Selangor	34	148	58	39
6 Kuala Lumpur	25	67	35	31
🗇 Putrajaya	1	3	1	1
8 Negeri Sembilan	7	40	11	7
9 Melaka	6	26	10	8
1 Johor	20	63	34	21
1 Pahang	7	20	13	6
12 Terengganu	2	11	6	2
13 Kelantan	3	13	4	3
(14) Sabah	9	33	15	9
⑮ Labuan	1	2	1	1
16 Sarawak	15	59	26	15
TOTAL	169	581	266	183



Responsible Banking

Sustainability at AmBank Group

AmBank Group's Climate Action

### 581 Լոդդվ 0 ATMs





Cash Recycler

## **Our Core Business Segments**

### CORE BUSINESS SEGMENTS

Our core business segments are shaped by our commitment to serving customers with excellence. We specialise in wholesale banking, business banking, retail banking, investment banking, and a diverse range of related financial services.



Investment Banking	Islamic Banking	Life Insurance Business	Family Takaful Business
We offer a comprehensive suite of services tailored to corporate, retail, and institutional clients, including corporate finance, Merger & Acquisitions (M&A) advisory, equity and debt capital markets, private banking, funds management, and stockbroking services.	We provide a diverse range of Shariah-compliant banking products and services for retail and non-retail customers, including financing, investment, treasury, and trade solutions.	We present innovative solutions that cover protection, medical, retirement, and credit-related needs for customers at every life stage.	We extend Shariah- compliant Takaful solutions, guided by ethical standards and a customer-centric approach, to help our customers achieve their financial goals.
MORE INFORMATION			
To learn more, please refer to pages 124 to 133 of the Integrated Annual Report 2025.	To learn more, please refer to pages 134 to 137 of the Integrated Annual Report 2025.	To learn more, please refer to pages 138 to 141 of the Integrated Annual Report 2025.	To learn more, please refer to pages 142 to 145 of the Integrated Annual Report 2025.



# Sustainability at AmBank Group

At AmBank Group, sustainability is about empowering communities, future-proofing businesses, and contributing to national priorities such as financial inclusion and climate resilience. To stay responsive and focused, we anchor our sustainability journey on what matters most to our stakeholders. This drives how we allocate resources, manage risks, and deliver value across our ecosystem.

### STAKEHOLDER ENGAGEMENT

Our journey begins with our stakeholders. Through structured engagements with customers, employees, regulators, investors, and communities, we gain insights into their evolving expectations. These conversations shape our understanding of impact, risks and opportunities.



To learn more about AmBank Group's stakeholder engagement, please refer to the Value Creation section on pages 66 to 73 of the Integrated Annual Report 2025. Insights & Achievements



### Sustainability at AmBank Group

#### **MATERIAL MATTERS**

We translate stakeholders' inputs into a set of material topics that guide our focus. Each material matter reflects what is most critical to our business and stakeholders—and forms the foundation for our sustainability strategy.



∂ To learn more about AmBank Group's materiality assessment, please refer to the Sustainability Statement section on page 79 of the Integrated Annual Report 2025.

Sustainability at AmBank Group

### SUSTAINABILITY FRAMEWORK

Our Sustainability Framework provides structure to our sustainability ambitions. It integrates sustainability principles and Value-Based Intermediation (VBI) across the Group—ensuring that we embed sustainability into operations, financing decisions, policies, and partnerships. It provides clear governance, strategic direction, and performance alignment across all our entities.

Our material matters are reflective of our three sustainability themes - Responsible Banking, Conscious Self-Conduct and Positive Societal Impact which form the core components of our Sustainability Framework.

### AmBank Group's Sustainability Framework

#### Sustainability Statement

AmBank Group embeds ESG considerations, including climate-related risks and anti-bribery/ corrupt practices into our strategies, business, and operations to contribute to the greater good of our stakeholders, and ensuring the longevity of our relevance and profitability.



AmBank Group's Climate Action

### Sustainability at AmBank Group

### CONTRIBUTING TO THE GLOBAL AGENDA

We recognise the global sustainability challenges and the influence we hold as a financial institution. By aligning our strategies with the United Nations Sustainable Development Goals (UN SDGs), we amplify our impact beyond national objectives, contributing to global economic, environmental, and social progress.

To maximise relevance, we have prioritised ten SDGs and their 26 underlying sustainability targets that align closely with our business activities and stakeholder needs. This alignment ensures our efforts are targeted, meaningful, and capable of driving long-term positive change.



Target 2.1: End hunger and ensure access to safe, nutritious and sufficient food

- Strengthening Food Security Through Strategic Partnerships: Saved 134,306 meals through the partnership with The Lost Food Project (TLFP) for the 4<sup>th</sup> year.
- Minimising Food Waste: Over 1,100 kg of surplus bread was rescued by over 50 AmBank volunteers and distributed to orphanages.
- Supporting Urban Hunger Relief Efforts: Served hot meals to the homeless in partnership with Kechara Soup Kitchen, with the support of 13 volunteers.
- Enabling Inclusive Festive Participation: Empowered micro-entrepreneurs during Ramadan via Bubur Lambuk drives, Raya shopping with B40 families, Iftar events, and a special collaboration with Dato' Lat.
- Driving Economic Inclusion Through Community Bazaars: Over 4,900 food packs and 2,200 reusable bags distributed across 10 locations, with bazaars generating RM65,000 in vendor sales.

### Target 2.3: Double agricultural productivity and incomes of small-scale food producers

- **Championing Inclusive Growth:** Hosted Ramadan Bazaars across five locations, spotlighting local vendors and inclusive economic growth with engagement from Government leaders.
- Empowering Microentrepreneurs for Sustainable Livelihoods: Empowered 193 asnaf and B40 microentrepreneurs through iTekad, driving sustainable income in agriculture and agrifood, amongst others.

#### √√ Good Health and Well-being

#### Target 3.4: Promote mental health and well-being

- Scaling New Heights for Workplace Wellness: 350 AmBankers took on the challenge of climbing 1,071 steps to the 50th floor of Menara AmBank during the P<sup>2</sup>ACE Tower Run 2024.
- Leadership-Driven Fitness for All: Promoted physical activity and outdoor engagement through senior management-led hiking series.
- Fostering Unity Through Sports Engagement: Engaged over 530 employees through the AmBank Run, supported by KAG, Group OSH, health agencies, wellness vendors and KAG Bowling events.
- **Early Detection, Lifesaving Action:** Offered free cancer screenings during Breast Cancer Awareness Month, covering six cancer types and benefiting more than 300 employees.
- **Promoting Mental Resilience and Support:** Conducted a Mental Health Talk with BeFrienders to raise awareness and offer support on mental well-being.

### Target 3.6: Halve the number of global deaths and injuries from road traffic accidents

• **Pioneering Road Safety Excellence:** First Malaysian financial institution to achieve ISO 39001:2012 certification for Road Traffic Safety Management Systems, reinforcing road safety and compliance.

### Target 3.8: Achieve universal health coverage (UHC), including financial risk protection, access to quality essential health-care services

- **Protecting Health Through Preventive Vaccination:** 1,234 AmBankers received influenza vaccination during the three-day onsite vaccination drive.
- Supporting Lifesaving Care Through Blood Donation: 180 participants contributed to national blood banks and emergency care through the KAG Blood Donation Drive.

Reduce the number of deaths and illnesses from hazardous chemicals and air, water and soil pollution and contamination

 Advancing Health and Sustainability in Welfare Homes: Promoted healthier, eco-friendly living at 15 welfare homes by donating bio-based detergents in partnership with Readycare (M) Sdn. Bhd.

## Sustainability AmBank Grot

AmBank Group's Climate Action

Target 5.5: Women's full and effective participation and equal opportunities for leadership at all levels of decision-making

• Accelerating Gender Diversity in Leadership: Women held 23.1% of Top Management Positions and 40.9% of Senior Management Positions, with Board positions accounting for 44% as at June 2025.

Target 5a: Give women equal rights to economic resources and financial services

- **Investing in Women Entrepreneurs:** Channelled RM600,000 to equip 40 underserved women with capital and business skills.
- **Creating Opportunities for Marginalised Women:** Collaborated with Kajang Women's Prison to enable skill-building and income generation through food and craft sales.

Quality Education

Target 4.4: Relevant skills for employment, decent jobs and entrepreneurship

- Fostering Industry-Ready Talent Through Strategic Partnerships: Partnered with 42KL to equip 720 students with technical skills and future-ready career pathways, pledging RM3 million over three years in support of 42KL's mission.
- Upskilling the Workforce: Spent over RM11.7 million on employee training and development, including flagship initiatives such as the Executive Education Programme, BATMAN and ELP, reaching almost 300 learners and strengthening internal capabilities.
- Inspiring Continuous Growth Through Digital Learning: Launched an online leadership platform offering insights from cross-sector Malaysian leaders to spark ambition among AmBankers.

Target 4.4a: Build and upgrade education facilities that are child, disability and gender sensitive and provide safe, non-violent, inclusive and effective learning environments for all

• Creating Supportive Environments for Working Parents: Established the 'AmBank Little Explorers' (ALEX) Childcare Centre at Menara AmBank, supporting 23 children across six age groups.

Target 4.7: Acquire knowledge and skills needed to promote sustainable development

- **Championing Inclusive Education for All:** Reached over 12,000 underserved students through AmBank Group and FINCO education initiatives, earning two awards at the FINCO Annual Awards 2024.
- Nurturing Academic Curiosity through Targeted Support: Contributed to the Book Shopping Charity, providing RM63,559 in school supplies to 2,103 B40 students.
- Igniting Aspirations via Industry Exposure: Brought students to the Malaysia Airlines Berhad Academy (MAB) to explore aviation careers and expand career imagination.



### Gender Equality

### Sustainability at AmBank Group

#### Decent Work and Economic Growth

Target 8.3: Encourage growth of micro-, small- and medium-sized enterprises, including through access to financial services

- Scaling MSME Impact Through BizClub: Empowered over 14,500 SMEs, marking a 18% increase from FY2024, with RM7.9 million invested in SME capacity-building.
- Driving Grassroots Entrepreneurship: Reached 193 microentrepreneurs from asnaf and B40 communities via the iTEKAD programme, expanding income generation opportunities.

### Target 8.5: Full and productive employment and decent work for all, including persons with disabilities

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- Advancing Disability Inclusion in the Workplace: Employed six staff with disabilities and ensured comprehensive disability and invalidity coverage.
- Supporting Working Parents through Childcare Access: Enabled a nurturing, supportive environment for working parents via the 'AmBank Little Explorers' Childcare Centre.

## Target 8.8: Protect labour rights and promote safe and secure working environments for all workers

- Promoting Fair and Inclusive Workplaces: Embedded a Code of Conduct centred on diversity, inclusion, and labour rights.
- Upholding Human Rights and Dignity: Maintained a strong commitment to employee respect and dignity across all operations.

### Target 8.10: Strengthen capacity of domestic financial institutions to encourage and expand access to banking, insurance and financial services for all

- Improving Access to Home and Mobility Financing: Disbursed RM661.4 million under affordable housing schemes and RM347.8 million to support vehicle ownership for low-income customers.
- Expanding Digital Banking Inclusion: Achieved 8% growth in AmOnline registered users, enhancing accessibility to secure digital services.

#### Industry, Innovation and Infrastructure

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Target 9.3: Access of small-scale industrial enterprises to financial services, including affordable credit

- Accelerating SME Growth Through Financing: Disbursed RM29.58 billion in SME loans.
- **Personalising Business Growth:** Supported SMEs with tailored solutions through the AmBank BizRACE programme.

Target 9.4: Upgrade infrastructure and retrofit industries, with increased resource-use efficiency and greater adoption of clean and environmentally sound technologies

- Driving Carbon Reduction Through Energy Efficiency: Installed solar panels at branches, upgraded signage to LED, and implemented variable refrigerant systems, reducing Scope 1 & 2 emissions.
- Financing Low-Carbon Infrastructure: Backed projects like Berapit Mobility Sdn Bhd (BMSB) in remanufacturing rail assets, delivering environmental and social value.

### Sustainable Cities and Communitie

Target 11.1: Access for all to adequate, safe and affordable housing and basic services

• Enabling Homeownership Through Affordable Financing: Disbursed RM661.4 million to individual customers under affordable home financing schemes.

Target 11.2: Access to safe, affordable, accessible and sustainable transport systems for all, with special attention to the needs of those in vulnerable situations

 Expanding Mobility Access Through Auto-Financing: Provided RM347.8 million in financing to support the transportation needs of the low-income segment.

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Target 11a: Support positive economic, social and environmental links by strengthening national and regional development planning

 Fostering Bilateral Economic Collaboration: Engaged in MAJECA-JAMECA platforms to cultivate sustainable economic ties between Malaysia and Japan, led by Chairman Emeritus & Honorary Adviser, Tan Sri Azman Hashim.





- Strengthening Governance Through Ethics and Compliance: Promoted ethical practices across the Group, achieving 100% compliance training completion.
- Safeguarding Integrity Through Zero-Tolerance Policies: Enforced anti-bribery and corruption protocols under TRUST, guided by our ABCP and No Gift Policies.
- Protecting Whistleblowers and Promoting Accountability: Maintained the Whistleblower Protection Policy to ensure safe channels for reporting misconduct without fear of retaliation.

Positive Societal Impact

Appendices

Banking

### Sustainability at AmBank Group

### SUSTAINABILITY THOUGHT LEADERSHIP

As a key player in Malaysia's financial ecosystem, AmBank Group actively participates in the national sustainability agenda by engaging in dialogue on a local and regional front, influencing standards, and fostering cross-sector collaboration. Our involvement in local and regional forums enables us to contribute to the development of practical solutions that accelerate sustainable finance and climate resilience in Malaysia.

MEMBERSHIPS/ ASSOCIATIONS	ROLE & CONTRIBUTIONS	MEMBERSHIPS/ ASSOCIATIONS	ROLE & CONTRIBUTIONS
	Chairman Emeritus and Honorary Adviser of AMMB Holdings Berhad, Tan Sri Azman Hashim, currently serves as Chairman of the AICB Council. Strengthened governance and ethical standards in banking through oversight of member conduct and professional development frameworks.		<ul> <li>Co-chaired SC1 Risk Management; member of SC2 Governance &amp; Disclosures, member of the SME Focus Group, member and collaborator of Climate Finance Innovation Lab.</li> <li>Led sectoral climate risk management development, supported transition readiness for SMEs and influenced national climate finance strategies.</li> </ul>
PERSTURATE DATA MALAYSIA HIL AUSCRICHT OF DATAGA MALAYSIA	Our Group Chief Executive Officer (GCEO) serves as a Council Member. Our Chief Sustainability Officer is also a member of the Association of Banks in Malaysia (ABM) ESG Committee which focuses on the implementation of the seven ESG principles to promote carbon net zero whilst	CJC3	<ul> <li>Participated and collaborated in the development of the Climate Finance Innovation Lab which brought together industry players to ideate financial solutions for climate transition, adaptation, and nature-related projects.</li> <li>Organised an informative session on 'Navigating</li> </ul>
	<ul><li>CEO of AmBank Islamic Berhad is a Council Member.</li><li>Helped integrate ESG considerations into Islamic finance practices, enhancing the sustainability of Shariah-compliant offerings.</li></ul>	Joint Committee on Climate Change	<ul> <li>Greenwashing Risks' in the financial services sector. This cross-sectoral climate knowledge-sharing and capacity building session reached over 700 financial professionals across ASEAN, promoting adoption of internationally-accepted climate disclosure standards, and recommended strategies, initiatives and best practices for governance and disclosures.</li> <li>Engaged in discussions on the Climate Bill Act (RUUPIN) and Carbon Market Policy (KPKK).</li> <li>Participated in the National Energy Transition</li> </ul>
Association Of Stoodbusking Companies Mailaysia	Industry advocate. Contributed to capital market development and policy advocacy to reinforce Malaysia's position as a competitive regional financial centre.	MIRA	Roadmap (NETR) Engagement Session with Kementerian Ekonomi. Executive Committee member (2024/ 2025).
	Our Chief Sustainability Officer is a member of the Integrated Reporting Committee.		Facilitated proactive industry-regulator dialogues through various MIBA programmes.
	Driving thought leadership and research, promoting awareness and adoption, engagement, support, recognition and perspectives on integrated reporting in Malaysia including ISSB related documents.	ABB       Co-chaired SCI Risk Management; member of SC2         Governance & Disclosures, member of the SME         Focus Group, member and collaborator of Climate         Finance Innovation Lab.         Investige         In of hick         ESG         Finance         Initiation         Initiation <td< td=""></td<>	

In FY2025, our Chief Sustainability Officer and senior leaders actively contributed as speakers, moderators, and working group members across a range of strategic forums and working groups.

INDUSTRY SHARING AND ADVOCACY PLATFORMS	ROLE & CONTRIBUTIONS	INDUSTRY SHARING AND ADVOCACY PLATFORMS	ROLE & CONTRIBUTIONS
SHARING AND ADVOCACY	Participated in the session 'The Missing Pieces for Financial Institutions and Where to Focus for Climate Risk and ESG'. Promoted the need to systematise and standardise sustainability data to facilitate and augment risk	HIVE	CSO was a panelist on: "Financing a Fair Transition". Global Ethical Finance Initiative (GEFI) and AICB.
	management in the APAC region. Moderated a session on 'Sustainability in a Period of Transition', alongside panellists from PNB, Bursa, Penjana Kapital, and Mirova. Drove thought leadership on sustainable investing,	ENGLASE 22	Spoke at the AICB and the Global Ethical Finance Initiative (GEFI) event, "Scaling Up Sustainable Finance", covering Financing the Energy Transition. Contributed to industry discussions on financing the energy transition and sustainable finance solutions.
	fostering dialogue between asset managers and capital market players.	CCGMA Content	Presented on the "Evolving Role of Financial Professionals" during the fourth edition of the CGMA Leadership Academy coordinated by the Association of International Certified Professional Accountants in October 2024. Emphasised on sustainability competencies as crucial factors to the finance function, influencing decision-making, risk management, and long-term value creation.
ALLA NOTITIFE OF CHARTERS DANKED	Participated as a panellist in AICB's Sustainability Talk on "Navigating the Path of Transition Financing: Global and Local Perspectives". Advocated for fair and inclusive transition financing	Morger an Managerinesi	Sharing insights on "Transformative Leadership for Sustainable Business in the Banking & Financial Sector" during the Women in Management – Malaysia Chapter, Global Leadership Conference held on 6th November 2024. Highlighted the importance of inclusive leadership and sustainability-driven culture in strengthening corporate presence and stakeholder trust.
GREEN SUMMIT	Invited by the Penang Green Council and Capital Markets Malaysia, to address the topic of "Green Finance", during the Penang International Green Conference & Exhibition 2024 on 17 <sup>th</sup> November 2024.	RSEAD	In FY2025, Group Sustainability, PANTAS, and selected Business Banking customers enrolled in BNM's GVC Programme, were invited to facilitate sharing of best practices, experiences and areas of improvement for development of 'Building Supply Chain Resilience: Insights into Greening Value Chains for ASEAN' Playbook (the "Playbook"), which was launched at a side event of the 12 <sup>th</sup> ASEAN Finance Ministers' and Central Bank Governors' Meeting (AFMGM) in Kuala Lumpur. This Playbook was written in collaboration with the
. y 2023	Advocated for sustainable financing as a major factor for green economic growth, and outlined the Group's efforts in enabling low-carbon transition.		Asian Development Bank (ADB) and United Nations Development Programme (UNDP), and aims to guide other ASEAN countries, starting with Thailand and the Philippines, in rolling out similar SME decarbonisation programmes.

Sustainability at AmBank Group

AmBank Group's Climate Action

Responsible Banking

Conscious Self-Conduct



AmBank Group's sustainability governance is anchored on its core sustainability strategic pillar, ensuring accountability, transparency, and effective decisionmaking across all levels of the organisation. Climate change is recognised as a material risk with financial and operational implications, and is firmly embedded within our broader sustainability governance approach. This enables us to align our strategic direction with long-term sustainability goals, while managing climate-related risks and opportunities in a structured and integrated manner.

#### **GOVERNANCE & OVERSIGHT**

Our sustainability governance structure is led by the Board of Directors, which holds the highest authority in driving the Group's sustainability and climate agenda. The Board provides independent and robust oversight to ensure climate considerations are fully embedded into the Group's strategic decisions. The roles and responsibilities of the Board and the Risk Management Committee with respect to sustainability are reflected in the Board Charter as well as the Group Sustainability Framework.

Supporting the Board are management governance bodies that are responsible for formulating sustainability and climate-related policies, overseeing sustainability and climate risks and opportunities, and ensuring the effective execution of sustainability initiatives. Together, they drive a cohesive and accountable approach to managing our transition towards a low-carbon economy.



Position	Roles and Responsibilities
Board of Directors	<ul> <li>Accountable and responsible for the Group's sustainability, covering the environmental (including climate-related), social and governance (ESG) strategy.</li> <li>Embeds sustainability in the formulation of group-wide strategy considering risks and opportunities, including oversight and decision-making.</li> <li>Reviews and monitors the sustainability governance structure, principles, priorities, and targets, as well as the integration of sustainability considerations across the Group.</li> <li>Responsible for considering the strategy to build capacity in relation to sustainability.</li> <li>Reviews and approves climate-related disclosures to ensure credibility and regulatory compliance.</li> </ul>
Shariah Committee	• Provides oversight and accountability on Shariah-related matters in relation to sustainability including climate change, as well as advises the CEO and Board on these matters.
Risk Management Committee (RMC)	<ul> <li>Oversees the governance and infrastructure for managing group-wide sustainability risks, including formulating and managing these risks within the Group Risk Appetite Framework and Asset Writing Strategy.</li> <li>Oversees the risks and opportunities arising from climate change periodically.</li> </ul>
Audit and Examination Committee (AEC)	<ul> <li>Reviews sustainability-related and/or climate risk matters arising from independent audits and assurance reports as well as sustainability reporting or other disclosures as required by regulatory bodies.</li> <li>Reviews effectiveness of the governance structure and adequacy of internal controls and risk management systems for sustainability and/or climate risk by considering the assessment results by the Internal Audit function or other independent reviewers.</li> </ul>
Group Management Committee (GMC)	<ul> <li>Recommends and approves sustainability and ESG (including climate-related) opportunities and related matters such as frameworks, policies, guidelines, strategies, and proposals.</li> <li>Identifies and evaluates potential new business opportunities that may arise during the transition of borrowers with material portfolios.</li> </ul>
Group Management Risk Committee (GMRC)	<ul> <li>Recommends and approves sustainability measures, encompassing sustainability risks, climate-related concerns, and associated matters such as frameworks, policies, guidelines, and proposals.</li> <li>Evaluates and oversees the management of material sustainability risks within key portfolios.</li> </ul>
Group Sustainability and Climate Risk Council (GSCRC)	<ul> <li>Develops and implements sustainability-related strategies and initiatives.</li> <li>Deliberates/ recommends/ endorses/ notes sustainability-related matters.</li> <li>Recommends sustainability performance indicators into senior management scorecards and tracks progress.</li> <li>Reviews and makes necessary recommendations to the GMC and GMRC on any risks, opportunities, strategies or proposals related to sustainability and ESG agenda.</li> </ul>
Group Chief Executive Officer (Group CEO)	• Sets and executes the Group's sustainability agenda, with support from the Senior Management team.
Group Chief Risk Officer (GCRO)	<ul> <li>Identifies, manages, and monitors all group-wide sustainability (including climate-related) risks, including the formulation and management of these risks within the Group Risk Appetite Framework and Asset Writing Strategy.</li> <li>Responsible for disclosures related to Group Risk on governance, strategy, risk appetite, risk management, metrics, and targets.</li> </ul>
Chief Sustainability Officer (CSO)	<ul> <li>Leads the development and implementation of broad-based, group-wide strategic sustainability initiatives, enabling sustainable finance and responsible banking.</li> <li>Spearheads the integration of sustainability across the Group, with support from Group Sustainability.</li> <li>Leads and supervises the execution of the Group's sustainability strategy and goals, supporting AmBank Group's Sustainability Matters and aligning sustainability initiatives across relevant policies of the Group.</li> </ul>

Insights & Achievements

### Governance

Position	Roles and Responsibilities
Head of Portfolio Risk Management, Head of Enterprise and Climate Risk	<ul> <li>Manages the climate-related financial and non-financial risks, including measurement, monitoring, limit setting, reporting, and supporting governance.</li> <li>Establishes climate risk governance and ownership of the climate risk management and scenario analysis frameworks.</li> <li>Develops a comprehensive understanding of climate change to map transmission channels and assess the impact of climate-related risks on existing risk types (credit, market, liquidity, operational, strategic, reputational, and regulatory compliance risks).</li> <li>Leads the development of climate risk methodologies and the Group's approach to climate risk modelling.</li> <li>Ensures that climate risk is integrated into the estimation of losses and capital provisioning under various climate scenarios.</li> <li>Integrates climate risk into the bank's risk models, including adherence to stress testing, and the Internal Capital Adequacy Assessment Process (ICAAP).</li> </ul>
Sustainability Matters Sponsors	<ul> <li>Implements Sustainability Matters, which include determining and tracking performance metrics and targets.</li> <li>Reviews the effectiveness of relevant policies, guidelines, and processes based on the Sustainability Matters and initiatives undertaken.</li> </ul>
Sustainability Champions	<ul> <li>Appointed representatives from business or operations responsible for driving of sustainability initiatives within their legal entity, division, or department.</li> <li>Operates under the responsibility of the Sustainability Matters Sponsors, ensuring localised implementation and compliance with broader sustainability goals.</li> </ul>



In addition to the above, specific aspects of sustainability are governed by other governance bodies. These include the Group Management Governance and Compliance Committee (GMGCC), which monitors compliance-related risks, and the Group Talent Council, which oversees talent development and succession planning. Sustainability and climate-related matters are also governed at the entity level, with AmBank Berhad, AmBank Islamic Berhad, and AmInvestment Bank Berhad providing their respective Board and Risk Management Committee oversight.

### Sustainability and Climate Risk Governance

AmBank Group applies a structured three lines of defence model to oversee sustainability and climate-related risks. Each line plays a specific role in ensuring sustainability is embedded into day-to-day operations and risk controls:

Line of Defence	Description
First Line of Defence	<ul> <li>Sustainability Matters Sponsors and Front Line/ Customer-facing Teams         <ul> <li>Owner of the designated Sustainability Matters supported by the Embedded Sustainability Function.</li> <li>Determine and track performance metrics and targets while reviewing the effectiveness of relevant policies, guidelines and processes for initiatives undertaken.</li> </ul> </li> </ul>
Second Line of Defence	<ul> <li>Group Sustainability:         <ul> <li>Coordinate the integration of required policies by Business Units and Group Risk.</li> <li>Coordinate with stakeholders to report climate-related disclosures in the Sustainability Report. Ensure the disclosures comply with the governance and approval process, which includes obtaining external assurance.</li> </ul> </li> <li>Group Risk Management:         <ul> <li>Ensure credit policies/ guidelines are aligned to sustainability/ ESG policies/ guidelines.</li> <li>Integrate sustainability risk considerations into the existing risk management cycle within its functions.</li> <li>Validate the ESG risk assessment and BNM Climate Change and Principle-based Taxonomy (CCPT) classification.</li> </ul> </li> <li>Group Compliance:         <ul> <li>Ensure compliance with applicable laws, regulatory requirements, and internal policies by periodic reviews.</li> <li>Monitor and test ESG Risk Rating, BNM CCPT and sustainability-related classifications and adopt climate-related considerations in stress testing and scenario analysis.</li> </ul> </li> </ul>
Third Line of Defence	<ul> <li>Group Internal Audit         <ul> <li>Conduct periodic audits on the implementation of sustainability-related policies and procedures to assess adequacy of the overall internal control framework and systems.</li> </ul> </li> </ul>

For matters related to AmBank Islamic, additional lines of defence include:

Third Line of Defence • Shariah Audit:	Description
Second Line of Defence	- Assess the Shariah risks in relation to the implementation of sustainability matters.
Third Line of Defence	<ul> <li>Shariah Audit:         <ul> <li>Conduct periodic audits to assess the implementation of sustainability policies and procedures from a Shariah perspective.</li> </ul> </li> </ul>

ho To learn more about Sustainability Risk Management, please refer to page 46 of this chapter.

### Governance

Effective management of climate-related risks requires dedicated expertise and structured coordination. Recognising this, we have strengthened our governance structure by assigning specialised teams to oversee both enterprise and portfolio-level climate risks. These teams play a critical role in supporting business lines, enhancing internal capabilities, and embedding sustainability considerations into core decision making processes – enabling a targeted and strategic response to climate-related impact.

Risk Management Functions	Roles and Responsibilities
Portfolio Risk Management	<ul><li>Operates under Group Risk.</li><li>Specialises in managing both enterprise-wide and portfolio-specific climate-related risks.</li></ul>
Climate Risk	<ul> <li>Functions within Portfolio Risk Management and reports jointly to the CSO and Head of Portfolio Risk Management.</li> <li>Assesses the broader implications of climate risks across AmBank Group.</li> <li>Monitors portfolio emissions and other crucial climate-related impact indicators.</li> </ul>
Group Operational Risk	• Conducts detailed climate-related risk assessments to enhance our capabilities to manage operational climate-related risks in branches, main buildings, data centres, and Third-Party Service Providers (TPSP).

ho To learn more about how we manage climate-related risks, please refer to page 46 of this chapter.



### GOVERNANCE PROCESSES & DECISION-MAKING

We have established structured governance processes to manage sustainability and climate-related risks and opportunities across the Group. Through committees at various levels, we oversee regulatory compliance, strategic sustainability initiatives, and policy approvals to drive effective decision-making and advance our sustainability objectives.



Sustainability at AmBank Group

### Key Matters Discussed in FY2025

The Board and Risk Management Committees receive key updates on sustainability matters as a standing agenda at scheduled meetings. These are prepared by the CSO, with support from the Group Sustainability and Climate Risk teams, where applicable. Additionally, regular updates are provided to the GSCRC, which evaluates issues before presenting them to the GMC for sustainability-related opportunities, or GMRC for sustainability-related risks. Thereafter, these matters are presented to the Board for periodic updates or approvals.

	Description	GSCRC	GMC	GMRC	RMC	BOD
	Chairperson	Group CEO	Group CEO	Group CEO	Independent Non-Executive Director	Chairman of the Board of Directors
	Frequency of Meetings	Quarterly	Monthly	Monthly	6 times	11 times
	Description					
	Updates on BNM CCPT Reporting – analysis of CCPT classification for financing and investments and enhancements, where required	Discussion		Information	Information	Information
	Progress on implementation of BNM Climate Risk Management & Scenario Analysis (CRMSA)	Information		Recommendation	Recommendation	Approval
kegulatory Compliance &	Approach to the adoption of National Sustainability Reporting Framework	Information				Information
	Sustainability reporting, including TCFD, for the purpose of public disclosure	Endorsement	Recommendation		Recommendation	Approval
Guideline Approvals	Establishment of Sustainable, Transition and Green Financing Guideline – eligibility criteria and decisioning	Endorsement		Approval	Information	Information
	Establishment of Group Sustainable Finance Product Framework – definitions, design & classification principles	Endorsement	Recommendation		Recommendation	Approval

Names of Committees: Group Sustainability and Climate Risk Council (GSCRC), Group Management Committee (GMC), Group Management Risk Committee (GMRC), Risk Management Committee (RMC) and Board of Directors (BOD).

Responsible Banking



### Governance

		GSCRC	GMC	GMRC	RMC	BOD
	Chairperson	Group CEO	Group CEO	Group CEO	Independent Non-Executive Director	Chairman of the Board of Directors
	Frequency of Meetings	Quarterly	Monthly	Monthly	6 times	11 times
	Description					
	<ul> <li>Establishment of the AmBank Group</li> <li>Net Zero Transition Plan</li> <li>Decarbonisation pathways with near-term targets</li> <li>Position statements</li> <li>Carbon Neutral 2030 target (Scope 1 &amp; Scope 2) for enterprise emissions</li> </ul>	Endorsement	Recommendation		Recommendation	Approval
Strategic Sustainability Initiatives	Management of Scope 2 GHG emissions through green energy tariffs and purchase of Renewable Energy Certificates (RECs) on Bursa Carbon Exchange (BCX)	Information				
	Deliberation on the development of a Group Sustainability Data System to manage data requirements for assessment, decisioning & reporting*	Endorsement				
	Update on the Group's advocacy initiatives – AmBank Group's contributions to national and sector-level dialogues and programmes	Information			Information	Information
	Progress on capacity and capability building through Sustainability Learning Pathway – spans foundational to advanced topics (e.g Sustainable Finance and Climate Risk) – internal learning modules and certification for key internal stakeholders	Endorsement				
	The Group's progress updates on implementing the ABM ESG principles	Information				

\* This was approved by GMC in June 2025 and to be tabled to RMC and the Board in July 2025.

Names of Committees: Group Sustainability and Climate Risk Council (GSCRC), Group Management Committee (GMC), Group Management Risk Committee (GMRC), Risk Management Committee (RMC) and Board of Directors (BOD).

### Additional Working Groups and Committees

As part of our continuous improvement in adoption of key sustainability (including climate-related) strategic initiatives, we have established dedicated Project Steering Committees (PSCs) that are supported by respective Project Working Groups (PWGs) to ensure governance, strategic oversight and effective implementation.

	Committee	Objective	Members	
	Development of the AmBar	nk Group Net Zero Transition Plan		
D D D	Group CEO	<ul> <li>To ensure the effective development of the AmBank Group Net Zero Transition Plan</li> </ul>	<ul> <li>Group Chief Executive Officer</li> <li>Group Chief Financial Officer</li> <li>Group Chief Risk Officer</li> <li>Chief Sustainability Officer</li> <li>Chief Executive Officers of Banking Entities</li> <li>Managing Directors of Lines of Business</li> </ul>	
2	CSO	<ul> <li>To deliberate on technical matters</li> <li>To track the progress of the project</li> </ul>	<ul> <li>Dedicated representatives from the following functions:</li> <li>Group Sustainability</li> <li>Group Administration</li> <li>Group Risk</li> <li>Group Finance</li> <li>Group Human Resources</li> <li>Group IT</li> <li>Lines of Business</li> </ul>	_
	BNM Climate Change & Pri	nciple-based Taxonomy (CCPT) Classifica	ation	
Jer	CSO	<ul> <li>To provide strategic oversight of the CCPT classification system</li> </ul>	<ul> <li>Chief Sustainability Officer</li> <li>Group Chief Financial Officer</li> <li>Chief Executive Officers of AmBank Islamic and AmInvestment Bank</li> <li>Managing Directors of Lines of Business</li> <li>Group Chief Risk Officer</li> <li>Group Chief Compliance Officer</li> <li>Group Chief Operations Officer</li> </ul>	
	Project Director, Project Manager Scheduled on a need basis	<ul> <li>To coordinate and track the progress of the operationalisation of enhancements to the CCPT classification system</li> </ul>	<ul> <li>Dedicated representatives from the following:</li> <li>Group Sustainability (Project Director)</li> <li>Group IT PMO (Project Manager)</li> <li>Relevant system owners</li> </ul>	
	Climate Risk Management	& Scenario Analysis (CRMSA) & Climate F	Risk Stress Testing (CRST)	
Der	GCRO	<ul> <li>To oversee and provide guidance on the implementation of CRMSA and CRST to align with regulatory expectations</li> </ul>	<ul> <li>Group Chief Executive Officer</li> <li>Group Chief Financial Officer</li> <li>Group Chief Risk Officer</li> <li>Chief Executive Officer of AmBank Islamic</li> <li>Chief Sustainability Officer</li> <li>Group Chief Compliance Officer</li> <li>Group Chief Operations Officer</li> </ul>	
2	CSO	<ul> <li>To deliberate on technical matters and monitor the progress of implementation</li> </ul>	<ul> <li>Dedicated representatives from the following functions:</li> <li>Group Risk</li> <li>Group Technology</li> <li>Group Finance</li> <li>Group Sustainability</li> <li>Lines of Business</li> </ul>	

### Governance

### **BOARD EXPERTISE & TRAINING**

#### **Board Credentials and Composition**

AmBank Group's Board comprises individuals with diverse skills, experiences, and subject matter expertise that support our strategic sustainability priorities and long-term value creation goals. Notably, our Independent Non-Executive Director, Ms. Felicity Ann Youl, provides sustainability oversight at the Board level, leveraging her specialised expertise in the field.

We are committed to fostering diversity within the Board, recognising its value in strengthening decision-making and governance. While diversity is a key consideration, all appointments are based on merit.

The Group Nomination and Remuneration Committee (GNRC) regularly reviews the Board's composition and recommends appointments based on skills, experience, and diversity. The criteria for recruitment and annual assessments are set out in the Non-Executive Director Nomination and Remuneration Policy and the Board Charter.

Æ To learn more about the Board's skills, knowledge, and experience, please refer to pages 148 to 158 of the Integrated Annual Report 2025.

#### **Leadership Competencies**

To effectively steer our sustainability agenda, we focus on strengthening our leaders' competencies and keeping them informed of the latest developments.

Furthermore, since FY2023, we have continuously provided ESG training, including focused sessions for the Board and Senior Management to keep them abreast of the latest sustainability developments. Members of the Board also equip themselves with relevant external sustainability programmes. These programmes empower the Board with the knowledge and skills to advise on sustainability and climate-related risks and opportunities. In FY2025, the Group introduced a structured sustainability training framework tailored to various roles, ensuring all employees are equipped to support our sustainability strategy.

Programme	Frequency	Facilitator	Targets	Attendance*
Mandatory Accreditation Programme Part II: Leading for Impact (LIP): To provide directors with the foundation to address sustainability risks and opportunities effectively and have better oversight over their companies' material sustainability matters.	One time	External	The Board	4 participants
<b>Asian Economy Impact – Climate Change Risk:</b> To understand the current conditions in the Malaysian, regional and global economy, and climate change risks to the outlook.	Annually	External	The Board, Shariah Committee and Senior Management	29 participants
<b>Board Immersion on AmBank Group's Sustainability:</b> To provide in-depth understanding of the Group's sustainability strategy, progress and future direction. It gives a comprehensive view of the Group's commitment in areas such as Net Zero Transition Plan, metrics & targets, regulatory developments and emerging risks and opportunities.	One time	Internal	The Board and Senior Management	23 participants including 5 senior management
<b>Anti-Bribery &amp; Corruption Training:</b> To provide a comprehensive understanding of the regulatory and legal landscape of anti-bribery and corruption including the MACC Act.	Annually	External	The Board	9 participants
<b>Cybersecurity Awareness Programme:</b> To enhance awareness on evolving cyber threat and cyber risk posture.	Annually	External	The Board	9 participants
<b>Anti-Money Laundering Awareness Session:</b> To provide a high-level understanding of AML/ CFT obligations and risks as well as highlights the importance of strong compliance culture.	Annually	External	The Board	9 participants

\* This includes board members of the respective entities.

启 To learn more about leadership and group-wide training programmes, please refer to the Developing Our People section on pages 127 to 139.



Sustainability at AmBank Group

### SUSTAINABILITY-LINKED REMUNERATION

AmBank Group integrates sustainability into its leadership performance framework by directly linking executive remuneration to sustainability outcomes.

The Group CEO and all direct reports have been assigned annual sustainability and climate-related Key Performance Indicators (KPIs). These KPIs are designed to foster accountability and ensure consistent alignment with the Group's long-term sustainability objectives.

These KPIs are embedded within the customer, strategy or operational areas in the executive's scorecard with weightage ranging from 5% to 15% based on the executive's role, responsibilities, and influence over the sustainability agenda. Notably, the CSO carries a 75% weightage, reflecting the strategic importance of the role in driving sustainability related strategy.



Performance Evaluation and Governance of Sustainability KPIs

### **Board Oversight**

The GNRC reviews these KPIs and assesses the remuneration of senior management.

### **Cascading Accountability**

Approved KPIs are integrated across various management levels to embed sustainability into operational decisionmaking.

#### **Tracking & Implementation**

Group Sustainability monitors these KPIs and reports the progress at each GSCRC meeting.

# Strategy

At AmBank Group, sustainability is one of the three foundational pillars that underpin the Group's operational resilience. This operating model is integrated into the Group's Winning Together 2029 (WT29) strategy, shaping how we create long-term value, manage material climaterelated risks and opportunities, and build operational resilience. Our strategic approach reflects a clear recognition of the urgent challenges posed by climate change and the critical need to transition to a low-carbon economy.

In line with the Malaysian government's commitment to achieve Net Zero by 2050, AmBank Group is aligning its strategic priorities to supporting this national aspiration. As one of the leading Malaysian financial institutions, we recognise our critical role in facilitating the country's transition to a low-carbon economy. Our climate strategy is informed by science-based pathways and grounded in a pragmatic understanding of Malaysia's socio-economic context. We assess the short-, medium-, and long-term impact of climaterelated risks and opportunities on our business. This includes evaluating transitional and physical risks, identifying hard-toabate sectors for decarbonisation, and aligning our financing activities to support the transition of these sectors to energy efficient and low-carbon business models.

Climate action forms a critical pillar of our sustainability strategy. We are taking deliberate steps to decarbonise our operations and business activities, manage climate-related risks, and support our customers in their journey through sustainable, green and transition finance. Guided by our overarching Group Sustainability Framework and supported by our Sustainable Finance Product Framework and the Sustainable, Transition, and Green Financing Guideline, we aim to offer inclusive, ethical, and innovative financial products and services that contribute to national development, while enhancing customer value.

Through this approach, we aim to enable responsible growth, enhance stakeholder trust, and deliver measurable climate outcomes over time.

#### STRATEGIC SUSTAINABILITY APPROACH

AmBank Group's approach to climate action is anchored by our Sustainability Strategy, which is reviewed on an annual basis. This strategy integrates climate considerations across the Group's operations and business, risk management, customer engagement and reporting.

By embedding climate strategy across five key focus areas, we ensure our response to climate change is comprehensive, coordinated, and aligned to long-term business resilience and stakeholder expectations.



### Key Enablers

- Product Development and Innovation Encourage research and development and focus on creating sustainable products
- Operational Efficiency and Agility for Enterprise Emissions Optimise operations to reduce waste, increase energy efficiency, and minimise environmental impact
- Strategic Partnership with Key Industry Players, Regulatory Bodies, and Ministries – Staying ahead of regulatory changes and being a thought leader in the sustainability space

### FOCUS AREA 1: NET ZERO TRANSITION PLAN

Achieving Net Zero by 2050 is a strategic priority for AmBank Group, embedded within our broader sustainability strategy. AmBank Group aims to be a **responsible** financial institution by adopting a **pragmatic** approach considering the Malaysian economy and operating landscape and ensuring **credibility** is maintained through relevant science-based pathways as references.



For a copy of our Net Zero Transition Plan, please scan the QR code or visit https://www. ambankgroup.com/sustainability



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The Group's net zero strategy is structured through a three-pronged approach:



Identify select hard-to-abate sectors and set emission intensity targets to guide decarbonisation efforts.

### 2) Establishing Our Position Statements



Define sector-specific criteria to support our customers in their decarbonisation and transition efforts.

These position statements complement our existing prohibitions.

### Supporting Our Customers

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Provide sustainable, transition, and green financing solutions supported by our Sustainable Finance Product Framework and by internal guidelines to help customers transition.

Ә To learn more about our Net Zero Transition Plan, please refer to the Responsible Financing and Building Climate Resilience section on page 70.

### Sustainable, Transition, and Green Finance

To operationalise AmBank Group's Net Zero Transition Plan (NZTP), we have developed two key documents to guide the integration of sustainability into our financing decisions:

#### Sustainable Finance Product Framework

Our overarching framework that sets the principles and criteria for classifying, labelling, and evaluating Sustainable Finance products offered by the Group.

### Sustainable, Transition, and Green Financing Guideline

A complementary guideline for internal reference that applies the tagging and classification standards, guided by the overarching framework to ensure consistency across business lines.

These guiding documents embed sustainability at the core of capital allocation and financing strategies. They ensure a unified approach to product labelling and classification, strengthening the credibility and transparency of our financing activities.

Together, they serve as enablers of the Group's long-term climate ambition by anchoring financing decisions based on clear environmental and social criteria—particularly in supporting the decarbonisation of hard-to-abate sectors undergoing transition.

Appendices

### Strategy

#### Sustainable Finance Product (SFP) Framework

The SFP Framework serves as a guiding tool for AmBank Group as it integrates sustainability elements into its product development across all its banking segments, including conventional and Islamic financial products and services. The Framework ensures sustainability remains a core component of the Group's product suite, reaffirming its commitment to developing financial solutions that align with sustainability principles.

The SFP Framework which is anchored on industry best practices, guidelines and principles established by credible authorities and certified bodies is aligned with local, regional, and global sustainability standards. This approach ensures the SFP Framework incorporates a wide range of perspectives and adheres to universally accepted standards, enhancing its relevance and applicability - mitigating reputational risk and minimising the potential for greenwashing.

The Framework is designed to:

- 1. Offer what is deemed as Sustainable Finance/ Sustainable Products
- 2. Adhere to latest standards and taxonomies in sustainable product labelling

👝 To learn more about our SFP Framework, please refer to the Responsible Financing and Building Climate Resilience section on page 75.

### Sustainable, Transition, and Green (STG) Financing Guideline

Complementing the SFP, the STG Financing Guideline institutionalises our sustainability criteria across lending activities—particularly for transactions in hard-to-abate sectors.

#### The Guideline categorises AmBank Group's financing as follows:

Financing Category		BROAD OBJECTIVE
Sustainable Financing	0	Financing that underscores economic growth and incorporates ESG considerations to achieve sustainable development results aligned to one or more of the 17 UN SDGs.
Transition Financing	0	Financing that supports the transition of sectors and firms from emission-intensive business models (i.e. high-emitting and hard-to-abate sectors) to environmentally sustainable alternatives aligned to the goals of the Paris Agreement.
Green Financing	0	Financing with the dedicated purpose of generating environmental benefits (i.e. climate mitigation or adaptation) or contributing to create or sustain a low-carbon economy.

The Guideline further outlines:

- · A decision-making process for determining transaction eligibility and sustainability classification.
- · Data requirements for the select hard-to-abate sectors, ensuring robust assessments aligned to sectoral decarbonisation pathways.
- A post-deal review process for material transactions to ensure alignment with the NZTP.

By formalising this Guideline, the Group enhances its ability to assess, structure, and monitor financing activities that drive real economy transitions across its priority hard-to-abate sectors.

🕗 To learn more about our STG Financing Guideline, please refer to the Responsible Financing and Building Climate Resilience section on page 76.





For a copy of our SFP Framework, please scan the QR code or visit https://www. ambankgroup.com/ sustainability
#### **Position Statements**

To support the operationalisation of our NZTP, we have introduced sector-specific Position Statements that define AmBank Group's strategic stance for customers operating in the select hard-to-abate sectors. These statements signal our expectations on what we will support, restrict, or phase out-enabling risk alignment and clearer decision-making across financing, and customer engagement.

	anagement practice				
Vertical	Sector	Negative Threshold Criteria/ Prohibitions	Positive Threshold Criteria	Non-Mandatory but Expectations Over Time and Best Practices that are Encouraged	τ
Agriculture	Palm Oil	We will not finance any activities that contravene the No Deforestation, No New Peat and No Exploitation (NDPE) commitments.	We will adopt the NDPE stance. We will selectively on-board new customers who have clear transition plans and established net zero targets.	New and existing customers are encouraged to obtain additional sustainable palm oil certification.	
	Thermal Coal Mining	We will phase out existing exposure to customers in the thermal coal mining sector by 2030, unless we are required to support energy security needs as declared by the Malaysian government.	Not applicable as the Group is Thermal Coal Mir		
- Å- Energy	Power Generation	We will cease financing new greenfield coal-fired power plants (CFPPs) in line with national agenda and commitments. Existing customers with business activities in CFPPs are to showcase a clear transition plan and manage the phase out i.e. retire and/ or	We will provide financing to help new and existing customers in fossil-fuel based energy sources to transition towards low- carbon and renewable energy sources.	We will prioritise allocation of capital to finance renewable energy projects in line with Malaysia's National Energy Transition Roadmap (NETR) commitments. We will encourage our customers to develop and implement comprehensive transition plans and set net	G
	Gil & Gas	Not applicable as the Group will continue supporting customers in these sectors.	We will continue to support customers as they diversify their business models to address cleaner energy demands. We will regularly engage with customers to better understand their near-term targets and track progress of their transition to cleaner energy business models.	zero targets with clear, time-bound milestones. We will encourage customers to establish and follow best sustainable practices relevant to the sector.	
	Cement Manufacturing		We will regularly engage with customers to better understand their near-term targets and track progress of their transition to lower carbon business models.	We will encourage customers to develop and implement comprehensive transition plans and set net zero targets with clear, time-bound	
Built	Iron & Steel Manufacturing	Not applicable as the Group will continue supporting customers in these sectors.	We will continue to support customers as they embrace sustainable technologies and commit to credible decarbonisation strategies.	- milestones.	
	Commercial Real Estate		We will work closely with customers to provide financing for green and/ or more energy efficient buildings and finance retrofitting projects.	We will encourage customers to meet minimum sustainability ratings of applicable national standards or guidelines for the construction of property or infrastructure.	



## Strategy

#### **Sustainability-related Opportunities**

AmBank Group recognises the growing potential in sustainable, transition, and green finance as a strategic pathway to drive long-term value creation while supporting Malaysia's transition to a low-carbon economy. We have identified a range of high-impact opportunities across products, sectors, and market segments that offer strong prospects over the short to medium term.

These opportunities are aligned with our commitment to support national sustainability goals, including the NETR, New Industrial Master Plan (NIMP), and the commitment made by the Malaysian government to achieve Net Zero by 2050. They also represent key areas where we intend to scale financing activities that contribute to climate resilience, social equity, and responsible economic development.







Insights & Achievements

Sustainability at AmBank Group Support biogas and biomass deployment for mill decarbonisation Promote use of sustainable fertilisers and seedling innovations Encourage traceable and certified production · Support transition away from thermal coal mining and extraction Expand renewable energy capacity in line with NETR aspiration - biomass, bio-gas, hydro-power, solar, and Group' Deploy Carbon Capture, Utilisation, and Storage (CCUS) Enable business diversification through transition financing Reduce carbon emissions through no-flaring practices **Deploy CCUS** Banking Increase the use of alternatives to clinker Reduce fossil fuel dependency in kilns Increase use of clinker substitutes in cement mix Electrify production processes Deploy CCUS Improve energy efficiency across production processes Advance research and development (R&D) in low-carbon technologies **Deploy CCUS** 

**Opportunities** 

In addition to the categories above, we have identified transition opportunities aligned to the seven priority sectors outlined in our NZTP:

FOCUS AREA 2: CLIMATE RISK MANAGEMENT

**Focus Sectors** 

Agriculture

Palm Oil

Energy

Mining

Oil & Gas

**Built Environment** 

Cement

Manufacturing

Iron & Steel

Manufacturing

**Commercial Real** 

financial, environmental, and social outcomes.

Estate

Thermal Coal

**Power Generation** 

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etc.

AmBank Group recognises climate-related risks as strategic in nature, given their potential to reshape market dynamics, influence stakeholder expectations, and affect asset performance. Climate risks are broadly categorised into physical and transition risks, which extend over specific time horizons. We have established specific metrics to measure and monitor our exposure to these risks, including physical risk and hard-to-abate sector exposures and concentration within the Group Risk Appetite Framework. These risks intersect with traditional financial and non-financial risks and are increasingly material to long-term business resilience.

Offset operational emissions through carbon credit mechanisms

These opportunities are further guided by the SFP Framework and STG Financing Guideline, which ensure that products and services are aligned to

Electrify operations to reduce process emissions

Adopt smart and digital building technologies

Reduce energy use and improve energy efficiency

Climate risks are systematically integrated into our Enterprise Risk Management Framework and embedded within key internal policies, governance structures and sustainability strategies. This ensures that risk management serves as a strategic enabler to inform planning, strengthen resilience and support sustainable value creation across the Group.

Conscious Self-Conduct

## Strategy

#### **Risk Identification & Integration into Decision-Making**

AmBank Group applies a structured process to identify and assess climate-related risks early during credit evaluation and portfolio screening. These include both physical risks and transition risks. Identification is facilitated through dedicated internal tools including the Prohibition List and the Climate Change and ESG Risk Assessment (CERA). These tools help flag high-risk activities, guide due diligence, and inform customer engagement strategies.

The CERA tool assigns ESG Risk Ratings to non-retail customers with exposures above RM10 million, integrating regulatory frameworks such as BNM's CCPT and AmBank Group's STG Financing Guideline. In 2025, enhancements to the CERA included sectoral guidance and improved alignment with product classification standards. This supports relationship managers and credit approvers in embedding sustainability considerations and strengthening customer engagements on transition readiness.

괻 To learn more about how climate-related risks are integrated into broader ESG Risk Management, please refer to the Risk Management section on page 46.

#### Scenario Analysis

Understanding the potential financial implications of climate-related risks is critical in ensuring long term business resilience. In alignment with CRSMA requirements, we have adopted the Network for Greening the Financial System (NGFS) Scenario framework to assess physical and transition risks across our portfolios.

Scenario analysis is conducted quarterly, covering both retail and non-retail credit portfolios across a 30-year time horizon:

- Short-term (up to 2027)
- Medium-term (up to 2030)
- Long-term (up to 2050)

#### **Overview of NGFS Scenarios**

The NGFS framework provides three distinct transition scenarios, each representing a plausible climate future and the associated risks.

NGFS Scenario Categories				
Scenarios	Key Characteristics	Warming Outcome		
Orderly Transition	Strong climate policies and green technology breakthroughs introduced early. Lower transition and physical risks.	~1.5°C		
Disorderly Transition	Climate action delayed until 2030, followed by abrupt implementation of strict policies. Elevated transition and physical risks.	~1.8°C		
Hot House World	No new policies beyond 2021. High physical risks due to uncontrolled warming.	~3°C		

#### Bridging Scenario Gaps with Climate Risk Stress Test (CRST)

To strengthen short-term risk assessment, we have integrated BNM's CRST – particularly its acute physical risk module – into our analysis. In line with BNM's 2024 CRST requirements, we will submit results based on scenarios including Net Zero 2050, Divergent Net Zero 2050 and the Nationally Determined Contributions.

Our climate scenario analysis framework is continuously refined to reflect evolving science, regulation, and best practices. Through CRST, we will be able to obtain additional insights, particularly in terms of acute physical risk exposures.

#### FOCUS AREA 3: CAPABILITY AND CAPACITY BUILDING

Building internal capability is fundamental to AmBank Group's ability to deliver on its sustainability strategy. In October 2024, we advanced this effort, with the GSCRC having endorsed the Sustainability Learning Pathway, designed to address the different levels of knowledge and decision-making responsibilities across the organisation.

Learning levels in the Sustainability Learning Pathway offered:



The pathway blends internal learning modules with external certifications, offering flexibility and depth to support capability building across roles and functions. These initiatives are designed to equip employees with the skills, tools, and awareness needed to make informed decisions, support customers effectively, and drive the organisation's climate ambition.

earrow -2 To learn more about our group-wide training programmes, please refer to the Developing Our People section on pages 127 to 139.

#### Training for Relationship Managers (RMs) and Credit Approvers

To strenghten sustainability capabilities, AmBank Group rolled out targeted training modules in FY2025, focusing on climate and sustainable finance, sectoral decarbonisation, ESG assessment and CCPT. These programmes were designed to enhance the quality of sustainability-related discussions and decisions as well as meeting regulatory expectations surrounding the assessment of climate change impact on customers we engage with.

Target Group	Training Modules Delivered
<ul><li> RMs</li><li> Credit Approvers</li></ul>	<ul> <li>Two-day workshops on Sustainable Finance and Sector Decarbonisation</li> <li>ESG Risk Assessment and CCPT with sectoral guidance</li> </ul>
	<ul> <li>10 Sustainable Finance and Decarbonisation Training Modules</li> </ul>

#### Training Highlight: Sustainable Finance & Sector Decarbonisation Series



To strengthen internal capabilities and build sustainability literacy, AmBank Group launched a flagship 10-module digital learning series focused on sustainable finance and sectoral decarbonisation in January 2025. Upon completion of this course, employees will be able to:

- 1 Explore climate risks and impacts of hard-to-abate sectors
- 2 Strengthen understanding of GHG emissions across sectors
- 3 Apply sustainable finance to support customers' transition plans
- **4** Deepen sectoral insights in the six hard-to-abate sectors

#### **Key Features:**

- Flexible, Bite-sized Learning: Compact modules accessible anytime
- Comprehensive Coverage: Covers climate trends, sustainability risks, regulatory frameworks, and sustainable product offerings
- Sector Specific Focus: Sector-specific modules for hard-to-abate sectors
- Integrated Learning Experience: Fully embedded within the Group's Learning Management System (LMS)

This structured training ensures that sustainability principles are systematically embedded across customer engagement, credit evaluation, and internal decision-making processes, reinforcing AmBank Group's commitment to responsible banking.

## Strategy

#### Training Highlight: CCPT and CCPT Sectoral Guidance

To strengthen the understanding of CCPT, Group Sustainability augmented its internal capacity building CCPT programme in FY2025 to incorporate the sectoral guidance reference for CCPT assessment aligned with BNM's six focus sectors.

The capacity building programme comprised the launch of module videos, made available on the Group's intranet to all AmBankers to access at any time.



Five Guiding Principles of CCPT



Climate Considerations of BNM's Six Focus Sectors

To supplement the launch of the module Group Sustainability organised additional physical and online trainings to reinforce the knowledge and understanding of CCPT and the CCPT Sectoral Guidance.



Physical classroom training

- Applicable for employees located in the Klang Valley
- Seven classroom trainings conducted
- 299 employees participated from Business Banking, Wholesale Banking, Investment Banking, Islamic Banking, Group Internal Audit and Group Risk Management

#### **Online training**

- Applicable for employees located outside the Klang Valley
- Target Participants: Employees in Business Banking, Wholesale Banking, Investment Banking, Islamic Banking, Group Internal Audit and Group Risk Management
- To be rolled out at the end of FY2025

#### Internal Sustainability Awareness Programmes

To strengthen internal awareness of employees on sustainability, several programmes and series were conducted:

#### Awareness Highlight: AmBank Group partners with World Wide Fund for Nature (WWF) to explore and raise awareness on Nature-Related Risks



Group Sustainability, in collaboration with WWF, hosted a Nature-Related Risks Talk in December 2024 to raise awareness about these risks and their impact on businesses and financial institutions. Key topics included:

- Exploring risks and opportunities within one of the most resource-intensive sectors the seafood industry.
- Taskforce on Nature-related Financial Disclosures (TNFD)
- Human Rights Due Diligence and Disclosures, emphasising the intersection of environmental and social governance, including the importance of not only protecting natural ecosystems but also addressing human rights matters within financing decisions and operations

To broaden and deepen awareness across the organisation, our internal bulletin series (Green Lens) – delivers timely, bite-sized insights on sustainability and climate-related updates. The initiative aims to build general awareness among employees on key sustainability and climate trends, evolving policy landscape, and energy transition themes, supporting a more informed and sustainability-aware workforce.

Green Lens Edition					
Edition 1	Edition 2				
<ul> <li>Outcome of COP28 (Dubai)</li> <li>Roles of government ministries in energy/ environmental management</li> <li>Greenwashing trends in the region</li> </ul>	<ul> <li>Outcomes of COP16 (Cali, Colombia) including challenges and relevance to the Group</li> <li>Understanding Net Zero Transition and AmBank Group's alignment</li> </ul>				
Edition 3	Edition 4				
<ul> <li>Outcomes of COP29 (Azerbaijan) including progress, roadblocks, and implications to the Group</li> <li>Malaysia Budget 2025 from an ESG perspective</li> <li>Climate opportunities for the Group</li> </ul>	<ul> <li>Greenwashing brands, climate "villains" and sustainability innovations</li> </ul>				



#### Environmental Awareness

Complementing our operational efforts, we also advanced employee engagement and public education to build a more environmentally conscious culture:

#### e-Waste Collection Drive



Held in conjunction with World e-Waste Day, the campaign educated staff and the public on the safe disposal of e-waste. It encouraged responsible tech use and reduce landfill contributions. In total, 1,560 kg of e-waste was collected through 214 participants.

#### Sustainable Fashion Programme



We encouraged circular fashion through donation drives, student workshops, and clothing swaps. This fostered greater youth awareness of textile waste and sustainable consumer choices. In return, we collected 2,023 kg of preloved clothing and textiles and had 80 students participate in these workshops.

#### Wasted Documentary Screening



Over 100 AmBankers attended the exclusive screening of Wasted, followed by a talk by Zero Waste Malaysia co-founder Khor Sue Yee, to raise awareness on the waste crisis, sustainable living practices and waste reduction efforts.

#### Screensaver Reminders



We integrate environmental awareness initiatives across our operations, ensuring that sustainability is embedded in daily business practices. In FY2025, this initiative was implemented across all employee workstations, providing weekly prompts on energy conservation, responsible resource use, and sustainable habits.

#### FOCUS AREA 4: CUSTOMER ENGAGEMENT & STAKEHOLDER ADVOCACY

AmBank Group recognises that accelerating the transition to a low-carbon economy requires both deep customer partnerships and active sectoral advocacy.

We advance our sustainability strategy through:



We work closely with customers, particularly those in hard-to-abate sectors, to support their decarbonisation journeys. This includes targeted outreach, bilateral discussions, and integration of transition planning into relationship management—guided by our NZTP and sectoral pathways.



We contribute to shaping the broader sustainability landscape by participating in industry dialogues, regulatory working groups, and thought leadership platforms. Our involvement through JC3, AICB, and regional and global forums, enables us to promote best practices in climate risk management, sustainable finance, and sustainability disclosures.

#### **Customer Engagement Approach**

To guide our engagement with hard-to-abate customers, we have developed a structured five-step approach that aligns with each customers' transition maturity and sectoral context. This enables consistent assessment, meaningful dialogue, and targeted support to advance customers' decarbonisation efforts in alignment with our targets.

## Strategy

#### A Targeted Five-step Engagement Approach Progress Monitoring and Risk Tracking 05 Ongoing tracking of climate risk exposure and transition progress. Aligned to sectoral pathways and net-zero targets. **Customer Dialogues on Decarbonisation DYA** Understand customers' decarbonisation strategy, support mechanisms, and sectorspecific needs. step 03 Strategic Account Planning Internal discussions on customers' environmental, social, transition, and physical risks. Explore opportunities and manage risks such as stranded assets. . STEP 02 Sustainability Profile Assessment Leverage ESG Risk Ratings and publicly available data. Assess transition readiness and sustainability progress. **Prioritised Engagement** $\mathbf{01}$ Focused outreach to customers in the hard-to-abate sectors. Phased engagement based on emission intensity and sectoral priority.



#### Empowering Sustainability Through RMs

Our RMs play a pivotal role in enabling sustainability outcomes—serving as strategic partners to our customers on their journey toward decarbonisation and climate resilience. Through tailored engagement and advisory, our RMs help customers navigate climate-related risks, unlock transition opportunities, and implement credible, sector-specific decarbonisation pathways.

Recognising that meaningful change happens through collaboration, we believe in winning together ethos - supporting our customers in a way that drives mutual value: sustainable growth for businesses, communities, and the environment.

We have prioritised engagements with customers from hard-to-abate sectors with the highest GHG emissions intensity to:

Deepen customer understanding Conduct informed engagements Guide and support these Continuously engage and that are aligned with **climate** by going beyond published companies on their sustainability closely monitor/ track our risk insights, sectorjourneys, tapping into customer's sustainability disclosures to explore the full extent of their sustainability specific pathways, and potential opportunities progress. strategy, transition plans customers' sustainability that can assist with the and risk exposure. maturity levels. customers' transition plans.

Following our engagements, our customers are assessed and categorised into four maturity levels, enabling AmBank Group to support these customers based on their stage of progress:

AmBank Group's Customers Sustainability Progress

Beyond customer engagements, we also maintain regular and constructive dialogues with investee companies to reinforce our broader sustainability objectives. These engagements take place through management meetings, general meetings, briefings, surveys, and questionnaires-serving as key touchpoints to communicate expectations on both financial performance and ESG matters. In FY2025, AmFunds Management Berhad and AmIslamic Funds Management Sdn Bhd conducted 721 engagements with investee companies, with a strong focus on material sustainability issues and governance performance. These interactions are especially important for high-impact sectors, where proactive Appendices

We observed that 54% of our customers are still in the early stages (level 1-2), while the other 46% are more advanced (level 3-4) in their sustainability journey. Many are building foundational capabilities-such as setting up a dedicated sustainability department/ team-reflecting growing awareness and

The Group will continue to support these customers by tailoring financial solutions and sectoral engagement strategies that meet them where they are,



Level 1 Demonstrates basic ESG awareness, supported by general sustainability policy statements.

infrastructure and power sectors.

while helping guide them toward long-term climate resilience.

engagement helps strengthen oversight of material ESG risks and drive long-term value creation.

**Engagement with Investee Companies - AmInvest** 

openness to change.



Level 2 Sustainability planning and implementation efforts have been initiated.



Level 3 Targets have been set and are aligned with Net Zero transition pathways.



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Level 4 Sustainability strategies are being actively implemented, with progress verified by third-party certifications.

AmBank Group has begun actively engaging key customers, particularly those in hard-to-abate sectors, to better understand their decarbonisation plans. In FY2025, we conducted tailored engagements with nine key customers in the hard-to-abate sectors - from the agriculture, industrial, oil and gas,

## Strategy

#### **Industry Advocacy**

AmBank Group continues to play an active role in shaping the sustainable finance agenda by engaging with industry peers, regulators, and global platforms.

Our advocacy efforts focused on advancing climate governance, accelerating sustainable, transition, and green finance, and supporting the adoption of robust sustainability disclosure standards.

In FY2025, our CSO and senior leaders actively contributed as speakers, moderators, and working group members across a range of strategic forums and working groups.

These platforms provided opportunities for AmBank Group to share perspectives on green finance, sectoral transition pathways, and ESG integration—while simultaneously influencing broader policy and market developments.

A key highlight includes our collaboration with JC3, where we hosted a virtual training session for over 700 ASEAN participants. The training focused on greenwashing risks and the adoption of internationally recognised disclosure frameworks underscoring our commitment to regional sustainability leadership.



AmBank Group's participation in PETRONAS' (Social Enterprise Education Laboratory) SEEd.Lab, marking the culmination of a year-long programme to nurture highimpact startups across Malaysia.

	FY2025 Industry Advocacy Programmes				
Programme/ Event	Role/ Contribution	Key Topics Covered			
AICB Sustainability Talk	Panellist	Sharing practical perspectives on structuring transition finance locally and aligning with global expectations.			
Asia Asset Management Conference	Moderator	Facilitating dialogue on the role of financial institutions in navigating ESG risks during economic transitions.			
CGMA Leadership Academy	Speaker	Empowering financial professionals to embed ESG in strategic decisions and future-proof organisational value.			
Ethical Finance ASEAN 2024 (GEFI, AICB)	Speaker	Scaling up sustainable finance, with emphasis on financing the energy transition across ASEAN and emerging markets.			
		Contributing to sector-wide policy dialogues on climate data, materiality, CCUS, and scenario-based risk assessment.			
Joint Committee on Climate Change	Member / Contributor / Participant Host / Facilitator	Engagements on Climate Bill, CCUS, and NETR, supporting policy alignment and sector readiness through transition planning clinics and climate market dialogues.			
		Promoting adoption of international climate disclosure standards and addressing greenwashing risks in finance, with over 700 participants.			
Penang Green Conference	Panellist	Exploring opportunities in green finance and the importance of public-private collaboration in climate action.			
UN-UNEP FI Workshop	Participant	Exploring blended finance mechanisms to mobilise capital for climate adaptation and resilience.			
Women in Management Conference	Speaker	Advocating for transformative leadership in sustainable finance, especially among women in banking.			

Through these engagements, we continue to strengthen our leadership in sustainability advocacy—supporting systemic change beyond our immediate customer base and reinforcing our commitment to a climate-resilient financial ecosystem.

Sustainability at AmBank Group

#### FOCUS AREA 5: REPORTING & DISCLOSURES



AmBank Group recognises the increasing importance of sustainability reporting, particularly in light of the introduction of the National Sustainability Reporting Framework (NSRF). In response, we have taken proactive steps to strengthen our governance and disclosure practices to ensure alignment with evolving regulatory expectations while enhancing transparency, consistency, and investor confidence.

Our disclosures are progressively being aligned with IFRS Sustainability Disclosure Standards S1 and S2, which are anchored on four thematic pillars: Governance, Strategy, Risk Management, and Metrics & Targets. This alignment supports our commitment to provide decision-useful information to stakeholders and reflects our readiness to comply with both global and domestic disclosure requirements.

Key improvements include:



#### **FUTURE OUTLOOK**

To operationalise the NZTP, we are laying the groundwork for a more integrated and forward-looking approach.

This includes embedding transition considerations into core business processes, aligning customer engagement with our sectoral position statements, and continuously up-skilling our RMs to lead a more informed and tailored sustainability conversation with our customers.

To support this transformation, the Group is investing in the systematisation of sustainability data across all functions in the organisation. A dedicated and integrated sustainability data platform is currently being developed to enhance data accessibility, improve reporting efficiency, and enable end-to-end, sustainability-driven decision-making.

As we continue to assess both risks and opportunities across our portfolio, this solution will enable a holistic view of our exposure, support alignment with evolving NSRF and IFRS standards, and strengthen the execution of our strategy—driven by data, guided by policy, and enabled by people.

Conscious Self-Conduct

Responsible Banking

# **Risk Management**

AmBank Group adopts a disciplined, enterprise-wide risk management approach to safeguard resilience and long-term value. In FY2025, Sustainability Risk was formalised as one of the key risks under the Group's Principal Risks, alongside Operational, Credit, Market, Liquidity, and Technology & Cyber Risks.

Sustainability risks are increasingly material, influencing stakeholder trust, regulatory compliance, and long-term portfolio resilience. These risks vary in nature and severity and are closely linked to the Group's ability to maintain operational and reputational strength. AmBank Group recognises the importance of having a robust framework to identify, manage, and mitigate these risks.

🔁 To learn more on the Group's Principal Risks, please refer to the Principal Risks and Mitigation section on page 103 of the Integrated Annual Report 2025.

#### OUR JOURNEY TOWARDS SUSTAINABILITY RISK INTEGRATION

AmBank Group has progressively embedded sustainability considerations into its governance, risk management, and decision-making processes. In line with evolving regulatory expectations, the Group has taken deliberate steps to enhance its internal frameworks, strengthen capabilities, and align with emerging disclosure standards.



AMMB HOLDINGS BERHAD SUSTAINABILITY REPORT 2025



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#### SUSTAINABILITY RISK MANAGEMENT

To reflect the rising materiality of sustainability risks (including climate), these risks have been integrated into the Enterprise Risk Management (ERM) Framework and the Group's Risk Universe. This enables targeted identification and monitoring of key exposures that may affect financial stability.

Sustainability Risk has been formally recognised as one of the Group's Principal Risks within the Group Risk Universe. It is further categorised into the distinct sub-categories, namely environmental risk, social risk, ethics and governance risk, as well as greenwashing risk.



#### PRINCIPLES OF RISK MANAGEMENT PRACTICES & PROCESSES

Our approach to sustainability risk is managed through a systematic cycle encompassing identification, assessment, control, monitoring, and reporting.





## **Risk Management**

#### **Risk Identification**

We evaluate a broad spectrum of factors in our business activities and operations, encompassing environmental issues, social aspects, and governancerelated concerns. By integrating these considerations into our risk assessment processes, we aim to proactively manage potential risks to AmBank Group and our stakeholders, thereby reinforcing our dedication to long-term sustainable practices.



As part of our environmental risk assessment, we explicitly consider climate-related risks. These risks are prioritised for their heightened potential to disrupt sectors and amplify financial exposure. In particular, we identify and assess both:

- Transition risks: arise from the process of adjusting to a sustainable economy, driven by policy and regulatory changes, technological innovation, and a shift in customer expectations.
- · Physical risks: stem from the direct impact of climate change, such as acute physical events and chronic changes.

These risks have distinct pathways through which they impact our operations, portfolios, and financial performance. Understanding these channels allows us to assess their financial impact, plan mitigation measures, and respond proactively to evolving risk landscapes.

These climate-related risks can materialise across a wide range of financial risk types, including:



This targeted approach enhances our ability to manage systemic climate-related exposures and reinforces financial stability under evolving transition scenarios. To support this, we have mapped out the key climate-related risks, detailing how they are transmitted, associated financial risk types, time horizons, and our response strategies.

Transitio	n Risk		
Why is it important	Time Horizon	Implications on Other Risks	Our Responses
<ul> <li>Transmission Channel</li> <li>Affect asset and collateral values or risk of stranded assets, specifically those from industries highly exposed to transition risk as climate policies become stricter</li> <li>Increase provisioning requirements due to the increased rick of stranded assets, which may</li> </ul>	<b>(</b> )		<ul> <li>Integrated climate risk into the Group's enterprise risk management practices</li> <li>Undertook climate assessment to model how various scenarios (e.g. NGFS Early Policy, Late Policy, and Current Policies) would affect the exposures</li> </ul>
<ul> <li>affect the liquidity position</li> <li>Strategic impact such as an increase in firms' cost of capital and access to finance (tighter onboarding selection criteria) due to increased regulatory scrutiny</li> <li>Investors and customers' preferences shift as the assets and business models decrease in value</li> </ul>			<ul> <li>Expanded the accountability of various committees to oversee their efforts in managing climate-related risks</li> <li>Established a quantitative risk appetite statement to manage transactions in climate-sensitive sectors</li> <li>Engaged customers in these sectors in understanding their plans and needs to facilitate their transition towards a low-</li> </ul>
<ul> <li>Incur additional costs associated with implementing and maintaining climate risk governance structures and disclosure frameworks</li> <li>Additional investment in data and analytical tools to track and report financed emissions and the alignment with SDGs and Net Zero targets</li> </ul>		60000	<ul> <li>carbon economy</li> <li>Integrated ESG assessments during the customer onboarding process for non-retail exposures</li> </ul>
<ul><li>Transmission Channel</li><li>As new technologies emerge and older ones</li></ul>	(O)		<ul> <li>Regularly evaluate the financial health of our customers, considering the</li> </ul>
<ul> <li>become obsolete, companies in traditional technologies may face financial difficulties (e.g. increase in replacement/ investment costs) and hence increase the risk of defaults</li> <li>Strategic challenges as banks need to account for costs associated with stranded assets and the heightened risk of default when pricing their products</li> <li>New, more efficient, and cost-effective technologies heighten competition among the</li> </ul>			<ul> <li>potential impact of various climate scenario assessments. This helps to manage vulnerable segments</li> <li>Continually assist our customers in transitioning to decarbonisation pathways</li> </ul>
<ul> <li>existing players</li> <li>Immense opportunities for growth and innovation by accessing new markets (e.g. financing the EV industry and digital banking)</li> </ul>			
	<ul> <li>Why is it important</li> <li>Affect asset and collateral values or risk of stranded assets, specifically those from industries highly exposed to transition risk as climate policies become stricter</li> <li>Increase provisioning requirements due to the increased risk of stranded assets, which may affect the liquidity position</li> <li>Strategic impact such as an increase in firms' cost of capital and access to finance (tighter onboarding selection criteria) due to increased regulatory scrutiny</li> <li>Investors and customers' preferences shift as the assets and business models decrease in value</li> <li>Legal risks may arise from non-compliance</li> <li>Incur additional costs associated with implementing and maintaining climate risk governance structures and disclosure frameworks</li> <li>Additional investment in data and analytical tools to track and report financed emissions and the alignment with SDGs and Net Zero targets</li> <li>Transmission Channel</li> <li>As new technologies emerge and older ones become obsolete, companies in traditional technologies may face financial difficulties (e.g. increase in replacement/ investment costs) and hence increase the risk of defaults</li> <li>Strategic challenges as banks need to account for costs associated with stranded assets and the heightened risk of default when pricing their products</li> <li>New, more efficient, and cost-effective technologies heighten competition among the existing players</li> <li>Immense opportunities for growth and innovation by accessing new markets (e.g. financing the EV</li> </ul>	Why is it importantTime Horizon <b>Transmission Channel</b> ••Affect asset and collateral values or risk of stranded assets, specifically those from industries highly exposed to transition risk as climate policies become stricter••Increase provisioning requirements due to the increased risk of stranded assets, which may affect the liquidity position••Strategic impact such as an increase in firms' cost of capital and access to finance (tighter onboarding selection criteria) due to increased regulatory scrutiny••Investors and customers' preferences shift as the assets and business models decrease in value••Legal risks may arise from non-compliance••Incur additional costs associated with implementing and maintaining climate risk governance structures and disclosure frameworks••Additional investment in data and analytical tools to track and report financed emissions and the alignment with SDGs and Net Zero targets• <b>Transmission Channel</b> ••As new technologies emerge and older ones become obsolete, companies in traditional technologies may face financial difficulties (e.g. increase in replacement/ investment costs) and hence increase the risk of defaults••Strategic challenges as banks need to account for costs associated with stranded assets and the heightened risk of default when pricing their products••New, more efficient, and cost-effective technologies heighten competition among the existing players••New, more efficient, and cost-effective technologies heighten	Why is it importantTime HorizonImplications on Other RisksTransmission Channel.Affect asset and collateral values or risk of stranded assets, specifically those from industries highly exposed to transition risk as climate policies become stricter

Operational Risk 💮 Credit Risk 💮 Market Risk 💮 Liquidity Risk 🌑 Reputational Risk 🌍 Strategic Risk



## **Risk Management**

	Transitio	on Risk		
Types of Transition Risk	Why is it important	Time Horizon	Implications on Other Risks	Our Responses
<ul> <li>Consumer expectations</li> <li>Shifting of customer preference to more sustainability- related products and services</li> <li>Delayed adoption of sustainability practices by customers in climate-sensitive sectors</li> </ul>	<ul> <li>Transmission Channel</li> <li>Customer repayment capability is being affected in the short to medium term due to customers' reprioritisation of operating costs to investing in mitigating and adapting to climate change</li> <li>Reduction in customer revenue as unable to meet sustainability expectations</li> <li>Inability to continue supporting existing customer expectations that are not aligned with our position statements, leading to loss of trust and customer loyalty</li> </ul>			<ul> <li>Continuously assist our customers in transitioning to energy-efficient and sustainable business models</li> <li>Develop sustainable, transition, and green products and services</li> <li>Integrate ESG criteria into decision-making processes (e.g. frameworks, policies/ guidelines)</li> </ul>
	Physica	ıl Risk		
Types of Physical Risk	Why is it important	Time Horizon	Implications on Other Risks	Our Responses
Acute – extreme change in climate events such as floods, heatwaves, and others	<ul> <li>Transmission Channel</li> <li>Our Business</li> <li>Customers in locations prone to acute physical risks could experience disruptions in operations or asset damage, reducing their ability to service repayment of loans/ financing</li> <li>Physical destruction of collateral can erode the value of the assets, leaving the Bank with an inadequate recovery avenue in the event of default</li> <li>Acute physical risks can lead to sudden declines in investment values, specifically those associated with vulnerable climate-risk regions</li> <li>Strain on our liquidity due to bulk deposit withdrawals (bank run)</li> <li>Our Own Operations</li> <li>Employee safety and security as they may face direct threats from extreme events, creating logistical and emotional challenges</li> <li>Disruption of banking operations (e.g. branch closures, data center failures, delays in transaction processing)</li> <li>Vendors or external service providers may also be affected by acute physical risks, leading to delays in essential supplies (e.g. cash deliveries, machine servicing)</li> <li>Additional costs incurred for recovery and rebuilding physical assets</li> </ul>			<ul> <li>Our Business</li> <li>Integrate climate risk elements across the Group's risk management strategies</li> <li>Conduct sustainability risk assessment for all customers that the Group onboards and during annual reviews</li> <li>To conduct acute physical risk assessment as part of the ongoing CRST</li> <li>Our Own Operations</li> <li>Regular physical risk assessment or our business operations (including external service providers)</li> <li>Business Continuity Management Plan available for contingency</li> </ul>

Short Term W Medium Term Dong Term

Operational Risk 🕜 Credit Risk 🦲 Market Risk 🌑 Liquidity Risk 🌑 Reputational Risk 🥼 Strategic Risk

Sustainability at AmBank Group

AmBank Group's Climate Action

Responsible Banking

	Physica	l Risk		
Types of Physical Risk	Why is it important	Time Horizon	Implications on Other Risks	Our Responses
Chronic – gradual changes such as an increase in temperatures, rising sea levels, prolonged droughts, etc.	<ul> <li>Transmission Channel</li> <li>Our Business</li> <li>Real estate or other collateral located in coastal cities may experience a decline in value over time, and impact the avenue for recovery in the event of default</li> <li>A portfolio overly concentrated in sectors or locations sensitive to chronic risk may become increasingly vulnerable and require adjustment in business strategies over the long run</li> <li>Customers in sectors heavily reliant on stable climate conditions (e.g. agriculture, water-dependent manufacturing) may face declining revenues and weaken their ability to service the repayment</li> <li>Challenges in adequately pricing the risk</li> <li>Opportunity in new financing to adapt to chronic risks</li> </ul>			<ul> <li>Our Business</li> <li>Integrate climate risk elements across the Group's risk management strategies</li> <li>Conduct sustainability risk assessment for all customers that the Group onboards and during annual reviews</li> <li>To conduct a physical risk assessment as part of the ongoing CRST</li> <li>Develop sustainable, transition, and green products and services</li> <li>Our Own Operations</li> <li>Regular physical risk assessment or our business operations (including external service providers)</li> <li>Business Continuity Management Plan available for contingency</li> </ul>
	<ul> <li>Our Own Operations</li> <li>Affect employee well-being and productivity</li> <li>Disrupt the efficiency of the Bank's premises and facilities (e.g. prolonged heatwaves increase cooling costs)</li> <li>Increased operational expenses and higher utility costs</li> </ul>			





## **Risk Management**

#### **Risk Assessment**

AmBank Group applies a structured process to assess climate-related risks at an early stage of credit evaluation and portfolio screening. The key components of this process include:

Climate Change and ESG Risk Assessment Scenario Analysis Stress Testing
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These components integrate ESG considerations to support targeted decision-making across financing and investment portfolios.

#### Climate Change and ESG Risk Assessment (CERA)

We employ a combination of transactional and customer-level assessments to evaluate potential ESG risks. The CERA process integrates both the BNM CCPT due diligence questionnaire and our internal ESG risk assessment questions for non-individual customers and financial investments as part of our credit decision-making process. The ESG Risk Rating is assigned to non-SMEs and SME customers with exposures of RM10 million and above.

	Key Features of CERA
Purpose	<ul> <li>Enhances due diligence and understanding of customers' sustainability risk profiles, particularly for exposures to high-risk activities</li> <li>Redirects capital toward responsible and sustainable projects</li> <li>Strengthens portfolio resilience and supports climate-aligned growth</li> </ul>
Review Cycle	<ul> <li>ESG Risk Ratings are reviewed as part of the annual credit review process</li> <li>Enables ongoing tracking of customers' progress in adopting sustainability practices</li> </ul>
Integration with Regulatory Requirements	<ul> <li>Applies BNM's CCPT to assess economic activities</li> <li>Uses five guiding principles to classify activities into one of six CCPT categories</li> <li>Aggregates facility-level CCPT classifications with broader ESG risk factors to generate a comprehensive ESG risk rating</li> </ul>
Escalation Protocol	<ul> <li>Transactions identified with elevated ESG risk are deliberated at the Credit and Commitments Committee (CACC)</li> <li>Ensures independent oversight by both Business and Risk teams before approval</li> </ul>

In FY2025, the CERA Guideline was enhanced to reflect the following:

- · Incorporation of the STG Financing Guideline.
- Inclusion of sectoral guidance references for CCPT assessment aligned with BNM's six focus sectors:

Agriculture	Construction	-4-	Energy
Manufacturing	Transportation		Waste Management

These improvements aim to assist RMs and Credit Approvers in assessing customers' business and activities from a sustainability lens, while ensuring compliance with regulatory expectations on assessing the impact of climate change. The enhanced guidance also supports more confident and targeted engagements with customers on sustainability and climate risk mitigation, making conversations more relevant and actionable at the customer level.

🔁 To learn more on the STG Financing Guideline, please refer to the Responsible Financing and Building Climate Resilience section on page 76.

## Sustainability at AmBank Group

AmBank Group Climate Actio

#### AmFunds and AmIslamic Funds' approach to ESG assessment

ESG assessment is an integral part of our investment process, from security screening, assessment, portfolio construction, to continuous surveillance and engagement. ESG factors are incorporated into our investment decision-making process to support long-term value creation. Our approach involves identifying and assessing ESG risks and opportunities at the company and sector levels. This includes applying ESG screening using our Negative List, performing ESG assessment on investee companies using our ESG Scoring Methodology, incorporating ESG considerations in portfolio construction, and monitoring of firmwide ESG scores.

We adopt an active investment style where portfolios are structured through a combination of top-down and bottom-up approaches, taking into consideration the potential impact of ESG risks and opportunities of investee companies.

Key issues assessed under each of the E, S, and G pillars include:



The ESG scores serve as an important indicator in identifying companies that are comparatively more sustainable, while facilitating portfolio rebalancing of Sustainable and Responsible Investments (SRI)-qualified funds to meet the SC's two-thirds minimum asset allocation requirement.

#### Scenario Analysis

As part of our climate risk assessment, we use three distinct NGFS transition scenarios to evaluate how different climate pathways may impact portfolio performance over a 30-year time horizon. These scenarios encompass:

NGFS Scenarios				
Reference Scenarios	Key Characteristics	Warming Outcome		
Orderly Transition	Strong climate policies and green technology breakthroughs were introduced early. Lower transition and physical risks.	~1.5°C		
Disorderly Transition	Climate action delayed until 2030, followed by the abrupt implementation of strict policies. Elevated transition and physical risks.	~1.8°C		
Hot House World	No new policies beyond 2021. High physical risks due to uncontrolled warming.	~3°C		



### **Risk Management**

The following modelling approach has been developed to guide our understanding of the climate change impact:



The insights from our scenario analysis help inform risk decisions and prioritise exposures across sectors, business segments, and product levels:

- · Hot House World scenario reflects the worst-case credit impact, followed by Disorderly Transition, with Orderly Transition posing the least impact.
- The Climate PD is expected to rise over time as the world moves towards more stringent climate policies and faces the increasing physical impact of climate change.
- ECL rate across the three scenarios and stages has seen an increase, specifically for carbon-intensive sectors that face higher transition risk due to increasing regulatory requirements, decarbonisation mandates, and market-driven shifts towards low-carbon alternatives.
- Non-retail exposures are more directly impacted by climate-related risks, particularly transition risks, as opposed to retail exposures. As a result, the non-retail portfolios are more responsive to changes in expected credit impact, reinforcing the importance of prioritising them in our risk appetite framework.

To ensure that material climate risk is considered in capital planning, the climate-related expected credit loss has been incorporated into our ICAAP.

#### Bridging Scenario Gaps with CRST

Our climate scenario analysis framework is continuously refined to reflect evolving science, regulation, and best practices. To strengthen our climate risk assessment, we are working on integrating BNM's CRST into our analysis. We will submit results based on both short-term acute physical risks and long-term scenarios (including Net Zero 2050, Divergent Net Zero 2050, and Nationally Determined Contributions) by June 2025.



#### **Risk Controls**

The Group continues to strengthen its risk architecture by embedding sustainability and climate controls into Group-wide frameworks and policies, which are designed to align with the evolving landscape and regulatory expectations, while improving decision-making and portfolio resilience. To effectively manage climate-related risks, AmBank Group embeds targeted control measures across its portfolios, operations, and customer engagements.

#### **Prohibition List**

We apply an exclusion-based approach to screen out activities that pose unmitigable environmental or social harm. The Prohibition List sets clear boundaries on activities that will not be financed, particularly where regulatory violations or irreversible ecosystem and community impacts are evident. This includes sector-specific exclusions related to biodiversity, human rights, and cultural heritage.

Sustainability at AmBank Group

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

#### **Climate Risk Appetite**

Incorporating climate risk within our Risk Appetite Statement (RAS) ensures that AmBank Group's strategies and resource allocation align with our overall risk tolerance. As a first step, we introduced a qualitative climate RAS in FY2024, which sets the foundation for guiding business decisions and credit exposures to high-risk environmental sectors, particularly those with significant GHG emissions.

In FY2025, we strengthened this further by developing a quantitative climate RAS to manage the exposure to select hard-to-abate sectors. This includes embedding climate metrics into our risk management processes to support more informed and climate-aligned decision-making.

#### Net Zero Transition Plan (NZTP)

In FY2025, the Group developed its inaugural NZTP as part of its effort to achieve Net Zero by 2050, having computed the total financed emissions baseline covering commercial, retail, Islamic, and investment banking businesses.

For a more targeted portfolio management approach, seven hard-to-abate sectors were prioritised, providing a sharper focus on decarbonising the areas of greatest exposure. We have identified parts of the value chain that generate the highest portion of emissions in these sectors and have focused on these to set 2030 near-term targets. These sectors, which are aligned with the climate RAS:

- Represent 39% of the non-retail portfolio, excluding financial services, trading, and other services
- Contribute 45% of financed emissions

We have established select sector-specific 2030 near-term targets and position statements, with a full phase out of thermal coal mining exposure by 2030 to guide the decarbonisation journey and customer engagement process. Each statement sets out:



To support a just and orderly transition, we apply a differentiated, sector-specific approach—mobilising capital towards credible decarbonisation efforts and transitional activities tailored to each sector's context.

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## **Risk Management**

Vertical	Sector	Negative Threshold Criteria/ Prohibitions	Positive Threshold Criteria	Non-Mandatory but Expectations Over Time and Best Practices that are Encouraged	
Agriculture	Palm Oil	We will not finance any activities that contravene the NDPE commitments.	We will adopt the NDPE stance. We will selectively onboard new customers who have clear transition plans and established net zero targets.	New and existing customers are encouraged to obtain additional sustainable palm oil certification.	
Thermal Coal Mining Mining		We will phase out existing exposure to customers in the thermal coal mining sector by 2030, unless we are required to support energy security needs as declared by the Malaysian government.	Not applicable as the Group is to phase out exposure to Thermal Coa Mining by 2030		
- 4 - Energy	Power Generation	We will cease financing new greenfield CFPPs in line with national agenda and commitments. Existing customers with business activities in CFPPs are to showcase a clear transition plan and manage the phase-out. i.e., retire and/ or repurpose with cleaner alternative sources of energy.	We will provide financing to help new and existing customers in fossil-fuel- based energy sources transition towards low-carbon and renewable energy sources.	We will prioritise allocation of capital to finance renewable energy projects in line with Malaysia's NETR commitments. We will encourage our customers to develop and implement comprehensive transition plans and set net zero targets with clear, time-bound milestones.	
	Gil & Gas	Not applicable as the Group will continue supporting customers in these sectors.	We will continue to support customers as they diversify their business models to address cleaner energy demands. We will regularly engage with customers to better understand their near-term targets and track the progress of their transition to cleaner energy business models.	We will encourage customers to establish and follow best sustainable practices relevant to the sector.	
	Cement Manufacturing		We will regularly engage with customers to better understand their near-term targets and track the progress of their transition to lower-carbon business models.	We will encourage customers to develop and implement comprehensive transition plans and set net zero targets with clear, time-bound milestones.	
Built Environment	Iron & Steel Manufacturing	Not applicable as the Group will continue supporting customers in these sectors.	We will continue to support customers as they embrace sustainable technologies and commit to credible decarbonisation strategies.		
	Commercial Real Estate		We will work closely with customers to provide financing for green and/ or more energy-efficient buildings and finance retrofitting projects.	We will encourage customers to meet minimum sustainability ratings of applicable national standards or guidelines for the construction of property or infrastructure.	

To learn more information on our NZTP and how we engage our customers in hard-to-abate sectors, please refer to pages 33 to 35 and our financed emissions on pages 58 to 59.

Sustainability at AmBank Group

#### **Business Continuity Management**

As part of the broader risk mitigation efforts on business operations, AmBank Group conducts targeted physical risk assessments under its Business Continuity Management (BCM) Framework. This focuses on the resilience of the following to acute physical climate hazards such as floods, heatwaves, and water stress:



Internal operations such as corporate offices, data centres, branches, and self-service terminals



Key outsourced vendors supporting essential banking operations

We remain vigilant for red flags and indicators of heightened vulnerability or exposure to physical risks. Areas flagged for further scrutiny undergo a comprehensive risk assessment, enabling deeper analysis of site-specific vulnerabilities, the development of targeted mitigation strategies, and consideration of alternate sites or relocation options.

#### **Monitoring & Reporting**

AmBank Group maintains ongoing oversight of climate-related risks through monitoring and disclosure practices. Key focus areas include:

Ĩ ŢŢŢ ŵIJĿ	Credit and Market Exposure Monitoring	⇒	Quarterly assessments of ECL impact and transition risk exposure across top depositors and issuers.
¢	Physical Risk Surveillance	A	Regular evaluation of climate hazards affecting business operations and third-party ecosystems.
	Climate-related Disclosure and Alignment	R.	<ul> <li>Financed and enterprise emissions</li> <li>TCFD requirements</li> <li>IFRS S2 sustainability reporting</li> </ul>

These practices enhance data transparency and ensure readiness for evolving regulatory expectations.

#### ADVANCING SUSTAINABILITY EFFORTS THROUGH CAPACITY BUILDING & RISK CULTURE

To cultivate a strong sustainability risk culture, AmBank Group has rolled out a series of risk-focused training programmes across employee roles and functions. The programmes focus on climate and sustainable finance, sectoral decarbonisation, ESG risk assessments, and CCPT.

These efforts embed climate and ESG risk expertise across the Group, equipping key personnel, our RMs, and credit approvers with tools to identify, assess, and respond to the evolving risk landscape.

ho To learn more information on sustainability and climate-related trainings, please refer to the Developing Our People section on pages 127 to 139.

As the sustainability risk landscape continues to mature, we remain committed to strengthening our methodologies, knowledge, capabilities, and systems to support a climate-resilient and forward-looking financial system.

# **Metrics & Targets**

Understanding and managing climate-related risks requires clear, science-based metrics and measurable targets towards reducing our emissions. At AmBank Group, we focus on two primary emissions categories:

- · Financed emissions those arising from our lending and investment activities
- Enterprise emissions those generated from our own operations

By aligning our metrics with global and national decarbonisation frameworks, we enhance transparency and accountability in our climate action. These metrics are essential in setting decarbonisation pathways, tracking our progress, and complying with regulatory expectations.

This year, we established our financed emissions baseline for both retail and non-retail portfolios and developed our NZTP, which outlines sectoral decarbonisation pathways for select hard-to-abate sectors, along with corresponding near-term 2030 targets. As part of the NZTP, we also set enterprise emissions targets under our Carbon Neutral 2030 goal (Scope 1 and Scope 2).

Our disclosures aim to provide clarity to our stakeholders on how we drive tangible outcomes through the embedment of sustainability into the core of our business operations and financing activities.

#### **FINANCED EMISSIONS**

Financed emissions—those arising from our lending and investment activities—represent the majority of AmBank Group's total GHG emissions. As these emissions reflect the real economic sectors we finance, they are a key lever through which we can influence climate outcomes and accelerate our customers' transition to energy-efficient and low-carbon business models.

As part of our commitment to Net Zero by 2050 and reflected through our NZTP, we have computed our total financed emissions baseline, covering our commercial, retail, Islamic, and investment banking businesses for our three main subsidiaries (i.e., AmBank, AmBank Islamic, and AmInvestment Bank) based on the Partnership for Carbon Accounting Financial (PCAF) methodology.

Our Financed I	Emissions
Financed Emissions Baseline FY2024 (tCO <sub>2</sub> e)	9,973,343
Total Financing (RM' billion)	123.23
Total Investments (RM' billion)	23.29
Total Financing & Investments (RM' billion)	146.52
Financed Emissions Intensity (tCO2e/RM' million)	68.1
PCAF Score	3.86

🔁 To learn more about our financed emissions methodology and PCAF Data Quality Scoring, please refer to pages 62 to 63 of this chapter.

Financed emissions were calculated for 74.5% of AmBank Group's total assets of RM196.76 billion as at 31st March 2024. The remaining 25.5% was not included for the following reasons:

- Retail portfolio apart from mortgages and motor vehicle loans/ financing are not included under the PCAF methodology.
- · Exclusion of short tenor and money market instruments.
- Exclusion of non-financial assets, off-balance sheet financing, lines of credit, and individual borrowers.

д To learn more about our NZTP, please refer to the Responsible Financing and Building Climate Resilience section on page 70.

#### **Financed Emissions by Asset Class**

Assessing emissions by asset class helps us understand which financial instruments carry the highest climate impact. This view enables more informed portfolio management and provides a sharper focus on decarbonising the areas of greatest exposure. Data from this assessment also supports enhanced target-setting and engagement strategies with customers.

Asset Class*	Outstanding Financing and Investments (RM million)	Outstanding (%)	Financed Emission (million tCO₂e)	Emissions (%)	Financed Emission Intensity (tCO2e/RM million)	PCAF Score
Listed Equity & Corporate Bonds	23,288	15.9	0.42	4.2	18.1	3.09
Business Loans & Unlisted Equity	56,491	38.5	8.18	82.1	144.9	3.45
Project Finance	2,625	1.8	0.17	1.7	65.9	3.77
Commercial Real Estate	6,605	4.5	0.22	2.2	33.7	4.13
Mortgages	43,939	30.0	0.44	4.4	9.9	5.00
Motor Vehicle Loans	13,569	9.3	0.54	5.4	39.9	3.38
Total	146,517	100	9.97	100	68.1	3.86

\* At the point of assessment, exposure to sovereign bonds (per the PCAF standard requirements) was deemed negligible and therefore not included.

#### **Sector Decarbonisation**

We selected hard-to-abate sectors based on guidance from Net Zero Banking Alliance's (NZBA's) carbon-intensive classifications and further refined with reference to globally recognised emissions-intensive sectors, to develop our inaugural NZTP. To maximise the impact of our decarbonisation efforts, seven hard-to-abate sectors were prioritised based on their significance within our non-retail portfolio, as determined through the financed emissions calculation exercise.

These sectors represent RM51.93 billion in outstanding financing and investments, accounting for 39% of the Group's total non-retail portfolio. This excludes financial services, trading, and other services (including hotels, gambling, casinos, etc.). The same hard-to-abate sectors contribute to 45% of our total financed emissions, underscoring the importance of targeted action in these areas.

Our hard-to-abate sectors fall under three core focus areas—Agriculture, Energy, and the Built Environment—with science-based decarbonisation pathways that inform customer engagement, risk assessment, and sustainable finance across the value chain.



## Metrics & Targets

	Sector	Outstanding Balance (%)	Financed Emissions (%)	Financed Emission Intensity (tCO2e/RM million)
Agriculture	Palm Oil	19.0	36.7	292.9
	Thermal Coal Mining	0.3	2.1	1,346.2
Energy	Power Generation	16.9	13.5	120.4
Lifergy	Oil & Gas	25.8	10.9	63.4
E	Cement Manufacturing	0.3	5.1	3,200.0
Built	Iron & Steel Manufacturing	17.1	28.8	256.3
Environment	Commercial Real Estate*	20.6	2.9	21.7
Total		100.0	100.0	151.6
AmBank Group and other servi	's non-retail excluding financial services, trading, ces**	39.0	45.0	130.2

\* For Commercial Real Estate, we have also included the relevant outstanding balance and financed emissions applicable for the retail portfolio in the development of the sectoral decarbonisation pathways.

\*\* Other services include e.g. hotels, gambling, casinos, etc.

#### **Decarbonisation Targets**

We have set 2030 near-term targets for sectors identified above based on a structured four-step methodology:



🕗 To learn more about our Sectoral Pathways Methodology, please refer to page 70.

Sustainability at AmBank Group

AmBank Group<sup>!</sup> Climate Ac<u>tion</u>

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#### Net Zero Sectoral Pathways and Targets

In addition to near-term targets, for each hard-to-abate sector, we have established science-based sectoral decarbonisation pathways to 2050 to guide risk assessment, customer engagement, and capital allocation.

As 2030 approaches, we will revisit these targets as reference pathways are realigned and restated, technological innovation progresses with continuous improvements and learning in line with industry developments, science, technologies and best practices, and as more accurate information/ data is obtained.



🕗 To learn more about our Sectoral Targets, please refer to page 72.

Positive Societal Impact

Reference Pathway

- AmBank Group's Pathway



## Metrics & Targets

Financed Emissions Methodology		
omputation Methodology		
The general methodology to compute financed em	issions is reflected below:	
Financed emissions =	$\sum_{i}$ Attribution factor,	Emissions <sub>i</sub> x (with i - borrower or investee)
	Outstanding amount	

- Attribution Factor (AF) is calculated by determining the share of the outstanding amount of loans and investments over the total equity and debt of the company/ project.
- Emissions is obtained from each borrower or investee reported GHG emissions or estimated from physical activity data and/or economic activity data of each borrower/investee such as turnover and total asset.

#### Financed Emissions by Asset Class

Asset Class	Identification Approach based on AmBank Group's Data
Listed Equity & Corporate Bonds (CB)	Non-retail Portfolio All long-term on-balance sheet financial assets, including Fair Value through Other Comprehensive Income (FVOCI) or measured at amortised cost (tagged for 'Long-term Holding' and 'Hold to Maturity'), upon exclusion of money market instruments and short-term investments.
Business Loans (BL) & Unlisted Equity	Non-retail Portfolio All other financing granted to a business entity from Wholesale Banking (WB), Business Banking (BB), Retail Banking (RB) (i.e. retail small & medium enterprises) (RSME), and Investment Banking (i.e. Share Margin Financing only) (IB) not elsewhere classified in other asset class.
Project Finance (PF)	Non-retail Portfolio Financing from WB, BB, and IB that are assessed under the Project Finance risk model defined by the Group.
Commercial Real Estate (CRE)	Non-retail Portfolio Financing with collaterals from WB, BB, and IB are assessed under the CRE risk models defined by the Group.
	<b>Retail Portfolio</b> Financing that have been fully disbursed for the purchase of properties and working capital for (1) Commercial property financing or, (2) home financing secured by commercial and industrial properties as collaterals.
Mortgages	<b>Retail Portfolio</b> Financing secured against residential property, i.e. all other home financing not classified as CRE.
Motor Vehicle Loans (MV)	Non-retail Portfolio BB's Industrial Hire Purchase (IHP) financing with collaterals that are for motor vehicles. Retail Portfolio All motor vehicle financing with collaterals.

Sustainability at AmBank Group

#### **Data Quality**

PCAF recognises that high-quality data can be difficult to come by when calculating financed emissions, particularly for certain asset classes. To provide clarity on the quality of data obtained, PCAF introduced a data quality scoring system ranging from certain (highest quality) to uncertain (lowest quality). The system helps financial institutions assess current data limitations and guides efforts to improve data quality over time.

Overall, our data quality score varies across all asset classes, with some GHG emissions data obtained directly from listed customers or subsidiaries of listed companies' reports. Where self-reported data were unavailable, proxies were used to estimate GHG emissions based on the PCAF Financed Emissions Standard.\*

\* Based on Accounting & Reporting Standard - Part A - Financed Emissions (2<sup>nd</sup> Edition - December 2022).



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#### **Data Challenges and Limitations**

We recognise that there are challenges in data quality, and data limitations:

- 1. For **non-listed companies** which do not report their GHG emissions, their financed emissions are estimated with emission factors **based on economic activity data**, which may result in higher than actual emissions.
- In instances where there are neither suitable nor appropriate emission factors, financed emissions are calculated using emission factors based on economic activity data **derived from representative proxy companies** or using **production data** sourced from data disclosed by the local industry leaders with prominent presence.
- 3. Where there is a data lag and different financial year end dates of customers' compared to AmBank Group, the latest available input data would be applicable.

#### **ENTERPRISE EMISSIONS**

At AmBank Group, we are systematically reducing our enterprise emissions across operations and value chains as part of our net-zero commitment. This includes cutting direct emissions (Scope 1) while actively lowering Scope 2 emissions from internal operations through active and passive levers. We are also expanding our Scope 3 tracking to address indirect impacts across the value chain. This comprehensive approach, combining operational improvements with strategic decarbonisation levers, drives progress toward our carbon neutrality target by 2030.

Along with setting our targets, we have also revised our baseline for enterprise emissions from FY2019 to FY2024.

#### Scope 1

Scope 1 emissions represent the Group's direct GHG emissions from sources we own or control, including company vehicles and on-site fuel combustion. We recorded a 3.3% increase in Scope 1 emissions in FY2025, rising from 60 tCO<sub>2</sub>e in FY2024 to 62 tCO<sub>2</sub>e. This increase was primarily due to the inclusion of additional vehicles and a refined emission factor for diesel cars, following the exclusion of AmREIT Managers Sdn Bhd from the Group's reporting boundary. The recalibration provides a more accurate reflection of the Group's organisational boundary in computing enterprise emissions.



Data has been subjected to an external independent limited assurance. Refer to the Independent Limited Assurance Report on pages 222 to 230 of this report.
 \* All mentions of FY2024 are in reference to the Group's baseline. The computation reflects the exclusion of AmReit Managers Sdn Bhd, the refinement of emission factor for diesel car, and inclusion of additional vehicles.

Responsible Banking



## Metrics & Targets

#### Scope 2

Scope 2 emissions—primarily from electricity usage—make up the largest portion of AmBank Group's enterprise carbon footprint. In FY2025, we achieved a 1.2% reduction in Scope 2 GHG emissions (i.e. location-based emissions<sup>1</sup>), bringing them down from 16,576 tCO<sub>2</sub>e in FY2024 to 16,375 tCO<sub>2</sub>e in FY2025. This decrease highlights the ongoing impact of our energy efficiency initiatives and the gradual adoption of renewable energy across our operations.

pe 2 Actual vs. Baseline Emissions (tCO2e)	
FY2025	16,375 <sup>°</sup>
FY2024 (Baseline)	16,576
FY2023	16,806

Data has been subjected to an external independent limited assurance. Refer to the Independent Limited Assurance Report on pages 222 to 230.
 FY2024 scope 2 calculations have been restated to reflect updated emissions factor (i.e. Grid Emissions Factors for 2022 published by Energy Commission in November 2024), omission of electricity not purchased by the Group, and removal of emissions from electricity generated by solar panels.

#### Scope 2 Emissions Reduction

We continue to advance our reduction efforts across Scope 2 emissions through a combination of green energy sourcing and offsetting strategies. In 2025, these efforts led to measurable reductions, through the subscription of Green Energy Tariff (GET) from TNB and utilisation of Renewable Energy Certificates (RECs) issued by SESCO. Under this approach, net Scope 2 GHG emissions (i.e. market-based emissions<sup>2</sup>) refers to remaining emissions after applying verified offset such as RECs. This excludes reductions from internal efficiency initiatives, which are reflected in gross emissions trends.



Data has been subjected to an external independent limited assurance. Refer to the Independent Limited Assurance Report on pages 222 to 230.

<sup>1</sup> Location-based emissions reflect the GHG emissions associated with the average electricity grid where energy consumption takes place.

<sup>2</sup> Market-based emissions reflect the emissions associated with the electricity we have procured, including any green energy purchases (e.g. TNB's Green Energy tariff) and applied contractual instruments such as Renewable Energy Certificates (RECs).

#### Carbon Neutral Target by 2030

AmBank Group has committed to achieving carbon neutrality across Scope 1 and Scope 2 emissions by 2030. These emissions make up the core of our operational footprint, and tackling them early enables us to build the systems, discipline, and momentum needed for deeper value chain decarbonisation.

This target is anchored on a structured roadmap that leverages both active and passive levers to reduce emissions. Active levers involve direct interventions such as implementing energy efficiency measures and deploying on-site renewable energy initiatives. Passive levers, on the other hand, include broader systemic solutions such as national grid decarbonisation, uptake of the GET, and the procurement of RECs and carbon credits. Together, these efforts reflect the Group's ongoing progress in solar generation and emissions reduction, forming a comprehensive strategy to transition toward net-zero operations while enhancing operational resilience and enabling long-term sustainable growth.

In addressing our active lever, a Green Building Audit was conducted on our operating space within our four main buildings – BAG, MAB, DF3 and WAF. Following this, three new initiatives were shortlisted for implementation based on feasibility, energy savings and returns on investment.



AmREIT Managers have also successfully obtained GreenRE certifications (Bronze) for MAB and BAG in March 2025.



AMBANK GROUP'S CLIMATE ACTION

## Metrics & Targets





#### Scope 3

In FY2025, AmBank Group's total Scope 3 GHG emissions rose to 12,429 tCO<sub>2</sub>e, up from 1,231 tCO<sub>2</sub>e in FY2024. The 909.7% year-on-year increase is largely due to the expanded emissions boundary, which now includes employee commuting—an emissions source introduced at the start of this financial year. This update underscores our commitment to strengthening emissions data coverage and aligning with evolving best practice standards.



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Scope 3 Actual vs. Baseline Emissions (tCO<sub>2</sub>e)

To learn more about our Scope 3 GHG emissions and reduction initiatives, please refer to the Responsible Consumption section on page 153.

#### Enterprise Emissions Methodology

The Group's GHG emissions are computed and reported in line with the Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (2004). Current coverage includes Scope 1 and Scope 2, and selected Scope 3 emissions, measured using available internal data and appropriate emission factors.

Enterprise environmental data is collected from multiple sources across our operating locations and branches, including metered data, utility bills, and landlord statements. In our pursuit of data integrity and reliability, we undertake continuous internal reviews and, where relevant, external verification for selected indicators.

Scope 1	Scope 2	Scope 3
Direct emissions from the Group's owned/ controlled sources	Indirect emissions from electricity consumption	Indirect emissions from the value chain
	Operational Boundary	
Fuel consumption of company-owned vehicles*	Electricity Consumption	<ul> <li>Category 5: Waste Generated:</li> <li>Waste Diverted from Disposal</li> <li>Waste Directed to Disposal**</li> <li>Category 6: Business-related Travel</li> <li>Air Travel</li> <li>Employee Mileage Claims</li> <li>Category 7: Employee Commuting</li> <li>Outsourced Shuttle Service</li> <li>Employee's Own Commuting**</li> </ul>
	Organisational Boundary	
Operational control of the three enti	ies – AmBank (M) Berhad, AmInvestment Bank Ber	had, and AmBank Islamic Berhad.
	Methodology	
fuel, energy, electricity consumption, as well as w commuting survey, and vendor and manageme agencies, we convert this energy consumption	ocol Corporate Accounting and Reporting Standard aste from data files from TNB and SESCO, electricity nt records. Using standard emission factors from r into GHG emissions. For Scope 3 Category 7, our nting & Reporting Standard (2011) and GHG Protoco	bills, fuel invoices, internal e-claims, employee reputable organisations and relevant nationa assessment is in accordance with the GHG
	Emission Factors	

\*\* New emissions tracked in FY2025. For employee own commuting, the boundary includes AmFunds and AmIslamic Funds, and AmREIT Managers.





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Insights & Achievements

## M1 RESPONSIBLE FINANCING & BUILDING CLIMATE RESILIENCE

Climate change is a defining challenge that presents both systemic risks and transformative opportunities for the financial sector. At AmBank Group, we recognise our responsibility to mobilise capital in ways that support the decarbonisation, aligned with global imperatives under the Paris Agreement and national priorities such as the NETR and NIMP 2030.

While climate remains a central priority, our approach to responsible financing also integrates broader ESG considerations to ensure long-term value creation. In this context, we embed climate-related risks into our decision-making frameworks and offer sustainable, transition, and green finance solutions to support our customers' transition to energyefficient and low-carbon business models. These efforts reflect our ongoing commitment to strengthen economic resilience, manage sustainability risks, and contribute to a more inclusive and sustainable future for Malaysia.

#### 🖳 Risks

- Policy and Regulatory Changes: Stricter climate regulations may impact the viability of hard-to-abate sectors.
- **Reputational Damage:** Inconsistent ESG screening or failure to meet Net Zero targets could compromise credibility.
- **Physical Impacts:** Extreme weather events increasingly threaten the operations of both AmBank Group and our customers.

#### Corportunities

- **Transition Financing:** Rising demand for capital to support renewable energy, green buildings, and climate-aligned projects.
- Competitive Advantage: Providing sustainable, transition and green financing support to customers in hard-to-abate sectors captures new business opportunities.
- **Product Innovation:** Opportunity to scale sustainable products and services with measurable impact.



AmBank Group has been honoured with Euromoney Finance Award 2025 for Malaysia's Best Islamic Project Finance Deal, in recognition of the successful structuring and issuance of Berapit Mobility Sustainability Sukuk Wakalah.



## Responsible Financing & Building Climate Resilience

#### **OUR APPROACH**

AmBank Group takes a holistic view of responsible financing, embedding sustainability across our lending/ financing practices, while responding to the urgent need for climate action. Our approach balances broad-based ESG integration with targeted efforts to align financing with national and global climate goals.

#### Net Zero Transition Plan (NZTP)

As a Malaysian financial institution committed to national development, AmBank Group is aligning its financing with the country's low-carbon aspirations and global climate goals. Our NZTP reflects this commitment—anchored on the Paris Agreement and Malaysia's NETR and NIMP—by guiding how we finance hardto-abate sectors responsibly. The Group's approach is anchored by three fundamental principles: being a *responsible* financial institution; adopting a *pragmatic* approach tailored to the Malaysian economic and operating landscape; and maintaining *credibility* through adherence to relevant sciencebased pathways. The NZTP outlines how we will assist our customers in their own decarbonisation journeys, mobilising capital for transitional activities and reinforcing AmBank Group's role in shaping a sustainable future.



For a copy of our Net Zero Transition Plan, please scan the QR code or visit https:// www.ambankgroup.com/ sustainability





#### 01 🔀 Setting 2030 Near-term Targets

As the first step in our NZTP, we have adopted a structured, science-based approach to measure our financed emissions as well as set our 2030 nearterm targets for key hard-to-abate sectors. These 2030 near-term targets serve as interim milestones that guide portfolio decarbonisation and inform our financing decisions.

#### **Guiding Principles for Target Setting**

- · Principle 1: Sectoral targets are established based on credible science-based reference scenarios
- Principle 2: 2030 near-term targets to guide the Group's commitment towards Net Zero by 2050
- Principle 3: Sectoral decarbonisation trajectory is established with relevance to AmBank Group's portfolio and Malaysia's economic focus areas
- Principle 4: Supporting our customers to transition

AmBank Group has identified seven hard-to-abate sectors for the development of its sectoral decarbonisation pathways in its inaugural NZTP:



We have identified parts of the value chain which generate the highest portion of emissions in these sectors and have focused on these to set 2030 nearterm targets. These sectors represent 39% of the Group's non-retail portfolio (excluding financial services, trading and other services (hotels, gambling, casino, etc.). The same hard-to-abate sectors contribute to 45% of our total financed emissions, underscoring the importance of targeted action in these areas.
Seven hard-to-abate sectors <sup>1</sup>	Outstanding Balance (%)	Percentage of Financed Emissions (%)
Palm Oil	19.0	36.7
Thermal Coal Mining	0.3	2.1
Power Generation	16.9	13.5
Oil & Gas	25.8	10.9
Cement Manufacturing	0.3	5.1
Iron & Steel Manufacturing	17.1	28.8
Commercial Real Estate <sup>2</sup>	20.6	2.9
TOTAL	100	100
AmBank Group's non-retail excluding financial services, trading, and other services <sup>3</sup>	39	45

1. Information represents data as at 31 March 2024 for all customers and counterparties in each sector.

2. For Commercial Real Estate, we have also included the relevant outstanding balance and financed emissions applicable for the retail portfolio in the development of the sectoral decarbonisation pathways.

3. Other Services include e.g. hotels, gambling, casino, etc.

These sectors were selected because there are clear and globally recognised directions for decarbonisation. The selection of these hard-to-abate sectors will provide opportunities for the Group to support Malaysia's economy and businesses to decarbonise through AmBank Group's offering of sustainable, transition, and green finance.

We adopted a four-step methodology to set our 2030 near-term targets:



Insights & Achievements

Positive Societal Impact



### Responsible Financing & Building Climate Resilience

### **Our Sectoral Pathways and Targets**

We have identified seven hard-to-abate sectors for our inaugural NZTP. These sectors fall under three economic focus areas—Agriculture, Energy, and the Built Environment. For each hard-to-abate sector, we have established science-based decarbonisation pathways with 2030 near-term and 2050 Net Zero targets to guide risk assessment, customer engagement, and capital allocation.

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Economic Focus Area	Agriculture					Built Environment	
Sector	Palm Oil	Thermal Coal Mining	Power Generation	Oil & Gas	Cement Manufacturing	Iron & Steel Manufacturing	Commercial Real Estate
Value Chain Scope	Oil palm plantations, Crude Palm Oil (CPO) milling and integrated palm oil companies	Thermal coal mining	Power generation operators	Integrated National Oil & Gas company, Crude oil refineries, Exploration & Production (E&P) companies	Cement manufacturers	Crude steel manufacturers	Operational phase of commercial buildings
FY 2024 Baseline	1.69 tCO <sub>2</sub> e/ tonne of CPO		468 kgCO <sub>2</sub> e/ MWh of power produced	108 tCO <sub>2</sub> e/ RM million financed	0.89 tCO <sub>2</sub> e/ tonne of cement	1.26 tCO <sub>2</sub> e/ tonne of steel	182 kgCO <sub>2</sub> e/ m <sup>2</sup> of building floor area
2030 Near- term Target	1.49 tCO <sub>2</sub> e/ tonne of CPO		379 kgCO <sub>2</sub> e/ MWh of power produced	73 tCO <sub>2</sub> e/ RM million financed	0.57 tCO <sub>2</sub> e/ tonne of cement	1.05 tCO <sub>2</sub> e/ tonne of steel	148 kgCO <sub>2</sub> e/ m <sup>2</sup> of building floor area
Reference Scenario	Science-based Targets Initiative (SBTi) Forest, Land and Agriculture (FLAG) Commodity Pathway for Palm Oil (Regional – Southeast Asia (SEA)) Augmented for National Energy Transition Roadmap (NETR) and National Biomass Action Plan (NBAP)	Not relevant. We commit to phase out existing exposure by 2030	Augmented Malaysia Pathway Adjusted for NETR	International Energy Agency (IEA) Announced Pledges Scenario (APS) (Global) 2030	SBTi IEA Net Zero Emissions (NZE) Pathway for Cement (Global)	Mission Possible Partnership (MPP)- Technology Moratorium (TM) Scenario (Regional – SEA)	Adjusted Carbor Risk Real Estate Monitor (CRREM for Malaysia Grid Emission Factor (GEF) and NETR
2050 Target	0	0	0	27.00	0.03	0.12	0.60

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Appendices

- Reference Pathway

### Responsible Financing & Building Climate Resilience



### 02) 🔅 Establishing Our Position Statements

To support the effective implementation of our NZTP, AmBank Group has established position statements for customers operating in the select hard-toabate sectors. These statements articulate the minimum expectations we have for these customers.

Each statement sets out:

- Negative threshold criteria describes the activities or standards that must not be contravened, for which AmBank Group would not extend financing.
- **Positive threshold criteria** describes the actions that the Group may take to guide and facilitate customers' transition to energy-efficient and low-carbon business models.
- Non-mandatory but expectations over time and best practices that are encouraged industry best practices by customers that are still an expectation and is strongly encouraged to be fulfilled over time.

Economic Focus Area	Sector	Negative Threshold Criteria/ Prohibitions	Positive Threshold Criteria	Non-Mandatory but Expectations Over Time and Best Practices that are Encouraged
Agriculture	Palm Oil	We will not finance any activities that contravene the NDPE commitments.	We will adopt the NDPE stance. We will selectively on-board new customers who have clear transition plans and established net zero targets.	New and existing customers are encouraged to obtain additional sustainable palm oil certification.
	Thermal Coal Mining	We will phase out existing exposure to customers in the thermal coal mining sector by 2030, unless we are required to support energy security needs as declared by the Malaysian government.	Not applicable as the Group is to pha Mining by	
- 4- Energy	Power Generation	We will cease financing new greenfield CFPPs in line with national agenda and commitments. Existing customers with business activities in CFPPs are to showcase a clear transition plan and manage the phase out. i.e., retire and/ or repurpose with cleaner alternative sources of energy.	We will provide financing to help new and existing customers in fossil-fuel based energy sources to transition towards low-carbon and renewable energy sources.	We will prioritise allocation of capital to finance renewable energy projects in line with Malaysia's NETR commitments. We will encourage our customers to develop and implement comprehensive transition plans and set net zero targets with clear, time-bound milestones.
	Dil & Gas	Not applicable as the Group will continue supporting customers in these sectors.	We will continue to support customers as they diversify their business models to address cleaner energy demands. We will regularly engage with customers to better understand their near-term targets and track progress of their transition to cleaner energy business models.	We will encourage customers to establish and follow best sustainable practices relevant to the sector.



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Sustainability at AmBank Group

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Vertical	Sector	Negative Threshold Criteria/ Prohibitions	Positive Threshold Criteria	Non-Mandatory but Expectations Over Time and Best Practices that are Encouraged	
	Cement Manufacturing		We will regularly engage with customers to better understand their near-term targets and track progress of their transition to lower carbon business models.	We will encourage customers to develop and implement	
Built Environment	Iron & Steel	Not applicable as the Group will continue supporting customers in these sectors.	We will continue to support customers as they embrace sustainable technologies and commit to credible decarbonisation strategies.	comprehensive transition plans and set net zero targets with clear, time-bound milestones.	
Commercial Real Estate			We will work closely with customers to provide financing for green and/ or more energy efficient buildings and finance retrofitting projects.	We will encourage customers to mee minimum sustainability ratings of applicable national standards or guidelines for the construction of property or infrastructure.	

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For a copy of our SFP

the QR code or visit

com/sustainability

Framework, please scan

https://www.ambankaroup.

괻 To learn more about our Position Statements, aligned with our Risk Appetite Statement, please refer to the Risk Management section on page 35.

### **Embedding Sustainability in Financing Decisions**

We have developed a suite of frameworks, policies, guidelines, and controls to embed sustainability considerations into our financing decisions and credit risk processes. These mechanisms enable us to evaluate sustainability-related risks and opportunities in a structured, consistent, and traceable manner—ensuring alignment with regulatory expectations, industry standards, and our internal risk appetite.

### SFP Framework

The SFP Framework is the Group-wide taxonomy that classifies financing activities based on their environmental or social contribution. It covers three financing categories:

### Sustainable Financing

Supports socio-economic growth while integrating sustainability principles, contributing to one or more UN SDGs.

### **Transition Financing**

Supports the transition of sectors and firms from emission-intensive business models (i.e. hard-to-abate sectors) to environmentally sustainable alternatives aligned to the goals of the Paris Agreement.

### **Green Financing**

Dedicated support to activities generating environmental benefits (i.e. climate mitigation or adaptation) or contribution to creating or sustaining a low-carbon economy.

The SFP Framework adopts product-specific design principles and integrates recognised international and national guidelines, including:

### International Guidelines

- Green, Social and Sustainability-Linked Loan Principles of Asia Pacific Loan Market Association (APLMA), Loan Market Association (LMA), Loan Syndications and Trading Association (LSTA)
- International Capital Markets Association (ICMA) Green, Social and Sustainability-Linked Bond Principles and Taxonomies
- ASEAN Capital Markets Forum (ACMF) ASEAN
   Sustainability and Green Bond Standards

### National Guidelines

- Securities Commission Malaysia Sustainable and Responsible Investment (SRI) Sukuk Framework
- BNM VBI Financing and Investment Impact
   Assessment Framework
- BNM CCPT Guidelines

Conscious Self-Conduct



### Responsible Financing & Building Climate Resilience

The classification methodology is structured around three core components:

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**Purpose of Financing** Determines if financing is for a dedicated or general purpose.



Sector-Specific Approach Recognises that hard-to-abate sectors require a transition approach to moving away from high-carbon to low-carbon business models.



### Linkages to Sustainability Performance Targets

Incentivises customers to commit and achieve measurable environmental and social objectives.

### STG Financing Guideline

Complementing the SFP Framework, the STG Financing Guideline institutionalises sustainability screening within lending/ financing decisions. This guideline reflects the Group's growing maturity in supporting sustainability-aligned financing in line with our NZTP.

The STG Financing Guideline sets out clear eligibility criteria, sector-specific assessment parameters, and post-deal review protocols to ensure continued alignment with the Group's Net Zero by 2050 commitment. As an internal reference, it aids RMs, credit risk teams, climate risk specialists, and portfolio risk officers in determining whether a loan/ financing transaction qualifies as sustainable, transition, or green.

### Sustainability Control Framework

AmBank Group has integrated sustainability criteria into our financing practices and developed a suite of ESG screening tools and due diligence mechanisms that support consistent evaluation of sustainability risks and opportunities across the credit lifecycle.

#### **Prohibition List**

To uphold the integrity of our responsible financing activities, AmBank Group maintains a strict prohibition list for activities that conflict with our sustainability objectives.

Improvements in FY2025: We expanded this list to prohibit any new loans/ financing related to coal, except for national utility providers, unless we are required to support energy security needs as declared by the Malaysian government.

ho To learn more about our prohibition list, please refer to the Risk Management section on page 54.

### Climate Change and ESG Risk Assessment (CERA)

The CERA adopts BNM's CCPT to assess and categorise economic activities according to the extent to which the activities meet climate objectives and promote the transition to a low-carbon economy.

The ESG Risk Rating component of CERA is developed by AmBank Group to assess the customers' holistic sustainability position. The ESG Risk Rating covers other sustainability risks to derive insights to manage the Group's financed emissions portfolio.

Improvements in FY2025: We augmented the CERA by incorporating the sectoral guidance references for CCPT assessment aligned with BNM's six focus sectors and the Group's criteria for sustainable, transition, and green financing.

 $earrow ext{--}$  To learn more about our climate-related risk management, please refer to the Risk Management section on page 46.



Sustainability at AmBank Group

AmBank Group's Climate Action

### **Supporting Our Customers**

We support customers in delivering tangible emissions reductions by tailoring financing strategies that align with sectoral decarbonisation pathways.

We have identified both active and passive decarbonisation levers to help guide our engagement with customers, assess transition readiness, and enable financing solutions aligned with national policies and global standards. These levers ensure that AmBank Group's capital supports credible transition efforts across the select hard-to-abate sectors.

Vertical	Sector	Decarbonisation	Levers
Agriculture	Palm Oil	<ul> <li>Active:</li> <li>Biogas capture – Harnessing methane from palm oil mill effluent (POME) to generate renewable energy.</li> <li>Biomass utilisation – Using palm biomass (e.g. fronds, empty fruit bunches) as a renewable energy source or product feedstock.</li> <li>High-yield clonal palm series – Cultivating higher- yield varieties to reduce land expansion needs.</li> </ul>	Passive: • Adherence to Malaysian Sustainable Palm Oil (MSPO) and Rountable on Sustainable Palm Oil (RSPO) – Following sustainable palm oil standards to reduce deforestation and promote traceability.
- 4 - Energy	Thermal Coal Mining Thermal Coal Mining Power Generation Oil & Gas	<ul> <li>Active:</li> <li>Electrification – Shifting from fossil fuels to electricity.</li> <li>Energy efficiency – Improving equipment and operational efficiency to reduce energy consumption.</li> <li>No flaring adherence – Eliminating routine gas flaring to reduce methane and carbon emissions.</li> <li>Use of renewables – Replacing fossil energy with solar, wind, or hydro sources.</li> </ul>	<ul> <li>Passive:</li> <li>Demand for low-carbon fuels – Encouraging market shift toward biofuels, and cleaner fuels.</li> <li>Nationwide phase-out of coal by 2044 – Supporting Malaysia's goal to fully exit coal power.</li> <li>Consumer behavioural shifts – Promoting energy-conscious behaviours and choices.</li> </ul>
Built Environment	Cement Manufacturing Cement Manufacturing Iron & Steel Manufacturing Commercial Real Estate	<ul> <li>Active:</li> <li>Carbon Capture, Utilisation and Storage (CCUS)         <ul> <li>Capturing carbon emissions from industrial processes in cement, iron, and steel.</li> </ul> </li> <li>Energy-efficient and environmentally sustainable buildings as stipulated by green building certification requirements.</li> </ul>	Passive: • Grid decarbonisation – Reducing emissions from the electricity grid through renewable integration and efficiency improvements.

Ә To learn more about the transition opportunities that have been identified for the above seven hard-to-abate sectors, please refer to the Risk Management section on page 37.

### Amanah Aboobucker, Chief Sustainability Officer, AmBank Group

As we implement our Net Zero Transition Plan, we see significant opportunities as there is a lot of innovation and investment required to decarbonise the economy. At the same time, we also acknowledge that there are challenges where many parties must come together to solve as an ecosystem. We are on this journey with our customers for the long-term and are looking to structure and develop financial solutions to mobilise capital that makes sense for all stakeholders.



### Responsible Financing & Building Climate Resilience

### **RESPONSIBLE FINANCING IN ACTION**

AmBank Group's commitment to responsible banking is demonstrated through the mobilisation of capital that supports climate resilience, inclusive growth, and the transition to a more sustainable economy. In FY2025, our sustainable finance activities encompassed tailored solutions to customers in the various core business segments.

Corporates and Businesses	Individual Customers	Investments and Wealth
We support corporates, government-linked companies (GLCs) institutional customers and SMEs through sustainable financing such as trade facilities, project finance, and corporate loans focused on decarbonisation, renewable energy, and green infrastructure.	We support responsible financial choices through green financing solutions such as green mortgages and Electric Vehicle Financing as well as providing access to affordable housing.	We direct capital toward sustainable assets, ESG-aligned funds, and impact-driven investments while supporting customers with advisory services aligned to ESG mandates.
<ul><li>Wholesale Banking (WB)</li><li>Investment Banking (IB)</li><li>Business Banking (BB)</li></ul>	• Retail Banking (RB)	Integrated Wealth Management (IWM)
🔁 To learn more, please refer to page 79.	$_{ m c}$ To learn more, please refer to page 82.	🕣 To learn more, please refer to page 83.

To track our progress, we report the total mobilisation of sustainable financing across four focus areas. In FY2025, AmBank Group mobilised RM14.6 billion across green financing, affordable and low-income financing, sustainable capital market issuances, and sustainable investments—contributing to a resilient and inclusive financial system.



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### AmBank Group Wins Malaysia's Best Bank in ESG at Euromoney Awards for Excellence 2024

AmBank Group was accorded Malaysia's Best Bank for ESG at the Euromoney Awards for Excellence 2024 in Singapore, on 12 September 2024. AmBank Group was represented at the awards ceremony by Chief Sustainability Officer, Amanah Aboobucker. The award recognises institutions that demonstrate exceptional dedication to ESG principles and practices.

"This achievement reflects the collective dedication of everyone at AmBank Group from the business and product teams to the support functions. We believe that by Winning Together we can create long-term value for a sustainable future," she said.



AmBank Group earned **Silver in the 2025 Sustainability Report of The Year** by the Australasian Reporting Awards

### **Corporates and Businesses: Financing Sustainability**

We support a wide range of customers—including corporates, GLCs, institutions, and SMEs—through tailored solutions that align financing with sustainable outcomes.

Our approach centres on two focus areas:





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### Responsible Financing & Building Climate Resilience

### Sustainability-aligned Financing Solutions

### 1. Sustainability-Linked Financing (SLF)

To support companies in aligning with ambitious sustainability goals, AmBank Group offers SLF that rewards customers for delivering measurable progress. These financing instruments are linked to predefined Sustainability Performance Targets (SPTs), with pricing incentives—such as reduced interest or profit rates—activated upon achievement of sustainability outcomes.

To further support customers in setting and tracking their climate targets, we have partnered with PANTAS Climate Solutions (PANTAS) to provide GHG accounting tools for Scope 1 and 2 emissions.

#### Impact & Highlights

	Key Deals in FY2025	
lssuer	Facility	Facility Amount
Paramount Corporation Berhad	Sole Subscriber, Principal Adviser, Lead Arranger, Lead Manager, Facility Agent, and Shariah Adviser for Paramount's first Sustainability-linked Sukuk Wakalah, supporting the Group's commitment to responsible growth.	RM150 million
Johor Plantations Group Berhad	Joint Lead Manager for a Sustainability-linked Islamic Medium-term Note (IMTN) Issuance of up to RM1.3 billion under its Islamic Commercial Papers (ICP)/ IMTN, aligned with the Group's long- term sustainability roadmap.	RM260 million
SunREIT Bond Berhad	Joint Lead Manager for a Sustainability-linked MTN Issuance, targeting its 2030 sustainability goals focused on Climate Action and Resource Management.	RM135 million

### 2. Capital Market Accessibility for Corporates

Access to sustainable capital markets is critical for companies transitioning toward greener, more responsible operations. AmBank Group plays an active role in enabling this access through end-to-end advisory, structuring, and execution of green, social, sustainability, and SRI Sukuk issuances. These instruments help customers diversify funding sources while aligning with ESG principles and investor expectations.

### SMH Rail/ Berapit Mobility Sustainability Sukuk

AmInvestment Bank Bhd arranged a **RM1.5 billion Sustainability Sukuk Wakalah Programme** for SMH Rail Sdn Bhd, via its subsidiary Berapit Mobility Sdn Bhd, to support the remanufacturing of locomotives and wagons. The initiative promotes circular economy practices by repurposing existing rail assets using U.S. Environmental Protection Agency (U.S. EPA) Tier-3 compliant engines—preserving resources and reducing carbon impact.

### Impact & Highlights

- 85% less energy used vs. new production.
- Significant reduction in GHG emissions from rail transport.
- "Gold" sustainability rating underscores strong ESG credentials.
- AmInvestment Bank Bhd acted as sole principal adviser, arranger, and manager.



Islamic Medium-Term Notes Programme for Avaland Bhd

AmInvestment Bank Bhd was the joint principal adviser, joint lead arranger, and joint lead manager for the RM1 billion Islamic Medium-Term Notes Programme for Avaland Bhd. The programme allowed Avaland to issue SRI sukuk, Asean sukuk, SRI-linked and Asean sustainability-linked sukuk to fund, among others, Avaland's developments, land acquisitions and capital expenditures.





### 3. Green Financing Solutions

We continue to provide financing solutions that facilitate the transition to a low-carbon economy, including green loans and financing for renewable energy projects.

### $\overline{\mathbb{Q}}$ $\cap$ RM1,987 million green financing disbursed through Wholesale and Business Banking

### Key Financing Projects in FY2025

In FY2025, AmBank Group supported a range of high-impact green financing projects across critical sectors including industry, logistics, green technology, and sustainable property development.

Company	Purpose of Financing	Value of Financing Facility
Projek Tetap Teguh Sdn Bhd	Financing for land, construction, and equipment for an automated storage and retrieval system (ASRS) warehouse in Valdor, Pulau Pinang, enhancing logistics efficiency and sustainability.	RM498.6 million
Worldwide Stainless Sdn Bhd	Financing for the acquisition of Bahru Stainless Sdn Bhd, restoring Malaysian ownership of the nation's sole stainless-steel manufacturer. The project supports the NIMP 2030 and national industrial resilience.	RM1.1 billion
Ultimate Ivory Sdn Bhd	Financing for Green Technology Park (GTP) in Pahang, adopting a Bio-integrated Zero Waste approach that converts by-products into renewable energy and green products.	Up to RM180 million

### Project Spotlights

#### **Econas Resource to Energy Project**

AmBank Islamic Berhad extended RM285 million in green financing to Econas Resource to Energy Sdn Bhd for the development of an integrated scheduled waste management and energy recovery complex in Johor. The facility, one of the largest of its kind, will treat up to 150,000 tonnes of scheduled waste annually, while converting thermal energy into electricity. This helps reduce the environmental burden from industrial waste and addresses the shortage of licensed treatment facilities.

#### Impact & Highlights

- Supports processing of 68 out of 77 scheduled waste codes.
- · Contributes to renewable energy generation.
- Reduces on-site hazardous waste storage risks.
- Addresses pressing environmental management gaps in Johor and Selangor.

#### Regal Path – Park Green Mixed Development Project

AmBank Group provided green financing to Regal Path Sdn Bhd for the Park Green development, a mixed-use complex comprising residential units, a shopping mall, commercial spaces and a hotel. The project targets a Bronze Rating under the GreenRE Certification, promoting environmentally conscious urban development. This reflects a broader shift toward sustainability in property financing.

#### Impact & Highlights

- Promotes sustainable urban living.
- Aims for GreenRE Bronze Certification.
- Integrates green design and energy-efficient infrastructure.

### Responsible Financing & Building Climate Resilience

### 4. SME Sustainable Financing Solutions

SMEs are the backbone of Malaysia's economy but often face challenges in accessing capital, integrating ESG practices, and preparing for long-term growth. Recognising this, AmBank Group offers targeted financing solutions that enable SMEs to scale responsibly while transitioning toward ESG integration, digitalisation, and capital market readiness.

Key initiatives include the Low Carbon Transition Facility (LCTF) for SMEs, which supports investments in solar PV systems and energy-efficient equipment. We also facilitate SMEs access to renewable energy and cleaner technologies—helping build climate resilience and future-proof business operations.

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### RM31.8 million disbursed to SMEs via LCTF

### Capacity Building, Engagement, and Advocacy

Beyond customer engagement, we continue to support industry advocacy programmes to share best practices for sectors to decarbonise to energy-efficient and low-carbon business models through strategic collaboration with business partners.

AmBank Group was the initial anchor financial institution for the adoption of BNM's Greening Value Chain (GVC) Programme in collaboration with carbon accounting solution provider PANTAS. We have been advocating the need for SMEs to adopt low-carbon and sustainable practices, as well as to begin measuring their GHG emissions. Through the GVC programme, SMEs gain access to technical training, a carbon accounting tool and financing facilities through BNM's LCTF.

In FY2025, Group Sustainability, PANTAS, and selected Business Banking customers enrolled in BNM's GVC Programme, were invited to facilitate sharing of best practices, experiences and areas of improvement for development of **'Building Supply Chain Resilience: Insights into Greening Value Chains for ASEAN' Playbook** (the "Playbook"), which was launched at a side event of the 12th ASEAN Finance Ministers' and Central Bank Governors' Meeting (AFMGM) in Kuala Lumpur.

This Playbook was written in collaboration with the Asian Development Bank (ADB) and United Nations Development Programme (UNDP), and aims to guide other ASEAN countries, starting with Thailand and the Philippines, in rolling out similar SME decarbonisation programmes.

### Individual Customers: Supporting Sustainable Lifestyles

We help individual consumers make responsible lifestyle choices by embedding sustainability into everyday financial products. Our offerings go beyond traditional banking—supporting energy-efficient homes, clean mobility, low-carbon purchases, amongst others.

RM1,535.02 disbursed across key consumer segments, covering EV, green homes, affordable housing, and low-income financing.

### ➢ Green Home Financing

AmBank Group offers Green Home Financing to promote sustainable homeownership by prioritising properties with energy-efficient features and recognised green certifications.

These home financing products are designed to support customers in purchasing or renovating eco-friendly homes—helping to lower their carbon footprint while realising long-term savings on utility and maintenance costs. By enabling responsible property ownership, we contribute to national sustainability goals and support the transition to a low-carbon economy.

### Impact & Highlights

- Disbursed RM374.40 million in green home financing.
- Benefitted **1,816** customers by enabling access to energy-efficient homes and long-term cost savings.





### ▷ EV Financing Solutions

To support the transition to cleaner mobility, AmBank Group provides EV Financing solutions that cater to the increasing demand for sustainable transportation.

These financing packages offer preferential rates and are aligned with the Group's broader climate strategy to reduce transport-related emissions. By encouraging the adoption of EVs, we contribute to Malaysia's national decarbonisation agenda and enhance access to climate-friendly alternatives.

### **Key Features:**

• Preferential financing rates are offered for electric vehicles.

### Impact & Highlights

• We disbursed **RM45.90** million in EV financing to 265 customers in FY2025.

Ә To learn more about our affordable financial solutions and auto financing options for low-income customers, please refer to the Financial Inclusion section on pages 104 to 107.

### Sustainable Investment and Wealth Management

At AmBank Group, sustainability extends beyond lending—it is central to how we help customers grow and manage wealth. Through AmInvest (comprising AmFunds Management Bhd and AmIslamic Funds Management Sdn Bhd), we advance responsible investment practices that drive long-term financial performance and support the transition.

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### **Guiding Frameworks and Commitments:**

All investment activities under AmInvest are guided by globally aligned frameworks and an internal sustainability governance model:



UN Principles of Responsible Investment (PRI) Signatory:

AmInvest has been a signatory to the UN-supported PRI under the Investment Manager category since 31 March 2023, affirming our commitment to the incorporation of responsible investment principles in our investment activity. Mandatory PRI reporting will commence in 2025. Funds Management Division (FMD) Sustainability Framework:

Formalised in December 2024, the framework formalises AFM and AIFM's sustainability practices and governance structure. The framework is aligned with the Paris Climate Agreement (2015), Maqasid Shariah, VBI principles, as well as local regulatory requirements.

Sustainability is embedded across all stages of investment—from screening and selection to portfolio construction and monitoring. Our proprietary scoring methodology is complemented by ESG ratings provided by external service providers, where applicable.

### Sustainability-Themed Funds

Through AmInvest, we offer a growing suite of sustainability-aligned funds designed to help customers pursue both financial returns and positive societal impact. These funds cater to a wide range of themes, including climate tech, global low-carbon equity, nutrition, and Islamic sustainability.

AmIncome Institutional SRI 1	AmIncome Institutional SRI 3	
AmInstitutional Income Bond SRI	AmIslamic Global SRI	mpace
AmBon Islam	AmSustainable Series – Climate Tech Fund	
AmSustainable Series – Global Lower Carbon Equity Fund	AmSustainable Series – Positive Change Fund	
AmSustainable Series – Nutrition Fund	AmSustainable Series – Sustainable Outcomes Global Equity Fund	

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Societal



### Responsible Financing & Building Climate Resilience



### Supporting Customer Transitions Through ESG Maturity Assessment

We walk alongside customers on their sustainability journeys—particularly those operating in hard-to-abate sectors. Our RMs serve as front-line enablers of this transition by providing climate-aligned advisory and sector-specific insights.

Using a structured ESG Maturity Assessment framework, our RMs assess customers' sustainability readiness across several dimensions, including transition strategies, risk exposure, governance, and disclosure practices. These assessments go beyond compliance to uncover practical levers for improvement and growth.



In FY2025, we engaged nine key customers across priority sectors such as:











### Assessment Outcomes:

- $\ensuremath{\mathbf{54\%}}$  of customers were at Levels 1–2 (early stages of ESG integration)
- 44% were at Levels 3-4 (more advanced implementation)

These insights allow us to tailor financing, advisory, and capacity-building efforts based on each customer's unique transition stage - ensuring our support is both targeted and effective in building long-term climate resilience.

 $_{\sim}$  To learn more about our customer engagement and advocacy initiatives, please refer to page 43.

AMMB HOLDINGS BERHAD SUSTAINABILITY REPORT 2025



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### **FUTURE OUTLOOK**

As sustainability risks and expectations continue to evolve, AmBank Group remains focused on embedding sustainability principles into every dimension of its operations. Looking ahead, we aim to strengthen our role in financing Malaysia's transition, ensuring our products and services deliver longterm value to both customers and society.

In the near term, we will scale green financing, expand advisory support, simplify sustainability reporting for SMEs, and introduce clearer classification criteria for sustainable, transition, and green financing. Over the medium term, we aim to integrate sustainability across all business financing processes, strengthen SME supply chain readiness, and deepen community ESG engagement. Our long-term ambition is to position AmBank Group as a national leader in SMEfocused sustainable finance aligned with global standards and the UN SDGs.



#### **CUSTOMER EXPERIENCE & SATISFACTION M2**

In today's digital and competitive landscape, customer experience is no longer a differentiator; it is an expectation. At AmBank Group, we view customer experience as a strategic lever to build trust, strengthen relationships and empower customers, thus building lasting connections that drive loyalty and long-term value.

### **Risks**

- Service Expectations: Inconsistent or delayed service may impact satisfaction and loyalty in an environment where digital convenience is increasingly expected.
- **Competitive Pressure:** Emerging fintechs and digital-first banks continue to raise the bar for user experience, requiring continuous improvement from traditional players.
- Feedback-to-Action Gaps: Without structured insights from customer feedback, opportunities to improve experience and retention may be missed.

### Copportunities

- Long-Term Loyalty: A seamless, responsive experience across • channels strengthens trust and deepens customer relationships.
- Personalising Through Data: Feedback and behavioural insights enable more tailored offerings, improving relevance and satisfaction.
- Elevating Experience: Service innovations position AmBank to stand out through meaningful customer engagement.



### **OUR APPROACH**

At AmBank Group, our approach is shaped by our Customer Service Charter, which sets clear service standards-from understanding customer profiles to ensuring timely, knowledgeable support at every touchpoint.

We conduct periodic customer surveys to assess experience across touchpoints, tailoring strategies for all segments to ensure a responsive, personalised journey for all.

To translate customer feedback into meaningful action, we adopt the following structured process:

### **Targeted Data Collection**

Feedback is segmented by customer demographics, business size, and industry to tailor our approach.

### **Customer Experience Approach**

**Identifying Key Trends** Determine recurring themes, common issues, and common requests.

**Driving Actionable Change** Insights derived from feedback inform product, service, and support enhancements.



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### ▷ ELEVATING THE PERSONAL BANKING EXPERIENCE

Our strategy focuses on embedding banking into everyday routines—whether through lifestyle-centric spaces, flexible service formats, or meaningful engagement—so that banking feels more human, relevant, and accessible.

### Key Programmes in FY2025

#### Supporting Customers' Travelling Needs

AmBank has entered into a partnership with Enrich, Malaysia Airlines' travel and lifestyle loyalty programme, to introduce the AmBank Enrich Visa Infinite Credit Card and AmBank Enrich Visa Platinum Credit Card. This partnership is crafted for the discerning traveller to enjoy exclusive travel perks and deliver meaningful travel experiences.

#### Impact & Highlights

- Elevated Travel Experience: For customers travelling and lifestyle spending
- Number of Customers: 33,000 since launched in July 2024

### Bringing Banking Closer: Flexible Workspaces with Jerry Plus

In response to evolving work patterns, we partnered with Jerry Coworking Space to embed banking services into shared work environments. The launch of Jerry Plus—a larger-format space with premium private office options—enables us to support business customers with both workspace flexibility and tailored financial services under one roof.

#### Impact & Highlights

- **Targeted Benefits for SMEs:** Preferential banking services tailored to business customers within coworking spaces.
- **Customer Incentives:** Offered exclusive discounts for AmBank Debit and Credit Card holders.
- Wider Reach: Expanded to Setia Alam and Johor Bahru in FY2025.

#### Strengthening Service Via Employee Insights

Our employees and customers are the pulse of our service design. This year, we conducted 95 workshops across our regional branches and head offices. These workshops gathered employee feedback on operational challenges and service improvements, leading to several key upgrades in customer-facing interactions.

#### Impact & Highlights

Enhanced internal operations to improve customer experience:

- Facilities and Equipment: Addressed persistent equipment issues and upgraded ergonomic furniture to improve operational efficiency and physical comfort.
- Service Quality and Accountability: Reinforced internal checks and promoted learning from service errors to ensure consistent delivery and stronger coordination.

# Official Launch of AmBank Enrich Visa Credit Cards

Carrie # OD AmBank VISA

### **Reimagining Branches: Lifestyle Banking**

We are transforming our physical branches into lifestyle-driven hubs that blend banking with comfort and community. Through partnerships like Bask Bear Café and refreshed branch formats, we aim to make banking a natural, engaging part of our customers' routines.

#### Impact & Highlights

- **Increased Accessibility:** Opened 10 café-style banking outlets, creating more welcoming and convenient locations.
- **Branch Expansion:** On track to launch 10 new lifestyle-integrated branches annually, including expansion into Sabah and Sarawak.
- **Customer Engagement:** Boosted foot traffic, enhanced engagement, and improved service perception through community-oriented experiences.

### Recognising Good Service: AmBank Customer Compliment Programme (ACCP)

Exceptional service can create defining moments for customers. Through ACCP, we shine a spotlight on frontline staff who go beyond transactions—whether through empathy, initiative, or decisive action.

### Impact & Highlights

- Real-Time Protection:
- Scam attempt involving RM45,000 flagged and stopped.
- Scam intercepted before escalation, involving RM300.
- Service Appreciation: 12 customer compliments recorded for excellence in care and problem-solving.

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### Customer Experience & Satisfaction



### **Customer-Driven Innovation**

Innovation starts with listening. We engage customers through digital and phone surveys to understand evolving expectations and shape solutions that are grounded in real needs. These insights inform product design, channel optimisation, and service enhancements.

#### Impact & Highlights

+ High Customer Satisfaction: Achieved an NPS score of +24 and CSAT of 81%, signalling strong customer sentiment across core touchpoints.

#### **Recognising Excellence in Customer Experience**

We believe great service should never go unnoticed. Through the STAR Awards and e-Thank You platform, we spotlight employees who deliver exceptional customer experiences—fostering a service culture built on appreciation, and human connection.

#### Impact & Highlights

- Strong Participation: 7,878 nominations received, with a record-breaking 3,296 in August 2024.
- Meaningful Recognition: 1,055 e-Thank You notes exchanged between staff and customers, reinforcing a culture of appreciation and trust.

#### ENHANCING THE BUSINESS BANKING EXPERIENCE

In an effort to grow with our customers—the Group's Business Banking segment offers responsive, efficient, and personalised support to SMEs and commercial customers as they scale, adapt, and grow.

From 5,000 customers reached in 2017, we have now expanded to serve over 16,600 businesses, guided by dedicated Relationship Managers who act as single points of contact. By refining our service channels and engagement strategies, we aim to support our customers' ambitions at every stage of their journey.

### Key Programmes in FY2025

#### Transforming SME Feedback into Action

We use SME feedback to shape better solutions translating key pain points into tailored programmes that strengthen support and drive long-term business growth.





### Impact & Highlights

- Wider Reach: AmBank BizCLUB saw a significant increase in SME engagements, reaching over 14,500 businesses across themes such as IR4.0, ESG, and Halal certification.
- Stronger Investment Linkages: More than 30 foreign direct investment (FDI) customers were onboarded through the One-Stop Centre, generating RM63.8 million in revenue.
- Business Growth: Over RM5 billion in revenue was generated in FY2025 through strategic expansion and high-growth sector support.



### Adapting to Market Changes

Leveraging Customer Insights

To help SMEs navigate a rapidly evolving landscape, we introduced the GVC Programme in collaboration with PANTAS. This initiative equips businesses with timely, targeted support to meet sustainability-related regulatory requirements and market demands.

Through direct engagement, we identified three key concerns from corporate customers:



Impact & Highlights

Measuring Service Impact

platform, helping SMEs build resilience.

To ensure our customer experience (CX) strategies deliver meaningful results, we assess impact through both financial performance and costbenefit analysis. This approach ensures CX investments are aligned with long-term value creation.



### DRIVING STRONG CORPORATE EXPERIENCE

The Wholesale Banking division supports large corporates and institutional customers through relationship-led engagement, tailored financing and innovation. We continuously enhance our offerings, such as improved cash management solutions, strengthening brand visibility.

- **Enhanced Brand Relevance:** Identified strategic opportunities to strengthen AmBank Group's value proposition to large corporates.
- Stronger Customer Reach: Improved brand equity through outreach, campaigns, and deeper engagement.

#### **Strengthening Brand Perception**

To better understand market positioning across strategic segments, we conducted a Brand Health Study through customer interviews. The findings reinforced the Group's understanding of business insights, local market expertise, and solution-oriented advisory.

### Impact & Highlights

- **Positive Customer Feedback:** Wholesale Banking was recognised for agility, diverse offerings, and strategic responsiveness.
- Reinforced Market Standing: Improved customer perception translated into stronger relationships and new market opportunities.

### CUSTOMER-CENTRED INVESTMENT EXPERIENCE

AmInvestment Bank delivers a seamless and customer-focused investment experience through strategic advisory, digital enhancements, and personalised engagement. We drive service excellence across our corporate finance, private banking, equity research, debt markets, and asset management divisions. Our priority is to support customers in navigating complex financial markets with agility, insight, and consistent service excellence. Insights & Achievements

### Customer Experience & Satisfaction

### Key Programmes in FY2025

Department	What We Did
Corporate Finance (CF)	<ul> <li>CF delivered structured financial solutions tailored to each customer's unique business objectives. We continuously refine our advisory processes to provide efficient, high-quality service at every transaction stage.</li> <li>Customer-Centric Initiatives</li> <li>Personalised Interactions: Streamlined documentation, response times, and structuring.</li> <li>Process Optimisation: Consistent deadline management and reliable service.</li> <li>Feedback Integration: Ongoing service improvements through customer feedback.</li> </ul>
Private Banking (AmPB)	<ul> <li>AmPB delivered high-touch and quality advisory through dedicated teams and is supported by enhanced systems.</li> <li>Customer-Centric Initiatives</li> <li>Established two dedicated units to drive responsiveness:</li> <li>Business Development (BD): Strengthened brand and expanded customer engagement.</li> <li>Private Customer Assistant (PCA): Provided immediate support when PCMs were unavailable.</li> </ul>
Equity Research	<ul> <li>AmResearch delivered actionable, data-driven insights tailored to customers' investment goals through a blend of product excellence, customisation, and accessibility. We produced in-depth research reports with sector-specific analyses and differentiated stock recommendations aligned with market trends. To ensure accessibility, we prioritise direct analyst engagement through one-on-one calls, presentations, and exclusive customer access events.</li> <li>Model Portfolio: Tracks and validates stock recommendations with enhanced transparency.</li> <li>Portfolio Pulse: Provides monthly market insights, covering RM34 billion AUM across more than 90 mutual funds.</li> <li>Exclusive Market Access: Over 70 investor engagements, including briefings, calls, and corporate visits.</li> </ul>
Aminvest	<ul> <li>AmInvest builds strong customer relationships by aligning investment solutions with customer goals and market dynamics. With deep product expertise and timely insights, we offered seamless digital experiences and ongoing financial advice.</li> <li>Customer-Centric Initiatives</li> <li>Real-Time Visibility &amp; Control: Launched AmInvest Online Portal to track portfolios, execute transactions, and access advisory services in real time.</li> <li>Engagement Activities: Held 26 customer sessions with GLICs, pension funds, insurers, and PLCs featuring thematic insights and expert briefings.</li> <li>Market Insights: Published the inaugural AmInvest Yearbook (2025), and Quarterly Checkpoint, along with regular strategy reports and thematic investment updates.</li> <li>Value-Added Services: Delivered financial literacy and knowledge-sharing programmes.</li> <li>Largest SRI AUM in Malaysia (over RM4 billion, 30.1% share) as at 31 December 2024.</li> <li>10 SC-certified SRI funds.</li> <li>Winner of 6 ESG-related awards in 2024.</li> </ul>

M2



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### What We Did Department To re-engage retail investors, we introduced targeted initiatives in FY2025 to simplify market access, improve investor **Equity Markets** confidence, and drive participation across both domestic and global platforms. > Customer-Centric Initiatives Brokerage Cashback Initiative: Successfully engaged nearly 17,000 customers, driving account reactivation. · Market Awareness: 1,600 participants joined our events such as Market Outlook to gain insights into domestic and foreign markets. • New AmEquities Trading Platform: Set to launch in June 2025, the Digital Trading Platform will offer seamless access to global and domestic markets through single sign-on. **Debt Markets** We remain focused on maintaining our market-leading position in Malaysia's Debt Capital Markets (Sukuk & Bond) and (DM) Loan Markets through bespoke structuring solutions and acting as a key intermediary for issuers/ borrowers to access both the investors/ bank markets-at-large. With this, our customers receive the best possible financing solutions at the most competitive rates. Customer-Centric Initiatives · Road to Capital Markets Initiative: Worked closely with our Business Banking teams, giving smaller companies access to debt capital markets and loan markets, thereby providing the liquidity and visibility needed to upscale their business.

### FUTURE OUTLOOK

Key Programmes in FY2025

AmBank Group will continue to drive growth through customer excellence. Our focus remains on expanding digital capabilities, enhancing service efficiency, and delivering personalised financial solutions through data-driven insights and operational excellence.

- Business Banking: Continues supporting SMEs and commercial customers through improved operating models, digital lending, cross-collaboration and regional expansion. We aim to grow 9% SME market share and achieve a 12% CAGR in loans, while enhancing economic resilience through innovative, sustainable financing.
- Retail Banking: Commits to operational excellence and sustainable innovation, streamlining customer onboarding and the entire retail lending journey to boost efficiency, enhance customer satisfaction, reduce cost, and sharpen our competitive edge. At the same time, we're re-engineering customer journeys with targeted branch optimization. Sustainability is embedded in our operations by extending end-financing limits, offering preferential pricing and lower rates on new electric vehicles to support customers' transition to a low-carbon economy.
- Wholesale Banking: Continues to focus on providing personalised services through AI and big data, accelerating turnaround time and improving risk management. Advanced analytics will sharpen decision-making, portfolio optimisation, and customer engagement.
- AmInvestment: Commits to delivering responsive, insight-driven investment experiences across customer segments.
  - AmPB: Improving customer value through talent development, streamlined systems, expanded offerings, and the Single-Family Office (SFO) framework.
  - Equity Research: Strengthening investment insights by expanding stock coverage, corporate access, and Shariah/small-cap model portfolios.
  - AmInvest: Scaling engagement via the AmInvest Online Portal, while refining fund offerings and expanding support channels.
  - Equity Markets: Driving investor reactivation, growing Bursa market presence, and enhancing digital platforms, AI capabilities, and cross-selling synergies.
  - DM: Targeting over 95% customer satisfaction with zero significant complaints.



### M3 DIGITAL INNOVATION

In a legacy-driven industry like financial services, innovation starts by transforming our processes from within. The pace of change in both personal lives and industries, driven by digital evolution, requires financial institutions to adapt rapidly to stay relevant. By leveraging on emerging technologies to transform core banking functions, we aim to deliver seamless, real-time experiences that not only meet customers where they are but also anticipate their needs.

### 👰 Risks

- Complexity of Integration: Merging new technologies with legacy infrastructure requires careful transition planning to prevent operational disruptions and cost inefficiencies.
- **Cybersecurity and Data Protection:** As digital adoption accelerates, so does the need for robust security systems to safeguard sensitive customer data and maintain trust.
- Resistance to Adoption: Internal resistance or slow adoption of digital tools may delay value delivery.

### Copportunities

- Enhanced Customer Journeys: Personalised, seamless digital experiences across channels help build deeper relationships and deliver greater convenience for customers.
- **Operational Efficiency:** Automation, paperless workflows, and scalable cloud solutions reduce manual effort and enable faster service delivery across the Group.
- **Digital Banking Leader:** Accelerating adoption of emerging technologies such as Artificial Intelligence (AI) and data analytics strengthens the Group's position as a forward-thinking financial institution and innovation partner.





Insights & Achievements

Sustainability at AmBank Group

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### **OUR APPROACH**

AmBank Group's digital innovation strategy is centred on creating tangible value for our stakeholders through personalised, efficient, and inclusive financial solutions. As digital expectations continue to evolve rapidly, we focus on transforming how financial services are delivered to ensure relevance, accessibility, and long-term competitiveness.

To accelerate this shift, we appointed a Group Chief Fintech & Technology Officer (GCFTO) in June 2024. The GCFTO plays a key role in driving our digital ecosystem-forming new partnerships, enhancing existing platforms, and embedding data-driven capabilities across the Group to unlock greater customer value.



Enhancing customer experience Increasing customer Supporting SMEs with tailored by providing seamless and engagement through digital solutions to improve efficient digital services personalised and accessible their operational efficiency digital platforms



### **Governance & Compliance Frameworks**

Our digital transformation is underpinned by strong governance practices and policies that ensure data security and regulatory compliance:

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Privacy Notice on Personal Data Protection Act (PDPA) 2010	Outlines the types of customer data collected, methods of processing and customers' right to refuse data processing or use, reinforcing our commitment to customer data security.
AmBank Group Web Portal Security Statement	Governs our website's practices, ensuring that personal information is securely collected and processed, while outlining user obligations for safe service use.
Data Governance Framework	Streamlines the governance of data and information—including privacy controls, standards, quality, and responsible usage—by aligning with relevant regulatory requirements and adopting a hybrid data governance model based on industry standards.
AI Governance Framework	Provides guidance and best practices on how to ensure AI is aligned with the values, principles, and norms of the Group and its stakeholders. It covers various aspects such as ethical principles and values, governance structure and mechanism, and risk assessment and mitigation.

### Transforming Challenges into Breakthroughs

Realising our digital ambitions required more than just new technology; it meant reshaping the way we work. In FY2025, we tackled long-standing organisational barriers across people, processes, and systems to strengthen our execution capabilities. This strategic approach ensures that AmBank Group remains adaptable, future-ready, and capable of delivering sustained value to customers.

Focus Area	Key Challenges	Solutions Implemented
People	<b>Demand for Skilled Expertise:</b> The adoption of cloud computing, AI, and cybersecurity has increased the demand for specialised talent and advanced technical capabilities.	Invested in extensive upskilling programmes in cloud computing, AI, and cybersecurity to equip employees with future-ready competencies.
	<b>Change Management:</b> Faced limitations in timely adapting to technological shifts, highlighting the need for continued engagement and support in managing change.	Launched structured change management initiatives to foster a culture of adaptability and cross-functional collaboration.
Processes	<b>Integration Complexity:</b> Merging new technologies with legacy systems requires seamless interoperability without disrupting operations.	Strategically integrated new technologies with legacy systems, ensuring smooth transitions through careful planning and execution.
	<b>Regulatory Compliance:</b> Ensuring digital solutions comply with industry regulations (in cloud, AI, cybersecurity).	Established proactive regulatory alignment processes, ensuring continuous monitoring and adjustment to meet compliance standards.
Technology	<b>Data Security and Awareness:</b> Rising cyber threats requires stronger measures to safeguard sensitive customer data.	<ul> <li>Deployed advanced cybersecurity protocols and continuous monitoring systems to reinforce data protection.</li> <li>Conducted over 100 activities in FY2025 as part of data awareness programmes, including 85 workshops (93% total attendance rate).</li> </ul>

### INTEGRATING EMERGING TECHNOLOGY

As technology continues to reshape industries and redefine customer expectations, AmBank Group is committed to building a smarter, more adaptive organisation. We are leveraging emerging technologies such as Artificial Intelligence (AI), Machine Learning (ML), and Robotic Process Automation (RPA) to transform core banking functions—enhancing risk management, streamlining operations, and delivering more personalised customer experiences. As our key programmes are still in the early stages of development, the full extent of our value creation will be assessed and communicated in future reporting periods.

	Programmes	Our Approach	Value created for stakeholder
	Streamlining Credit Assessments: Generative AI (GenAI) for Documents	Integrate GenAI into loan underwriting and trade finance, automating financial document analysis to streamline credit assessment and reduce processing times.	Accelerated approval process and improved accuracy in document processing.
alisation	Advancing Language Capabilities: Large Language Models (LLM)	Completed a proof of concept for LLMs, with full operationalisation planned for FY2026, aimed at improving customer interactions and personalised recommendations.	Implementing a GenAl-based solution to assist Relationship Managers in streamlining the creation of credit papers, including financial information extraction and AMLA risks.
& Persona	Driving Customer Outreach: Voicebot Technology	Launched a voicebot solution for automated customer outreach, increasing engagement and improving lead generation.	Increased customer confirmations and engagement. Enhanced productivity and efficiency among telesales agents.
Experience	Smarter Customer Insights: Al-based Statement Analyser	Implement a system that enables customers to upload their bank statements for automated analysis, generating a summary report for validation.	Reduced analysis time by 105 minutes.
Customer Experience & Personalisation	Streamlining Online Transactions: Notification via API	Extend real-time debit and credit transaction notifications through Application Programming Interface (API) integration, complementing SMS and email alerts.	Convenient and efficient way for customers to track their transactions without the need to do this manually. Real-time alert notifications contribute to a safer and more transparent banking experience.
	Flexible Digital Statements: Online Generator	Enable on-demand online statement generation through API, offering flexible output formats (PDF, Excel, CSV) from AmBank Group's Cash Management System.	Offers users greater convenience, security, and is environmentally friendly compared to paper- based statements.
Employee Productivity & Collaboration	Accelerating Employee Productivity: Microsoft 365	Utilised Microsoft's 365 Copilot's which enables Al capabilities across MS Teams, Outlook, Words, PowerPoint, and Excel, to enhance efficiency and productivity.	Boosted operational efficiency and creative output, enhancing productivity across the Group. Use cases include meeting transcriptions, research, drafting content, and summarising multiple documents.
Advanced Analytics & Risk Management	Data-Driven Decision-Making: Analytical Al/ML Platforms	Develop and deploy and AI/ ML platform for the bank as part of Orion's capabilities enhancement, targeting a kick-off in FY2026.	Utilising AI/ ML use cases to enhance compliance and risk management, increase revenue, reduce costs, improve operational efficiency, support data-driven decision making.



### Al Centre of Excellence (Al COE)

Established in FY2024, the AI COE (formerly known as the AI Lab) is the bank's dedicated hub for accelerating the adoption of emerging technologies. The Centre fosters a culture of innovation, supports organisation-wide experimentation, and drives alignment with business needs. It also facilitates collaboration between business and technology teams, helping us stay ahead of market trends and develop more personalised customer experiences.

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Kassim, Head of Group IT was honoured with the Innovator/

Disruptor of the Year 2024.

### DIGITAL BANKING TRANSFORMATION

AmBank Group offers a comprehensive range of online banking channels designed to streamline transactions and deliver seamless financial solutions for both individual and business customers. Our key digital platforms include:

PG. 068-107



In FY2025, AmBank Group continued to refine these platforms, introducing a range of digital initiatives to enhance mobile banking experiences, deepen customer engagement, and extend the accessibility of products and services across all customer segments.

Initiative	What We Did	Value Created		
Empowering Mobile Users: AmOnline 3.0	Launched a new version of our mobile banking app with a sleek design, intuitive features-at-a- glance, and a search bar to empower customers and enhance accessibility.	Registered users <b>increased by 8%</b> .	THE FUTURE OF	
Effortless Payment Authorisation	Enabled digital payment requests for streamlined recurring transactions, making the payment/ fund transfers process efficient and hassle-free.	<b>86%</b> of online transactions.	CON	<b>FULATIONS</b>
Google Pay and Apple Pay	As part of the continued progress on initiatives introduced in FY2023, we expanded our contactless payment ecosystem by introducing Google Pay for credit cardholders, further enhancing transaction convenience at point-of-sale (POS) terminals and online.	3,948 Google Pay users and 43,808 customers linked to Apple Pay.	clinching double awards c	A SINGAPORE Red a momentous achievement b at the Payment Transformer PT10 based Kinfos. Jagjit Kaur, Head o



Sustainability at AmBank Group

M3

### **PERFORMANCE & ACHIEVEMENTS**

Our digital platforms continued to deliver strong performance in FY2025, reflecting growing customer adoption and deeper engagement across both retail and business segments. Our efforts to enhance user experience, streamline transaction journeys, and support business clients with efficient digital tools have contributed to a sustained upward trend across key usage metrics.



AmAccess Biz

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### **Digital Innovation**

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### **FUTURE OUTLOOK**

Innovation in banking demands more than adopting new technologies—it requires leveraging AI, automation, and digital solutions to deliver predictive insights and hyper-personalised customer experiences. As the banking landscape evolves, AmBank Group will stay ahead by executing a clear, forward-looking digital roadmap.





AmBank Group has entered into a strategic partnership with 42KL, free computer science school under Sunway Group, to support the mission of developing industryready talent equipped to drive the growing digital economy.

To learn more about this initiative, please refer to Supporting Communities section on page 167.



### Sustainability at AmBank Group

AmBank Group's Climate Action

Appendices

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### M4 CYBERSECURITY & DATA PRIVACY

In a hyper-connected financial landscape, cybersecurity and data protection are missioncritical to AmBank Group's role as a trusted financial institution. With increasing threats of data breaches and fraud, our ability to safeguard sensitive information is central to protecting financial assets and delivering uninterrupted service delivery. For our stakeholders and the broader economy, cyber resilience reinforces confidence in the banking system and helps uphold public trust in the financial ecosystem.

### Risks

- **Evolving Landscape:** Cyberattacks are becoming more complex, requiring ongoing investment in detection, response, and system resilience.
- Data Compliance: As regulatory expectations grow, maintaining data integrity and privacy is essential to safeguarding trust and avoiding disruption.
- **Legacy Risks:** Older infrastructure may present vulnerabilities if not continuously upgraded to meet current security standards.

### Correction Correct

- Stakeholder Confidence: A strong cybersecurity posture enhances customer trust, investor assurance, and the Group's overall reputation.
- Next-Gen Security Capabilities: Integrating Artificial Intelligence (AI), analytics, and threat intelligence tools enables faster detection and smarter response.
- Culture of Cyber Awareness: Embedding security mindsets across
  the Group supports long-term resilience and compliance.

### OUR APPROACH

As cyber threats become increasingly sophisticated, AmBank Group takes a strategic, policy-driven approach to protect stakeholder data which includes data of customers, employees, suppliers, investors and partners, as well as financial assets, and critical infrastructure. We prioritise early detection, strong governance, and continuous adaptation to safeguard data and business continuity.

Our Cyber Risk Strategy provides a structured roadmap to progressively assess, prioritise, and manage risks across three core pillars: Cybersecurity, Data Security, and Identity & Access Management.



### Cybersecurity & Data Privacy

### М4



This strategy is reinforced by an ecosystem of internal policies, regulatory frameworks, and internationally recognised certifications, thus ensuring that our practices are robust and responsive to both compliance obligations and stakeholder expectations.

We also adopt a predictive security approach, aligning our IT and cyber risk strategies to stay ahead of emerging threats. Additionally, targeted assessments and validation exercises leverage cyber threat intelligence to identify and mitigate potential vulnerabilities effectively.

### **Governance Frameworks, Guidelines, and Certifications**

Category	Framework / Guideline	Purpose & Coverage
	Data Governance Framework and Information Security Policy	Defines the organisational structure and assign clear roles and responsibilities for Data Owners, Data Stewards, and Data Custodians to ensure accountability, compliance, and ethical use.
Internal Governance & Operational Controls	Data Privacy Guidelines (DPG) and Data Quality Guidelines	Outlines how AmBankers should responsibly handle customer data in daily operations, promoting ethical use and data integrity.
<b>Risk Management in Technology (RMiT)</b> *Issued by Bank Negara Malaysia (BNM)		Governs technology risk practices, including system controls, incident response, and governance across IT operations.
	Privacy Notice under the Personal Data Protection Act (PDPA) 2010	Clarifies the types of customer data collected, how they are processed, and the customers' right to provide or withdraw consent for the use and/ or processing of their data.
Regulatory Compliance & Legal Requirements	Securities Commission (SC) Malaysia Guidelines	Covers licensing, conduct of business, corporate governance, and disclosure for regulated entities.
	Labuan Financial Services Authority (FSA) Guidelines	Ensures cyber and technology risk controls implemented are in line with licensing requirements for Labuan-based operations.
	ISO 20022-1:2013 Financial services — Universal financial industry message scheme	Enables secure, structured, and interoperable data exchange across financial systems and digital payments.
Global Standards & Certifications	Payment Card Industry Data Security Standard (PCIDSS)	Sets controls for cardholder data protection across AmBank Group's payment systems.
	Council of Registered Ethical Security Testers (CREST)	Certifies penetration testing standards for ongoing risk assessment and cyber defences.

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In FY2025, we reinforced our approach by enhancing our risk management framework-investing in advanced threat detection tools, real-time monitoring capabilities, and targeted policy upgrades to build greater organisational resilience and defend against cyberattacks.

Minimising Data	Strengthening Access &	Reinforcing Security	Expanding Cybersecurity	Transformative & Scalable
Exposure	Encryption Controls	Policies	Awareness & Training	Risk Management
Implementing data ninimisation strategies to educe the collection and storage of sensitive information, limiting potential risks.	Enhancing encryption protocols and multi- layered access controls to prevent unauthorised breaches.	Implementing data classification frameworks to ensure structured governance and compliance with evolving regulations.	Scaling up the Security Awareness Programme to educate employees on emerging cyber threats and best practices.	Addressing emerging risks, enhancing risk management strategies, increasing operational efficiency, supporting business resilience, optimising governance processes, and adapting to regulatory changes.

### **Strengthening Cybersecurity Resilience**

We adopt a structured and adaptive approach to navigate key challenges, thus ensuring resilience, compliance, and customer trust in an increasingly complex cybersecurity landscape.

Key Challenge	Mitigation Action	Initiatives in FY2025	Value Created	
	Prioritised early detection and risk mitigation through proactive security monitoring.	Security Monitoring and Insider Threat Detection: Expanded real-time monitoring and user behaviour analytics to detect unusual behaviour and identify suspicious activities before breaches occur. Cyber Threat Intelligence Platforms: Implemented predictive systems and continuous real-time monitoring.	Enhanced detection and faster response to emerging threats, mitigating risks before escalation.	
Increasing Sophistication of Cyber Threats	Established cyber risk maturity benchmarks to assess and improve resilience.	<ul> <li>Cyber Resilience Maturity Assessment Tracker: Developed risk assessment framework and updated Key Risk Indicators (KRIs) to align with regulations (RMiT, SC, FSA).</li> <li>Security Posture Assessments: Conducted security scans and risk assessments for outsourced service providers and implemented corrective measures to close security gaps.</li> </ul>	Improved overall Cyber Resilience Maturity Posture to 'Managed' rating and full conformance to regulations.	nipuco
Evolving Regulatory & Compliance	Regularly reviewed and updated security frameworks to align with regulatory guidelines.	<b>Regulatory Alignment via Tracker:</b> Ensured ongoing updates to KRIs to meet evolving regulatory requirements.	Ensured alignment with evolving regulatory standards and improved policy compliance.	
Demands	Engaged in industry working groups, regulatory discussions, and security forums.	<b>Cross-Industry Collaboration:</b> Participated in forums to remain updated on cybersecurity regulations and best practices.	Strengthened regulatory foresight and governance preparedness.	

Insights & Achievements

### Cybersecurity & Data Privacy



Key Challenge	Mitigation Action	Initiatives in FY2025	Value Created
Engaged cross-functional       revie         stakeholders to assess risks       vulne         and implement mitigations for       to al         cloud, Al, and mobile banking.       Secu         Upg       auto         from New       Combined maturity-based and         Technologies       Continuously strengthen risk         Conducted red team       Conducted red team         campaigns and tabletop       simulations to refine response		<ul> <li>Risk Control Self-Assessment (RCSA): Conducted reviews across departments to detect and address vulnerabilities. These reviews are regularly updated to align with emerging cyber threats and regulations.</li> <li>Security Operations Centre (SOC 2.0) Enhancement: Upgrades included real-time incident response, automated threat detection, and recovery capabilities.</li> <li>Strengthened Data Security: Introduced Endpoint Detection &amp; Response (EDR), User Behaviour Analytics (UBA), and Data Loss Prevention (DLP)</li> </ul>	Increased protection for digital infrastructure and achieved CREST certification.
		controls. <b>Cybersecurity Simulation Drills:</b> Integrated red team campaigns and tabletop exercises into risk management processes.	Improved organisational preparedness and response efficiency to emerging cyber threats.
Internal Cybersecurity Awareness &	Enhanced cybersecurity training and knowledge sharing.	Cybersecurity Upskilling: Delivered e-learning modules and awareness campaigns, such as Phishing campaigns and newsletters. Regular Security Updates: Conducted security reviews and shared updates.	Achieved 87% phishing awareness pass rate and improved employee cybersecurity readiness.
Readiness	Integrated cybersecurity into broader governance functions.	<b>Cross-Functional Integration:</b> Embedded cybersecurity into Compliance, Retail Banking, and e-Banking governance frameworks.	Established a more cohesive and secure organisational risk culture.
Rising Cases of Digital Fraud & Financial Crime	Strengthened fraud monitoring, authentication, and transaction controls to prevent unauthorised transactions.	<ul> <li>eBanking Fraud Protection: Replaced SMS OTP with AmSecure token authentication and restricted authentication to a single-linked mobile device.</li> <li>Cool-Off Period Implementation: Introduced a 12- hour transaction restriction for new AmOnline enrolments and device changes.</li> </ul>	Mitigated online banking fraud through secure authentication and user protection.
	Enabled rapid response features for compromised accounts.	Self-Initiated Account Blocking ("Kill Switch"): Allowed customers to instantly block AmOnline access in the event of a security breach.	Enabled users to proactively secure their accounts and limit potential losses.

AmBank Group's cybersecurity controls have delivered consistent results: zero fines or penalties related to cybersecurity. This track record reflects our strong governance and commitment to regulatory compliance.



### Cybersecurity

Zero Fines or penalties related to cybersecurity since FY2023.



### STRONG DATA PROTECTION & COMPLIANCE

As a financial institution entrusted with sensitive customer and transactional data, AmBank Group embeds data privacy protection as a lever to achieve operational excellence. In FY2025, we continued to enhance our controls by ensuring stakeholder information is handled responsibly, securely, and in full compliance with regulations.

		Data Privacy Initiatives	
Focus Area	Established Digital Data Governance Framework	Strengthened Identity and Data Protection Controls	Device Binding and Cooling-off Period
What We Did	<ul> <li>Strengthened Governance Protocols: Implemented stricter governance and security controls to ensure data quality, accuracy, and regulatory compliance.</li> <li>Regulatory Alignment: Implemented measures to align data handling practices with local regulatory standards, reinforcing transparency and accountability.</li> </ul>	<ul> <li>Use Case Detection: Developed specific use cases to detect potential data breaches, particularly those involving high-risk user behaviour.</li> <li>Expanded Attack Monitoring: Broadened surveillance of credential-based attack paths to identify vulnerabilities.</li> </ul>	<ul> <li>Mobile Device Binding: Enforced a new policy requiring customers' mobile devices to be linked to their AmOnline account to prevent unauthorised access.</li> <li>Transaction Cooling-Off Period: Introduced a 12-hour cooling-off period for transactions after AmOnline new enrolment or changes, giving customers time to react to potential scams. Full access will be restored automatically after the cooling-off period has ended.</li> </ul>

We track key performance indicators to evaluate the effectiveness of our data protection efforts, including breach incidents and customer complaints.

In FY2025, the rise in identified leaks reflected stronger monitoring and faster detection—not a decline in security—while the drop in complaints signals improved incident response and transparency. Together, these trends indicate a more mature, proactive, and accountable data protection approach.



### FUTURE OUTLOOK

The future of cybersecurity will be shaped by AI and ML, evolving regulatory landscapes, and stronger industry collaboration. Cybercriminals are leveraging complex, multi-vector attacks, making real-time, adaptive security measures more critical than ever.

To stay ahead, AmBank Group is committed to integrating cutting-edge security technologies, enhancing compliance frameworks, and strengthening collective defence mechanisms. Our goal is to develop resilient, intelligent security systems that counter threats and anticipate while adapting to future challenges.

	Key Priorities for FY2026	
Technology Adoption Implement cutting-edge security technologies such as Al-driven threat detection systems for faster threat mitigation.	Regulatory Compliance Update and strengthen compliance with existing data protection laws that ensure data privacy and security.	Employee Training Conduct intensive training programmes or the latest cybersecurity threats and best practices to enhance organisational vigilance
Integrate AI and ML Utilise AI and ML learning comprehensively to monitor, analyse, and react to security incidents, including predictive analytics for forecasting potential breaches.	Public-Private Partnerships Strengthen partnerships to improve intelligence sharing and collaborative responses to cyber threats.	Autonomous SOCs Establish autonomous Al-powered SOCs for real-time response and self-healing networks.

Insights & Achievements

### M5 FINANCIAL INCLUSION

Financial inclusion is more than a social imperative; it is key to AmBank Group's role in building a resilient and equitable economy. As a trusted financial partner for SMEs, B40 groups, lowincome and underserved communities, we are enabling access to financing and contributing meaningfully to the nation's progress.

### Risks

- Credit Risk: Irregular income streams may give rise to default risk.
- **Operational Complexity:** Customised solutions may stretch internal resources and require specialised delivery models.
- Accessibility Gaps: Lack of financial access may limit reach and effectiveness of financial products.

### Correction Correct

- **Expand Underserved Markets:** Inclusive financing enables access to untapped B40, low-income, rural, and SME segments.
- Strengthen Public-Private Synergies: Public-private partnerships de-risk lending while scaling reach.
- Enhance Brand Loyalty: Supporting inclusive growth builds long-term customer relationships and strengthens AmBank Group's role in nation-building.

### **OUR APPROACH**

AmBank Group's financial inclusion strategy extends beyond traditional banking by integrating customised financial solutions, strategic collaborations, and capacity-building initiatives to promote financial empowerment and business sustainability.





M5

### SUPPORTING MALAYSIA'S SME

SMEs form the backbone of Malaysia's economy, yet many struggle in obtaining access to financing, have difficulties in efficiently managing their finances, and face digitalisation gaps. By addressing these challenges, we remove barriers to entry, build trust, and drive financial stability across the sector.

As part of the credit approval and review process, RMs conduct comprehensive business assessments that cover each SME's industry as well as annual turnover, years in operation, and workforce size. Our high-touch, relationship-based approach ensures SMEs receive tailored, solution-driven financial advice, which enables us to offer customised financing, capital market solutions, and digital banking services that support sustainable business growth.

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### Key Programmes in FY2025

### AmBank BizCLUB

We empower businesses with the knowledge, resources, and connections they need for sustainable growth beyond just financing. Through education, training, development opportunities, networking platforms, and media exposure, we help businesses navigate emerging business trends, scale up, and future-proof their operations. The AmBank BizCLUB focuses on three main programmes:

**Impact & Highlights** 

access and management.

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### **BizCONFERENCE & BizDIALOGUE**

**Delivering Better Digital Solutions** 

While digitalisation is a key driver of business

resilience, many SMEs require additional resources and expertise to fully adopt digital solutions.

AmAccess Biz, launched in 2020, delivers innovative

online banking solutions that provide SMEs with a

seamless digital platform for efficient financial

management. This platform empowers entrepreneurs

with greater control and accessibility over their

These knowledge-sharing platforms connect SMEs with industry leaders and experts to explore market trends, policies, and growth strategies. Since inception, 22 BizCONFERENCES and 21 BizDIALOGUE sessions have engaged over 8,900 participants, covering topics such as SME trends, ESG, IR4.0, and government support, thus equipping businesses to adapt and stay competitive.

### BizRACE

finances.

BizRACE is a business transformation programme that helps companies adopt forward-looking practices to drive impact and resilience. The fourth season, themed "Reach New Heights: Transform Your Business," focused on IR4.0 and ESG adoption, guiding participants through workshops, coaching, and one-on-one advisory. In FY2025, the programme expanded its reach to SMEs, large and mid-tier companies as well as a wider range of sectors—including manufacturing, retail, services, and agriculture, with over 4,900 businesses registered since inception and more than 500 shortlisted as finalists.

#### Impact & Highlights

- Upskilled Over 14,500 Businesses: Through BizCLUB, SMEs enhanced operational capabilities with expert guidance.
- RM7.9 million Invested: Facilitated SME capacity-building and business skills development.
- Over 500 SMEs Trained: Supported IR4.0 and ESG readiness through government partnerships, with 90–95% satisfaction rate.
- Industry Recognition: Inclusive Economic Growth (BizCLUB): 3<sup>rd</sup> runner-up in ABM 50th Anniversary CSR Excellence Awards 2024.

## Appendices

### processes.

• Over 52,000 SMEs Onboarded: Grew by approximately 10% Year-on-Year

RM91 billion in Transactions: AmAccess Biz facilitated seamless financial

Simplified Processes: Helped SMEs streamline digital banking and financial

(YoY), reflecting rising digital adoption among SMEs.

To learn more about our digital-related initiatives, please refer to the Digital Innovation section on pages 92 to 98.



Sustainability at AmBank Group

### Financial Inclusion

M5

Key Programmes in FY2025

### Strategic Government Schemes

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Access to financing is critical for the resilience and long-term sustainability of SMEs. AmBank Group channels targeted financing by supporting various government schemes to strengthen business continuity, accelerate digitalisation, and foster sustainable practices.

Government Schemes	Objective	Total Disbursed
AgroFood Facility	Offers affordable financing rates to help elevate agrofood production.	RM232.7 million
SME Automation and Digitalisation Facility	Incentivises SMEs to automate processes and digitalise operations involving the purchase of equipment, machinery, computer hardware and software, IT solutions and services, technology support services and other intangible assets to enhance productivity and efficiency.	RM82.4 million
All Economic Sectors Facility	Enables access to financing for SMEs in all economic sectors and guaranteed by Syarikat Jaminan Pembiayaan Perniagaan Berhad (SJPP).	RM328.3 million
PENJANA Tourism Facility	Supports SMEs in the tourism sector by preserving their capacity and assisting them to undertake the necessary investments to adjust and remain viable post-COVID 19.	RM2.0 million
Disaster Relief Facility	Aims to alleviate the financial burden of SMEs affected by floods and enable them to resume their business operations.	RM7.6 million
ow Carbon Transition Fund	Encourages and supports SMEs to transition to low-carbon operations by adopting sustainability practices for business resilience.	RM31.8 million
High Tech and Green Facility	Assists SMEs and innovative start-ups to grow their businesses and invest in strategic sectors and technology fields (digital tech, green tech, and biotech) for a sustainable and entrenched economic recovery.	RM130.9 million
Targeted Relief and Recovery Facility	Provides relief and supports recovery for SMEs in the services sector affected by COVID-19.	RM271.9 million
act & Highlights		
Total Disbursed: RM1.09 billion	• Beneficiaries: Over 1,300 applicants across Malaysia	
) To learn more about AmBank Group's	SME loans and financing, please visit <u>https://www.ambank.com.my/loans-financing/business.</u>	
J To learn more about AmBank Group's	SME loans and financing, please visit <u>https://www.ambank.com.my/loans-financing/business.</u>	

### ACCESS FOR UNDERSERVED COMMUNITIES

Financial inclusion extends beyond SMEs to include low-income communities. Through affordable housing schemes and targeted financing, we help underserved and unbanked individuals gain financial stability, supporting inclusive socioeconomic progress across Malaysia.

	FY2025
Total loans/ financing disbursed for affordable housing schemes	RM661.4 million
Total number of homes purchased	4,671
Total financing disbursed to lower income communities	RM453.3 million


Key Programmes in FY2025

#### iTEKAD Programme for Ibupreneurs and Micro-Entrepreneurs

#### **iTEKAD** Programme for Ibupreneurs and Micro-Entrepreneurs

AmBank Islamic continues to drive inclusive entrepreneurship by supporting micro-enterprises among *asnaf* and B40 communities through the iTEKAD programme. By combining seed capital with structured capacity-building, the initiative helps participants enhance incomegenerating capabilities and build sustainable livelihoods—particularly in sectors such as food entrepreneurship, hydroponics, and small business management.

In FY2025, AmBank Islamic partnered with five implementation partners across multiple states, tailoring outreach and training to meet local needs and improve long-term self-reliance.

#### Impact & Highlights

- Inclusive Reach: 193 beneficiaries across Klang Valley, Johor, Melaka, Pahang, and other states.
- Target Groups: Beneficiaries included both asnaf and B40 entrepreneurs.
- Industry Recognition: Women's Empowerment and DEI (Ibupreneur): 2<sup>nd</sup> runner-up in ABM 50th Anniversary CSR Excellence Awards 2024.

#### **Building Internal Expertise**

To deliver meaningful support to underserved groups, AmBank Group invests in its people. Through targeted training, our Business Banking teams are equipped with the tools to offer solution-driven, high-impact financial advice to SMEs. These trainings cover policy updates, product innovations, and market trends—ensuring our relationship managers can guide SMEs toward growth, sustainability, and long-term success.

#### Impact & Highlights

- **Training Coverage:** Over 20 training sessions conducted for frontline business banking employees.
- **Practical Tools:** Developed and distributed resources including product guidelines, e-brochures, and financial advisory tools.

#### **FUTURE OUTLOOK**

AmBank Group remains focused on expanding financial inclusion by making financing more accessible. Through digital lending solutions and strategic partnerships, entrepreneurs and communities can expect easier access to funding that drives sustainable economic growth.

#### **Entrepreneurs**

We remain focused on developing a digital lending product tailored for SMEs to enhance both accessibility and efficiency. To maximise impact, the Group will strengthen collaboration across business units to deliver seamless, integrated financial solutions. Strategic partnerships will also be formed with service providers to expand financial access across Northern and Southern Malaysia, Klang Valley, and East Malaysia.

Looking ahead, AmBank Group aims to position SMEs as the primary driver of lending growth, establishing Business Banking as their preferred financial partner. By 2030, the Group targets a 9% market share in the SME segment and 12% CAGR growth in SME loans.

#### Communities

AmBank Group is committed to expanding financial access for underserved communities through sustainable financing initiatives. The Group aims to support for communities including asnaf and B40 micro entrepreneurs, enabling them to grow their businesses and generate sustainable income. At the same time, we will continue enhancing access to our financing solutions, including those for housing and vehicle ownership.



Insights & Achievemen

Appendices







#### M6 **INTEGRITY & PREVENTING FINANCIAL CRIME**

As a financial institution, the trust placed in us by customers, regulators, and the nation is fundamental to our existence. We operate not just as a business, but as a pillar of economic stability – where safeguarding against financial crime is central to our duty. By embedding transparency, accountability, and robust controls into every layer of our operations, we protect our customers, preserve fair and secure financial access, and contribute to Malaysia's credibility in the global financial system.

#### /₽\ Risks

- Compliance Risk: Non-compliance of stricter regulations over time can lead to penalties, licence risks, and erosion of stakeholder trust.
- Evolving Financial Crimes: Increasingly complex scams and money laundering tactics heighten the risk of undetected threats.
- Organisational Vulnerabilities: Weak controls or low employee awareness can open pathways for misconduct or non-compliance.

#### دó → Opportunities

- Building Stakeholder Trust: Ethical conduct and transparency reinforce public confidence and credibility.
- Tech-enabled Compliance: Analytics and real-time tools improve transaction monitoring and operational resilience.
- Shaping Industry Standards: Strong compliance practices allow us to influence national policy and raise sector benchmarks.

#### **OUR APPROACH**

AmBank Group adopts a proactive and governance-driven approach to uphold integrity and combat financial crime. We recognise our responsibility as a financial institution to protect not only our customers but the stability of Malaysia's financial system. Our framework adheres with regulations to embed ethical conduct, risk management and transparency across all operations.

#### **Compliance and Risk Management**

Our compliance framework ensures we detect, prevent, and respond effectively to financial crime risks such as money laundering, terrorist financing, proliferation financing, bribery, fraud, and corruption.

Key measures include:



#### Anti-Money Laundering (AML), Counter Financing of Terrorism (CFT) and Counter Proliferation Financing (CPF):

Customers and trade transactions are screened against updated sanctions lists, with controls aligned to Financial Action Task Force (FATF) standards and Malaysian regulations to prevent illicit

#### Suspicious Transaction Reporting (STR)

Reports are filed with the relevant authorities when red flags

## Integrity & Preventing Financial Crime



# Regulatory Alignment Asset Blocking and Freezing We fully comply with Malaysian AML/ CFT/ CPF laws aligned with FATF standards and work closely with regulators to combat financial crime. We are empowered to block transactions and freeze assets when warranted by regulation or red flags. Employee Training Employee Training

Relevant employees receive regular training to recognise suspicious behaviour and ensure effective implementation of AML/ CFT/ CPF controls.

#### **Policies and Governance Oversight**

Strong governance is the backbone of our approach to integrity. We enforce a zero-tolerance stance on bribery and corruption, guided by clear policies and secure reporting mechanisms. Our frameworks are regularly reviewed to reflect regulatory updates and best practices.

The Group Compliance function provides regular oversight and reporting to the Board, ensuring consistent implementation, organisation-wide training, and alignment with legal and ethical expectations.





Our compliance framework ensures that we detect, prevent, and respond effectively to financial crime risks such as ML, TF, PF, bribery, fraud, and corruption. To strengthen our ability to detect and respond to illicit activities, we continuously invest in digital tools and automation that enhance efficiency, accuracy, and resilience.

Core tools and upgrades include:



This tech-driven approach not only improves operational efficiency but also reinforces public trust by ensuring we stay ahead of increasingly sophisticated threats.

#### COMBATING BRIBERY AND CORRUPTION

We uphold the highest anti-bribery and anti-corruption (ABC) standards, including the Malaysian Code of Corporate Governance, MACC Act 2009, and the Guidelines on Adequate Procedures, as outlined in Section 17A(5) of the MACC Act 2009. This ensures that every level of the organisation operates with integrity and accountability. These standards apply to employees, vendors, suppliers, consultants, contractors, subcontractors, service providers, distributors, agents, representatives, intermediaries, partners, potential targeted mergers and acquisitions targets, donation recipients and investors.

Further details, refer to <u>https://www.ambankgroup.com/policies/anti-bribery-and-corrupt-practices-policy/.</u>



## Integrity & Preventing Financial Crime

## М6

#### THE TRUST PRINCIPLES

To safeguard against corruption and unethical conduct, AmBank Group adopts the five TRUST principles for Adequate Procedures, as outlined in Section 17A(5) of MACC. These principles ensure a structured, risk-based approach to preventing bribery and corruption and maintaining integrity across all lines of business and support functions.



#### Whistleblower Protection & Reporting Channels

Whistleblowing is a key defence against bribery, fraud, and misconduct. In line with our zero-tolerance stance, AmBank Group provides secure and independent reporting channels for employees and external stakeholders. These mechanisms support early detection of unethical behaviour, reduce reputational and legal risk, and uphold trust in our governance.

Our framework is reinforced by targeted staff training, impartial investigations, regular audits, and confidential updates. These safeguards are embedded within a culture of integrity driven by leadership and sustained across the organisation.



As trust in our organisation has grown, so too has the willingness of stakeholders to come forward. The increase in reported cases is a positive indicator that employees feel supported to speak up, and that the Group is seen as responsive and transparent in addressing misconduct.

**Compliance Culture Programme** 

Participation Rate

95%

113



Insights & Achievements



#### **BUILDING A CULTURE OF COMPLIANCE**

Sustained integrity requires a culture where ethical conduct is second nature. Through our Compliance Culture Programme, we have embedded this mindset across all levels of the organisation. Our training and awareness sessions are tailored to each employee tier, from new joiners to the Board, covering anti-corruption laws, customer due diligence, and regulatory expectations under MACC Section 17A.

To further reinforce this culture, we engaged external legal and compliance experts to conduct targeted training for senior management and Board members. We also commissioned an independent review of our Anti-Bribery and Corrupt Practices Programme to benchmark against best practices. The insights gathered are guiding enhancements to our training modules and governance oversight, with implementation scheduled for FY2025/ 2026. These efforts are also supported by audit reviews that specifically assess bribery and corruption exposure across operations.

#### Integrity Awareness Training in FY2025

	Training Focus	Value Created
	Compliance Awareness Induction Programme	Enhances employee understanding of key compliance areas, including AML/ CFT/ CPF, MACC Section 17A, Customer Due Diligence, and BNM Foreign Exchange
Induction & General Awareness	For: New employees	Policy (FEP).
	Anti-Bribery, Whistleblower & No-Gift Policies	Reinforces ethical conduct and awareness of reporting mechanisms to detect and prevent corruption and conflicts of interest.
Ethics &	For: New employees	
Integrity Policy	AmBank Group Code of Conduct and Code of Ethics	Promotes a consistent culture of professionalism and accountability across the organisation as reflected under CREATE (compliant, responsible, ethical, accurate, trustworthy and equitable).
	For: New employees	
	Annual AML/ CFT/ CPF Training	Empowers leadership to provide strategic oversight and understanding of emerging financial crime risks
Leadership Oversight	For: Board, C-Suite, Executive VPs	



## Integrity & Preventing Financial Crime



#### Integrity Awareness Training in FY2025

	Training Focus	Value Created
	<b>KYC and PEP Procedures</b> For: New frontline employees	Strengthens ability to identify and verify customer identities, especially high-risk categories such as PEPs, in line with regulatory expectations.
Customer Due Diligence & Frontline Risk Management	BNM Foreign Exchange Notices	Promotes consistent compliance with BNM FEP and enhances accuracy in foreign exchange reporting and risk mitigation.
	<b>AML/ CFT/ CPF &amp; KYC Training</b> For: Senior Vice Presidents and below	Enhances risk detection capabilities and ensures stronger adherence to AML/ KYC protocols organisation-wide.
	AmFunds/ AmIslamic Funds Compliance Training	Improves system proficiency for accurate customer verification and real-time sanctions screening.
	For: Retail Branches, Operations, Group Compliance	
	NetReveal System Refresher Training For: New hires and existing employees (refresher)	Improved staff proficiency in using the KYC system and addressing CDD and screening alerts, leading to more efficient and accurate customer identification and verification processes, thereby strengthening compliance and reducing the risk of financial crimes.
Advanced	Transaction Monitoring Unit (TMU)- specific Compliance & Case Investigation Training	Enhances expertise in STR typology detection and case investigations. Training covered transaction monitoring, red flag identification, and STR best practices, with additional modules on emerging risks including shell companies, Non-profit Organisations (NPOs), correspondent banking, crypto-assets, and private banking.
Investigations & Risk Training	For: TMU employees	Staff also received system training and quality assurance guidance to ensure investigation rigour and regulatory responsiveness.
	Trade-Based ML/ TF Awareness Training	Increases red flag recognition tied to trade-based money laundering, enhancing early detection and internal controls across high-risk units.
	For: Business Operational Controls, Group Operations, Onboarding, Markets, Private Banking	
	14th International Conference on Financial Crime & Terrorism Financing (IFCTF) 2024	Builds cross-functional expertise through industry knowledge-sharing on emerging threats and technological advancements in financial crime mitigation.
Industry Insights	For: Compliance, Audit, Risk, Legal, Relationship Managers	

#### COMBATING FINANCIAL CRIME

We align with evolving laws and regulations to mitigate risks and strengthen our defences against ML, fraud, and illicit activities. Over the years, we have enhanced our financial crime prevention framework, deploying advanced technologies and equipping employees with the knowledge and tools to identify and address financial crime risks proactively.



Insights Achieveme

Sustainability at AmBank Group

AmBank Group' Climate Action

Responsible Banking

#### **Financial Crime Prevention Programmes**

The "Ringgit Thieves" mini-series, inspired by real scams, garnered 15.1 million views, over 18,000 likes, and 1,100 shares.

Value Created: Elevated public awareness of scam tactics and empowered communities to recognise and avoid fraud, contributing to national financial

#### Building a Skilled, Data-driven Team

Upskilled employees in AML and market surveillance, enhancing their ability to detect and respond to suspicious activities. A Head of Data Analytics with global banking experience was appointed to drive datadriven strategies.

Value Created: Strengthened in-house capabilities to proactively identify and mitigate complex financial crime risks using advanced analytics.

#### Strengthening Identity Verification and Onboarding Security

Collaborated with eKYC solution providers to integrate biometric verification safeguards, including deepfake detection, and enhance ID authentication and MyKad verification.

Value Created: Improved the security and integrity of the customer onboarding process, reducing identity fraud risks and reinforcing customer trust.

through the Industry Fraud Portal. Rolled out two major campaigns:

At the 2025 Bank Heroes Recognition Event hosted by Polis Diraja Malaysia (PDRM), four AmBankers were honoured for their swift

Their vigilance prevented a total loss of RM395,000 for customersdemonstrating the Group's strong culture of accountability and its frontline commitment to protecting stakeholders from financial crime.

#### **Public Awareness and Scam Prevention Campaigns**

and 1.9 million engagements.

literacy and protection.

Honouring Everyday Heroes

action in scam prevention.

**Outcome:** 

#### **Enhancing AML Infrastructure**

Optimised AML system thresholds and upgraded the transaction monitoring system to improve data accuracy, customer profile clarity, and alert review efficiency.

Value Created: Enabled faster, more accurate detection of financial crime.

#### **Driving Industry Collaboration and Systemic Protection**

Co-developed a Mule Redressal Framework with BNM and industry peers, while continuing active collaboration with regulators and law enforcement to strengthen fraud intelligence-sharing.

Value Created: Improved systemic grievance redressal mechanisms at the industry level, enhancing customer confidence and financial system resilience.

# ppendices

#### **RESPONSIBLE TAX MANAGEMENT**

Responsible tax management is part of our contribution of national development. We ensure full compliance with Malaysian tax laws, make timely payments, and proactively manage tax-related risks in line with regulatory expectations and our internal risk appetite.

PG 108-159

We operate solely within Malaysia, with no foreign subsidiaries or offshore operations. As such, Country-by-Country Reporting (CbCR) requirements are not applicable. Where tax law interpretation is uncertain, we engage external tax advisors and legal experts to assess implications and ensure informed decision-making.

#### **Key Practices:**



#### **ACCOUNTABILITY & REMEDIATION**

While we strive to uphold the highest standards of compliance, the Group acknowledges several non-compliance incidents, including an Administrative Monetary Penalty by BNM on AmInvestment Bank Berhad and a compound issued to AmBank (M) Berhad due to procedural oversight.

We are taking full accountability and have launched independent investigations to identify root causes, followed by corrective actions to prevent recurrence. These incidents have reinforced our commitment to stronger internal controls, enhanced regulatory training, and a culture of compliance. We remain transparent with regulators and stakeholders, treating each case as an opportunity to strengthen our frameworks through updated policies, training and system augmentation as required.

#### **FUTURE OUTLOOK**

Integrity will remain central to AmBank Group's operations as financial crimes become more complex. We are strengthening detection and prevention through the use of advanced technologies, enhanced due diligence, and stronger collaboration. To sustain trust, we continue to embed ethical practices through targeted training, stringent policies, and robust governance, all aligned with industry best practices.

Upcoming enhancements include Multi-face-ID screening, which uses facial recognition against a consortium database, alongside strengthened risk assessments, anti-bribery controls, whistleblower protection, and regular audits to reinforce our compliance culture.

On tax compliance, the Group Taxation Department will continue to enhance risk management, engage with regulators, and collaborate with industry stakeholders. We will continue to enhance risk management engage in responsible tax planning—ensuring alignment with policy objectives, rejecting aggressive tax avoidance, and maintaining regular monitoring and board oversight.

M6



Our people are the leading architects of AmBank Group's success, shaping performance and long-term growth. As we adapt to new industry demands, we are committed to fostering an inclusive, supportive, and empowering workplace. By enhancing benefits and embedding well-being into our culture, we strengthen organisational resilience and reinforce our position as an Employer of Choice.

#### Risks

- Talent Retention and Satisfaction: Non-competitive benefits or growth pathways may impact our ability to attract and retain talent.
- **Potential Burnout:** Without adequate support for workload balance and flexibility, this may affect employee morale and productivity.
- Health and Safety Needs: Gaps in workplace safety, wellness coverage, or financial stability could lead to increased mental health risks.

#### Continuities

- **Employer Brand and Retention:** Strengthening well-being support reinforces the Group's positioning as an Employer of Choice, boosting loyalty and talent retention.
- **Performance and Engagement:** Tailored learning, recognition, and career pathways drive employee satisfaction and sustained delivery.
- Culture of Care and Resilience: Leading through proactive and impactful employee practices builds trust and organisational effectiveness.

#### OUR APPROACH

We believe that prioritising well-being enables our employees to thrive both professionally and personally. By addressing multiple dimensions of well-being—we create a resilient, engaged, and high-performing workforce equipped for a dynamic work environment.

Prioritising well-being as a core element of our culture ensures every employee has the resources, flexibility, and support needed to reach their full potential. We empower our workforce by supporting local employment and social mobility, creating career opportunities for individuals from diverse backgrounds, and fostering professional growth through structured performance management, supervisory guidance, and personalised learning and development initiatives.



## Enhancing Employee Well-Being



#### FINANCIAL WELL-BEING

As a financial institution, we understand that financial security is essential for overall well-being. A stable financial future allows employees to focus on their careers, personal growth and long-term aspirations without being burdened by financial stress.

Our comprehensive suite of financial wellness initiatives provide compensation, long-term savings opportunities and financial literacy programmes that empower employees to confidently plan for the future.

#### **Financial Well-Being Initiatives**

Initiative	Value Offered to Employees
<b>Competitive Salary &amp; Bonuses</b> Reward performance and ensure fair market-aligned compensation.	Helps employees feel valued and motivated, reducing turnover and enabling them to focus on career growth with financial clarity.
<b>Private Retirement Scheme (PRS)</b> Offer additional retirement savings options.	Enhances retirement preparedness by giving employees more flexibility and control over their financial future.
Flexible Retirement Plan Provide options for early retirement.	Supports life-stage choices and personal planning—23 employees opted in FY2025, gaining early access to post-career transitions.
<b>Employees Provident Fund (EPF) Contributions</b> Support long-term retirement savings.	Provides a secure, employer-backed retirement foundation—minimising future financial anxiety and reinforcing stability.
<b>Financial Planning Workshops</b> Build confidence in managing money and setting goals.	Improves everyday financial decisions and empowers employees with practical skills to manage inflation, debt, and savings.
<b>Retirement Planning Support</b> Help employees navigate life-stage financial transitions	132 employees attended expert-led sessions to strengthen pension readiness and reduce uncertainty around post-retirement needs.

#### PHYSICAL SAFETY & HEALTH

Protecting the safety of our people is core to employee well-being. We have a robust Occupational Safety and Health (OSH) framework that protects employees from workplace risks. AmBank Group's OSH Management System covers all employees, ensuring stringent safety protocols across all company sites in Malaysia.

Our proactive approach includes:

#### Comprehensive OSH Training

Increasing the frequency and scope of training to build safety awareness across all levels.

Annual Safety Audits & Risk Assessments Ensuring compliance and continuous improvement in workplace safety. **Clear Safety Targets & Strategic Plans** Strengthening risk mitigation through measurable objectives to foster a culture of continuous enhancement and operational excellence.

This approach is reinforced by internationally recognised certifications. In FY2025, we became the first financial institution in Malaysia to achieve both ISO 45001:2018 (Occupational Health & Safety) and ISO 39001:2012 (Road Traffic Safety Management Systems). These certifications strengthen our ability to mitigate workplace and commuting-related risks.

We have also maintained the ISO 45001:2018 certification for Menara AmBank and Yap Kwan Seng Branch.

AMMB HOLDINGS BERHAD 119 SUSTAINABILITY REPORT 2025 Insights & Achievements **M7 OSH Training & Awareness** 🤯 Reach of Training Programmes In FY2025, we expanded OSH training efforts, increasing participation and broadening topic coverage to strengthen our workplace safety culture. These Number of training Number of workers 462 programmes delivered trained on OSH initiatives equip employees with essential skills to mitigate risks and uphold safety Sustainability at AmBank Group standards across diverse job functions. Key OSH Training The training is part of our ongoing effort to strengthen safety awareness and emergency preparedness for AmBank Group employees across Malaysia, especially the OSH Committees, Emergency Response Team, and building management employees. **Physical Training** Basic Occupational First Aid, AmBank Climate ISO 39001:2012 Cardiopulmonary Resuscitation OSH Co-Ordinator (CPR) & AED Automated RTSMS Group's Action External Defibrillator (AED) Virtual Training **Emergency Respond** Workplace OSH **Ergonomics Training** Plan & Preparedness Inspection Responsible Banking Hazard Identification, **Musculoskeletal** Safe Handling of Risk Assessment and Disorder (MSD) & Motorcycle Riding **Risk Control (HIRARC) Ergonomic Awareness** Legend: Number of employees trained Workplace Safety Performance Our safety-first culture has led to consistently low rate of workplace injuries. During the year, these measures translated into tangible outcomes: 0.17 Lost Time Injury Frequency Rate (LTIFR) Zero workplace fatalities (CY2023: 0.27) Positive Societal Impact 0.42 Lost Time Injury Incident Rate (LTIIR) (CY2023: 0.68) **3 Accidents** with Lost Workdays (CY2023: 5)

#### Note:

\* Data does not cover contract workers.

\*\* This data is reported according to the Calendar Year (CY) to align with the Department of Occupational Safety and Health (DOSH) reporting requirements. AmBank Group utilises a different formula from Bursa Malaysia for calculating LTIFR. Instead of using 200,000 worked hours, we use 1,000,000 worked hours, aligning with DOSH requirements under JKKP 8 form.

## Enhancing Employee Well-Being

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AmBank Group received two prestigious awards on OSH which reflects our unwavering commitment to maintaining a safe and healthy work environment across the Group.

#### National Recognition for OSH Excellence

AmBank Group received two national-level awards for Occupational Safety and Health (OSH) in FY2025, recognising our strong governance, safety culture, and leadership in employee protection. These accolades underscore our commitment to creating a safe, healthy, and resilient workplace for all AmBankers.

2023 National Council for Occupational Safety & Health (NCOSH) Excellence Award under the Financial Category



AmBank Group won the 2023 National Council Occupational Safety & Health (NCOSH) Excellence Award under the Financial Category held on 12th November 2024.

President's Award by Malaysian Society for Occupational Safety and Health (MSOSH presented) awarded to Group CEO, Jamie Ling, for exemplary leadership and commitment to OSH



Group CEO, Jamie Ling was awarded the Malaysian Society for Occupational Health & Safety (MSOSH) President Award on 11th November 2024. The award was based on the OSH management commitment and continuous OSH support within the organisation.

#### Long-Term Physical Well-Being

We view physical well-being as a long-term investment in our people. Beyond OSH, we support healthy, balanced lifestyles that help employees sustain their energy, health and performance over time.

#### Health & Wellness Initiatives in FY2025

Initiative	What We Did	Impact Created
Comprehensive Health Plan	Provided inclusive medical, dental and optical coverage to all employees.	Reduced financial strain related to healthcare and ensured timely access to treatment.
On-site Influenza Vaccination	Administered flu vaccines to AmBankers through a three- day campaign.	Vaccinated 1,234 employees, thus reducing illness-related absenteeism and promoted preventive healthcare.
Flexible Health & Fitness Plan (AmFlex)	Enabled employees to personalise their health benefits through gym memberships, fitness classes, or equipment.	Improved accessibility to fitness and encouraged consistent engagement in physical activity.
LifeCare Health Videos	Delivered short videos on exercise, diet, and disease awareness.	Reached 361 employee views, promoting healthier lifestyle habits through accessible content.
IAMSihat Campaign	Organised health screenings (e.g. breast cancer) for female staff and ran lifestyle challenges (Steps, Fat Loss, Healthy Eater).	Reached over 300 employees, thus driving preventive care and supporting holistic health goals.



#### **MENTAL HEALTH**

Mental well-being is just as important as physical health in fostering a thriving, engaged and high-performing workforce. In FY2025, we continued to deliver AmBank Group's Wellness and Mental Health Programme, equipping employees with the right tools and access to care. In doing so, we ensure that they feel supported, valued, and empowered, both personally and professionally.

#### Mental Health Initiatives

Initiative	What We Did & Why It Matters	Impact Created
<b>Building Awareness and</b> <b>Resilience:</b> Mental Wellness Education Programmes	Conducted targeted workshops on emotional regulation, mindfulness, and stress management, including <i>Managing &amp;</i> <i>Regulating Your Emotions</i> and <i>7 Habits of Highly Effective</i> <i>People</i> . These programmes equip employees to recognise early signs of mental strain and take preventive steps.	Built emotional literacy and resilience across the workforce, helping employees manage stress more effectively and maintain focus at work.
Access to Professional Support: Mental Health Care Benefits	Provided medical coverage for psychiatric and counselling services to ensure employees have access to clinical care when needed.	Enabled early intervention and reduced stigma, supporting mental wellness with accessible, professional resources.
<b>Empowering Growth and</b> <b>Confidence:</b> Learning and Development	Rolled out programmes that strengthen mental well-being by fostering confidence, career clarity, and skill-building— especially for those navigating change or pressure.	Boosted employee satisfaction and retention by supporting personal agency and goal setting.
<b>Appreciating Contributions:</b> Employee Recognition and Rewards	Operated a digital <i>e-Thank You</i> platform to embed everyday appreciation into team culture. Employees are recognised for effort, attitude, and achievements, not just outcomes.	Reinforced a culture of gratitude and belonging, supporting mental well-being through positive reinforcement.
Peace of Mind for Working Parents: AmBank Little Explorers (Alex) Childcare Centre	Established an early childhood education centre at Menara AmBank to provide reliable childcare for employees. This initiative supports working parents in balancing professional duties with family responsibilities.	Enabled peace of mind for working parents, supporting mental well-being through consistent, high-quality childcare.

#### SOCIAL WELL-BEING

At AmBank Group, we recognise that strong social connections drive employee satisfaction and productivity. We are committed to foster a connected and inclusive work culture, where employees can build meaningful relationships, engage with communities and participate in enriching experiences beyond their daily roles.

д To learn more about AmBank Group's inclusivity programmes, please refer to the Driving Diversity, Equity & Inclusion section on page 140.

AmBank Group established the 'AmBank Little Explorers' (ALEX) Childcare Centre at Menara AmBank – an early childhood education centre to nurture and enrich the lives of children, while supporting our employees with a reliable childcare solution. This initiative enables working parents in the Group to balance their work and family responsibilities better. As at FY2025, ALEX has supported the early development and well-being of 23 children across six age groups, from toddlers to preschoolers. As ALEX grows, we remain committed to enhancing family-friendly initiatives that support our employees and their families.

By creating spaces for collaboration, engagement, and social impact, AmBank Group ensures that employees feel connected—not just to their work, but to each other and the larger community.



Sustainability at AmBank Group

## Enhancing Employee Well-Being



#### **Building Social Connections at Work**

#### Team-Building Programmes

Organise fun and engaging activities that allow employees to bond and strengthen their networks within the company, thereby improving employee morale and enhancing workplace productivity.

#### Key Activities in FY2025

Held a two-day team building session in Janda Baik for the Group CEO Office, attended by around 80 participants across departments, featuring treasure hunts and performances.

#### Value Created

Strengthened interdepartmental relationships, boosted morale, and improved workplace collaboration.



#### Kelab AmBank Group (KAG) Programmes

Facilitate informal social interactions through cultural events and gatherings that promote inclusivity and belonging.

#### Key Activities in FY2025

Organised the Annual Chinese New Year Open House and Majlis Berbuka Puasa Kumpulan AmBank.

#### Value Created

Created inclusive spaces for employees to connect and celebrate together, fostering cultural appreciation and workplace cohesion.



Volunteer Programmes

Provide platforms for employees to contribute to social causes, fostering a sense of purpose and community impact.

#### Key Activities in FY2025

Partnered with The Lost Food Project (TLFP) to distribute essential food to those in need through employee volunteerism.

#### Value Created

Helped save approximately 135,000 meals and prevent 120,818 kg  $\rm CO_2$  emissions, while promoting employee-driven social impact and engagement.



#### Social and Recreational Programmes

Encourage employees to participate in health- and fun-focused activities that promote physical well-being and teamwork outside the office setting.

#### Key Activities in FY2025

Organised the  $P^2ACE$  Tower Run 2024, where 350 AmBankers climbed 1,071 steps to the 50th floor of Menara AmBank.

#### Value Created

Promoted fitness, camaraderie, and cross-functional interaction through team-based recreational engagement.





#### **EMPLOYEE BENEFITS**

AmBank Group's Employee Well-being Framework is designed to provide a comprehensive range of benefits to support employees across key dimensions of well-being. These benefits ensure that employees have the resources, flexibility, and support they need to thrive professionally and personally.

In FY2025, we continued to enhance and benchmark our benefits to ensure they remain competitive, relevant, and aligned with evolving employee needs.

	Benefit	How It Supports Employees
	Provides financial security for employees' dependents in unforeseen circumstances.	
Employee Loans* Supports personal financial goals—such as home ownership or education—through access to loans a interest rates.		Supports personal financial goals—such as home ownership or education—through access to loans at reduced interest rates.
Disability & Invalidity Coverage Ensures financial protection and stability for employees facing disabilities.		Ensures financial protection and stability for employees facing disabilities.
	Health & Wellness Benefits	Provides access to essential healthcare—including medical, dental, and optical.
Paid Sick Leave Encourages rest and recovery wannually.		Encourages rest and recovery without financial penalty, supporting health-first decisions with up to 30 days annually.
		Offers financial protection and stability for employees facing disabilities.
<del></del>	ر Unpaid Leave Offers flexibility for extended personal time off for major life events or personal growth.	
Annual Paid Leave Supports work-life balance with a minimum of 14 days annually, plus carryover recharge and prevent burnout.		Supports work-life balance with a minimum of 14 days annually, plus carryover options—empowering employees to recharge and prevent burnout.
	Parental Leave*         Supports family bonding time for new parents with seven consecutive paid days.	
Marriage Leave Recognises important milestones with paid time off for newlyweds to celebra chapter.		Recognises important milestones with paid time off for newlyweds to celebrate and transition into a new life chapter.
		Encourages employees to give back to society by allowing up to three additional days annually for employees to participate in charitable works or sustainability initiatives.

Note: \*Benefits that are only provided to full-time employees



## Enhancing Employee Well-Being



#### Work-Life Balance and Flexibility

We strive to cultivate a supportive work environment that promotes work-life balance and flexibility through targeted policies and programmes designed to meet the diverse needs of our workforce. We enhance these benefits based on employee feedback to support a healthy work-life balance and foster a positive work environment.

AmFlex, our flexible benefits platform, allows employees to personalise their benefits according to their needs and lifestyles, enhancing overall job satisfaction and work-life balance.





#### **Strong Employee Engagement**

An engaged workforce drives high performance and organisation success. We conduct Employee Engagement and Culture surveys annually to measure the effectiveness of our employee engagement initiatives. These surveys provide our annual Employee Engagement and Culture Index scores.

We then share department results, conduct anonymous surveys and hold focus group discussions to better understand employee concerns and expectations, identifying corrective actions based on feedback received.

Our on-going well-being and engagement initiatives reflect our commitment to create a workplace where employees feel valued, heard, and supported.





Sustainability at AmBank Group

## Enhancing Employee Well-Being

## M7

#### FUTURE OUTLOOK

We remain committed to continuously enhance our employee well-being initiatives to align with the changing needs of our workforce. We are focused on fostering a supportive, growth-driven, and engaged workplace where employees can thrive at every stage of their careers. We aim to introduce the Will Administration Support initiative to assist employees in managing their personal estates by offering professional guidance on estate planning and will administration.

Furthermore, our well-being strategies are guided by the following priorities:

Short-term	Medium-term	Long-term
Maintain a safe and supportive workplace by strengthening flexible work arrangements, health and wellness initiatives, and open communication channels.	Invest in learning and development opportunities, career growth pathways, and employee recognition programmes to enhance engagement and retention.	Cultivate a high-performance culture built on collaboration, innovation, and empowerment, allowing employees to realise their full potential and drive organisational success.

Additionally, a key priority is ensuring employees fully utilise the benefits and well-being programmes available. To prevent valuable resources from being overlooked or underutilised, we are improving communication, accessibility, and engagement strategies around employee benefits.





### M8 DEVELOPING OUR PEOPLE

Employees are the driving force behind AmBank Group's success. In an industry shaped by rapid change, a competent and adaptable workforce is essential to maintain a competitive edge and deliver responsible banking solutions.

We recognise that learning and development is a strategic investment—one that strengthens technical expertise, enhances leadership capabilities, and fosters a culture of innovation, problem-solving and agility.

#### Risks

- Adaptability Amid Disruption: Competitiveness and innovation may be impacted if employee upskilling efforts are delayed.
- **Talent Retention Risk:** Talent retention may suffer without welldefined growth trajectories and learning programmes.
- Succession and Skills Alignment: Poorly aligned training and succession planning may threaten business continuity and compliance.

#### Correction in the second s

- **Future-proofing the Workforce:** Upskilling in digital, sustainability and leadership domains strengthen long-term organisational resilience.
- Driving Performance and Innovation: Targeted learning and development, a strong learning culture, and career paths foster agile, engaged high performers.
- **Employee Attraction and Retention:** Employee development programmes signal clear growth opportunities for employees, strengthening talent attraction and retention.

#### **OUR APPROACH**

We continue to strengthen our development strategy to ensure employees remain future-ready in an evolving financial landscape. Our approach aligns learning initiatives with business needs, equipping employees with the skills required to drive sustainable growth and innovation.



## **Developing Our People**

#### Learning and Development (L&D) Principles

At its foundation, the Group's L&D strategy is guided by five core principles that foster a culture of continuous learning and high performance.



#### L&D Strategy (FY2025-2029)

Our L&D Strategy has been aligned to AmBank Group's "Winning Together" strategy, emphasising digitalisation and operational excellence to future-proof our workforce. In 2024, BNM introduced the Future Skills Framework (FSF), which outlines key competencies for the financial sector. In response, we conducted a thorough FSF analysis to identify priority skills, enabling us to refine our upskilling approach.

#### Key Focus Areas for Future Skills Development



AmBank Group has refreshed its talent development programmes to meet emerging skill demands. Our approach follows the 70-30 learning model:



By balancing technical training with practical learning, we enable employees to enhance their expertise, contribute to strategic business objectives, and prepare for leadership roles.



#### Strategic Remuneration and Compensation

The Group's employee remuneration structure comprises variable compensation components, including short-term (bonuses) and long-term incentives (LTI shares). These are awarded when the company's financial and operational goals are met.



 Structured Governance: A simplified bonus allocation process is applied, guided by clear governance structures, authority limits and allocation principles.

#### Long-Term Incentives (LTI shares)

- Key Metrics: Performance measures have been streamlined to two key indicators—absolute Return on Equity (ROE) and relative Total Shareholder Return (TSR).
- **Conditional Vesting:** LTI vesting (if any) is conditional, upon the Group meeting both operational performance (ROE) and market performance (TSR) targets over the performance period.

In addition, our Total Rewards approach incorporates both financial and non-financial aspects of employee value. We provide benefits beyond salaries and incentives, including learning opportunities, career growth, recognition, work-life balance, and employee well-being support. This holistic policy aligns with our business strategy, values, and culture, while promoting diversity and inclusion. We actively communicate the components of our Total Rewards to employees, gather feedback for improvement, and aim to strengthen engagement, retention, and performance, positioning AmBank Group as an Employer of Choice.

	Component	How It Supports Employees
	Performance Evaluations	<ul> <li>Bi-Annual Performance Reviews: Employees participate in structured conversations with their supervisors twice a year to assess progress, discuss career aspirations, and plan professional development.</li> <li>Development-focused Feedback: Rather than focusing solely on past performance, managers are encouraged to shift performance reviews toward future growth, focusing on skills and career development. Conversations are designed to identify growth opportunities and align career aspirations with organisational goals.</li> </ul>
MALAYSIA'S MOST PREFERRED EMPLOYERS 2024	KPI-Driven Performance	<ul> <li>People-centric KPIs: Senior management integrates people-related KPIs into performance metrics to reinforce accountability in talent development.</li> <li>Cross-functional Collaboration: Encourages employees to take on initiatives that enhance skills and business impact.</li> <li>Learning-based Goals and KPIs: Encourages employees to set goals that reinforce learning, upskilling and capability building. Targets include completing structured learning pathways or actively contributing to initiatives.</li> </ul>

Insights & Achievements

Positive Societal Impact

## Developing Our People

M8

#### **EMPLOYEE DEVELOPMENT PROGRAMMES**

Transitioning from traditional training methods to dynamic learning approaches, we are committed to instilling a continuous learning mindset for AmBankers. This transformation ensures a more engaging, accessible, and flexible learning experience.

#### **Developing Future Leaders**

AmBank Group continues to shape outstanding leaders through leadership programmes designed with initiatives ranging from executive education and strategic thinking to business acumen.

Programme	How It Supports Employees	People Reached in FY2025
Digital Internal Resilience & Influence (DIRI)	An online leadership learning platform for all employees, featuring diverse perspectives from leaders across corporate and non-corporate sectors on leadership and resilience.	Employee Participation:
Executive Education Programme	Provides C-suite members and C-1 executives with world- class leadership development, featuring top-tier courses from leading institutions such as the University of Cambridge, University of Edinburgh, and Frankfurt School of Business (delivered in collaboration with the Asian Banking School).	<b>9</b> FY2024: <b>11</b>
Emerging Leaders Programme (ELP)*	<ul> <li>Fast-tracks leadership potential for employees with high- growth trajectories.</li> <li>Provides curated learning to prepare future-ready talent capable of taking on more complex leadership roles.</li> </ul>	<b>28</b> FY2024: <b>46</b> * The selection process in FY2025 was more stringent, with a greater emphasis on quality over quantity.
Being A Talented Manager (BATMAN)	<ul> <li>Prepares mid-level managers for expanded leadership responsibilities through advanced management training.</li> <li>Builds confidence and capability to lead teams effectively and drive performance.</li> </ul>	<b>26</b> FY2024: 21

Note: The Leadership Enhancement & Acceleration Programme (LEAP) was not implemented in FY2025.

#### **Building the Graduate Talent Pipeline**

To attract top graduate talent and promote career opportunities, AmBank Group conducted 22 outreach engagements in FY2025 across university career fairs and recruitment events.

Group Human Resources developed a plan to execute our branding and engagement initiative, which aims to build and increase our brand awareness and presence while attracting the right talent pool.

We plan to create strong brand awareness by participating in public events/ activities, utilising social media platforms and engaging with more universities. It is imperative we keep our employer branding efforts as visible as possible in pursuit of AmBank Group's aspiration to become one of the top Employers of Choice.



#### Lee Jia Jing, Group Sustainability, ELP Participant

The programme took self-awareness to the next level, helping me objectively discover my strengths and leadership styles. I truly enjoyed learning about various aspects of leading change alongside fellow AmBankers, and I'll always cherish the friendships we built along the way.



#### **Mission Critical Position (MCP)**

We aim to maintain a strong leadership pipeline comprising high potential talent with the skills, experience, and mentorship needed to step into key roles seamlessly. Mission Critical Positions (MCP) and Successor Development form a core part of succession planning and leadership continuity.

	CY2022	CY2023	FY2025
MCP: Successor Ratio	1 MCP: 4.7	1 MCP:4.3	1 MCP: 3.1
Key Positions with Successors (%)	100	100	100

Note: For the purposes of consistency and uniformity of our disclosure practices, from FY2025, data is reported in the financial year (FY) format starting from FY2025.

#### **Graduate & Early Career Programmes**

We shape the next generation of banking and digital leaders through structured graduate and early career programmes, leveraging our expertise and strong track record of nurturing top talent. Initiatives include hands-on training modules, mentorship sessions and guidance on career acceleration. Our approach combines technical knowledge with real-world application, ensuring participants gain practical skills and clarity on advancement pathways within the industry.

y Programmes in FY2025		
Programme	How It Supports Career Growth	People Reached (FY2025
AmGraduate Programme	Launched in 2016, this flagship 18-month management trainee programme integrates graduates into critical areas of the bank by providing intensive training and job rotations across different functions. Delivered in collaboration with the Asian Banking School (ABS), it includes a three-month Financial Sector Talent Enrichment Programme (FSTEP), followed by on-the-job training and mentorship across various business functions.	<b>10</b> recruits
AmDigital Graduate Programme	A one-year programme, launched in 2022, focused on building a future-ready digital workforce. It offers intensive three-month training in data science and software engineering, equipping participants with critical digital and analytical skills.	<b>10</b> recruits
AmApprentice Programme	Launched in 2024 for front-line banking professionals, preparing them to become top Relationship Managers and sales leaders through structured training, coaching, and mentorship.	6 apprentices
Structured Internship Programme (SIP)	Launched in 2024 to provide hands-on banking experience to outstanding university students, serving as a talent pipeline for full-time recruitment. A significant percentage of high-performing interns transition into permanent roles.	28 interns

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#### Aman Nazmi Bin Abd Karim, AmGraduate Management Trainee Programme - Cohort 8

Transitioning into the finance industry was a bold move, but one that proved to be worthwhile. Coming from an engineering background, I initially thought entering banking would be nearly impossible. However, the AmGraduate Management Trainee Programme provided a flexible pathway, especially with its three rotations that offered valuable insights into the operations of various departments within the bank.



## **Developing Our People**



#### **Sustainability Learning Programmes**

As sustainability becomes part of financial decision-making, the Group is equipping employees with the necessary sustainability expertise. Our approach ensures that employees across all levels are prepared to navigate the risks and embrace the opportunities surrounding sustainable, transition and green financing, while ensuring regulatory compliance.

Delivered through a mix of internally developed content and external learning resources, our Sustainability Learning Pathway, which is tailored towards strategic and operational knowledge levels, provides structured, role-specific training to support business growth, customer needs, and Malaysia's Net Zero by 2050 ambitions.







sustainability agenda.

#### **Developing Digital Skills**

Launched in 2022, AmBank Group's Digital Academy serves as a key enabler of digital transformation, equipping employees with essential skills to navigate the rapidly evolving financial landscape. The academy creates a structured approach that is designed to reskill and upskill employees in high-impact digital competencies, ensuring alignment with strategic business priorities, while fostering a culture of adaptability, continuous learning and innovation.

In line with the L&D Strategy (FY2025-2029), the Academy focuses on five core digital skills that are critical for future-proofing the workforce.





## **Developing Our People**



In FY2025, we continued to invest in self-paced online training in Generative AI, data analytics, and cybersecurity, equipping employees with advanced digital skills.

mes	Generative AI (GenAI) for Everyone	Personalised Learning Programme	
Programmes	Relevant Digital Skill: Al and ML	Relevant Digital Skill: Operational Excellence, Data	
Employees	Introduced in FY2025, this offers a strong foundation on Gerexploring the basics of how it works and why in matters in toda working environment. Courses cover the core mechanisms being GenAl, common applications and use cases, common risks, a ethical considerations. These courses equip learners with balanced perspective on responsible Al usage.	y's equipping them with the adaptability and innovation skills needed ind to stay ahead in the digital economy. Different learning pathways were offered, including data, technology/ engineering, design	
	People I	Reached in FY2025	
Total	162 learners	605 learners	

#### Impact of Digital Learning

To measure effectiveness, Group L&D surveyed 506 employees, revealing tangible business outcomes. In addition to obtaining regular feedback from employees on course content, suitability, and trainer effectiveness, we begun measuring the application of learning on-the-job and the return on investment (ROI) of our learning initiatives for the first time, ensuring outcomes are impactful and value-driven to deliver tangible results.



#### Suman Raj A/L Subramaniam, Senior Manager, Credit Risk Technology, Group Information Technology

I began a course in Generative AI which has helped me to understand how AI can simplify our daily tasks. Generative AI can diagnose problems, suggest solutions, and even implement fixes autonomously.



Insights & Achievements

Sustainability at AmBank Group

#### **Personalised Learning Growth**

The future of leadership and specialised roles depends on continuous learning and adaptability. We conduct a Learning Needs Analysis (LNA) every two years to ensure alignment with AmBank Group's strategic goals, identifying skill gaps in key areas such as risk management, compliance, digital skills, and sales.

#### Approach:

· For C-1 staff and above: Individual Development Plans (IDPs) are mandatory and aligned to KPI.

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• For C-2 staff and below: IDPs are optional, promoting ownership of personal growth.

#### Implementation Highlights

- Self-Paced Learning Programme: Launched as a pilot in 2022 and expanded in 2023 and 2024, this initiative has enabled over 1,000 employees to learn at their own pace. Regular follow-ups measure training effectiveness and job relevance.
- Tailored Learning Catalogues: Employees receive custom learning recommendations based on their job functions. For example, an the learning path of a Vice President in Human Resources differs from a Vice President in Global Information and Operations Division (GIOD), ensuring role-specific development.

Targeted Learning by Business Division

To enhance role-specific competencies, we established dedicated academies and structured training programmes across our key business divisions:

#### 1. Retail Banking Academy

The Retail Banking Academy strengthens the skills of RMs and Wealth Advisors, equipping them with the tools to elevate customer service and advisory capabilities. This nine to 12-month programme, launched in 2022 follows the 70:20:10 learning model, ensuring a mix of practical experience, mentorship, and structured learning:

#### **Impact & Highlights**

• 223 RMs have successfully completed the programme.



70:20:10 Learning Model

AmBank Group's Climate Action  $\gg$ 

## Developing Our People

Targeted Learning by Business Division

#### 2. Wholesale Banking Academy

Launched in July 2023, the Wholesale Banking Academy is a structured competency-building programme designed to enhance product knowledge, business processes, and governance standards. Developed in partnership with internal subject matter experts and the Asian School of Banking, the academy offers:



Establishing uniform training standards across teams.

**Specialised Skill Development** Enhancing expertise in credit assessment, sales, and customer relationship management.

**Customer Service Excellence** Equipping employees with best-in-class banking solutions and advisory skills.





#### **Industry-Recognised Certifications**

We actively support professional banking certifications to enhance industry expertise, uphold financial integrity, and equip employees with skills aligned to responsible banking and sustainability principles. In FY2025, the Group promoted three new certifications externally developed and led by the Asian Institute of Chartered Bankers (AICB) to strengthen capabilities in green finance, climate risk management and digital banking transformation.



These certifications embed sustainability and digital banking expertise into AmBank Group's workforce, ensuring employees remain at the forefront of industry innovation and regulatory compliance.

#### Adrian Ng Tze Leong, WB Coverage

Completing the CICR certification deepened my understanding of climate-related financial (physical & transition) risks and their implications to the banking sector. It has helped me to better appreciate ESG risk factors and to raise relevant questions/ provide valuable feedback during customer engagements. The knowledge gained has also assisted me in aligning our financing solutions towards customer's ESG goals.

#### Survey Insights on Upskilling Priorities

To understand our workforce better, a groupwide L&D Employee Survey was conducted in FY2025 with 1,672 respondents, representing 22% of total employees, to complement the biennial Learning Needs Analysis and focus on key upskilling priorities across technical, digital, soft skills, leadership, and sustainability.



## **Developing Our People**

## **M8**

#### TALENT VISIBILITY & LEADERSHIP ENGAGEMENT

Beyond technical expertise, career mobility and leadership engagement are critical to fostering an agile, high-performing workforce. AmBank Group provides structured opportunities for employees to broaden their skill sets, collaborate across departments, and gain direct exposure to senior leadership.

PG 108-159

#### Coffee Chat with GCEO & C-Suites

Employees engaged directly with senior leadership in exclusive dialogue sessions to exchange insights, discuss industry trends, and to share ideas for business growth.

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#### **Purpose of Engagement**

- Provide a platform for Talents to engage and connect with Senior Management.
- Provide a sense of recognition and appreciation among Talents.
- · Provide better visibility of Talents on individual level.
- Serve as a channel for bottom-up feedback and immediate response.

#### Impact & Highlights

• Reached a total of 107 participants.

#### Internal Talent Mobility Programmes: Guest Auditor Programme (GAP)

We offer a structured learning initiative where employees gain handson experience in audit, risk management, and data analytics, strengthening compliance and control frameworks.

Digital GAP is designed to showcase the power of data analytics in developing dashboards, and its application during audit assignments such as for control assessments and exceptions detection. These collectively serve to enhance decision-making.

Both GAP and Digital GAP initiatives are collaborations between Group Internal Audit Division (GIAD) and Group Human Resources (GHR).

#### How It Supports Growth

- Offers experiential learning and excellent knowledge sharing opportunities, providing hands-on experience as the guest auditors are involved in the actual audit exercises.
- Equips key liaison persons across the Group with the knowledge and experience needed to understand audit processes, anticipate auditor queries and take necessary actions to improve and tighten processes.

#### Impact & Highlights

• Participants Number:

GAP 2.0: **31 employees** Digital GAP: **39 employees** 

#### Talent Trail



We conduct interactive team-building activities to enhance collaboration, leadership skills, and cross-functional relationships, fostering a dynamic and engaged workforce.

#### Purpose of Engagement

- Close the cohort gaps by improving trust, team cohesiveness, and team spirit.
- Provide a unique and fun way for the talent to interact with the C-suites and enhance the relationship among talents.
- Foster closer rapport and people integration with different team standards and expectations, and to synchronise the team into one common programme goal.
- Create more open communication and engagement amongst staff
   and to break down barriers.

#### Impact & Highlights

- Talent Get Together 2024 @ Dragon Boat Marina Putrajaya: Joined by Group CEO, C-suite members and 100 talents from AmGraduates, AmDigital, AmApprentice, BATMAN, ELP, and LEAP.
- Management Trainee Trails & Skytrex Sungai Congkak: Joined by 60 trainees from AmGraduate, AmDigital, and AmApprentice programmes.

#### Graduate Engagement



We actively participate in university career fairs and recruitment events to attract top graduate talent and promote career opportunities at AmBank Group.

GHR has developed a plan to execute our branding and engagement initiative, which aims to build and increase our brand awareness and presence while attracting the right talent pool to the Group.

We plan to create strong brand awareness by participating in public events/ activities, utilising social media platforms, and engaging with more universities. In pursuit of AmBank Group's aspiration to become one of the top Employers of Choice, it is imperative that we keep our employer branding efforts as visible as possible to increase our brand awareness.

#### Impact & Highlights

• Conducted 22 engagements.



#### FUTURE OUTLOOK

As skills and job roles evolve, we will continue to refine our learning framework, ensuring employees can adapt, progress, and thrive in a dynamic financial landscape. To strengthen career mobility and leadership readiness, we are integrating IDPs into bi-annual performance reviews. This structured approach will facilitate career conversations between employees and supervisors, identifying skill gaps and advancement pathways.

Additionally, we will introduce mentorship programmes to foster knowledge transfer, leadership development and succession planning. Beyond structured training, we will also focus on measuring learning impact—ensuring that employees can apply new skills effectively in their roles. By strengthening skills application tracking, we aim to bridge the gap between learning and performance, driving both individual and organisational success.

Our ultimate focus is to enhance learning accessibility, streamline career pathways, and provide employees with the tools to take ownership of their professional growth. By continuously evolving our approach, AmBank Group will remain an employer of choice, empowering employees to build long-term careers while contributing to the Group's success.



#### M9 DRIVING DIVERSITY, EQUITY & INCLUSION

At AmBank Group, we believe that when every individual is empowered to thrive, our organisation thrives too. Embedding Diversity, Equity & Inclusion (DEI) across our culture, systems, and leadership not only fosters a more supportive and dynamic workplace, but also drives better decision-making and deeper trust with stakeholders. By embracing our differences, we build a workforce that reflects the communities we serve — advancing social equity while strengthening long-term organisational resilience.

#### 🔊 Risks

- **Reputational and Compliance Risk:** Inconsistent DEI implementation may lead to credibility loss, reputational damage, or non-compliances.
- Attraction and Retention Risk: Limited visible DEI efforts may impact employee retention and reduce access to diverse talent pools.
- Cultural Gaps: Without proactive efforts, unconscious bias may persist, undermining collaboration and performance.

#### Correction in the second s

- **Creativity and Innovation:** A diverse workforce brings varied perspectives, enabling better problem-solving, creativity, and responsiveness to stakeholder needs.
- **Stronger Employer Brand:** Meaningful DEI strengthens our reputation among employees, customers, regulators, and potential hires.
- Inclusive Talent Pipelines: Targeted efforts to empower marginalised groups help expand our workforce capabilities while advancing social equity.

#### OUR APPROACH

Our DEI strategy is rooted in fairness, inclusivity, and equal opportunity. It guides how we recruit, develop, and support our people. Aligned with AmBank Group's Code of Conduct and the principle of "A Fair and Respectful Workplace", our approach embeds DEI values—such as equal treatment, flexible work arrangements, and fair performance management—into daily practices across all levels. Our DEI approach embeds these values into our corporate culture and operational practices:



AmBank Group's DEI culture is driven from the top, with senior leadership championing inclusion as a strategic priority. Leaders model inclusive behaviours, integrate DEI principles into business decisions, and actively engage with employees and stakeholders to address challenges, drive impact, and ensure accountability.

AMMB HOLDINGS BERHAD SUSTAINABILITY REPORT 2025

## **M9**

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#### Equity and Inclusion in Action

As part of our efforts to drive equity and inclusivity, we provide a range of employee benefits, promote employment opportunities for the underprivileged, and support local employment initiatives, as demonstrated through the following key areas.

#### **Empowering Underprivileged Talent**

We actively employ individuals from underprivileged backgrounds, including those with limited formal education. This supports social mobility and enriches our workforce with broader lived experiences.

Female

#### **Prioritising Local Employment**

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We prioritise local employment, ensuring career development pathways for individuals from diverse socioeconomic backgrounds. Structured mentorship, leadership development, and performance management programmes, provide employees with equal opportunities for advancement.

#### **GENDER EQUITY & EMPOWERMENT**

Fair and Equitable Benefits

We ensure employees have equal

access to healthcare, parental leave,

nursing rooms, and financial assistance-

regardless of gender, religion, or job

level-ensuring fairness in treatment and

opportunities.

A gender-diverse leadership pipeline enriches decision-making, enhances business resilience, and better reflects the communities we serve. We are committed to creating an environment where women-and all employees-have equal opportunities to lead, grow, and thrive across all levels of the organisation.

#### **Key Initiatives & Progress**

#### **Advancing Gender Representation**

In FY2025, women made up 62.5% of our workforce, with strong representation across junior and mid-management levels. At the leadership level, we continue to demonstrate steady progress, with female representation maintained in senior roles and at the Board.



Breakdown of Employees by Gender  $\supset$ Total: 7,652 62.5% 375% Male Female



## Driving Diversity, Equity & Inclusion



#### **Creating a Family-Friendly Workplace**

Shared caregiving responsibilities are essential to enabling equal career opportunities. With this in mind, we established the AmBank Little Explorer (ALEX) Childcare Centre at Menara AmBank. This early childhood education centre provides reliable and high-quality care for children aged from toddlers to preschoolers, enabling both mothers and fathers to manage work and family responsibilities more effectively. As of FY2025, ALEX has supported the growth and well-being of 23 children across six age groups.

#### International Women's Day (IWD)

To celebrate and empower women in our workforce, we hosted a multi-day campaign in conjunction with IWD. The campaign also encouraged participation from male allies and focused on inspiration, recognition, and economic empowerment.

FY2025 IWD Activities



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#### Inspiring Greatness

We invited employees to write letters to their future selves and take photos that reflect their personal ambitions tied to the IWD theme.



## **Celebrating Contributions**

Senior Management distributed 2,000 locally grown roses to female employees, honouring their efforts while supporting local florists.



#### **Empowering Entrepreneurs**

We partnered with Ibupreneur, a social enterprise supporting femaleowned microbusinesses, by hosting cookie booths and placing special orders for 2,000 AmBank Cookies.

M9

#### "Accelerating Action with P<sup>2</sup>ACE" Photo Contest

In conjunction with International Women's Day on 8 March 2025, the Group initiated the "Accelerating Action with P2ACE" Photo Contest to honour and celebrate the remarkable contributions of women across the organisation. The programme featured engaging activities designed to recognise, uplift, and inspire:

Key Highlights: • A Moment to Remember – a surprise giveaway to create joyful, memorable moments for employees.



• P<sup>2</sup>ACE Photo Contest – a platform for staff to capture and share powerful stories of women making a difference at AmBank.


An Ethnically-Diverse Workforce Our workforce closely reflects Malaysia's diverse demographic, maintaining

ethnic representation at all levels.



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#### **CULTURAL INCLUSION & RESPECT**

As a homegrown financial institution, AmBank Group reflects Malaysia's rich multicultural heritage in its workforce, values, and operations. We recognise that an inclusive workplace—where employees of all cultural backgrounds feel respected and valued—is key to fostering collaboration and shared success.

#### Cultural Diversity Initiatives

Festive Cele

Festive Celebrations

The Group celebrates Malaysia's major cultural festivals and extends its inclusivity beyond the four key celebrations, ensuring all employees feel seen and valued. These celebrations promote cross-cultural understanding, teamwork, and mutual respect, strengthening relationships within our workforce.

#### Spiritual Wellness

We recognise and respect the spiritual needs of our employees, supporting their personal growth and fulfilment. To accommodate religious practices, we have dedicated leave options:

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

#### AGE DIVERSITY AND WORKFORCE EXPERIENCE

A workforce that spans multiple age groups, brings a balance of experience, strengthening our ability to meet evolving industry and customer demands. Therefore, we encourage mentorship, knowledge transfer, and dynamic collaboration, ensuring that employees contribute meaningfully to our long-term success.

Years of service reflect the strength of AmBank Group's inclusive workplace culture and position on gender empowerment. Additionally, our high employee tenure rates also reflect a culture of sustained inclusion, professional growth, and long-term organisational loyalty.

#### AmBank Group Long Service Awards

**1,182 AmBankers** were celebrated for achieving significant service milestones with AmBank Group, which reflects our appreciation for their **dedication, commitment**, and **contributions** to the organisation's success.

# Diversity of Employees by Ethnicity (%)



Insights & Achievements

## Driving Diversity, Equity & Inclusion

#### **DISABILITY INCLUSION & ACCESSIBILITY**

We strive to create an inclusive workplace where employees of all abilities can thrive, fostering an environment where accessibility, accommodations, and respect are embedded into our workplace culture. Beyond regulatory compliance, we actively remove barriers, provide the necessary resources, and create policies that support employees with disabilities in contributing meaningfully to our organisation.

Our focus on disability inclusion is reflected in our commitment to hiring and supporting employees with diverse abilities. While the numbers remain small, they reflect a foundation we are building on: one where talent is recognised by potential, not limited by condition.



#### HUMAN RIGHTS & ETHICAL WORKFORCE PRACTICES

We aim to uphold human rights as a fundamental principle of responsible business practices, ensuring fair treatment, non-discrimination, and ethical labour practices across all levels of the organisation so that all employees work in a safe, equitable, and respectful environment.

Our grievance process encourages employees to speak up through multiple accessible channels – including supervisors, HR Business Partners (HRBP), or HR-Industrial Relations (HR-IR)— as outlined in our Disciplinary Management Practice Guide. All complaints are assessed promptly through discussion or mediation, with strong emphasis on timeliness, accountability and trust.

To learn more about our grievance process, please refer to the Integrity & Preventing Financial Crime section on page 109.

Employee Rights Compliance and Resolutions



substantiated complaint on human rights violations incident of discrimination and corrective actions

We also recognise that protecting rights includes giving employees a voice. Through collective bargaining, we promote transparent dialogue between staff and management. Our employees are represented by multiple unions, which facilitates fair and constructive negotiations.

In FY2025, 38% of employees were covered by collective bargaining agreements an upward trend from FY2023.



#### FAIR COMPENSATION & PAY EQUITY

We have established equitable pay structures that ensure all employees are fairly compensated based on their skills, responsibilities, and contributions. Through regular pay audits (which include validating pay competitiveness against the market), clear policies, and structured reviews, we uphold fairness, reduce financial disparities, and promote social justice across all levels of the organisation. Additionally, we participate in market surveys to analyse our market competitiveness.

#### **Pay Equality Across Genders**

We ensure equal pay for men and women at all levels of the organisation. Pay audits and in-depth analyses are conducted as and when required to uphold uniform and fair compensation policies, with corrective measures implemented to address any disparities.

#### **Reducing Pay Gaps Across Employee Levels**

We prioritise equitable compensation that accurately reflects employees' roles and responsibilities. Pay decisions and promotions are based on clear, objective criteria, fostering a culture where achievements are fairly recognised and rewarded.

#### Living Wage vs Minimum Wage

We embrace the concept of a Living Wage, which ensures employees can maintain a decent standard of living. Unlike the statutory minimum wage, the Living Wage considers actual living costs, allowing employees to sustain a respectable quality of life.



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#### **FUTURE OUTLOOK**

As we reflect on our progress in fostering greater DEI, we are encouraged by the strides we have made. However, we acknowledge that the journey towards true inclusivity is ongoing and demands continuous dedication and adaptability. Moving forward, we remain committed to strengthening our diversity and inclusion efforts.



Appendices

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### M10 RESPONSIBLE CONSUMPTION

The Group recognises the vital role it plays in driving responsible environmental practices and supporting Malaysia's transition towards a low-carbon economy. As a sustainable financial institution, AmBank Group is committed to responsible consumption through our Net Zero Transition Plan (NZTP) by establishing targets to achieve Net Zero by 2050<sup>1</sup>, optimising resource use, and integrating renewable energy solutions. Our Enterprise Emissions Carbon Neutrality by 2030 (Scope 1 and Scope 2)<sup>1</sup> target underscores this commitment, guiding energy efficiency, waste reduction and sustainability-driven procurement efforts.

#### 🖳 Risks

- **Operational Cost:** Inefficient energy and resource use exposes the Group to rising utility costs.
- **Regulatory Non-Compliance:** Failure to meet evolving environmental standards or reporting requirements may have regulatory, legal, financial, or reputational repercussions.
- Stakeholder Trust Deficit: Inadequate action on environmental-related operational impacts and unverifiable sustainability claims could weaken stakeholder confidence and damage long-term brand equity.

#### Çorigination Construction Cons

- **Cost Savings:** Investing in energy-efficient systems and sustainable infrastructure reduces long-term operating expenses.
- **Future-proofing Operations:** Proactive adaptation to climate and resource challenges builds resilience and ensures alignment with future policy shifts and ESG expectations.
- Enhanced Market Positioning: Demonstrating environmental leadership in operations by achieving Carbon Neutral (Scope 1 and Scope 2) 2030 target strengthens credibility with stakeholders.

#### OUR APPROACH

To achieve our Net Zero ambition, we are implementing structured emissions reduction initiatives, integrating science-based targets to measure, track and mitigate our environmental impact. A key focus of our journey toward Enterprise Emissions Carbon Neutrality by 2030 (Scope 1 and Scope 2)<sup>1</sup> target involves tapping on both active and passive levers to drive enterprise emissions reduction.

Beyond GHG emissions and energy management, AmBank Group actively promotes waste and resource conservation to reduce its environmental footprint.

To learn more about our Net Zero Transition Plan and decarbonisation strategy for financed emissions, please refer to the Strategy section of Climate Action on page 32 and Responsible Financing & Building Climate Resilience section on page 70.

#### FRAMEWORKS AND POLICIES





#### **Practice Guides**



#### Environmental Objectives, Targets, and Plans Practice Guide

Provides structured guidelines for setting, implementing, monitoring, and assessing environmental objectives, ensuring alignment with the Environmental Management Plan (EMP).



## Environmental Resource Management Practice Guide

Outlines best practices for optimising resource consumption, covering classification, energy management, and sustainable material use.



#### **Energy Management Practice Guide**

Provides guidance on effectively managing energy consumed by the Group in accordance with the Group Energy Policy.



#### Environmental Monitoring and Measurement Practice Guide

Details procedures for tracking, analysing, and assessing environmental performance using Environmental Performance Indicators (EPIs) to strengthen sustainability efforts.



## Greenhouse Gas (GHG) Accounting and Reporting Practice Guide

Aligns with GHG Protocol Standards, defining methods for identifying, calculating, reporting, and verifying emissions for accurate GHG tracking.



#### **Environmental Waste Management Practice Guide**

Provides guidance on effectively managing solid and scheduled waste generated by AmBank Group, ensuring compliance with Malaysian regulations and the Group's Environmental Policy.

#### Certifications



#### ISO 14001:2015 Certification

Ensures compliance with international environmental standards, driving systematic improvements across operations.



#### Energy Management Gold Standard (EMGS)

Establishes stringent energy efficiency benchmarks and embark on an Energy Management System at our head office, serving as a model for all facilities.

#### **OUR ENTERPRISE GHG EMISSIONS**

We continue to track, reduce, and disclose our enterprise-level GHG emissions across Scope 1, 2, and 3, aligned with our Net Zero by 2050 ambition. In FY2025, our total gross emissions rose to 28,866 tCO<sub>2</sub>e, largely due to the expansion of Scope 3 calculations to include employee commuting — an essential step towards more holistic and transparent climate reporting.

Despite the broader boundary, we were able to bring our net emissions to  $18,340 \text{ tCO}_2\text{e}$  with  $10,526 \text{ tCO}_2\text{e}$  in emissions reductions from renewable energy sourcing and Renewable Energy Certificates (RECs).

Insights & Achievemen

Banking



## Responsible Consumption



Data has been subjected to an external independent limited assurance. Refer to the Independent Limited Assurance Report on pages 227 to 230.

- \* Baseline has been revised from FY2019 to FY2024
- \*\* Category 5, 6, and 7\*\*

Emissions Reduction (tCO <sub>2</sub> e)	FY2023	FY2024* (restated)	FY2025
Emissions reduction initiatives ( $tCO_2e$ )	13,682	4,474	10,526

\* FY2024 data has been restated to reflect the updated emissions factor (i.e. Grid Emissions Factors for 2022 published by Energy Commission in November 2024)

Net GHG Emissions and Reduction	FY2023	FY2024* (restated)	FY2025*
Net GHG Emissions (tCO <sub>2</sub> e)	4,071	13,393	18,340

\* FY2024 emissions were restated to reflect the exclusion of AmREIT Managers Sdn Bhd, refined emission factors, omission of electricity not purchased by the Group and removal of emissions from electricity generated by solar panels. FY2025 emissions include expansion of Scope 3 — Category 7: Employee Commuting and expanded Category 5: Waste Generated in Operations to include waste to disposal—as part of our baselining exercise to FY2024 to ensure accuracy and completeness.

GHG Intensity (tCO <sub>2</sub> e/RM million)	FY2023 (restated)	FY2024 (restated)	FY2025
GHG Intensity	3.9	3.9	5.9

Our GHG intensity rose from 3.9 tCO<sub>2</sub>e/RM million in FY2024 to 5.9 tCO<sub>2</sub>e/RM million in FY2025, largely driven by the inclusion of new Scope 3 categories (employee commuting and waste to disposal).



#### **SCOPE 1: DIRECT EMISSIONS**

While Scope 1 emissions account for a small share of AmBank Group's overall carbon footprint, they remain a key operational focus—particularly in managing vehicle fleet.

Scope 1 Actual (tCO <sub>2</sub> e)	FY2023	FY2024 (restated)	FY2025
Scope 1 Emissions	70	60	62®

Data has been subjected to an external independent limited assurance. Refer to the Independent Limited Assurance Report on pages 227 to 230.

In FY2025, Scope 1 emissions stood at 62 tCO<sub>2</sub>e, reflecting a slight increase from FY2024 (restated: 60 tCO<sub>2</sub>e). This rise was due to the inclusion of additional vehicles and an updated emissions factor for diesel cars. These support a more accurate representation of our reporting boundary.

Dυ	ar corporate fleet is the primary contributor to Scope 1 emissions. To reduce this, we continued to implement the following actions:
	Hybrid Vehicle Integration: Increased adoption of hybrid vehicles when purchasing new vehicles.
	Fuel Efficiency Monitoring: Strengthened tracking and analysis of petrol usage to identify opportunities for future emission reductions.

Fuel Consumption from Vehicle Fleet	FY2023	FY2024 (restated)	FY2025
Fuel Consumption Per Year (Litres)	30,792	25,204	26,321

**Note:** All mention of FY2024 is in reference to the Group's baseline. The computation reflects the exclusion of AmREIT Managers Sdn Bhd, refinement of the emission factor for diesel car and inclusion of additional vehicles.

#### **SCOPE 2: INDIRECT EMISSIONS**

Electricity consumption (Scope 2) remains the largest source of operational emissions for AmBank Group, making it a central focus in our decarbonisation strategy. Reducing these emissions is critical to achieving our Carbon Neutral by 2030 target and aligns with our broader ambition for Net Zero by 2050.

In FY2025, Scope 2 emissions declined to 16,375 tCO<sub>2</sub>e, from 16,576 tco<sub>2</sub>e in FY2024, driven by sustained efforts in energy efficiency and renewable energy integration.

Scope 2 Actual (tCO <sub>2</sub> e)	FY2023	FY2024 (restated)	FY2025
Total	16,806	16,576	16,375®

Data has been subjected to an external independent limited assurance. Refer to the Independent Limited Assurance Report on pages 227 to 230.

Insights & Achievements



## Responsible Consumption

#### What We Did in FY2025

Our Scope 2 decarbonisation approach begins with reducing consumption (active levers) while also procuring green energy and pursuing offsetting mechanisms (passive levers):

PG. 108-159

Active	Lever	Passive Lever
Energy efficiency upgrades across cooling, lighting, and data centre.	Expansion of <b>renewable energy</b> , via solar power installations.	Subscribe to Green Energy Tariffs (GETs) and procure Renewable Energy Certificates (RECs) to offset emissions.

Key Initiatives

#### Active: Energy Efficiency

#### Air Conditioning Upgrades

Where upgrades were due, MEPS 5-star and inverter-type air conditioning models were used, which are more energy-efficient than conventional models.

#### Variable Refrigerant Volume (VRV) Systems Implementation

Conventional air-conditioning systems at DF3 and MAB (Levels 48 & 49) are being retrofitted with VRV systems, which provide adjustment tools to the refrigerant volume within the system to match the building's cooling demands. The retrofitting for DF3 was completed in July 2024, while retrofitting for MAB will be completed by FY2027.

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#### LED Lighting Conversion

Converted lighting to LED technology in main buildings and branches to reduce energy usage. Additionally, we changed the neon camel and taglines to LED lighting for BAG's facade. In FY2027, all other neon signages at MAB, BAG, and DF3 will be replaced with energyefficient LED signages.

#### **Cold Aisle Containment**

Installed a Cold Aisle Containment system at the DF3 data centre to improve overall airflow management.

#### Impact & Highlights



 Estimated energy efficiency improvement from air conditioning by 30%.

#### Impact & Highlights

- Energy savings: 16,135 kWh.
- GHG emissions reduction: Approximately 12.5 tCO2e.

#### Impact & Highlights

- Energy savings: 172,642 kWh.
- GHG emissions reduction: Approximately 133.6 tCO\_2e.

#### Impact & Highlights

- Energy savings: 97,217 kWh.
- GHG emissions reduction: Approximately 75.2 tCO<sub>2</sub>e.



# Sustainability at AmBank Group

#### Key Initiatives

Active: Renewable Energy

## Solar Panels Installation

The exploration of solar energy implementation at branches is split into stages. Phase 1 is scheduled to be completed by March 2026, with two of AmBank Group's branches having installed solar panels in FY2025 and three in progress. Phase 2 is scheduled for exploration in FY2026, with plans to implement in FY2027.

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#### Impact & Highlights

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- Estimated energy savings for phase 1: 122,221 kWh
- GHG reduction: Approximately 91 tCO<sub>2</sub>e.

	FY2023	FY2024	FY2025
Solar Power Produced at DF3 (kWh)	81,850	82,628	77,836

#### Active: Green Mobility

## EV Charging Stations

We launched our very own EV charging stations at two branches in Kota Bharu and Jalan Kelawai, with plans to explore the feasibility at other branches in FY2026.

Passive: Procured Renewable Energy

## Renewable Energy Sourcing

Renewable energy is sourced from providers such as TNB Green Energy Tariffs (GET) and Renewable Energy Certificates sourced from Sarawak Energy Berhad (SESCO) and Bursa Carbon Exchange (BCX) to decrease reliance on non-renewable sources and offset our emissions.

#### Impact & Highlights

- TNB GET: Utilised 13,016,233 kWh, offsetting 10,074 tCO\_2e.
- SESCO REC: Utilised 2,270 MWh from technology-based carbon removals, offsetting 452 tCO<sub>2</sub>e.
- REC-BCX: Sourced 10,000 MWh from technology-based carbon removals for future use.

## Responsible Consumption

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#### SCOPE 1 & 2: TOWARDS CARBON NEUTRALITY

AmBank Group has committed to achieving carbon neutrality across Scope 1 and Scope 2 emissions by 2030<sup>1</sup>. These emissions make up the core of our operational footprint and tackling them early enables us to build the systems, discipline, and momentum needed for deeper value chain decarbonisation.

This target is anchored on a structured roadmap that leverages both active and passive levers to reduce emissions. Active levers involve direct interventions such as implementing energy efficiency measures and deploying on-site renewable energy initiatives. Passive levers, on the other hand, include broader systemic solutions such as national grid decarbonisation, uptake of the GET and the procurement of RECs and carbon credits. Together, these efforts reflect the Group's ongoing progress in solar generation and emissions reduction, forming a comprehensive strategy to transition toward net-zero operations while enhancing operational resilience and enabling long-term sustainable growth.



 $\sim$  To learn more about our initiatives, please refer to page 149.

1 2030 refers to FY2031



#### **SCOPE 3: OTHER INDIRECT EMISSIONS**

Scope 3 emissions represent indirect emissions from sources beyond AmBank Group's direct operations, including waste management, business travel, and employee commuting. These emissions are a significant area of focus as we work towards enhancing our environmental impact management.

In line with global best practices and the GHG Protocol, we continue to progressively expand our Scope 3 boundaries, which now cover:

- Category 5: Waste Generated in Operations
- Category 6: Business Travel
- Category 7: Employee Commuting

In FY2025, Scope 3 emissions surged to 12,429 tCO<sub>2</sub>e, primarily due to the inclusion of employee commuting and waste directed to disposal, which were previously excluded. This increase reflects our commitment to advancing transparency and completeness in climate reporting, even as it reveals the true scale of indirect impacts across our value chain.

Scope 3 (tCO <sub>2</sub> e)	FY2023	FY2024	FY2025
Total	877	1,231	12,429

#### Waste Management

We adopt a structured approach to waste management, guided by our Environmental Waste Management Practice Guide and aligned with the Department of Environment (DOE) regulations. In FY2025, waste directed to disposal was formally accounted for. Our emissions from Waste Generated amounted to 169 tCO<sub>2</sub>e.



Insights & Achievements

AmBank Climate

Group's Action



## Responsible Consumption



To minimise our waste generated, we continue to prioritise recycling, digitalisation, and data-driven monitoring. However, data gaps remain, particularly for domestic waste, where vendor aggregation limits accuracy, which we will continue to enhance.



#### **Business Travel**

Business-related travel is an inherent part of our Scope 3 emissions under Category 6, primarily through air travel and mileage claims. In FY2025, these activities generated 837.2  $tCO_2e$ —with 229  $tCO_2e$  from air travel and 608.2  $tCO_2e$  from mileage.



Category 6: Business Travel GHG Emissions (tCO<sub>2</sub>e)

\* Our calculation for Employee Travel (Air travel) is based on ICAO carbon calculator, whilst the emission factors are based on latest data from DEFRA on cars, motorbikes and outsource shuttles.

#### What We Did in FY2025

To mitigate business-related travel emissions, we have implemented the following initiatives:

- Shuttle Services: Providing employees with transport from train stations to offices, reducing single-occupancy car use and lowering emissions.
- Virtual Meetings: Encouraging the use of digital communication tools to minimise business travel between the Group's premises, reducing carbon impact while maintaining productivity.



#### **Employee Commuting**

In FY2025, we expanded our emissions boundary to include Category 7: Employee Commuting, providing a more holistic view of operational impacts. Based on employee survey data (88% response rate), this newly accounted source contributed 11,414 tCO2e, making it the largest Scope 3 (enterprise emissions) contributor this year. Shuttle services for employees—already accounted for in previous years—contributed an additional 9.23 tCO<sub>2</sub>e.

By capturing this data, we are better positioned to design future mobility policies that support lower-emission commuting and embed sustainability into everyday work routines.

Category 7: Employee Commuting GHG Emissions (tCO <sub>2</sub> e)	FY2023	FY2024	FY2025
Outsourced Shuttle Services for Employees	285.00	16.00	9.23
Employee Commuting*	-	-	11,414

\* Employee commuting was estimated based on inputs collected from an employee survey, with 88% participation rate.

#### WATER MANAGEMENT

As water scarcity becomes a growing environmental concern, we continued optimising water use across our operations through technology and behavioural change. Auto-faucet systems were maintained to reduce wastage, while FY2025 saw enhanced data collection via actual water bills, leading to better visibility of consumption patterns.

Water usage rose to 102 megalitres due to expanded branch operations and improved metering, helping us set more accurate efficiency baselines. To encourage conservation, we launched awareness campaigns via office signage, lock screen messages, and posters-nudging employees toward mindful consumption.



\* Water consumption increased due to data collection improvements based on actual water bills and accounts for the expansion of new branches throughout the reporting year.

Sustainability at AmBank Group

Insights & Achievements

## Responsible Consumption



#### ENVIRONMENTAL ASSURANCE AND INTEGRITY

Environmental leadership demands consistent and credible progress. Each year, we subject our environmental data, systems, and performance to rigorous external validation, global certification standards, and independent verification. These checks not only affirm the accuracy of our disclosures, but also help us benchmark against best practices and uncover opportunities to raise our performance further.

PG 108-159

#### 1. Environmental Certifications

Certifications serve as independent benchmarks of our operational performance and alignment with global best practices. In FY2025, we maintained key environmental certifications for our offices:



#### 2. Green Building Audit

To further drive operational sustainability, an independent audit was conducted on our operating space within four of our main buildings—BAG, MAB, DF3, and WAF—based on the Green Building Index (GBI) framework. The assessment focused on four key areas:



Three new initiatives were shortlisted for implementation based on feasibility, energy savings, and returns on investment.

#### FUTURE OUTLOOK

As we progress toward Carbon Neutrality by 2030<sup>1</sup> (Scope 1 and Scope 2), our immediate priority is reducing Scope 2 emissions, which represent the bulk of our operational impact. We are investing in energy efficiency upgrades, including the transition to Variable Refrigerant Volume (VRV) systems at DF3 and higher-efficiency air-conditioning systems, as well as installing solar panels at selected branches to expand renewable energy use.

At the same time, we are refining our Scope 3 emissions strategy as part of our longer-term Net Zero ambition by 2050<sup>1</sup>. This includes enhancing data quality and improving waste & water management. Key initiatives include promoting responsible resource use, implementing rainwater harvesting at DF3, establishing scheduled waste storage, and activating Electronic Scheduled Waste Information System (e-SWIS) accounts to strengthen compliance and waste reporting across key facilities.

2030 refers to FY2031 and 2050 refers to FY2050.

#### M11 **RESPONSIBLE PROCUREMENT**

We recognise that procurement decisions can have a far-reaching impact on our supply chain. As such we strive to collaborate with our suppliers to adopt sustainable business practices, thereby ensuring supply chain resilience and driving positive economic, social, and environmental outcomes.

As a key enabler for responsible business operations, we embed ethical, sustainable, and transparent sourcing practices into our procurement process. By prioritising fair and responsible practices, we extend support to local businesses, while reinforcing trust among our stakeholders.

#### **Risks**

- Vendor Non-Compliance: Suppliers failing to meet ethical or sustainability standards may create legal or reputational risks.
- Supplier Data Limitations: Limited data from suppliers may hinder targeted improvement efforts, especially for emerging practices like carbon tracking.
- Capacity Constraints: Local or SME suppliers may face resource or awareness gaps that affect their ability to comply with evolving expectations and practices.

#### $\stackrel{\kappa}{\leftarrow} \stackrel{\sigma}{\overset{\sigma}{\rightarrow}} \rightarrow \mathbf{Opportunities}$

- Economic Empowerment: Supporting local businesses through procurement promotes economic equity and builds vendor resilience.
- Ethical Procurement: Enforcing supplier integrity, safety and social standards helps safeguard worker welfare, mitigate compliance risks, and foster greater trust.
- Shared Value Creation: Investing in vendor development enables shared sustainability outcomes across the supply chain.

#### OUR APPROACH

Responsible procurement extends beyond business efficiency, ensuring sourcing decisions emphasise integrity, accountability, and long-term value creation with our suppliers. This structured approach is anchored on the following pillars:



#### **Business Integrity & Governance**

ensure suppliers uphold ethical sourcing ndards, including fair labour practices such as fair wages, human rights protection and strict adherence to the Supplier Code of Conduct and Anti-bribery & Corrupt Practices Policy. Vendors undergo rigorous screening to confirm compliance with fair wages, anti-child labour policies, and anti-corruption laws.

#### **Pillars for Responsible Procurement**



Safety & Social Performance enforce occupational health and safety standards to maintain secure working conditions across supplier operations, ensuring businesses operate responsibly

within local communities.



#### **Environmental Sustainability**

strive to minimise procurement-related environmental impact by sourcing from suppliers with sustainable practices-reducing waste, using biodegradable cleaning agents, procuring recyclable products, and lowering energy use and carbon emissions.



#### Local Sourcing and **Community Development**

We strengthen local economies by prioritising Malaysian suppliers, engaging SMEs, and supporting community-based initiatives that deliver social impact.



**Risk Management and Resilience** We conduct supplier risk assessments to mitigate ESG, regulatory, and financial risks, while ensuring supply chain continuity.



#### Sourcing Compliance & Reporting

We set clear procurement expectations through clear governance policies, and monitor compliance to uphold responsible sourcing.

Insights & Achievements

#### Vendor Selection Process

AmBank Group's vendor selection process is structured to embed ESG principles at every stage—from pre-onboarding to ongoing supplier engagement. We ensure our vendors meet the highest ethical and sustainability standards through a screening, compliance, governance, and continuous engagement approach.

#### Step 1: Pre-Onboarding: Vendor Screening and Qualification

- Conduct ESG Evaluation: Vendors are assessed based on ESG criteria, including governance, ethical conduct, social responsibility, and environmental impact.
- **Evaluate in a Structured Manner:** Category-based evaluations and structured questionnaires are conducted.
- Set Minimum Thresholds: A minimum score is required to qualify;
   vendors below threshold may be guided for reassessment.

#### Step 2: During Onboarding: Compliance with ESG Standards

- Complete ESG Self-Assessment: Vendors answer 60–70 ESG-focused questions during onboarding.
- Acknowledge Procurement Terms: Vendors formally agree to AmBank Group's Responsible Procurement Requirements.
- Establish Early Compliance: Compliance to sustainability expectations are made clear and binding from the outset.

#### Step 3: Post-Onboarding: Ongoing Engagement & Supplier Development\*

- Facilitate Knowledge Sharing: Vendors receive guidance to align with AmBank Group's sustainability values.
- Encourage ESG Adoption: Support and knowledge sharing sessions are offered to improve practices.
- **Reinforce Long-Term Engagement:** Continued supplier dialogue supports responsible growth and shared outcomes.

**Note:** "If any ESG issues arise, AmBank Group will engage with the suppliers and provide guidance for improvement. Suppliers must take corrective action within a reasonable time. Repeated failure to address the issues may lead to off-boarding, with input from relevant business units.

#### Policies & Frameworks

Our procurement activities are governed by a robust set of policies that uphold transparency, fairness, and sustainability across sourcing and outsourcing practices. These frameworks are regularly reviewed and updated to align with latest best sustainability practices.

#### Group Procurement Policy, Group Outsourcing Policy & Sourcing and Outsourcing Guidelines:

Establish a clear framework for ethical sourcing, ensuring fair and equitable treatment for all suppliers. These policies and guidelines outline a structured evaluation process incorporating sustainability criteria, business ethics, and operational capability. To maintain accountability, all procurement activities are recorded through AmBank's Enterprise Resource Planning (ERP) system, which timestamps data for full compliance and auditability.

#### AmBank Group's Code of Conduct:

Provides a governance framework for supplier relationships, fostering trust, cooperation, and long-term alignment. It ensures transparency, prevents conflicts of interest, and promotes responsible decision-making.

#### Supplier Code of Conduct (SCOC):

Requires all suppliers to operate with honesty, responsibility, and respect while upholding ethical, safe, and sustainable practices.

#### Ethical Business & Anti-Bribery Standards:

Enforces AmBank Group's Anti-bribery & Corrupt Practices Policy to ensure all supplier interactions meet legal and ethical standards.

#### **GREENING OUR SUPPLY CHAIN**

To future-proof our supply chain and support national decarbonisation goals, AmBank Group launched the GVC Programme in collaboration with PANTAS in January 2024. Through this programme, suppliers are equipped with tools and knowledge to measure, report, and reduce their environmental impact. These efforts are delivered through structured engagements, including advisory sessions and practical learning support.

#### Key Focus Areas

#### Supporting SMEs by Providing Resources & Guidance

Assisting SMEs in implementing sustainable business practices to reduce environmental impact, particularly GHG emissions by offering technical advisory services and access to GHG emissions management and reporting software tools.

#### **Enabling Sustainable Financing**

Helping SMEs to secure sustainable financing options, including the LCTF by BNM. This scheme offers preferential financing rates for businesses meeting specific climate targets. With its blended finance structure, the fund encourages collaboration between public and private sector investors, driving industry-wide sustainability efforts. Our Progress in the GVC Programme

Total number of suppliers participated and registered on the PANTAS Platform

230 suppliers participated and registered on the PANTAS Platform

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M11

PG 108-159



#### SUSTAINABLE PROCUREMENT PRACTICES

AmBank Group incorporates sustainability considerations into its procurement of everyday goods and services by prioritising suppliers and products that minimise environment impact and promote local enterprise.

#### $\gg$ **Key Practices: 1. Paper Procurement with Sustainable Forest Certification 3. Sustainable Third-Party Products** All office paper is sourced exclusively from suppliers certified under the For third-party subscriptions and supplies, we prioritise brands that follow Programme for the Endorsement of Forest Certification (PEFC), promoting a clear sustainable manufacturing roadmap. A proportion of these responsible forestry practices. products are made from recycled, renewable, or low-emission materials. 2. Green-Certified Furniture 4. Support for Local Artisans and Enterprises The Group procures environmentally friendly office furniture from In conjunction with AmBank Group's 50th anniversary, we sourced corporate suppliers with green label certification, ensuring our purchases reflect gifts and souvenirs from homegrown organisations including APOM, The Asli. lower-impact production standards. co, Komuniti Tukang Jahit, and Loka Made. These products meet commercial standards, while showcasing local craftsmanship and heritage.

#### **EMPOWERING LOCAL SUPPLIERS**

Aligned with our commitment to prioritise local suppliers, approximately 91% of our suppliers are Malaysian-based companies, thereby actively contributing to the growth of local businesses.

Type of suppliers	FY2023		FY2024		FY2025	
Local Suppliers	1,136	6	1,07	5	984	ļ
International Suppliers	98 110		102			
Total	1,234		1,185		1,086	
Economic contribution to suppliers	RM million	%	RM million	%	RM million	%
Local Suppliers	656	90	566	86	592	87
International Suppliers	76	10	95	14	85	13
Total	732	100	661	100	677	100

#### **FUTURE OUTLOOK**

As demand for sustainable products grows, broader industry adoption is expected to lower costs and improve accessibility as premiums for green products will reduce over time. AmBank Group will continue strengthening sustainable procurement by prioritising energy-efficient, eco-friendly, and green-certified products, while driving positive social impact across its supply chain.

The Group will enhance supplier data tracking in the short to medium term, focusing on SMEs, Bumiputera enterprises, and women owned businesses to promote inclusive and responsible sourcing.

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## M12 SUPPORTING COMMUNITIES

Strong, inclusive communities are essential for long-term economic resilience. When individuals and businesses are empowered—through access to education, income opportunities, health support, and social inclusion—they are better positioned to participate in and contribute to the broader economy. Our community efforts focus on enabling this participation by addressing real needs, reducing barriers, and uplifting underserved groups. In doing so, we help build a more inclusive and sustainable ecosystem—one where growth and opportunity are accessible to all.

- Fragmented Impact: Without coordinated strategies, social programmes may risk limited reach and effectiveness.
- **Stakeholder Misalignment:** Programmes that do not reflect community needs can weaken trust and social relevance.
- Underutilised Employee Engagement: Not leveraging staff involvement can reduce potential impact and social connection.

#### Corportunities

- **Strengthening Public Trust:** Inclusive outreach programmes deepen stakeholder confidence and community goodwill.
- **Supporting National Development:** Focused initiatives can advance key SDGs and national policy outcomes.
- Enhancing Employee Purpose: Volunteering and community engagement improve staff motivation and organisational culture.

#### OUR APPROACH

Our approach is guided by structured and targeted initiatives, ensuring that our efforts are strategic, measurable, and aligned with national priorities, our sustainability material matters and the UN SDGs we support.



Scan this QR code to watch a video of our CSR and sustainability initiatives.



## Supporting Communities



#### AmBank Group's Community Empowerment Framework

The Community Empowerment Framework provides an integrated approach to driving positive change in society with a foundation on sustainability and inclusivity.

	AmBank Group Community Empowerment Fran	nework	
Protecting the Environment and Endangered Species	Champion the protection of our environment and vulnerable species through conservation initiatives and sustainable practices. These efforts aim to mitigate pressing threats such as pollution and climate change.	Money invested	Beneficiaries
Empowering B40 Economic Empowerment	Enhance the socio-economic well-being of the bottom 40% of the population through targeted initiatives—such as skills training, entrepreneurship support, and the creation of equitable opportunities.	RM666,197	7,010
Partnerships with Schools and Local Universities	Foster strong collaborations with educational institutions to improve learning outcomes and promote community engagement. Programmes such as financial literacy and mentorship are designed to address local needs.	RM751,737	15,076
Fight for Zero Hunger Humanitarian Aid	Address food insecurity by providing humanitarian support to vulnerable groups, while championing efforts that promote food security and improved nutrition for all.	RM51,000	1,953
Support People with Physical Disabilities and Critical Illnesses	Offer tailored support for individuals living with disabilities and critical illnesses through access to healthcare services, social inclusion initiatives, and assistance that enhances quality of life.	RM367,076	894



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#### VOLUNTEERING WITH AMBANK GROUP

Volunteering is a powerful driver of social change. We encourage our employees to be actively involved in community development and outreach through structured platforms that promote long-term engagement, collaboration, and contribution to national progress.

We provide structured employee volunteering opportunities through two key platforms:

#### **01**) AmBank Volunteer Network (AVN)

Established in 2023, the AVN is a volunteer network that drives employee engagement in social responsibility efforts. This platform provides structured volunteering opportunities, which can be accessed through our internal Connected Calendar schedule and other communications channels.



#### **AVN OBJECTIVES**

#### Connecting AmBankers with the Community

Encourages hands-on participation in social initiatives, deepening employees' connection with the communities they serve.

#### ) Kelab AmBank Group (KAG)

#### AVIN OBJECTIVES

Promoting P<sup>2</sup>ACE Values Reinforces core values such as purpose, accountability, and collaboration, fostering a culture of sustainable impact.

#### **Building a Purpose-Driven Network**

Creates a community of employees committed to long-term, impactful volunteering efforts, strengthening the Group's role as a responsible corporate citizen.

Our employee club integrates sports, recreation, and community impact through fundraising, donation drives, and community support initiatives. Through regular fundraising, donation drives, and social events, the club fosters team spirit while giving back to our communities.

#### **Blood Donation Drive**

Held regularly in partnership with Pusat Darah Negara to encourage lifesaving contributions, these drives offer a convenient way for employees and the public to support the national blood bank, within our selected premises in the Klang Valley.



#### **AmBank Run**

Our flagship wellness event, "Health is Wealth," was held at Taman Botanic with regional editions across Malaysia. It attracted runners and outdoor enthusiasts, with smaller-scale events held across the East Coast, Southern, and East Malaysia regions.



## Supporting Communities

#### PROTECTING THE ENVIRONMENT AND ENDANGERED SPECIES

We are committed to preserving ecosystems and endangered species through strategic initiatives that promote biodiversity, climate resilience, and sustainable practices.

#### Feature Programme 🛛 Ď

# CSR Programme with Zoo Melaka and Zoo Negara Camel Sponsorship $\overbrace{6}^{\swarrow}$

Committed to the preservation of endangered species, in conjunction with World Orangutan Day, AmBank Group renewed its sponsorship of two orangutans—Phat Phat and Mardhia—at Zoo Melaka. To make the day even more memorable, we invited 100 students from our Adopted School for an exciting Treasure Hunt adventure, fostering awareness about wildlife conservation in a fun and interactive way. As part of our community outreach, we also provided the students with essential back-to-school supplies, ensuring they are well-equipped for the academic year ahead. Additionally, we contributed to the upkeep of camels in Zoo Negara.



2 ZERO HUNGER

#### Impact & Highlights

- RM40,000 contributed towards conservation education
- · 100 students empowered through wildlife awareness and environmental learning experiences
- RM50,000 sponsored for the upkeep of camels

Programme	How We Supported the Community	Impact & Highlights
Kayaking for a Cause: Mangrove Restoration at Bagan Lalang of	AmBankers participated in a hands-on restoration drive to protect the Bagan Lalang Mangrove Forest in Sepang. The activity promoted climate action awareness while encouraging employee volunteerism in preserving vital ecosystems.	<ul> <li>Total contribution: RM45,500</li> <li>Total participants: Over 150 AmBankers</li> <li>Planted 1,000 mangrove saplings</li> </ul>
Reusable Bag Giveaway at Bazar Ramadan Tradisi o	To encourage sustainable consumer behaviour, the Group distributed reusable bags to visitors at the AmBank <i>Bazar Ramadan Tradisi</i> @ Datuk Keramat, encouraging eco-conscious habits during the festive season.	<ul> <li>Total contribution: Over 2,000 reusable bags</li> <li>Total volunteers: 15 AmBankers</li> </ul>
Sustainable Fashion Programme Category	We encouraged circular fashion through donation drives, an upcycling workshop for students, and clothing swaps. This fostered greater youth awareness of textile waste and sustainable consumer choices.	<ul> <li>Total contribution: 2,023 kg of pre-loved clothing and textiles</li> <li>Total beneficiaries: 80 students a the workshop</li> </ul>
-Waste Collection Drive	Held in conjunction with World e-Waste Day, the campaign educated staff and the public on safe e-waste disposal. It encouraged responsible tech use and reduced landfill contributions.	<ul> <li>Total contribution: 1,560 kg of e-Waste collected</li> <li>Total volunteers: 214</li> </ul>
Vasted Documentary /iewing at TRX	AmBankers attended the exclusive screening of Wasted, followed by a talk by Zero Waste Malaysia co-founder Khor Sue Yee as well as a fireside chat with AmBank's Chief Sustainability Officer, to raise internal awareness on the waste crisis, sustainable living practices and waste reduction efforts.	Total beneficiaries: Over 100     AmBankers





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#### **EMPOWERING B40 ECONOMIC EMPOWERMENT**

We have developed initiatives for fostering economic resilience and sustainability by empowering B40 communities and women entrepreneurs.



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Additional Programmes



## Feature Programme

#### Zakat Contribution

Through AmBank Islamic Berhad, our Zakat contributions are dedicated to uplifting asnaf (eligible recipients under Islamic law) by addressing both immediate needs and long-term economic empowerment as well as alleviate poverty and promote social equity by channeling funds across various sectors.

#### **Impact & Highlights**

- Total Zakat contribution: RM4.419 million •
  - State zakat collection centres: RM1.120 million
  - Community Programme: RM3.299 million
- Total beneficiaries: 3.635 .

#### **Breakdown of Zakat Contribution:**

- Students/Education Assistance: RM0.763 million to 2,544 • students
- Medical Assistance: RM0.363 million to 16 asnaf patients from two entities for dialysis and payment arrears of medical treatments
- Islamic Development Activities: RM0.184 million to 487 • asnaf from 3 mualaf development entities
- ٠ **Charity Support:** RM0.438 million to 485 *asnaf* from eight entities for printing of braille, the Orang Asli community and charity homes
- iTekad: RM1.55 million to 103 asnaf microentrepreneurs

Programme	How We Supported the Community	Impact & Highlights
Donation Drive from Group Risk Management (GRM) in conjunction with Malaysia Day	To support the well-being of underserved communities, GRM held a charity session at two charity homes. The team contributed essential supplies and pre-loved items, aiming to bring comfort and care to those in need.	<ul> <li>Total contribution: RM6,700</li> <li>Total beneficiaries: 76 pax</li> </ul>
Festive Charity Programmes	<ul> <li>Delivered festive support to underprivileged communities across multiple states through targeted activities such as:</li> <li>A Raya Shopping Charity Session for 103 underprivileged students in SK (2) Taman Selayang</li> <li>Christmas charity sales with Readycare to support the Batu Grace Children's Home</li> <li>Donation of home appliances and essentials during Deepavali</li> <li>A cash contribution of RM5,000 to Trinity Community Children's Homes for Christmas celebrations</li> </ul>	Total proceeds     RM140,198.88
Driven hur	C Employee Focus	
Driven by:	Community Support	

## Supporting Communities

#### PARTNERSHIPS WITH SCHOOLS AND LOCAL UNIVERSITIES

AmBank Group invests in education through strategic collaborations with schools and universities—advancing student learning, life skills, and career readiness.



#### Impact & Highlights

• Strengthened academic leadership and expertise in financial services through strategic endowment support and collaborative initiatives.



3 GOOD HEALTH

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4 QUALITY



Programme	How We Supported the Community	Impact & Highlights
Collaboration with 42KL: Driving Innovation and Tech Talent	Through a strategic partnership with 42KL, we are supporting a three-year mission to nurture industry-ready digital talent. This initiative bridges academia and the private sector by creating pathways from classroom to career—empowering students with both technical proficiency and real-world opportunities.	<ul> <li>Pledged contribution: RM3 million over three years</li> <li>Total beneficiaries (to date): 720 students</li> </ul>
Student Empowerment Initiatives	AmBank Group supported underserved students by improving literacy, increasing access to educational materials, and providing real-world exposure through industry partnerships. These efforts aimed to enhance learning outcomes and inspire long-term aspirations.	<ul> <li>Total contribution: RM63,559</li> <li>Total students: 2,103</li> </ul>
	<ul> <li>Key initiatives included:</li> <li>Book Donation Drive for AmBank Adopted Schools</li> <li>Book Shopping Charity Session at Sibu Jaya</li> <li>CSR Collaboration with Malaysia Airlines Berhad Academy to offer aviation industry exposure</li> </ul>	





#### FIGHT FOR ZERO HUNGER AND HUMANITARIAN AID

Our continual interest in addressing food insecurity and providing humanitarian aid to vulnerable communities has led us to support relief efforts and sustainable food programmes. We aim to ensure essential resources reach those in need to foster well-being.



Programme	How We Supported the Community	Impact & Highlights
Kechara Food Distribution	AmBank Group partnered with Kechara Soup Kitchen, reinforcing our commitment to compassion and community support. This fully volunteer-led effort saw our staff distributing meals to the homeless around Pudu and Central Market, reflecting the spirit of kindness and solidarity.	<ul> <li>Total beneficiaries: 20 pax</li> <li>Total participants: 13 pax</li> </ul>
AmBank Ramadan Campaign	During Ramadan, AmBank Group organised a nationwide series of community-focused programmes to uplift underserved groups and empower small vendors. These included <i>Bubur Lambuk</i> distribution in collaboration with Adabi, CSR Raya Shopping, and a Ramadan Bazaar at five strategic locations. The initiative was elevated through participation by PMX, Dato' Seri Anwar Ibrahim and former Prime Minister, Tun Mahathir Mohamad, who joined the Group's celebration and community gifting efforts—underscoring AmBank Group's commitment to inclusive economic and social outreach.	<ul> <li>Total Recipients: 4,900 packs distributed across 10 different locations, including <i>Program Perumahan Rakyo</i> (<i>PPR</i>)</li> <li>Total Investment: RM320,000</li> <li>Total Impact: Average tota sales for vendors RM65,00</li> </ul>
KAG Treasure Hunt	KAG turned its annual treasure hunt into a platform for social good. Employees across regions sourced and donated over 2,000 kg of food items such as rice, sugar, biscuits, Milo, and cooking oil. These were channelled to <i>Badan Kebajikan Angkatan Tentera</i> and distributed to vulnerable B40 families, highlighting how employee engagement can be mobilised for external impact.	<ul> <li>Total Beneficiaries: 198 families</li> <li>Total Volunteers: 792 staff</li> </ul>
Chinese New Year Brand Video – The Reunion Dinner	Strengthen our brand presence and reinforce our roles in supporting our communities and individuals through the years by showcasing a vibrant and diverse celebration, symbolising Malaysia's multicultural unity. Highlighted gratitude, togetherness, and progress of Malaysians with emphasis on how we can play our part in contributing towards the welfare and well-being of the underprivileged in our community.	• Total Views: 4.13 million

## SUPPORT PEOPLE WITH PHYSICAL DISABILITIES AND CRITICAL ILLNESSES

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the workplace and in broader community contexts.

• 30 AmBankers trained as inclusion advocates

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AVN Training with Malaysian Association for the Blind (MAB)

Feature Programme

Impact & Highlights

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We support individuals with physical disabilities and critical illnesses through targeted programmes that foster inclusion, provide essential aid, and create pathways for empowerment.

In collaboration with MAB, we conducted a specialised training programme to build awareness and sensitivity around visual impairments. The session equipped participating employees with communication and support skills to better engage with visually impaired individuals—both in



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# Sustainability at AmBank Group

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Additional Programmes		
Programme	How We Supported the Community	Impact & Highlights
Cancer Screening for Staff and Communities	By improving access to early detection and preventive care, this initiative enables employees to be active participants in their own health journey; helping them serve as healthier, more resilient members of the wider community. Screenings were offered during Breast Cancer Awareness Month, covering major cancers including breast, lung, and colorectal.	Total employees screened:      staff

## Supporting Communities



Programme	How We Supported the Community	Impact & Highlights
Ramadan Charity Shopping with Blind Students & <i>Majlis</i> <i>Berbuka Puasa</i>	This initiative provided visually impaired children and their caregivers with a personalised Raya shopping experience; fostering joy and community connection. Through staff donations, each child selected their own outfit, followed by a <i>buka puasa</i> celebration.	<ul> <li>Total contribution: RM13,400.50</li> <li>Total beneficiaries: 30 children and 17 caretakers</li> <li>Total volunteers: 25 pax</li> </ul>
Programme Keprihatinan Hari Kanak-Kanak Keperluan Khas bersama UKM Specialist Children Hospital	We organised a sensory-focused programme with UKM Specialist Children's Hospital to support children with autism and Down syndrome. Our volunteers accompanied families through guided activities that built emotional connection and community understanding of neurodivergent needs.	<ul> <li>Total contribution: RM3,675</li> <li>Total impact: 100 children</li> <li>Total volunteers: 5 pax</li> </ul>
Hari Raya Aidilfitri Brand Video - Salam Lebaran Penuh Makna in	Promoted health and well-being, fostering positive relationships with the community and enhancing our brand visibility and reputation as a caring brand.	• Total views: 2,651,318
collaboration with National Cancer Society Malaysia (NCSM)	Also held a 4-days Free Cancer Screening at MyTown Shopping Centre and NCSM mobile health clinic truck conducted additional screening i.e. Mammogram etc. for all people from all walks of life.	Total beneficiaries: 297 people



Programme	How We Supported the Community	Impact & Highlights
lari Kebangsaan Brand ideo – Miliki Empati, lalaysia Memahami in ollaboration with efrienders	<ul> <li>Raised awareness amongst the public on the importance of a caring community and educated the public on the importance of mental health and the available resources.</li> <li>Collaborated with Befrienders by showcasing its vital role in supporting mental health. AmBank Group provided the venue and support for a talk by Befrienders on "Menjaga Minda; Bagaimana Penjagaan Diri Meningkatkan Kesejahteraan Mental Anda".</li> <li>Encouraged Malaysians to volunteer, listen, support each other and to seek help when needed.</li> <li>As we celebrated Hari Kebangsaan, we celebrated unity by connecting mental wellness with national pride and demonstrated the collective strength of our community.</li> </ul>	• Total views: 2,648,547
eepavali Brand Video – ght of Hope in ollaboration with Malaysia ssociation for the Blind	Connected emotionally with the public by sharing stories of resilience, strength, and unity from the visually impaired community during the festive season. This campaign made history with Malaysia's first-ever festive TVC designed for the visually impaired. By launching a fully audio descriptive version alongside the cinematic cut, we turned the visual medium into a shared emotional experience – one that included, empowered and moved an underserved audience.	• Total views: 4,126,441

#### FUTURE OUTLOOK

As we move forward, AmBank Group remains dedicated to expanding initiatives such as our AVN, engaging even more employees in meaningful community service and charitable initiatives. We target achieving 50,000 volunteer hours by 2029, reinforcing our dedication to meaningful impact and strengthening partnerships with NGOs and welfare organisations to tackle pressing societal issues such as mental health, youth development, and climate change.

As Malaysia's first bank-led Volunteer Network, AmBank Group continues to pioneer initiatives that empower communities while driving environmental sustainability. Through these efforts, we are committed to enriching lives, creating opportunities, and building a more inclusive, resilient, and sustainable future for all, ensuring that we truly Win Together.

# Bursa Malaysia ESG Platform: Sustainability Performance Table

Indicator	Measurement Unit	FY2023	FY2024	FY2025
Bursa (Anti-corruption)	Measurement Onit	F12025	112024	112025
Bursa C1(a) Percentage of employees who have received training on anti-				
corruption by employee category				
Top Management	Percentage	0.2	0.2	0.2
Senior Management	Percentage	3.8	3.7	3.7
Mid Management	Percentage	15.8	16.0	17.5
Junior Management	Percentage	67.0	67.8	65.3
Non-Management	Percentage	13.2	12.3	13.3
Bursa C1(b) Percentage of operations assessed for corruption-related risks	Percentage	100	100	100
Bursa C1(c) Confirmed incidents of corruption and action taken	Number	0	0	0
Bursa (Community/Society)				
Bursa C2(a) Total amount invested in the community where the target		000.050	004 50 4	2 004 540
beneficiaries are external to the listed issuer	MYR	698,950	901,584	2,001,510
Bursa C2(b) Total number of beneficiaries of the investment in communities	Number	21,943	17,229	27,233
Bursa (Diversity)				
Bursa C3(a) Percentage of employees by gender and age group, for each employee category				
Age Group by Employee Category				
Top Management Under 30	Percentage	0.0	0.0	0.0
Top Management Between 30-50	Percentage	41.7	33.3	46.2
Top Management Above 50	Percentage	58.3	66.7	53.8
Senior Management Under 30	Percentage	0.0	0.0	0.0
Senior Management Between 30-50	Percentage	56.7	55.1	52.5
Senior Management Above 50	Percentage	43.3	44.9	47.5
Mid Management Under 30	Percentage	0.3	0.2	0.0
Mid Management Between 30-50	Percentage	74	75.2	74.9
Mid Management Above 50	Percentage	25.7	24.6	25.1
Junior Management Under 30	Percentage	19.8	18.5	18.4
Junior Management Between 30-50	Percentage	66.7	66.5	65.7
Junior Management Above 50	Percentage	13.5	15	15.9
Non-Management Under 30	Percentage	3.3	1.6	1.3
Non-Management Between 30-50	Percentage	78.5	76.3	72.5
Non-Management Above 50	Percentage	18.2	22.1	26.2
Gender Group by Employee Category				
Top Management Male	Percentage	75.0	75.0	76.9
Top Management Female	Percentage	25.0	25.0	23.1
Senior Management Male	Percentage	57.8	56.8	59.1
Senior Management Female	Percentage	42.2	43.2	40.9
Mid Management Male	Percentage	49.3	48.6	48.8
Mid Management Female	Percentage	50.7	51.4	51.2
Junior Management Male	Percentage	36.6	36.0	34.6
Junior Management Female	Percentage	63.4	64.0	65.4
Non-Management Male	Percentage	30.1	30.1	30.4
Non-Management Female	Percentage	69.9	69.9	69.6

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Indicator	Measurement Unit	FY2023	FY2024	FY2025
Bursa C3(b) Percentage of directors by gender and age group*				
Male	Percentage	67	67	56
Female	Percentage	33	33	44
Below 50	Percentage	0	0	0
Between 50 - 60	Percentage	22	22	22
Above 60	Percentage	78	78	78
Bursa (Energy management)				
Bursa C4(a) Total energy consumption	Megawatt	24,546	23,698	23,354
Bursa (Health and safety)				
Bursa C5(a) Number of work-related fatalities	Number	0	0	0
Bursa C5(b) Lost time incident rate ("LTIR")	Rate	0	0.27	0.17
Bursa C5(c) Number of employees trained on health and safety standards	Number	383	433	462
Bursa (Labour practices and standards)				
Bursa C6(a) Total hours of training by employee category				
Top Management	Hours	764	994	1,086
Senior Management	Hours	14,134	32,498	24,981
Mid Management	Hours	57,673	158,668	109,522
Junior Management	Hours	228,701	651,528	386,623
Non-Management	Hours	22,506	96,967	51,977
Bursa C6(b) Percentage of employees that are contractors or temporary staff	Percentage	0.6	0.5	0.7
Bursa C6(c) Total number of employee turnover by employee category				
Top Management	Number	1	1	2
Senior Management	Number	25	32	35
Mid Management	Number	167	156	134
Junior Management	Number	1,134	1,002	850
Non-Management	Number	26	11	23
Bursa C6(d) Number of substantiated complaints concerning human rights	Number	0	0	0
violations				
Bursa (Supply chain management)	Dawaantana	00	00	07
Bursa C7(a) Proportion of spending on local suppliers	Percentage	90	86	87
Bursa (Data privacy and security)				
Bursa C8(a) Number of substantiated complaints concerning breaches of customer privacy and losses of customer data	Number	15	24	17
Bursa (Water)				
Bursa C9(a) Total volume of water used	Megalitres	73.6	72.8	102
Bursa (Waste Management)	megana ee	7010	7210	102
C10(a) Total waste generated, and a breakdown of the following:		17.8	17.5	356.7
(i) total waste diverted from disposal (recycled – Plastic, Paper,	Metric Tonnes	17.8	16.4	16.5
Cardboard, Can, Metal)	Metric Tonnes		10.4	
(ii) total waste directed to disposal*		0	0	339.9
Bursa (Emission Management)				
C11(a) Scope 1 emissions in tonnes of CO2e (fuel consumption)	Metric Tonnes (tCO <sub>2</sub> e)	70	60	62
C11(b) Scope 2 emissions in tonnes of CO2e (electricity consumption)**	Metric Tonnes (tCO <sub>2</sub> e)	16,806	16,576	16,375
C11(c) Scope 3 emissions in tonnes of CO2e (business travel, employee commuting, waste emissions)**	Metric Tonnes (tCO <sub>2</sub> e)	877	1,231	12,429

\* The percentage of directors by gender and age group for FY2025 is as at June 2025.

\*\* Scope 3 emissions surged to 12,429 tCO<sub>2</sub>e, primarily due to the inclusion of employee commuting and waste directed to disposal, which were previously excluded.

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# Global Reporting Initiative (GRI) Content Index

Statement of U	Statement of Use AMMB Holdings Berhad has reported the information cited in this GRI content index for the period 1 April 2024 to 31 March 2025 (FY2025) with reference to the GRI Standards.		
GRI 1 Used	GRI 1: Foundation 2021		
GRI Standards	Brief Descriptions of the Disclosures	Reference*	
	GRI 2: General Disclosures 2021		
2-1	Organisational details	Overview of AmBank Group, page 10	
	AMMB Holdings Berhad is headquartered in Kuala Lumpur, Malaysia, with a market capitalisation of RM18.5 billion as at 31 March 2025		
2-2	Entities included in the organisation's sustainability reporting	About This Report, page 1	
	This Report covers information pertaining to our three main subsidiaries: AmBank (M) Berhad; AmBank Islamic Berhad; and AmInvestment Bank Berhad, unless otherwise stated.		
2-3	Reporting period, frequency and contact point	About This Report, page 1	
	This Report covers the financial year 1 April 2024 to 31 March 2025 (FY2025) unless otherwise specified and is reported annually.		
	Contact Point: Group Sustainability at sustainability@ambankgroup.com		
2-4	Restatements of information	Sustainability Performance Data, pages 17, 22 to 24	
	Some data from previous years have been restated accordingly to reflect updated methodologies. Significant restatements are explained in the relevant sections where they appear.		
2-5	External assurance	Statement of Independent Assurance, pages 222 and 227	
	To ensure the reliability and credibility of our sustainability disclosures, SIRIM QAS International Sdn. Bhd., has provided independent assurance for key disclosure. In addition, selected sustainability indicators have been subject to an independent assurance by PricewaterhouseCoopers PLT (PwC).	221	



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GRI Standards	Brief Descriptions of the Disclosures	Reference*
2-6	Activities, value chain and other business relationships	Our Core Business Segment, page 12
	Our core business covers Retail Banking, Business Banking, Wholesale Banking, Investment Banking and Islamic Banking.	
2-7	Employees	Driving Diversity, Equity and Inclusion, page 141
	As of 31 March 2025, we have a total of 7,652 employees with 2,872 male employees and 4,780 female employees.	
	These employment numbers are reported year-on-year to show our commitment to tracking consistent data.	
2-8	Workers who are not employees	Sustainability Performance Data, page 15
	As of 31 March 2025, there were 56 contract staff in AmBank Group.	
2-9	Governance structure and composition	AmBank Group's Climate Action (Governance), page 22
	Our sustainability governance is led by the Board of Directors, supported by various	IAR25: Corporate Governance Overview Statement pages 175 to 179
	Board and Management committees such as the Risk Management Committee	IAR25: Sustainability Statement, page 77
	(RMC), Audit and Examination Committee (AEC), Group Management Committee	ARZO. Sustainability Statement, page 77
	(GMC), Group Management Risk Committee (GMRC), Shariah Committee, and Group	
	Sustainability and Climate Risk Council (GSCRC).	
	The Sustainability Framework details the roles and responsibilities of these	
	committees and the council.	
2-10	Nomination and selection of the highest governance body	IAR25: Group Nomination and Remuneration Committee Report, page 191
	Nomination and selection of board members at AMMB Holdings Berhad is	
	determined by the Group Nomination and Remuneration Committee (GNRC).	
2-11	Chair of the highest governance body	IAR25: Corporate Governance Overview Statement, page 178
	AMMB Holdings Berhad is chaired by Tan Sri Md Nor bin Md Yusof, who is the Independent Non-executive Chairman and a Member of the Board.	
2-12	Role of the highest governance body in overseeing the management of impact	AmBank' Group's Climate Action (Governance), page 22
		IAR25: Corporate Governance Overview Statement,
	The Board has overall accountability and responsibility of the Group's sustainability strategy pillar, covering environment (including climate-related), social, and governance (ESG) risks and opportunities.	page 183
	The Board provides independent and robust oversight to ensure climate	
	considerations are fully embedded into the Group's strategic decisions. They meet	
	11 times a year.	

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GRI Standards	Brief Descriptions of the Disclosures	Reference*
2-13	Delegation of responsibility for managing impact	AmBank Group's Climate Action (Governance), page 23 IAR25: Profile of Group Senior Management, pages 162 to 168
	<ul><li>The Group Chief Executive Officer (GCEO)'s role includes:</li><li>Sets and executes the Group's sustainability agenda, with support from the Senior Management team.</li></ul>	
	<ul> <li>The Chief Sustainability Officer (CSO)'s role includes:</li> <li>Leads the development and implementation of broad-based, group-wide strategic sustainability and ESG initiatives, enabling sustainable finance and responsible banking.</li> <li>Spearheads the integration of sustainability across the Group, with support from Group Sustainability.</li> </ul>	
2-14	Role of the highest governance body in sustainability reporting	About This Report, page 1
	This Sustainability Report is approved by AMMB Holdings Berhad's Board of Directors.	
2-15	Conflicts of interest	IAR25: Corporate Governance Overview Statemen page 177
	The Board is guided by the Group's Code of Conduct and Ethics, and Managing Conflict of Interest Policy & Guideline, which sets expectations for ethical and professional behaviour.	IAR25: Risk Management Committee Report, pages 20 to 212
2-16	Communication of critical concerns	Integrity & Preventing Financial Crime, page 113 IAR25: Corporate Governance Overview Statemer
	The Group has a whistleblower escalation mechanism and whistleblower reporting process as detailed in this report. There have been 22 whistleblowing cases, in FY2025.	pages 184 to 187
2-17	Collective knowledge of the highest governance body	AmBank Group's Climate Action (Governance), page 3 IAR25: Corporate Governance Overview Statemen pages 173 to 189
	Ongoing professional development of the Board is considered vital to stay abreast of industry trends and best practices. The Group Learning and Development Unit undertakes the role of coordinating, organising and managing Directors' learning and development requirements together with the Group Company Secretarial Department.	
2-18	Evaluation of the performance of the highest governance body	IAR25: Corporate Governance Overview Statemer page 181
	All Directors undergo an annual Fit and Proper assessment, along with a separate independence evaluation for Independent NEDs, based on regulatory criteria. The outcome of the Fit and Proper and independence assessments will be tabled to the GNRC during the annual evaluation of the Board, Board Committees and each individual Director.	
2-19	Remuneration policies	IAR25: Corporate Governance Overview Statemer page 182
	The Group has detailed its remuneration policies in the Group Nomination and Remuneration Committee Report.	



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GRI Standards	Brief Descriptions of the Disclosures	Reference*
2-20	Process to determine remuneration The Group's objectives and approach to remuneration are detailed in the Group Nomination and Remuneration Committee Report.	IAR25: Group Nomination and Remuneration Committee Report, pages 193 to 194
2-21	Annual total compensation ratio 2% of top five total remuneration of management compared to 98% of total remuneration for the rest of the Group. Total Remuneration comprises of base salary, fixed allowances, short-term incentive bonus (including deferred bonus paid in the financial year) and long-term incentive grant.	IAR25: Group Nomination and Remuneration Committee Report, page 198
2-22	Statement on sustainable development strategy AmBank Group's Sustainability Strategy is anchored on five pillars - Developing a Net Zero Transition Plan, Climate Risk Management, Capability & Capacity Building, Customer Engagement & Stakeholder Advocacy, and Reporting & Disclosure.	Joint Leadership Statement, page 6 AmBank Group's Climate Action (Strategy), pages 32 to 45 IAR25: Leadership Statement, pages 16 to 25
2-23	Policy commitments Key sustainability policies and guidelines are detailed in the relevant material matters.	AmBank Group's Climate Action (Governance), page 23 and (Risk Management), page 52 Responsible Financing & Building Climate Resilience pages 75 to 77 Customer Experience & Satisfaction, page 86 Digital Innovation, page 94 Cybersecurity & Data Privacy, page 100 Financial Inclusion, page 104 Integrity and Preventing Financial Crime, page 110 Enhancing Employee Well-being, pages 117 to 124 Developing Our People, pages 128 to 129 Driving Diversity, Equity & Inclusion, pages 140 to 141 144 Responsible Consumption, pages 157 to 158 Supporting Communities, page 162
2-24	<b>Embedding policy commitments</b> Sustainability considerations are incorporated in the relevant policies and guidelines to drive sustainability and ensure it is embedded in their business decision-making processes and strategies.	AmBank Group's Climate Action (Governance), page 23, (Strategy), page 33 and (Risk Management), page 52
2-25	Processes to remediate negative impact The Group has in place processes to remediate potential negative impact including addressing grievances, whistleblowing cases and non-compliance, among others.	Integrity & Preventing Financial Crime, pages 110 to 114

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APPENDICES
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## Global Reporting Initiative (GRI) Content Index

GRI Standards	Brief Descriptions of the Disclosures	Reference*
2-26	Mechanisms for seeking advice and raising concerns	Integrity & Preventing Financial Crime, page 112
	The Group has established a Whistleblower Protection and Report Investigation Policy and various grievance mechanisms to facilitate stakeholders to report any issues without fear of repercussion.	
2-27	Compliance with laws and regulations	Integrity & Preventing Financial Crime, page 116
	The Group acknowledges several non-compliance incidents for which we are taking full accountability and are fully dedicated to rectify them by straightening internal controls, enhancing regulatory training and reinforcing our compliance culture across all levels of the organisation.	
2-28	Membership associations	Sustainability at AmBank Group, pages 20 to 21
	We participate in various industry associations, and hold memberships and national advocacy organisations, thus contributing to the sustainable conversation.	
2-29	Approach to stakeholder engagement The Group engages regularly with key stakeholder groups through various internal	Sustainability at AmBank Group, page 13 IAR25: Stakeholder Engagement and Value Creation, pages 66 to 73
	and external platforms to constantly understand their needs and expectations.	
2-30	Collective bargaining agreements	Driving Diversity, Equity and Inclusion, page 144 Sustainability Performance Data, page 21
	38% (2,914 people) of AmBank Group employees are covered by collective bargaining agreements.	
	GRI 3: Material Topics 2021	
3-1	Process to determine material topics	IAR25: Sustainability at AmBank Group, pages 79 to 91
	AmBank Group's materiality assessment was conducted in FY2024, where we engaged internal and external stakeholders to understand their needs and expectations, and discover the impact of the material matters on the Group. The process included (1) Stakeholder Prioritisation, (2) Stakeholder Engagement, (3) Discussion and Deliberation, (4) Shared Purpose and (5) Leadership Review and Approval.	
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RI tandards	Brief Descriptions of the Disclosures	Reference*			
3-2	List of material topics In FY2024, 12 sustainability material matters were identified. These material matters still remain relevant and material to the Group's business and stakeholders in FY2025.	Sustainability at AmBank Group, page 14 Responsible Financing & Building Climate Resilience, page 69 Customer Experience & Satisfaction, page 86 Digital Innovation, page 92 Cybersecurity & Data Privacy, page 99 Financial Inclusion, page 104 Integrity and Preventing Financial Crime, page 109 Enhancing Employee Well-being, page 117 Developing Our People, page 127 Driving Diversity, Equity & Inclusion, page 140 Responsible Consumption, page 146 Responsible Procurement, page 157 Supporting Communities, page 161 IAR25: Sustainability at AmBank Group, pages 79 to 91			
	M1: Responsible Financing & Building Climate Re	silience			
3-3	Management of material topics	Responsible Financing & Building Climate Resilience, pages 69 to 85 Sustainability Performance Data, pages 1 to 3			
M2: Customer Experience & Satisfaction					
3-3	Management of material topics	Customer Experience & Satisfaction, pages 86 to 91			
	Incidents of non-compliance concerning marketing communications	Sustainability Performance Data, page 4			
417-3	The Group has recorded zero incidents of non-compliance concerning marketing communications.				
	M3: Digital Innovation				
3-3	Management of material topics	Digital Innovation, pages 92 to 98			
201-3	Infrastructure investments and services supported	Digital Innovation, page 97			
	AmBank Group launched a new version of its mobile banking app to empower customers and enhance accessibility, resulting in an 8% growth in AmOnline registered users.	Sustainability Performance Data, page 5			
	Through AmAccess Biz, AmBank Group provides customers an efficient financial management platform, with more than 52,000 customers as of FY2025, almost 10% more than the year before.				
	M4: Cybersecurity & Data Privacy				
3-3	Management of material topics	Cybersecurity & Data Privacy, pages 99 to 103			
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	Cybersecurity & Data Privacy, page 103 Sustainability Performance Data, page 5			
	There were 17 complaints related to breaches of customer privacy which were resolved.				

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GRI Standards	Brief Descriptions of the Disclosures	Reference*
	M5: Financial Inclusion	
3-3	Management of material topics	Financial Inclusion, pages 104 to 107
203-1	Infrastructure investments and services supported	Financial Inclusion, page 105
	The Group's AmBank BizClub programme, which covers BizCONFERENCE, BizDIALOGUE and BizRACE have benefitted over 14,500 businesses, with the Group having invested RM7.9 million to facilitate SMEs' business skills development and capability building.	Sustainability Performance Data, page 6
203-2	Significant indirect economic impact	Financial Inclusion, page 106
	The Group has disbursed RM1.09 billion to more than 1,300 applicants of government schemes such as the LCTF, AgroFood Facility and Targeted Relief and Recovery Facility.	Sustainable Performance Data, page 6
	M6: Integrity & Preventing Financial Crime	
3-3	Management of material topics	Integrity & Preventing Financial Crime, pages 109 to 11
205-1	Operations assessed for risks related to corruption	Integrity & Preventing Financial Crime, page 110
	All the Group's operations are assessed for corruption-related risks and all AmBankers attest that they at all times, will abide by the requirements of the AmBank Group Policy on Anti-Bribery and Corrupt Practices.	
205-2	Communication and training about anti-corruption policies and procedures	Integrity & Preventing Financial Crime, page 113 Sustainability Performance Data, page 6
	100% of members of the Board have received communications and training on the Group's anti-bribery and corruption procedures and policy.	
205-3	Confirmed incidents of corruption and actions taken	Integrity & Preventing Financial Crime, page 111 Sustainability Performance Data, page 7
	Zero incidents of corruption in FY2025.	
207-1	Approach to tax	Integrity & Preventing Financial Crime, page 116
	The Group is committed to responsible and transparent tax practices, ensuring compliance with all applicable laws, while contributing to broader economic and community development. In cases of uncertainty, external experts are consulted such as tax agents and legal advisors, to assess risks and inform the Board.	
207-2	Tax governance, control, and risk management	Integrity & Preventing Financial Crime, page 116
	The Group is committed to responsible and transparent tax practices, ensuring compliance with all applicable laws, while contributing to broader economic and community development. In cases of uncertainty, external experts are consulted such as tax agents and legal advisors, to assess risks and inform the Board.	



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GRI Standards	Brief Descriptions of the Disclosures	Reference*
415-1	Political Contributions	Sustainability Performance Data, page 7
	There are no political contributions made by the Group.	
	M7: Enhancing Employee Well-being	
3-3 Management of material topics		Enhancing Employee Well-being, pages 117 to 126
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	Enhancing Employee Well-being, page 123
	Parental leave and staff loans are benefits that are only provided to full-time employees.	
401-3	Parental leave	Enhancing Employee Well-being, page 123 Sustainability Performance Data, page 21
	99.3% of employees (permanent) who were entitled to parental leave. 3.2% of male and 2.9% of female employees took parental leave. 100.0% of male and 99.3% female employees return to work after parental leave ended.	
403-1	Occupational health and safety management system	Enhancing Employee Well-being, page 118
	The Group has a robust Occupational Safety and Health (OSH) framework that protects employees from workplace risks. AmBank Group's OSH Management System, covers all employees and has maintained ISO 45001:2018 certification for Menara AmBank and Yap Kwan Seng Branch.	
403-4	Worker participation, consultation, and communication on occupational health and safety	Enhancing Employee Well-being, pages 118 to 119 Sustainability Performance Data, page 8
	In FY2025, we expanded OSH training efforts to equip employees with essential skills to mitigate risks and uphold safety standards across diverse job functions.	
403-5	Worker training on occupational health and safety	Enhancing Employee Well-being, pages 118 to 119 Sustainability Performance Data, page 8
	Conducted various physical and virtual OSH trainings, with 462 workers trained in FY2025.	
403-6	Promotion of worker health	Enhancing Employee Well-being, pages 117 to 126
	AmBank Group supported employee well-being through financial, physical, mental and social well-being initiatives.	
403-9	Work-related injuries	Enhancing Employee Well-being, page 119 Sustainability Performance Data, page 9
	Recorded 0.42 Lost Time Injury Incident Rate (LTIIR).	
403-10	Work-related ill health	Enhancing Employee Well-being, page 119 Sustainability Performance Data, page 9
	Recorded zero accidents with fatality.	

# Global Reporting Initiative (GRI) Content Index

RI tandards	Brief Descriptions of the Disclosures	Reference*			
M8: Developing Our People					
3-3	Management of material topics	Developing our People, pages 127 to 139			
404-1	Average hours of training per year per employee	Sustainability Performance Data, page 10			
	The average training hours for male employees and female employees was 77 and 74 hours respectively.				
404-2	Programmes for upgrading employee skills and transition assistance programmes	Developing our People, pages 127 to 139			
	RM11,715,497 invested in training and development. AmBank Group has implemented various programmes to develop its workforce, covering leadership, graduate, early career programmes, digital skills, sustainability training, and industry-recognised certifications.	Sustainability Performance Data, page 11			
404-3	Percentage of employees receiving regular performance and career development reviews	Developing our People, pages 129 to 139 Sustainability Performance Data, page 14			
	100% of employees received a regular performance and career development review. The Group conducts bi-annual performance reviews and development- focused performance reviews to support and help the growth of its employees.				
M9: Driving Diversity, Equity & Inclusion					
3-3	Management of material topics	Driving Diversity, Equity & Inclusion, pages 140 to 145			
401-1	New employee hires and employee turnover	Sustainable Performance Data, page 18			
	The Group records its new employee hires and employee turnover by age group, gender, and region.				
405-1	Diversity of governance bodies and employees	Driving Diversity, Equity & Inclusion, page 142			
	23.1% of Top management and 40.9% of Senior Management positions were held	Sustainable Performance Data, pages 15 and 19			
	by women, whilst 44% of the Board of Directors were female as at 30 June 2025.				
406-1	by women, whilst 44% of the Board of Directors were female as at 30 June 2025. Incidents of discrimination and corrective actions taken	Sustainable Performance Data, pages 15 and 19			
406-1		Sustainable Performance Data, pages 15 and 19			
406-1	Incidents of discrimination and corrective actions taken Zero cases of incidents of discrimination and therefore no corrective actions	Sustainable Performance Data, pages 15 and 19			
406-1 3-3	Incidents of discrimination and corrective actions taken Zero cases of incidents of discrimination and therefore no corrective actions required.	Sustainable Performance Data, pages 15 and 19 Responsible Consumption, pages 146 to 156			
	Incidents of discrimination and corrective actions taken Zero cases of incidents of discrimination and therefore no corrective actions required. M10: Responsible Consumption				
3-3	Incidents of discrimination and corrective actions taken Zero cases of incidents of discrimination and therefore no corrective actions required. M10: Responsible Consumption Management of material topics	Responsible Consumption, pages 146 to 156			

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GRI Standards	Brief Descriptions of the Disclosures	Reference*
303-5	Water Consumption	Responsible Consumption, page 155 Sustainability Performance Data, page 27
	102 Megalitres of water consumption.	
305-1	Direct (Scope 1) GHG emissions	AmBank Group's Climate Action (Metrics & Targets) page 63
	62 tCO <sub>2</sub> e for Scope 1 direct emissions from fuel consumption.	Responsible Consumption, page 149 Sustainability Performance Data, page 23
305-2	Energy indirect (Scope 2) GHG emissions	AmBank Group's Climate Action (Metrics & Targets) page 64
	16,375 tCO <sub>2</sub> e for Scope 2 indirect emissions from electricity consumption.	Responsible Consumption, page 149 Sustainability Performance Data, page 24
305-3	Other indirect (Scope 3) GHG emissions	AmBank Group's Climate Action (Metrics & Targets page 66
	12,429 tCO <sub>2</sub> e for Scope 3 indirect emissions from business and employee travel/ waste generated and employee commuting (new).	Responsible Consumption, page 153 Sustainability Performance Data, page 25
305-4	GHG emissions intensity	Responsible Consumption, page 148 Sustainability Performance Data, page 22
	5.9 tCO <sub>2</sub> e/ RM mil of GHG emission intensity.	
305-5	Reduction of GHG emissions	AmBank Group's Climate Action (Metrics & Targets page 64
	Reduced Scope 2 GHG emissions to 16,375 tCO <sub>2</sub> e and achieved Scope 2 Net GHG emissions to 5,848 tCO <sub>2</sub> e.	Responsible Consumption, page 149 Sustainability Performance Data, page 24
306-1	Waste generation and significant waste-related impacts	Responsible Consumption, pages 153 to 154
	The Group's waste covers both hazardous and non-hazardous waste.	
306-2	Management of significant waste-related impact	Responsible Consumption, pages 153 to 154
	AmBank Group implemented structured paper recycling efforts across its offices and	
	raised awareness with programmes on waste management across the Group. Furthermore, through digitalisation, we promoted paperless workflows to cut reliance	
	on printed documents and reduce paper waste.	
306-3	Waste generated	Responsible Consumption, page 153 Sustainability Performance Data, page 26
	356,709 kg waste generated.	
306-4	Waste diverted from disposal	Sustainability Performance Data, page 26
	16,467 kg of total waste diverted from disposal.	
306-5	Waste directed to disposal	Responsible Consumption, page 153 Sustainability Performance Data, page 26
	339,905 kg of total waste directed to disposal.	

339,905 kg of total waste directed to disposal.

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# Global Reporting Initiative (GRI) Content Index

GRI Standards	Brief Descriptions of the Disclosures	Reference*	
	M11: Responsible Procurement		
3-3	Management of material topics	Responsible Procurement, pages 157 to 159	
204-1	Proportion of spending on local suppliers	Responsible Procurement, page 159 Sustainability Performance Data, page 28	
	RM592 million was spent for AmBank Group's local suppliers, representing 87% of total local suppliers.		
308-1	New suppliers that were screened using environmental criteria	Sustainability Performance Data, page 28	
	43 (or 100%) new suppliers were screened using environmental criteria.		
414-1	New suppliers that were screened using social criteria	Sustainability Performance Data, page 28	
	43 (or 100%) new suppliers were screened using social criteria.		
	M12: Supporting Communities		
3-3	Management of material topics	Supporting Communities, pages 161 to 171	
201-1	Direct economic value generated and distributed	Supporting Communities, page 162 Sustainability Performance Data, page 29	
	The Group has invested over RM2 million in community programmes in FY2025.		
413-1	Operations with local community engagement, impact assessments, and development programmes	Supporting Communities, page 162 to 171 Sustainability Performance Data, page 28	
	AmBank Group's Community Empowerment Framework covers five community pillars which have run various programmes to empower the communities. Overall, the Group has invested over RM2 million in CSR/ Sustainability initiatives with 27,233 beneficiaries through the Group's community programmes.		

AMMB HOLDINGS BERHAD SUSTAINABILITY REPORT 2025

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# Task Force On Climate-Related Financial Disclosures (TCFD)

#### APPLICATION GUIDE FOR MALAYSIAN FINANCIAL INSTITUTIONS CONTENT INDEX

The AmBank Group Integrated Annual Report 2025 and AmBank Group Sustainability Report 2025 was prepared in reference to the JC3 TCFD Application Guide for Malaysian Financial Institutions.

Disclo	osures	Description of Disclosures	References
		Governance	
Basic	G1: Board Oversight of Sustainability and Climate-related Matters	<ul> <li>Our sustainability governance structure is led by the Board of Directors (the "Board"), which holds the highest authority in driving the Group's sustainability strategic pillar.</li> <li>Board roles and responsibilities: <ul> <li>Accountable and responsible for the Group's sustainability, covering ESG, including climate-related risks and opportunities.</li> <li>Embeds sustainability in the formulation of group-wide strategy over the long term, considering risks and opportunities, including oversight and decision-making.</li> <li>Reviews and monitors the sustainability governance structure, principles and targets, including progress and integration of sustainability across the Group.</li> <li>Responsible for considering the strategy to build sustainability-related capacity.</li> <li>Reviews and approves climate-related disclosures to ensure credibility and regulatory compliance.</li> </ul> </li> <li>The Board is supported by the Board Risk Management Committee (RMC), who oversees the governance and infrastructure for managing group-wide sustainability risks.</li> <li>The assessment of material sustainability matters is conducted from a group-wide perspective once every two years, ensuring a cohesive and comprehensive approach. The Board receives key updates on sustainability and climate matters as a standing agenda at all scheduled meetings of the Board. This is prepared by the CSO, with support from Group Sustainability and the Climate Risk teams. Additionally, regular updates are provided to the Group Sustainability and Climate Risk Council (GSCRC), who deliberates matters before presenting them to the Group Sustainability and the Group Management Kisk Committee (GMRC). Thereafter, these matters are presented to the Board, where relevant. In FY2025, sustainability-linked and climate-related matters were discussed at nine out of the 11 Board meetings held.</li> </ul>	AmBank Group's Climate Action (Governance), pages 22 to 26
Basic	G2: Sustainability Governance Structure Including Climate- Related Matters at the Management Level	The Board holds the highest authority. The Board together with Senior Management takes responsibility for the Group's sustainability priorities and targets. The Senior Management through the GMRC and GMC looks into matters related to sustainability risks and opportunities respectively. This includes recommending and approving sustainability measures, encompassing sustainability risks, climate-related concerns, and sustainability opportunities, respectively. It also covers related matters such as frameworks, policies, guidelines, and proposals. Additionally, the GMC is responsible for identifying and evaluating potential new business opportunities that may arise during the transition of borrowers with material portfolios, while GMRC deliberates on climate risk exposure, scenario analysis outputs, and risk appetite thresholds from a financial risk management perspective. Sustainability-related strategies and initiatives, incorporates sustainability indicators into senior management scorecards, tracks the progress and performance of all sustainability-related KPIs, reviews and makes necessary recommendations to the GMC and GMRC on any risks, opportunities, strategies, or proposals related to the sustainability. All three committees/ council are chaired by the Group Cheif Executive Officer (Group CEO). Collectively, these management bodies ensure that climate-related considerations are embedded into day-to-day decision-making and operationalised across risk, business, and sustainability teams. At the management level, the Chief Sustainability Officer (CSO) plays a central role in shaping and driving AmBank Group's sustainability efforts. The Group Chief Risk Officer (Group CRO) is responsible for identifying, managing, and monitoring all group-wide sustainability (including climate-related) risks, including the formulation and management of these risks within the Group Risk Appetite Framework and Asset Writing Strategy. The Climate Risk Head, who reports to the Head of Portfolio Risk Management from Group Risk Mana	AmBank Group's Climate Action (Governance), pages 22 to 26

AmBank Group's Climate Action

### Task Force On Climate-Related Financial Disclosures (TCFD)

Disclosures		Description of Disclosures	References
•	G3: Sustainability	Our Board comprises members with diverse skills, experience, and expertise that support AmBank Group's strategic sustainability priorities and long-term value creation. The Group Nomination and Remuneration Committee (GNRC) regularly reviews the Board's composition and recommends appointments based on skills, experience, and diversity.	AmBank Group's Climate Action (Governance), page 30
Basic	and Climate-related Board Credentials	The criteria for recruitment and annual assessments are set out in the Non-executive Director Nomination and Remuneration Policy and the Board Charter. The Group conducts an annual Board Effectiveness Evaluation (BEE) exercise with the objective of assessing the performance of the Board as a whole, Board Committees and individual Directors. The assessment of individual Directors takes into consideration their contributions to the Board and their experience, competencies, integrity as well as commitment in meeting the requirements of the Group.	IAR25: Group Nomination and Remuneration Committee Report, page 192
Basic	G4: Sustainability and Climate-related Training	<ul> <li>We have continuously provided sustainability training, including focused sessions for the Board and Senior Management since FY2023, to keep them abreast of the latest sustainability developments. Members of the Board also equip themselves with relevant external sustainability programmes. These programmes empower the Board with the knowledge and skills to advise on sustainability, including climate-related risks and opportunities:</li> <li>Mandatory Accreditation Programme Part II: Leading for Impact (LIP) – training session on the introduction of sustainability risks and opportunities as required as part of their Board appointment.</li> <li>Asian Economy Impact – Climate Change Risk – external knowledge sharing webinar on the current conditions in the Malaysian, regional and global economy, and outlook on climate change risks.</li> <li>Board Immersion on Sustainability, including climate change – knowledge sharing conducted by the CSO on the Group's sustainability strategy, progress, and future direction.</li> </ul>	AmBank Group's Climate Action (Governance), page 30
		<ul> <li>Further, our Senior Management participated in the latter two programmes above as well as the following to equip themselves with the knowledge on sustainability, including climate-related risks and opportunities:</li> <li>Sectoral Decarbonisation Workshops – knowledge sharing conducted by Group Sustainability and an external consultant to inform decarbonisation levers of select hard-to-abate sectors and the Group's proposed sectoral decarbonisation pathways.</li> </ul>	
Basic	G5: Sustainability and Climate-related Discussions in Board Meetings	In FY2025, the Board received key updates on sustainability matters at nine of the 11 meetings. This was prepared by the CSO, with support from the Group Sustainability and Climate Risk teams. Key topics of Board meetings include Regulatory Compliance and Progress, Framework, Policy and Guideline Approvals, and Strategic Sustainability Initiatives. Key matters discussed in FY2025 were the approval of the Group's Net Zero Transition Plan and the Group's Sustainable Finance Product (SFP) Framework as well as the deliberation on the Group's Sustainable, Transition, and Green (STG) Financing Guideline.	AmBank Group's Climate Action (Governance), pages 27 to 29
Basic	G6: Sustainability/ Climate-linked Remuneration	The Group CEO and all direct reports have been assigned annual sustainability and climate-related Key Performance Indicators (KPIs) to drive accountability and ensure alignment with the Group's long-term sustainability objectives since FY2021. These KPIs are embedded within the customer, strategy or operational areas in the executive's scorecard, with weightage ranging from 5% to 15% based on the individual's role and influence. Notably, the CSO carries a 75% weightage, reflecting the strategic importance of the role in driving the sustainability-related initiatives. Other climate-related KPIs include supporting our customers to decarbonise with green financing and the integration of BNM Climate Risk Management & Scenario Analysis (CRMSA). Progress on the achievement of the Group CEO and all direct reports KPIs are discussed at the GSCRC meetings.	AmBank Group's Climate Action (Governance), page 31
Stretch	G7: Separate Committee on Sustainability and Climate-related Matters	The RMC oversees the sustainability and climate policies, processes, and systems, and deliberates on sustainability and climate risks and opportunities. They are presented with quarterly updates on climate risk portfolio assessments by Group Risk. Opportunities are also highlighted and presented by the CEOs and business heads. The CSO also provides regular updates on sustainability strategy, evolving sustainability regulatory updates and industry advocacy. This allows for the RMC to have robust deliberations on sustainability strategies, initiatives, risks and opportunities, facilitating informed decision making that prioritises stakeholder interests.	AmBank Group's Climate Action (Governance), page 29



	Description of Disclosures	References	<b>N</b> (0
	STRATEGY		Sustainability at AmBank Group
env asso tran	e Group evaluates a broad spectrum of considerations in its business activities and operations, encompassing vironmental issues, social aspects, and governance-related concerns. As part of our environmental risk essment, we explicitly consider climate-related risks. In particular, we identify and assess both physical and asition risks, including how they are transmitted, the associated financial risk types and its impact over a given a horizon.		bility at Group
We are Risk eng In s Net sec	have integrated ESG and climate-related risk identification into our non-retail portfolio risk assessments. We guided by dedicated internal tools including the Group's Prohibition List and the Climate Change and ESG Assessment (CERA). These tools help flag high-risk activities, guide due diligence, and inform customer aggement strategies. Support of a transition to energy-efficient and low-carbon business models, we have developed our inaugural Zero Transition Plan (NZTP), which outlines a structured, science-based approach for select hard-to-abate tors, set the corresponding 2030 near-term targets, and establish position statements to support our customers heir decarbonisation and transition efforts.	AmBank Group's Climate Action (Strategy), pages 37 to 38	AmBank Group's Climate Action
With sec is g ana Clin to-a	h the 2030 near-term targets for the select hard-to-abate sectors, facilities extended to customers in these tors are controlled and managed by setting of sector limits and additional risk mitigation actions. The Group juided by the Non-retail Credit Policy and Group Risk Appetite Framework, embedded in place for monitoring, ilysing and responding to climate-related risks from the Group's financing and investment activities.		Responsible Banking
stat Mar To eml ena ens SFF soc	effectively manage and implement our NZTP, we have established 2030 near-term targets and position ements for select hard-to-abate sectors: Palm Oil, Thermal Coal Mining, Power Generation, Oil & Gas, Cement nufacturing, Iron & Steel Manufacturing and Commercial Real Estate. support the implementation of the NZTP, we have developed frameworks, policies, guidelines, and controls to bed sustainability considerations into our financing decisions and credit risk processes. These mechanisms able us to evaluate sustainability-related risks and opportunities in a structured, consistent and traceable manner-turing alignment with regulatory expectations, industry standards, and our internal risk appetite. The Group's P Framework is the Group-wide taxonomy that classifies financing activities based on their environmental or ial contribution. Complementing the SFP Framework, the STG Financing Guideline institutionalises sustainability	AmBank Group's Climate Action	Conscious Self-Conduct
Clin Risk on On Thir and	eening within our lending/ financing decisions. nate risk is systematically integrated into our Enterprise Risk Management (ERM) Framework and the Group's < Universe. We leverage on climate risk tools in identifying and assessing the potential impact of climate risk our portfolios. managing our enterprise operational climate-related risks for our branches, main buildings, data centres, and rd-party Service Providers (TPSP), relevant staff from the Group Operational Risk team are provided training I licensed access to specific external tools. This ensures they are well equipped to identify and conduct climate- ted risk assessments, as well as manage and monitor climate-related operational risks associated with the	(Governance), page 25 AmBank Group's Climate Action (Strategy), pages 37 to 38	Positive Societal Impact

Climate scenario analysis using NGFS pathways is conducted quarterly across both retail and non-retail portfolios to understand potential risk trajectories. Results inform credit risk parameters: Probability of Default (PD), Loss Given Default (LGD), Expected Credit Loss (ECL), capital allocation and customer onboarding criteria.

Disclosures

Basic

Basic

S1: Identification of

and **Opportunities** 

S2: Impact of

**Climate-related Risks** 

and **Opportunities** 

**Climate-related Risks** 

Description of Dis

Group's day-to-day operations.

### Task Force On Climate-Related Financial Disclosures (TCFD)

Disclosures		Description of Disclosures	References
Basic	S3: Strategy and Risk Appetite on Climate Change-Related Risks and Sustainability Measures	<ul> <li>AmBank Group has identified sustainability as one of the three strategic pillars for its Winning Together 2029 (WT29) corporate strategy. The climate strategy is grounded in the overarching Sustainability Strategy, which is structured around five strategic focus areas: Development of the NZTP, Climate Risk Management, Capability &amp; Capacity Building, Customer Engagement &amp; Stakeholder Advocacy, and Reporting &amp; Disclosure. This is supported by three strategic enablers—Product Innovation, Operational Efficiency, and Strategic Partnerships.</li> <li>Our overall strategy is underpinned by our commitment to Net Zero by 2050. The NZTP serves as the centrepiece of this strategy, with sector-specific decarbonisation pathways, 2030 near-term targets, and clear position statements, guiding the Group's financing posture across seven hard-to-abate sectors.</li> <li>This strategy is embedded into AmBank Group's governance, risk management, and business operations. Climate considerations are integrated into the Group's RAS, credit policies, ESG risk assessments (via CERA), and customer engagement models.</li> </ul>	AmBank Group's Climate Action (Strategy), page 32
Stretch	S4: Scenario Analysis as an Opportunity to Improve Strategic Resilience and Explore Climate Vulnerabilities	<ul> <li>AmBank Group conducts scenario analysis using NGFS reference scenarios—Orderly Transition, Disorderly Transition, and Hot House World—across a 30-year time horizon. Transition risk metrics are informed by sector-specific sensitivity, transition risk scores, and forward-looking macroeconomic variables, while physical risks are assessed using physical risk scores and geographic mapping.</li> <li>Scenario outputs are then applied to both retail and non-retail portfolios, generating forward-looking credit risk metrics such as PD and LGD, which inform the calculation of ECL.</li> <li>Outputs inform credit strategy, sectoral risk appetite, and capital planning. The Hot House World scenario reflects the highest expected credit loss, particularly in hard-to-abate sectors. Non-retail portfolios are more responsive to climate risks and are prioritised in the Group's risk appetite framework.</li> <li>AmBank Group continues to use scenario insights to shape green lending flows, refine ESG thresholds, and strengthen resilience across high-risk sectors. Findings also inform the Group's NZTP and customer engagements.</li> </ul>	AmBank Group's Climate Action (Strategy), pages 37 to 38 AmBank Group's Climate Action (Risk Management), pages 53 to 54



Disclo	sures	Description of Disclosures	References	> (0
		RISK MANAGEMENT		Sustain AmBan
		<ul> <li>Sustainability risks (including climate) have been integrated into the Enterprise Risk Management (ERM) Framework and the Group's Risk Universe, and formally recognised as one of the Group's Principal Risks. Climate risk is categorised into physical climate risk and transition risk, which resides in the environmental risk sub-category of Sustainability Risk:</li> <li>Transition risks: arise from the process of adjusting to a sustainable economy, driven by policy and regulatory changes, technological innovation, and a shift in customer expectations.</li> </ul>		Sustainability at AmBank Group
		<ul> <li>Physical risks: stem from the direct impact of climate change, such as acute physical events and chronic changes.</li> <li>These risks can materialise across a wide range of financial risk types, including: <ul> <li>Operational Risk</li> <li>Credit Risk</li> <li>Market Risk</li> <li>Limit in Direct</li> </ul> </li> </ul>		AmBank Group's Climate Action
		<ul> <li>Liquidity Risk</li> <li>Reputational Risk</li> <li>Strategic Risk</li> </ul>		°, S
		AmBank Group applies a structured process to assess climate-related risks. The key components of this process include:		
Basic & Stretch	R1 and R4: Process for Identifying and Assessing Climate- related Risks	<ul> <li>CERA</li> <li>Scenario Analysis</li> <li>Stress Testing</li> <li>CERA is applicable to non-individual customers and financial investments, supporting the Group's assessment of ESG risks. This includes the assignment of ESG Risk Ratings to all non-SMEs and SME clients with exposures exceeding RM10 million. CERA is aligned with BNM's CCPT classifications and forms part of the Group's broader credit decision-making and portfolio screening processes.</li> </ul>	AmBank Group's Climate Action (Risk Management), pages 47 to 54	Responsible Banking
		<ul> <li>In FY2025, the CERA was enhanced to reflect the following:</li> <li>Incorporation of the STG Financing Guideline to align ESG risk assessment with product classification.</li> <li>Inclusion of sectoral guidance references for CCPT assessment aligned with BNM's six focus sectors: Agriculture, Construction, Energy, Manufacturing, Transportation, and Waste Management.</li> <li>Scenario analysis, using NGFS and BNM's CRMSA methodologies, is conducted across short-, medium-, and long-</li> </ul>		Conscious Self-Conduct
		term horizons to evaluate how climate futures may affect credit quality, asset values, and collateral resilience. Additionally, AmBank Group monitors market and liquidity risks linked to transition exposure of major issuers and depositors. Physical risk identification—flood zones, heat stress, and water scarcity—is embedded into BCM protocols, and red-flag locations are tracked across AmBank Group's operational sites and third-party providers. These red flags trigger escalation for further assessment or mitigation planning.		
		For AmFunds and AmIslamic Funds, ESG assessment is part of the investment process, from security screening, assessment, portfolio construction, continuous surveillance, to decision-making and engagement. ESG risks and opportunities are identified and assessed at the company and sector levels. The ESG scores serve as an important indicator in identifying companies that are comparatively more sustainable, while facilitating portfolio rebalancing of Sustainable and Responsible Investments (SRI)-qualified funds to meet the Securities Commission two-thirds minimum asset allocation requirement.		Positive Societal Impact

### Task Force On Climate-Related Financial Disclosures (TCFD)

in Sustainable Financing.

Disclo	sures	Description of Disclosures	References
		Climate-related risks are managed through a systematic cycle: identification, assessment, control, monitoring and reporting. AmBank Group prioritises sectors with high transition or physical exposure—guided by materiality thresholds, scenario outputs, and portfolio concentrations. We have established a system of internal controls and governance structures which provides clear structure and accountability, ensuring ESG risks are factored into lending, investment, asset management and operational decisions.	
		<ul> <li>The Group manages these risks through a combination of ongoing control and oversight of:</li> <li>Prohibition list – financing is prohibited for activities where regulatory violations or irreversible ecosystem and community impact is evident.</li> <li>ESG due diligence – reflects the financing evaluation process to assess climate risks for non-individual customers per the CERA</li> <li>Post-deal monitoring in line with the STG Financing Guideline.</li> <li>Quantitative Risk Appetite metrics.</li> <li>Sectoral Decarbonisation Pathways.</li> <li>Policy-linked prohibitions and restrictions as part of NZTP (e.g. thermal coal mining phase-out by 2030).</li> </ul>	
Basic &	R2 and R5: Process	The RMC oversees the governance and infrastructure for managing group-wide sustainability risks, including climate-related risks. These risks are reviewed quarterly by governance committees (e.g. GMRC, GSCRC). High ESG risk grades are escalated to the CACC for review. Mitigation measures include customer engagement, product structuring aligned with transition objectives, and targeted financing for green assets.	Climate Action
Stretch	for Managing Climate related Risks	An impact assessment under various NGFS scenarios across all retail and non-retail financing portfolios is conducted. In addressing climate risks as part of the quantitative risk appetite, those with material impact are prioritised.	AmBank Group's Climate Action (Risk Management), pages 52 to 57
		Relationship Managers are equipped with sectoral guidance and climate tools to support clients in reducing exposure and adopting resilience measures. To strengthen front-line engagement capability, Group Sustainability rolled out targeted training modules in FY2025, focusing on climate and sustainable finance. These programmes were designed to build confidence in customer engagement and enhance the quality of sustainability-related discussions and decisions as well as meeting regulatory expectations surrounding the assessment of climate change impact on customers we engage with, these include:	
		<ul> <li>Sustainable Finance &amp; Sector Decarbonisation</li> <li>ESG Risk Assessment and CCPT (Climate Change Principle-based Taxonomy) with sectoral guidance</li> <li>10 Sustainable Finance and Decarbonisation Training Modules</li> </ul>	
		From a customer engagement perspective, the Group is engaging customers in hard-to-abate sectors to support their decarbonisation journeys. Our five-step approach is targeted, focusing on customers' transition maturity as well as using insights and sectoral knowledge to guide customer engagement. Our SFP Framework further supports these engagement exercises, facilitating the ability to provide sustainable, transition, and green financing to our customers through a set of pre-defined criteria and methodology. For FY2025, we have mobilised RM14.6 billion	

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Sustainability at AmBank Group

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Responsible Banking

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Disclosures		Description of Disclosures	References
•	R3 and R6: Process for Integrating	From a credit perspective, CERA integrates ESG risk considerations such as environmental impact assessment and involvement in carbon-intensive economic activities into decision-making for non-individual customers and financial investments. These assessments are conducted annually and/ or when customers seek new or additional facilities. From a market and liquidity perspective, we assess key counterparties, including top issuers and depositors, to understand potential transmission effects on funding profiles, investment portfolios, and exposure concentrations. Quantitative climate metrics—including emissions intensity, climate-sensitive sector concentration, and physical risk location mapping—guide credit approvals, pricing, and capital allocation.	•
	(i) Identifying and Assessing Climate- related	Scenario analysis outputs inform provisioning strategies, and strategic planning. These insights are reported to the GMRC and RMC, ensuring tat climate considerations are embedded in enterprise-wide decisions. Supporting	AmBank Group's Climate Action (Risk
tretch	Risks and (ii) Managing Climate-related	frameworks include updated credit policies (Retail and Non-retail), the Climate-related Disclosure Policy, BCM Framework, and enhanced stress testing procedures.	Management), pages 47, 52 to 57
	Risks; into Overall Risk	AmBank Group's integrated approach ensures climate risks are not siloed but considered alongside traditional financial risks, strengthening institutional resilience and enabling a just and orderly transition. In FY2025, the Group	
	Management	developed its NZTP for seven sectors, focusing on the sectors in the agriculture, energy and built environment economic focus areas. This includes establishing 2030 near-term targets and position statements on select hard- to-abate sectors, as well as a commitment to phase out thermal coal mining by 2030 and a continued aspiration to support our customers in these sectors through sustainable and transition financing. The Group continues to refine its modelling capabilities, enhance internal capacity, and align with IFRS S2 and BNM expectations.	

### Task Force On Climate-Related Financial Disclosures (TCFD)

Disclo	osures	Description of Disclosures	References
		METRICS AND TARGETS	
		Own Operations: Enterprise Emissions	
		AmBank Group's broad-based sustainability initiatives across our operations reflect our efforts to lower GHG emissions. In FY2025, we had a slight increase in our Scope 1 GHG emissions to 62 $tCO_2e$ , from 60 $tCO_2e$ in FY2024. We reported 16,375 $tCO_2e$ of Scope 2 emissions and through targeted GHG reduction initiatives, this figure was further improved to a 1.2% reduction against the FY2024 baseline. After implementing further reduction efforts across Scope 2 emissions through a combination of green energy sourcing and offsetting strategies, we achieved a net Scope 2 GHG emissions of 5,849 tCO2e. This emissions refer to remaining emissions after applying verified offsets such as Renewable Energy Certificates (RECs) issued by Sarawak Energy Berhad (SESCO) and Green Energy Tariffs (GETs) from Tenaga Nasional Berhad (TNB). We recorded a total Scope 1 and Scope 2 GHG emissions of 5,911 $tCO_2e$ , signifying a strong step towards achieving our new commitment to Carbon Neutrality by 2030 (Scope 1 and Scope 2).	
		<ul> <li>AmBank Group's total Scope 3 GHG emissions rose to 12,429 tCO<sub>2</sub>e, up from 1,231 tCO<sub>2</sub>e in FY2024. The 909.7% increase is largely due to the expanded emissions boundary, which now includes employee commuting, an emissions source introduced at the start of this financial year. In line with global best practices and the GHG Protocol Corporate Accounting and Reporting Standard, we continue to progressively expand our Scope 3 reporting boundaries, which now cover:</li> <li>Category 5: Waste Generated in Operations</li> <li>Category 6: Business Travel</li> <li>Category 7: Employee Commuting</li> </ul>	
Basic	M1: Key Climate- related Metrics	Our current coverage of Scope 1, Scope 2 and selected Scope 3 emissions is measured using available internal data and appropriate emission factors. Enterprise environmental data is collected from multiple sources across our operating locations and branches in our three main subsidiaries (AmBank (M) Berhad, AmInvestment Bank Berhad, and AmBank Islamic Berhad) and includes metered data, utility bills, and landlord statements. In our pursuit of data integrity and reliability, we undertake continuous internal reviews and, where relevant, external verification for selected indicators. Business Activities: Financed Emissions	AmBank Group's Climate Action (Metrics and Targets), pages 58 to 60, 63 to 64, 66 to 67
		We computed our total financed emissions baseline, covering our commercial, retail, Islamic, and investment banking business under our three main subsidiaries which reflects our financial year end March 2024 (FY2024). This is computed based on the Partnership for Carbon Accounting Financial (PCAF) methodology and reflects six asset classes, namely listed equity and corporate bonds, business loans and unlisted equity, project finance, commercial real estate, mortgages, and motor vehicle loans. We reported 9.97 million tCO <sub>2</sub> e of financed emissions, with an emission intensity of 68.1 tCO <sub>2</sub> e/ RM'million and a PCAF score of 3.86.	
		<ul> <li>Financed emissions were calculated for 74.5% of AmBank Group's total assets of RM196.76 billion as at 31st March 2024. The remaining 25.5% was not computed due to the following exclusions:</li> <li>Retail portfolio apart from mortgages and motor vehicle loans/ financing are not included under the PCAF methodology.</li> <li>Exclusion of short tenor and money market instruments.</li> <li>Exclusion of non-financial assets, off-balance sheet financing, lines of credit, and individual borrowers.</li> <li>To maximise the impact of our decarbonisation efforts, we have prioritised seven hard-to-abate sectors within our</li> </ul>	
		non-retail portfolio. These sectors account for 39% of the Group's total non-retail portfolio excluding financial services, trading and other services (including hotels, gambling, casinos, etc.). The same hard-to-abate sectors contribute to 45% of our total financial emissions, underscoring the importance of targeted action in these areas. <b>Sustainable, Transition and Green Financing</b> As at FY2025, we mobilised RM14.6 billion for sustainable financing across four focus areas – green financing (RM2.4 billion), affordable and low-income financing (RM1.1 billion), sustainable investments (RM8.5 billion), and	

As at FY2025, we mobilised RM14.6 billion for sustainable financing across four focus areas – green financing (RM2.4 billion), affordable and low-income financing (RM1.1 billion), sustainable investments (RM8.5 billion), and sustainable capital market issuances (RM2.6 billion). Moving forward, we aspire to increase our proportion of sustainable financing through an expanded list of eligible activities as defined in our SFP Framework and STG Financing Guideline.

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Disci	osures	Description of Disclosu	ıres	References		
		Own Operations: Enterprise En	missions	•		
		of 16,636 tCO <sub>2</sub> e. This ambition implementation of energy effic grid, 52% from the (3) adoption	carbon neutrality by 2030 (for Scope 1 and 2 emissions) against our 2024 baseline n is underpinned by both active and passive levers: with 18% coming from the (1) iency and renewable energy initiatives, (2) gradual decarbonisation of the national n of the Green Energy Tariff (GET), and 30% through the (4) utilisation of Renewable carbon credits. The reduction in Scope 1 and 2 emissions forms part of the KPI			
		As we support customers and the broader economy in the low-carbon transition, we recognise the importance of leading by example. Our approach combines active measures—such as energy optimisation and clean energy integration—with passive solutions, including verified carbon offsets. While 2030 marks our near-term absolute target, we will periodically reassess our trajectory in line with evolving climate data, policy developments, and advancements in emissions reporting.				
asic	M2: Key Climate- related Targets	with internationally recognised targets were prioritised based calculation against FY2024 base	-based targets for hard-to-abate sectors, guided by the NZBA and further aligned definitions of emissions-intensive sectors. The following sectors and 2030 near-term on their materiality within our portfolio, as identified through our financed emissions seline:	AmBank Group's Climate Action (Metri & Targets), pages 60 to 61, 65		
asic	related	We have established intensity- with internationally recognised targets were prioritised based calculation against FY2024 base Economic Focus Area	-based targets for hard-to-abate sectors, guided by the NZBA and further aligned definitions of emissions-intensive sectors. The following sectors and 2030 near-term on their materiality within our portfolio, as identified through our financed emissions seline:	Climate Action (Metri & Targets), pages 60		
asic	related	We have established intensity- with internationally recognised targets were prioritised based calculation against FY2024 base	-based targets for hard-to-abate sectors, guided by the NZBA and further aligned definitions of emissions-intensive sectors. The following sectors and 2030 near-term on their materiality within our portfolio, as identified through our financed emissions seline:	Climate Action (Metri & Targets), pages 60		
asic	related	We have established intensity- with internationally recognised targets were prioritised based calculation against FY2024 based Economic Focus Area Sector	-based targets for hard-to-abate sectors, guided by the NZBA and further aligned definitions of emissions-intensive sectors. The following sectors and 2030 near-term on their materiality within our portfolio, as identified through our financed emissions seline:         Agriculture         Palm Oil         Oil palm plantations, Crude Palm Oil (CPO) milling and integrated palm oil	Climate Action (Metri & Targets), pages 60		
asic	related	We have established intensity- with internationally recognised targets were prioritised based calculation against FY2024 base Economic Focus Area Sector Value Chain Scope	-based targets for hard-to-abate sectors, guided by the NZBA and further aligned definitions of emissions-intensive sectors. The following sectors and 2030 near-term on their materiality within our portfolio, as identified through our financed emissions seline:         Agriculture         Palm Oil         Oil palm plantations, Crude Palm Oil (CPO) milling and integrated palm oil companies	Climate Action (Metri & Targets), pages 60		
Basic	related	We have established intensity- with internationally recognised targets were prioritised based calculation against FY2024 base Economic Focus Area Sector Value Chain Scope FY2024 Baseline	-based targets for hard-to-abate sectors, guided by the NZBA and further aligned definitions of emissions-intensive sectors. The following sectors and 2030 near-term on their materiality within our portfolio, as identified through our financed emissions seline:         Agriculture         Palm Oil         Oil palm plantations, Crude Palm Oil (CPO) milling and integrated palm oil companies         1.69 tCO <sub>2</sub> e/ tonne of CPO	Climate Action (Metri & Targets), pages 60		

Sustainability at AmBank Group

AmBank Group's Climate Action

### Task Force On Climate-Related Financial Disclosures (TCFD)

Disclosures

Description of Disclosures

Rei	e	re	n	C	es	

Economic Focus Area		Energy	
Sector	Thermal Coal Mining	Power Generation	Oil & Gas
Value Chain Scope	Thermal coal mining	Power generation operators	Integrated National Oil & Gas company, Crude oil refineries, Exploration & Production (E&P) companies
FY2024 Baseline		468 kgCO <sub>2</sub> e/ MWh of power produced	108 tCO <sub>2</sub> e/ RM million financed
2030 Near-term Target	Not relevant. We commit to phase out existing exposure by 2030	379 kgCO <sub>2</sub> e/MWh of power produced	73 tCO <sub>2</sub> e/ RM million financed
Reference Scenario		Augmented Malaysia Pathway Adjusted for NETR	International Energy Agency (IEA) Announced Pledges Scenario (APS) (Global) 2030
2050 Target	0	0	27.00

Economic Focus Area	Built Environment				
Sector	Cement Manufacturing	Iron & Steel Manufacturing	Commercial Real Estate		
Value Chain Scope	Cement manufacturers	Crude steel manufacturers	Operational phase of commercial buildings		
FY2024 Baseline	0.89 tCO <sub>2</sub> e/ tonne of cement	1.26 tCO <sub>2</sub> e/ tonne of steel	182 kgCO <sub>2</sub> e/ m <sup>2</sup> of building floor area		
2030 Near-term Target	0.57 tCO <sub>2</sub> e/ tonne of cement	1.05 tCO <sub>2</sub> e/ tonne of steel	148 kgCO <sub>2</sub> e/ m² of building floor area		
Reference Scenario	SBTi IEA Net Zero Emissions (NZE) Pathway for Cement (Global)	Mission Possible Partnership (MPP)- Technology Moratorium (TM) Scenario (Regional – SEA)	Adjusted Carbon Risk Real Estate Monitor (CRREM) for Malaysia Grid Emission Factor (GEF) and NETR		
2050 Target	0	0.12	0.60		

The development of the NZTP and the above targets formed part of the CSO's KPI.



References

		Our financed emissions for FY202	24 by for the six asset classes and the	associated PCAF scores were:	
		Asset Class*	Financed Emission (million tCO₂e)	PCAF Score	
	M3: Key Climate- related Metrics	Listed Equity & Corporate Bonds	0.42	3.09	AmBank Group's
Stretch		Business Loans & Unlisted Equity	8.18	3.45	Climate Action (Metr & Targets), page 59
		Project Finance	0.17	3.77	
		Commercial Real Estate	0.22	4.13	
		Mortgages	0.44	5.00	
		Motor Vehicle Loans	0.54	3.38	
		Total	9.97	3.86	

#### Description of Disclosures

Disclosures

In FY2025, a materiality assessment on the other 11 categories under scope 3 were conducted. Following the

# IFRS S1: General Requirements for Disclosure of Sustainability-related Financial Information Content Index

The following indicators for the IFRS S1: General Requirements for Disclosure of Sustainability-related Financial Information have been prepared for disclosure on a voluntary basis and are reflected in the relevant sections of the AmBank Group Integrated Annual Report 2025 and AmBank Group Sustainability Report 2025.

IFRS S1 Ind	cator Remarks	References
	GOVERNANCE	
27 (a)	Information about the governance body(s) (which can include a board, committee or equivalent body charged with governance) or indiv oversight of sustainability-related risks and opportunities.	vidual(s) responsible for
	AmBank Group's sustainability governance structure is led by the Board of Directors, which holds the highest authority in overseeing the Group's sustainability and climate risks and opportunities. The Board provides independent oversight to ensure that sustainability-related risks and opportunities are fully embedded into strategic decisions.	
27 (a) (i) to (v)	Specific aspects of sustainability are governed by selected governing bodies. These include the Group Management Governance and Compliance Committee, which monitors compliance-related risks, and the Group Talent Council, which oversees talent development and succession planning. Sustainability and climate-related matters are also governed at the entity level, with AmBank (M) Berhad, AmBank Islamic Berhad, and AmInvestment Bank Berhad providing their respective Board and Risk Management Committee oversight. The GNRC evaluates the Board's collective composition, including skills and experience relevant to sustainability and climate governance. ESG capabilities are embedded in the Board's skills matrix and refreshed as part of the annual review process. While several Directors have attended externally accredited sustainability training, ongoing competency-building remains a priority. This includes participation in Anti-bribery & Corruption Training, Cybersecurity Awareness Programme, and Anti-money	AmBank Group's Climate Action (Governance), pages 22 to 44 IAR25: Group Nomination and Remuneration Committee Report, page 190
	Laundering Awareness Session. Sustainability-related KPIs are embedded within the customer, strategy or operational component in executive's scorecard, with weightage ranging from 5% to 15% based on the individual's relevance, role and influence. The CSO carries a 75% weightage, reflecting the strategic importance given of the role in driving the sustainability agenda. Apart from climate-related KPIs, other sustainability related KPIs include skills development, culture and employee engagement, sustainability culture and capacity building as well as IT security and governance.	



Sustainability at AmBank Group

AmBank Group's Climate Action

Responsible Banking

Conscious Self-Conduct

IFRS S1 Indicator	Remarks	References
27 (b) Management's role i	n the governance processes, controls and procedures used to monitor, manage and oversee sustainability-related	risks and opportunities.
	Supporting the Board, there are the following governing bodies:	
	<ul> <li>Group Management Committee (GMC) – accountable for all matters relating to sustainability opportunities, including identifying and evaluating potential new business, frameworks, policies, guidelines, and proposals.</li> </ul>	
	<ul> <li>Group Management Risk Committee (GMRC) - looks into sustainability risk matters, deliberates on climate risk exposure, scenario analysis outputs, and risk appetite thresholds, as well as frameworks, policies, guidelines, and proposals.</li> </ul>	
27 (b) (i) to (ii)	<ul> <li>Group Sustainability and Climate Risk Council (GSCRC) - develops and implements sustainability- related strategies and initiatives, including the Sustainability Learning Pathway for Board, senior management, employees, reviews, and makes necessary recommendations to the GMC and GMRC on any risks, opportunities, strategies or proposals related to the sustainability risks and opportunities.</li> </ul>	AmBank Group's Climate Action
	All three committees and council are chaired by the Group CEO. Collectively, these management bodies ensure that climate-related considerations are embedded into day-to-day decision-making and operationalised across risk, business, and sustainability teams.	(Governance), pages 22 to 44
	At the management level, the CSO plays a central role in shaping and driving AmBank Group's sustainability and climate strategy. The CSO oversees Group-wide coordination of sustainability efforts.	
	AmBank Group applies a structured three-line defence model (first, second, and third lines of defence) to oversee ESG-related risks. Each line plays a specific role in ensuring sustainability is embedded into day-to-day operations and risk controls. We have established structured governance processes to manage sustainability-related risks and opportunities across the Group. Through committees at various levels, we oversee regulatory compliance, strategic sustainability initiatives, and policy approvals to drive effective decision-making and advance our sustainability objectives.	
	STRATEGY	
SUSTAINABILITY-RELATED RISKS A	ND OPPORTUNITIES	
	se information that enables users of general-purpose financial reports to understand the sustainability-related risks expected to affect the entity's prospects.	s and opportunities that
	AmBank Group has identified strategic sustainability opportunities with strong potential to enhance business growth and resilience over the short- to medium-term. These opportunities span specific products, themes, and customer segments, where we aim to scale financing solutions that drive inclusive development, strengthen digital adoption, and support economic empowerment. Expanding green and transition financing accelerates loan growth, advancing cybersecurity enhances customer trust and retention, while deepening financial inclusion opens access to new markets. This forms a core part of our business strategy, aligning capital flows with emerging needs and delivering sustainable value to customers, communities, and shareholders.	IAR25: Sustainability at
30 (a) to (c)	In FY2024, we conducted a comprehensive materiality assessment to enhance our understanding of critical issues that significantly affect our stakeholders' choices and our business outcomes. Our material matters focused on the areas that matter most to our stakeholders and have the greatest impact on our business performance. This was a qualitative assessment and did not consider financial materiality. For each identified material matter, we have disclosed the anticipated outlook for the coming year, together with the associated emerging opportunities and potential risks. By clearly linking these developments to AmBank Group's strategic sustainability goals, we adopt a forward-looking approach that enables us to proactively manage challenges, seize growth opportunities, and unlock long-term value across our key focus areas.	AmBank Group, pages 79 to 91

## IFRS S1: General Requirements for Disclosure of Sustainability-related Financial Information Content Index

IFRS S1 Indicator	Remarks	References	
	Material Matter	Outlook	
	Responsible Financing & Building Climate Resilience	We will continue to support Malaysia's climate transition by ensuring that our products and services—create long-term value for both customers and society, while managing our risks and ensuring alignment with stakeholders' sustainability expectations.	Responsible Financin & Building Climate Resilience, page 69
	Customer Experience & Satisfaction	Our long-term strategy centres on expanding digital capabilities, enhancing service efficiency, and delivering personalised financial solutions—leveraging data-driven insights and operational excellence to anticipate evolving customer needs and provide seamless financial experiences	Customer Experience & Satisfaction, page 86
	Digital Innovation	The Group's digital roadmap focuses on enhancing digital platforms in the short term, advancing payment solutions and paperless banking in the medium term, and leveraging emerging technologies and SME support for long-term fintech leadership.	<ul> <li>Digital Innovation, page 92</li> <li>Cybersecurity &amp; Data Privacy, page 99</li> </ul>
	Cybersecurity & Data Privacy	We aim to strengthen cybersecurity through advanced technologies, regulatory compliance, and employee training, with plans to leverage AI, establish autonomous security operations, and enhance collaboration for improved threat response.	Financial Inclusion, page 104
	Financial Inclusion	We will expand SMEs financing through digital lending and strategic partnerships, focusing on tailored solutions and regional growth in the near term, with a long-term goal of positioning SMEs as a core growth engine.	Integrity & Preventing Financial Crime, page 109
) (b)	Integrity & Preventing Financial Crime	Recognising the growing complexity of financial crimes, we will continue to enhance our detection and prevention capabilities through advanced technology, ethical practices, and stronger due diligence—while reinforcing regulatory alignment.	Enhancing Employee Well-Being, page 117 Developing Our People, page 127
	Enhancing Employee Well-being	We will continue to build a culture of excellence by enabling flexibility, promoting wellness and fostering deeper engagement.	Driving Diversity, Equity & Inclusion,
	Developing Our People	As roles continue to evolve, we will strengthen our learning approach by embedding Individual Development Plans into performance reviews, launching mentorship programmes, and enhancing accessibility to ensure employees develop and apply future-ready skills.	<ul> <li>page 140</li> <li>Responsible</li> <li>Consumption, page</li> <li>146</li> </ul>
	Driving Diversity, Equity & Inclusion (DEI)	To build a culture where everyone can thrive, we will broaden recruitment channels, enhance development opportunities, and deepen community engagement to strengthen inclusivity and impact.	Responsible Procurement, page 157
	Responsible Consumption	Approach to carbon neutrality by 2030 involves accelerating energy efficiency and renewable initiatives across our operations.	Supporting
	Responsible Procurement	To enhance supplier data tracking in the short to medium term, focusing on SMEs, Bumiputera enterprises and women-owned businesses to promote inclusive and responsible sourcing.	Communities, page 161 IAR25: Sustainability
	Supporting Communities	To advance our social sustainability efforts, we will strengthen our Volunteer Network, focusing on mental health, women and youth empowerment, as well as climate action.	AmBank Group, page 79 to 91



Sustainability at AmBank Group

IFRS S1 Indicator	Remarks			References
BUSINESS MODEL AND VALUE CHAIN				
32 An entity shall disclose infor related risks and opportuniti		ers of general-purpose financial reports to ess model and value chain.	understand the current and anticipated (	effects of sustainability-
	opportunities, prov approach, we outli leveraging opportu growth.	matter, we have identified and disclosed iding a balanced view of the potential ch- ne how AmBank Group is positioned to n nities to drive long-term value for our stake oportunities include:	allenges and growth areas. Through this nanage emerging risks while strategically	
	Material Matter	Risks	Opportunities	
	Responsible Financing & Building Climate Resilience	Supporting businesses that fall short in environmental stewardship, social responsibility or governance standards may compromise our commitment to sustainability and affect customer repayment and collateral values.	Offering sustainable, transition, and green financial solutions that support environmental and social responsibility, positions us to tap into emerging markets, including green technologies and low-carbon transition sectors.	
	Customer Experience & Satisfaction	Inability to keep up with evolving customer expectations and digital preferences may weaken engagement, erode customer loyalty and drive attrition.	Investing in superior customer experience fosters meaningful client relationships, strengthens brand loyalty, and positions us as the financial institution of choice.	
	Digital Innovation	System outages, platform instability, or technical glitches may disrupt transactions and digital services, resulting in a poor customer experience and potential reputational damage.	Leveraging digital tools enhances service delivery, expands market reach, and strengthens customer engagement.	
32 (a) to (b)	Cybersecurity & Data Privacy	Cyber threats and data breaches may disrupt operations and erode stakeholder confidence in our ability to safeguard information.	Building a secure digital ecosystem enables us to protect customer data while supporting safe and seamless digital experiences.	IAR25: Sustainability at AmBank Group, pages 79 to 91
	Financial Inclusion	Inadequate financial inclusion efforts may hinder our role in nation-building by limiting access to economic opportunities for underserved communities.	Serving unbanked and underbanked segments drives inclusive economic participation while opening untapped markets.	
	Integrity & Preventing Financial Crime	Unethical conduct or failure to report suspicious activities may lead to regulatory fines, penalties and weaken stakeholder confidence.	Enabling secure, transparent reporting of misconduct fosters stakeholder trust and upholds a strong culture of ethical governance.	
	Enhancing Employee Well-being	An unproductive work environment impacts performance through lower productivity, higher turnover, and reduced employee engagement.	Prioritising employee well-being enhances morale and productivity, cultivates a positive workplace culture, and reinforces long-term organisational resilience.	
	Developing Our People	Inability to attract and nurture the right talent may create capability gaps and disruption to business continuity in a changing market.	Targeted professional development opportunities equip employees with future-ready skills and strengthen workforce agility.	
	Driving Diversity, Equity & Inclusion	Lack of inclusiveness may hinder the ability to build high-performing, diverse teams and reduce organisational competitiveness.	Fostering an inclusive environment can lead to higher employee engagement, improved morale, and team effectiveness.	

### IFRS S1: General Requirements for Disclosure of Sustainability-related Financial Information Content Index

IFRS S1 Inc	dicator	Remarks			References
		Material Matter	Risks	Opportunities	
		Responsible Consumption	Uncontrolled resource use may reduce operational efficiency and increase GHG emissions in the absence of transition plans and monitoring.	Tapping into active levers such as Energy Efficiency and Renewable Energy Initiatives and passive levers such as National Grid Decarbonisation, Green Energy Tariffs, Energy Certificates (RECs) and Carbon Credits to achieve Carbon Neutrality.	
		Responsible Procurement	Misalignment between supplier practices and AmBank Group's ESG values may undermine brand credibility and slow progress on sustainability goals.	Sourcing responsibly from local and diverse vendors boosts economic inclusion while reinforcing ESG commitments.	
		Supporting Communities	Lack of meaningful community engagement may diminish stakeholder goodwill and trust.	Supporting community development fosters goodwill, strengthens relationships, and enhances brand reputation.	
STRATEGY A	ND DECISION-MAKING				
33	An entity shall disclose inform opportunities on its strategy c		ers of general-purpose financial reports to	understand the effects of sustainability-re	elated risks and
		opportunities, offe	matter, we have identified and disclosed ring a balanced view of potential challen nderstand how AmBank Group is positi	ges and areas for growth. This enables	& Building Climate
		strategically levera	strategically leveraging opportunities to drive sustainable business growth and long-term value.		Customer Experience & Satisfaction, page 86
		illustrating how sus	ddressing these risks and opportunities is stainability considerations are embedded in sures that both immediate and long-term im	nto our strategic planning and operational	Digital Innovation, page
		value chain.			Cybersecurity & Data Privacy, page 99
		matter. These initi	ess, we have established clear strategies, p atives are developed in collaboration with ity members, and customers, ensuring that i	n key stakeholders, including employees,	page 104
		in our actions. B commitment to res	y integrating these elements into our g ponsible business practices and value crea ave implemented targeted initiatives and p	Integrity & Preventing Financial Crime, page	
33 (a) to (c)			and support the Group's broader sustainabil	o .	Enhancing Employee Well-Being, page 117
		demonstrating ho	idered and disclosed the trade-offs betweer w our decisions may impact each capit tter understand how we evaluate and balan	al differently. This transparency allows	page 127
			supporting long-term sustainable value cre-	11 3	Driving Diversity, Equity & Inclusion, page 140
					Responsible Consumption, page 146
					Responsible Procurement, page 157
					Supporting Communities, page 161
					IAR25: Sustainability Statement, pages 76 to 91

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Cybersecurity & Data Privacy, pages 99 to

IFRS S1	Indicator	Remarks	References
FINANCIAL	POSITION, FINANCIAL PERFORM	ANCE, AND CASH FLOWS   RESILIENCE	
where we a		ability opportunities with high potential over the short to medium term. These span specific products, sector low-carbon transition and inclusive development. This forms a key part of our business strategy, aligning communities.	. 0
		RISK MANAGEMENT	
44	To achieve this objective, an	entity shall disclose information about:	
AmBank Group has established a structured approach to manage sustainability-related risks and opportunities, alongside climate considerations in our Enterprise Risk Management Framework.       Responsible F         Sustainability-related risks and opportunities are integrated into our overall risk management framework, reinforcing strategic decision-making and driving long-term value creation.       Responsible F         Version       Respon			
Our materiality assessment is a process used to identify and prioritise material topics to ensure that our strategies remain focused, relevant, and aligned with emerging risks, opportunities, and stakeholder expectations. These topics now form the foundation of our risk management and performance monitoring across the Group and shape how we allocate resources to manage impacts across our			
		ecosystem. We conduct a formal materiality assessment every two years, with the most recent assessment completed in FY2024.	t Digital Innovation, pages 92 to 98

Some of the key processes, related policies and plans that address these material matters include:

Material Matter	Frameworks, Policies & Guidelines	103
Responsible	The inaugural Net Zero Transition Plan, Sustainable Finance Product	Financial Inclusion, pages 104 to 107
Financing & Building Climate Resilience	Framework, Sustainable, Transition, and Green Financing Guideline, and Climate Change and ESG Risk Assessment Guideline.	Integrity & Preventing Financial Crime, pages 109 to 116
Customer Experience & Satisfaction	Customer Service Charter.	Enhancing Employee Well-Being, pages 117 to 126
Digital Innovation	Privacy Notice on Personal Data Protection Act (PDPA) 2010, AmBank Group Web Portal Security Statement, Data Governance Framework and Artificial Intelligence (AI) Governance Framework.	Developing Our People, pages 127 to 139
Cybersecurity & Data Privacy	Data Governance Framework and Information Security Policy, Data Privacy Guidelines and Data Quality Guidelines Privacy Notice under the PDPA 2010.	Driving Diversity, Equity & Inclusion, pages 140 to 145
Financial Inclusion	Financial Inclusion Strategy, Tailored Programmes and Strategic Government Schemes.	Responsible Consumption, pages 146 to 156
Integrity & Preventing Financial Crime	AmBank Group Code of Conduct, Anti-Bribery and Corrupt Practices (ABCP) Policy and the No Gift Policy, Whistleblower Protection and Report Investigation Policy (WPP), AmBank Group Anti-money Laundering (ML) and Counter Financing of Terrorism (CFT), Counter Proliferation Financing (CPF) and	Responsible Procurement, pages 157 to 159
	Targeted Financial Sanctions (TFS) Policy, and Know Your Customer (KYC), Customer Identification, and Due Diligence Policy.	Supporting Communities, pages 161 to 169
Enhancing Employee Well-being	Occupational Safety and Health (OSH) framework, Group's Well-being Framework, Perks and Perquisites Guideline, Medical Benefits Guideline, Insurance Benefits Guideline, and Staff Loan Guideline.	IAR25: Sustainability Statement, pages 76 to 91
Developing Our People	Learning & Development Principles and Strategy and Performance Management Guideline Learning & Development Principles, Learning & Development Strategy (FY2025-2029), and Performance Management Guideline.	IAR25: Principal Risks and Mitigation, pages 103 to 109

44 (a) (i) to (vi) 44 (b) to (c)

### IFRS S1: General Requirements for Disclosure of Sustainability-related Financial Information Content Index

IFRS S1 Indicator	Remarks		References
	Material Matter	Frameworks, Policies & Guidelines	
	Driving Diversity, Equity & Inclusion	AmBank Group's Code of Conduct, DEI strategy based on 3 key pillars and Disciplinary Management Practice Guide.	
	Responsible Consumption	Group Energy Policy, Group Environmental Policy, Environmental Objectives, Targets, and Plans Practice Guide, Environmental Resource Management Practice Guide, Energy Management Practice Guide, Environmental Monitoring and Measurement Practice Guide, Greenhouse Gas (GHG) Accounting and Reporting Practice Guide and Environmental Waste Management Practice Guide.	
	Responsible Procurement	Group Procurement Policy, Group Outsourcing Policy & Sourcing and Outsourcing Guidelines, Supplier Code of Conduct (SCOC) and Ethical Business & Anti-Bribery Standards.	
	Supporting Communities	Community Empowerment Framework.	
		METRICS & TARGETS	
6 An entity shall disclose,	, for each sustainability-related r	isk and opportunity that could reasonably be expected to affect the entity's pro	spects:
		ty material matters chapters, AmBank Group has disclosed several qualitative and etailed as per item 50 below.	Responsible Financir & Building Climate Resilience, pages 69 to 85
			Customer Experience & Satisfaction, page pages 86 to 91
			Digital Innovation, pages 92 to 98
			Cybersecurity & Data Privacy, pages 99 to 103
			Financial Inclusion, pages 104 to 107
			Integrity & Preventin Financial Crime, pag 109 to 116
16 (a) 16 (b) (i) to (ii)			Enhancing Employee Well-Being, pages 1 to 126
			Developing Our People, pages 127 139
			Driving Diversity, Equity & Inclusion, pages 140 to 145
			Responsible Consumption, pages 146 to 156
			Responsible Procurement, pages 157 to 159
			Supporting Communities, pages 161 to 171
			Statement of Assurance, pages 2 to 230

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Insights & Achievements

Sustainability at AmBank Group

FRS S1 Indicator	Remarks		References
If a metric has been develo	ped by an entity, the entity	shall disclose information about:	
	quantitative metrics (ir and credibility of our independent assuranc Governance, Enhancin Our People, Driving D Performance Data and To enhance confidence to independently ver Investments, and Sust	ty material matters chapters, AmBank Group has disclosed several qualitative and n absolute terms) that are tracked on an annual basis. To ensure the reliability r sustainability disclosures, SIRIM QAS International Sdn. Bhd. has provided ce on several critical areas of this report. These areas include Sustainability g Employee Well-being (including Occupational Safety and Health), Developing DEI, Responsible Consumption, Responsible Procurement, relevant Sustainability I FY2025 Bursa Malaysia Sustainability Performance Table. e in our environmental reporting, we engaged PricewaterhouseCoopers PLT (PwC) rify our Green Financing, Affordable & Low-income Financing, Sustainable tainable Capital Market Issuances Facilitated, collectively known as Sustainable Scope 1 GHG Emissions, Scope 2 GHG Emissions, and Net Scope 2 GHG	Responsible Financing & Building Climate Resilience, pages 69 to 85 Customer Experience & Satisfaction, pages
		I third-party assurance affirms the reliability and integrity of our disclosures.	86 to 91
	See page pages 222 and	d 227 for our assurance statement.	Digital Innovation, pages 92 to 98
	Material Matter	Metrics/ Indicators	Cybersecurity & Data
	Responsible Financing & Building Climate Resilience	Total Sustainable Financing mobilised which includes Green Financing, Affordable & Low-income Financing, Sustainable Investments and Sustainable Capital Market Issuances Facilitated.	Privacy, pages 99 to 103 Financial Inclusion,
	Customer Experience & Satisfaction	Customer satisfaction score (CSAT), Net promoter score (NPS), Revenue generated through targeted SME sector initiatives.	pages 104 to 107 Integrity & Preventing Financial Crime, page
	Digital Innovation	Average number of online transactions monthly in AmOnline (million), Value of AmAccess Biz (full year, million), Improvements in digital banking services.	109 to 116
(a) to (d)	Cybersecurity & Data Privacy	Number of complaints received on breaches of customer privacy and losses of customer data, Fines or Penalties Related to Cybersecurity, Enhancements in fraud protection initiatives.	Enhancing Employee Well-Being, pages 11 to 126
	Financial Inclusion	Total loans/ financing to the SME sector (RM billion), Total disbursement in affordable and low-income financing (RM million), Participation rate in BizCLUB initiatives (AmBank BizCLUB and BizRACE).	Developing Our People, pages 127 to 139
	Integrity & Preventing Financial Crime	Total number of AmBankers who received communication and training on anti-corruption policies and procedures, Percentage of operations assessed for corruption-related risks, Fraud prevention campaigns, Anti-money laundering (AML) systems, Zero tolerance on anti-bribery and corruption.	Driving Diversity, Equity & Inclusion, pages 140 to 145
	Enhancing Employee Well-Being	Number of workers trained in health and safety standards, Lost time injury incident rate (LTIIR), ISO certifications, Promotion of health and wellness within the workforce.	Responsible Consumption, pages 146 to 156
	Developing Our People	Total expenditure on training and development (RM), Talent retention rate (%), Development of digital skills, Employer recognition and rankings.	Responsible
	Driving Diversity, Equity & Inclusion	Female representation in top and senior management (%), Female representation on the Board of Directors (%), Fair compensation and pay equity structure, Recognition of AmBankers.	Procurement, pages 157 to 159
	Responsible Consumption	Total GHG emissions (tCO <sub>2</sub> e), emission reduction (tCO <sub>2</sub> e), net GHG emissions and reduction (tCO <sub>2</sub> e), GHG intensity (tCO <sub>2</sub> e/ RM million), fuel consumption (Litres), waste generated (tCO2e), business travel GHG emissions (tCO <sub>2</sub> e), employee commuting (tCO <sub>2</sub> e) and water consumption (Megalitres).	Supporting Communities, pages 161 to 171 Statement of
	Responsible Procurement	Local suppliers with active contracts (%), Proportion of spending on local suppliers (%), Local supplier empowerment programmes.	Assurance, pages 227 to 230
	Supporting Communities	Total amount invested in the community where the target beneficiaries are external to the listed issuer (RM), Total number of beneficiaries of the investment in communities.	

## IFRS S1: General Requirements for Disclosure of Sustainability-related Financial Information Content Index

IFRS S1 Indi	cator	Remarks		References
51	An entity shall disclose informa meet by law or regulation.	ation about the targets	it has set to monitor progress towards achieving its strategic goals, and any targ	iets it is required to
51 (a) to (f)			inability material matters chapters, AmBank Group has disclosed several qualitative ets for FY2026 and beyond as part of achieving its strategic goals:	
		Material Matter	Plans & Targets	
		Responsible Financing & Building Climate Resilience	In the short term, we aim to scale green financing solutions, offer ESG advisory services, and simplify sustainability reporting for SMEs. We also plan to establish clear classification criteria for sustainable, transition, and green financing to enhance internal consistency and customer understanding.	Responsible Financing & Building Climate Resilience, page 85
		Customer Experience & Satisfaction	<b>Business Banking</b> will aim to unify Retail SME (RSME) and Enterprise Banking (EB) under a single SME Business Banking segment and streamlining customer onboarding. Our medium-term plans include launching an FDI One-Stop Centre for businesses from China and South Korea to expand digital SME banking. <b>Retail Banking</b> is focused on enhancing customer experience, expanding digital capabilities, and offering tailored financial solutions. <b>Wholesale Banking</b> is leveraging AI and big data to enhance personalisation, improve turnaround times, and strengthen risk management. AmInvestment will integrate AI-driven insights, further innovate fund offerings, upgrade trading platforms, and strengthen cross-selling opportunities within AmBank Group to create a seamless, customer-centric financial ecosystem.	Customer Experience & Satisfaction, page 91 Digital Innovation, page 98 Cybersecurity & Data Privacy, page 103 Financial Inclusion,
		Digital Innovation	AmBank Group will stay ahead by executing a clear, forward-looking digital roadmap through short, medium, and long-term initiatives.	page 107
		Cybersecurity & Data Privacy	We aim to implement cutting-edge security technologies like Al-driven threat detection systems for faster threat mitigation, update, and strengthen compliance with existing data protection laws that ensure data privacy and security, conduct intensive training programmes on the latest cybersecurity threats and best practices to enhance organisational vigilance, utilise Al and ML learning comprehensively to monitor, analyse, and react to security incidents, including predictive analytics for forecasting potential breaches, strengthen partnerships to improve intelligence sharing and collaborative responses to cyber threats, and establish autonomous Al-powered SOCs for real-time response and self-healing networks.	Integrity & Preventing Financial Crime, page 116 Enhancing Employee Well-Being, page 126 Developing Our People, page 139
		Financial Inclusion	We will establish a target operating model that includes SME policies, guidelines, and portfolio reporting. To further support SMEs, we will form strategic partnerships with service providers, expanding financial access across key regions in Malaysia. By 2030, we aim to achieve a 9% market share in the SME segment and sustain 12% CAGR growth in loans.	Driving Diversity, Equity & Inclusion, page 145 Responsible Consumption, page
		Integrity & Preventing Financial Crime	We continue to embed ethical business practices through training, stringent policies, and a robust governance framework, ensuring alignment with industry best practices. The Group Taxation Department will strengthen risk management measures, engage actively with regulatory authorities, and collaborate with industry stakeholders to stay ahead of policy developments. We will continue to exercise responsible tax planning, ensuring that all incentives and reliefs are aligned with policy objectives while maintaining a firm stance against aggressive tax avoidance.	156 Responsible Procurement, page 159 Supporting
		Enhancing Employee Well-being	In the short term, we will maintain a safe and supportive workplace by strengthening flexible work arrangements, health and wellness initiatives, and open communication channels., Moving forward, we will invest in learning and development opportunities, career growth pathways, and employee recognition programmes to enhance engagement and retention, and cultivate a high- performance culture built on collaboration, innovation, and employeement, allowing employees to realise their full potential and drive organisational success.	Communities, page 171

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Insights & Achievements

on	Remarks		Reference
	Material Matter	Plans & Targets	
	Developing Our People	We are integrating IDPs into bi-annual performance reviews. Additionally, we will introduce mentorship programmes to foster knowledge transfer, leadership development, and succession planning. Beyond structured training, we will also focus on measuring learning impact—ensuring that employees can apply new skills effectively in their roles.	
		Regularly reviewing and refining policies and practices to ensure fairness, equity, and inclusivity for all employees, expanding and diversifying our talent pipeline by broadening recruitment channels to attract candidates from varied backgrounds and experiences,	
	Driving Diversity, Equity & Inclusion	Enhancing career development opportunities by providing greater support for employees to grow and reach their full potential within the organisation, Strengthening learning and development initiatives to address the evolving expectations of employees and customers on diversity and inclusion, explore innovative approaches to leverage our diversity and inclusion strengths, increase our impact in the communities we serve and supporting social change initiatives aligned with our values.	
		As we progress toward Carbon Neutrality by 2030 (Scope 1 and Scope 2), our immediate priority is reducing Scope 2 emissions, which represent the bulk of our operational impact. We are investing in energy efficiency upgrades, including the transition to Variable Refrigerant Volume (VRV) systems at DF3 and higher-efficiency air-conditioning systems, as well as installing solar panels at selected branches to expand renewable energy use.	
	Responsible Consumption	At the same time, we are refining our Scope 3 emissions strategy as part of our longer-term Net Zero ambition by 2050. This includes enhancing data quality and improving waste & water management. Key initiatives include promoting responsible resource use, implementing rainwater harvesting at DF3, establishing scheduled waste storage, and activating Electronic Scheduled Waste Information System (e-SWIS) accounts to strengthen compliance and waste reporting across key facilities.	
	Responsible Procurement	The Group will enhance supplier data tracking, with a focus on women-owned businesses, SMEs, and Bumiputera enterprises, to promote inclusive and responsible sourcing.	
	Supporting Communities	We aim to achieve 50,000 volunteer hours by FY2029, reinforcing our commitment to making a meaningful impact and strengthening partnerships with NGOs and welfare organisations to address pressing societal issues, including mental health, youth development, and climate change.	

IFRS S1 Indicator

# **IFRS S2: Climate-related Disclosures Content Index**

The following indicators for the IFRS S2: Climate-related Disclosures have been prepared on a voluntary basis and are reflected in the relevant sections of the AmBank Group Integrated Annual Report 2025 and AmBank Group Sustainability Report 2025.

IFRS S2 Ind	cator Remarks	References
	GOVERNANCE	
6 (a)	To achieve this objective, an entity shall disclose information about the governance body(s) (which can include a board, c equivalent body charged with governance) or individual(s) responsible for oversight of climate-related risks and opportunity	
	AmBank Group's sustainability governance structure is led by the Board of Directors, which holds the highest authority in overseeing the Group's sustainability, including climate-related risks and opportunities. The Board provides independent oversight to ensure that climate- related risks and opportunities are fully embedded into strategic decisions. Responsibilities for climate oversight are detailed in the Board Charter and the Group Sustainability Framework, supported by Board committees such as the Risk Management Committee (RMC), Audit and Examination Committee (AEC), and the Group Nomination and Remuneration Committee (GNRC).	
	relevant to sustainability and climate governance. ESO capabilities are embedded in the	AmBank Group's Climate Action (Governance), pages 22 to 31
		IAR25: Board at a Glance, page 148
6 (a) (i) to (v)	Senior Management.	IAR25: Profile of the Board of Directors, pages 149 to 158
	operational component in executive's scorecard, with weightage ranging from 5% to 15% based on the individual's relevance, role and influence. The CSO carries a 75% weightage, reflecting the strategic importance given of the role in driving the sustainability agenda. Other	IAR25: Group Nomination and Remuneration Committee Report, page 92
	The Board is kept abreast of climate and ESG developments through regular updates prepared by the CSO, with support from Group Sustainability and Group Risk through the Climate Risk Unit. Sustainability and are standing items on the Board agenda, and updates were tabled at all nine scheduled Board meetings. This includes sustainability-related targets and the progress against these targets. The RMC receives structured updates at least quarterly. These deliberations cover a wide range of topics including AmBank Group's Net Zero Transition Plan, emissions performance, approval of policies, regulatory compliance (e.g. BNM CCPT, CRMSA), and climate scenario analysis.	



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IFRS S2 Indic	ator	Remarks	References
6 (b)		n entity shall disclose information about management's role in the governance processes, con nd oversee climate-related risks and opportunities.	trols and procedures
6 (b) (i) to (ii)		All three committees and council are chaired by the Group CEO. Collectively, these management bodies ensure that climate-related considerations are embedded into day-to-day	AmBank Group's Climate Action (Governance), pages 22 to 26

# IFRS S2: Climate-related Disclosures Content Index

IFRS S2 Indicator		Remarks	References	
		STRATEGY		
9	and opportunities that could	lisclose information to enable users of general purpose financial reports to understand the clin affects the entity's prospects; its business model and value chain; influence its strategy, decis future financials, and how resilient its strategy and business model are to climate-related deve	sions and transition	
		Sustainability risks (including climate) have been integrated into the Enterprise Risk Management (ERM) Framework and the Group's Risk Universe, and has been formally recognised as one of the Group's Principal Risks. Climate risk is categorised into physical climate risk and transition risk, which resides in the environmental risk sub-category of Sustainability Risk:		
9 (a)		<ul> <li>Transition risks: arise from the process of adjusting to a sustainable economy, driven by policy and regulatory changes, technological innovation, and a shift in customer expectations.</li> <li>Physical risks: stem from the direct impact of climate change, such as acute physical events and chronic changes.</li> </ul>	AmBank Group's Climate Action (Strategy), pages 36 to 38 AmBank Group's	
		Both these risks could affect costs, reputation and customer base, render high emitting assets obsolete, as well as affect asset values and long-term credit viability.	Climate Action (Risk Management), page 48	
		Opportunities arise from increased demand for green financing, advisory services to support client decarbonisation, and innovation in sustainability-linked products. Climate-related opportunities are identified across products, themes and market segments, as well as select hard-to-abate sectors. These risks and opportunities materially influence AmBank Group's strategic planning, capital allocation, and risk appetite.		
9 (b)		We leverage on climate risk tools, such as the Group's Prohibition List and the CERA, in identifying and assessing the potential impact of climate risk on our portfolios. In FY2025, AmBank Group developed its inaugural NZTP, which informs the Group on the risks and opportunities presented within the select hard-to-abate sectors, supporting decarbonisation and transition. The Group has established position statements for these sectors, which cover the restricted activities as well as expectations and best practices to be adopted over time. As part of the NZTP, the Group will phase out exposure to the coal mining sector by 2030. We will also continue supporting customers in hard-to-abate sectors by providing sustainable, transition, and green financing for their transition and decarbonisation activities. We anticipate that our exposure to these sectors to support the transition journey	AmBank Group's Climate Action (Risk Management), pages 48 to 51, 55 to 57	
		<ul> <li>will increase over time. The value chain also reflects the shift in customer demand toward ESG-aligned offerings, requiring more climate-resilient financial products.</li> <li>Operational resilience is strengthened via the Business Continuity Management (BCM) framework, particularly for high-risk locations and third-party service providers.</li> </ul>		



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IFRS S2 Indicator	Remarks	References	
•	The Sustainability Strategy is structured around five strategic focus areas: Development of the NZTP, Climate Risk Management, Capability & Capacity Building, Customer Engagement & Stakeholder Advocacy, and Reporting & Disclosure. This is supported by three strategic enablers—Product Innovation, Operational Efficiency, and Strategic Partnerships.		
	The NZTP sets 2030 near-term targets across the select hard-to-abate sectors covering the agriculture, energy and built environment economic focus areas. This is underpinned by our commitment to Net Zero by 2050. Clear position statements guide what AmBank Group will or will not finance, aligned with sector-specific transition readiness.	Climate Action	
(C)	Scenario analysis using NGFS pathways across retail and non-retail portfolios allows us to understand potential risk trajectories, inform decision making and prioritise exposures across sectors. A quantitative climate RAS has been established to manage the exposure to select hard-to-abate sectors.	(Strategy), pages 32 to 38	
	Climate considerations are also integrated into credit policies and ESG risk assessments via CERA. These assessments apply to selected non-individual customers and financial investments. This includes the assignment of ESG Risk Ratings to all non-SME and SME clients with exposures exceeding RM10 million. Transactions identified as high ESG-risk are escalated to the CACC.	AmBank Group's Climate Action (Risk Management), pages	
(d)	<ul> <li>Financial impact is modelled across a 30-year horizon using NGFS scenarios. The insights from our scenario analysis help inform risk decisions and prioritise exposures across sectors, business segments, and product levels:</li> <li>Hot House World scenario reflects the worst-case credit impact, followed by Disorderly Transition, with Orderly Transition posing the least impact.</li> <li>The Climate PD is expected to rise over time as the world moves towards more stringent climate policies and faces the increasing physical impact of climate change.</li> <li>ECL rate across the three scenarios and stages has seen an increase, specifically for carbon-intensive sectors that face higher transition risk due to increasing regulatory requirements, decarbonisation mandates, and market-driven shifts towards low-carbon alternatives.</li> <li>Non-retail exposures are more directly impacted by climate-related risks, particularly transition risks, as opposed to retail exposures. As a result, the non-retail portfolios are more responsive to changes in expected credit impact, reinforcing the importance of prioritising them in our risk appetite framework.</li> </ul>	AmBank Group's Climate Action (Risk Management), pages 53 to 54	
(e)	AmBank Group's climate resilience strategy is built on a set of clear policies, guidelines, risk assessments and ratings, transition pathways, position statements, sectoral targets, KPIs, customer engagement approaches, and scenario analysis. Customers' decarbonisation progress is tracked via sustainability maturity levels, enabling targeted financing support.	Climate Action	

# IFRS S2: Climate-related Disclosures Content Index

IFRS S2 Indi	cator Re	emarks	References	
		CLIMATE-RELATED RISKS AND OPPORTUNITIES	·	
10		on that enables users of general-purpose financial reports to understand the climate-relate bly be expected to affect the entity's prospects.	ed risks and	
		nate risk is categorised into physical climate risk and transition risk, which resides in the ironmental risk sub-category of Sustainability Risk:		
10 (a) to (d)	I	<b>Transition risks:</b> arise from the process of adjusting to a sustainable economy, driven by policy and regulatory changes, technological innovation, and a shift in customer expectations.		
		• <b>Physical risks:</b> stem from the direct impact of climate change, such as acute physical events and chronic changes.	AmBank Group's Climate Action (Strategy), pages 36, 38	
	• (	ese risks can materialise across a wide range of financial risk types, including: Operational Risk Credit Risk		
	•	Market Risk Liquidity Risk Reputational Risk Strategic Risk	AmBank Group's Climate Action (Risk Management), page 48	
	i.e.	he horizons are defined as Short (up to 3 years, i.e. up to 2027), Medium (up to 6 years, 2030), Long (more than 6 years, i.e up to 2050), with consistent application across nario analysis.		
		nate-related opportunities are identified across products, themes and market segments, as I as select hard-to-abate sectors.		
BUSINESS MODEL AND VALUE CHAIN				
13		on that enables users of general-purpose financial reports to understand the current and ortunities on the entity's business model and value chain.	anticipated effects	
13 (a) to (b)	trac mod pre dec	e business model embeds sustainability through sector-specific risk screening, emissions sking based on six asset classes and select hard-to-abate sectors, as well as internal risk delling. The NZTP forms the basis for informing the Group on the risks and opportunities sented within the agriculture, energy, and built environment sectors to support carbonisation and transition. For each sector, we have identified tailored active and passive carbonisation levers that guide how we support customers in meeting sustainability targets.	AmBank Group's Climate Action (Risk Management), pages 55 to 56	

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IFRS S2 Indic	itor Remarks	References
	STRATEGY AND DECISION-MAKING	- V
4	An entity shall disclose information that enables users of general-purpose financial reports to understand the effects of climate-related risks and opportunities on its strategy and decision-making.	
4 (a)	Information about how the entity has responded to, and plans to respond to, climate-related risks and opportunities in its decision-making, including how the entity plans to achieve any climate-related targets it has set and any targets it is req or regulation.	
4 (a) (i) to (v)	AmBank Group's strategy is anchored on five key focus areas: (1) Development of a Net Zero Transition Plan with 2030 near-term metrics and targets; (2) Climate Risk Management through physical/transition risk assessment and NGFS-aligned scenario analysis; (3) Capability & Capacity Building via ESG training and tailored programmes; (4) Customer Engagement & Stakeholder Advocacy through targeted customer engagement and sustainability-linked offerings as well as active contribution as speakers, moderators and working group members across a range of strategic forums and working groups; and (5) Reporting & Disclosures aligned with regulatory guidelines, GRI and ISSB standards. These are supported by enablers including the SFP Framework and the STG Financing Guideline, risk appetite calibration, and innovation in sustainable product development, which reflect responsible financing in terms of purpose, economic activities and specific sustainability-linked targets. Strategic partnerships and internal sustainability integration ensure cohesive execution across business lines. As part of the development of our NZTP, sector-specific 2030 near-term emission intensity targets have been established using models from credible scientific institutions. We recognise that different sectors decarbonise at different rates and pathways are contextualised for the Malaysian market, particularly drawing from the NETR. To support the implementation of the NZTP, the Group has started engaging high-emitting customers namely in plantations, refineries, oil & gas, infrastructure, industrial, and power sectors through a 5-step approach to support their decarbonisation journeys. Customers were clients based on their stage of progress. Early observations indicate that 54% of customers remain at the early stages of their sustainability journey. Many are building foundational capabilities—such as setting up dedicated sustainability journey. Many are building foundational capabilities—such as setting up dedicated sustainability elexels, we will	(Strategy), pages
4 (b)	Resources include dedicated climate risk and sustainability teams. To cater for our NZTP, internal capacity will be enhanced, which include upskilling programmes on sectoral decarbonisation. To this end, a three-tiered Sustainability Learning Pathway for staff has been developed, focusing on foundational, intermediate, and advance levels of training. To strengthen capabilities, targeted training modules were rolled out, focusing on climate and sustainable finance, sectoral decarbonisation, ESG assessment and CCPT. These programmes were designed to build confidence in customer engagement and enhance the quality of sustainability-related discussions and decisions as well as meeting regulatory expectations surrounding the assessment of climate change impact on customers we engage with.	
4 (c)	As our financed emission baseline and sectoral pathways have just been developed and reflects FY2024 data, we endeavor to provide progress on our financed emissions as well as our plans through our annual sustainability disclosures.	

# IFRS S2: Climate-related Disclosures Content Index

IFRS S2 Indic	ator	Remarks	References
		FINANCIAL POSITION, FINANCIAL PERFORMANCE AND CASH FLOWS	
15		mation that enables users of general-purpose financial reports to understand both the curren elated risks and opportunities on the entity's financial position, financial performance and casl	· ·
15 (a) to (b)		We are guided by dedicated internal tools including the Group's Prohibition List and the CERA. We also evaluated the impact on ECL using NGFS climate scenarios. The analysis has shown a more significant increase in ECL under disorderly transition and hot house world, especially in hard-to-abate sectors. Over the medium- to long-term, climate-adjusted PD, LGD, and ECL projections indicate increasing risk in hard-to-abate sectors. Customers operating in sectors exposed to transition risks are likely to face elevated transition costs, which may weaken their financial performance and consequently, lead to adverse financial impact.	AmBank Group's Climate Action (Risk Management), pages 52 to 54
16	the financial position, financial	isclose quantitative and qualitative information about how climate-related risks and opportuni ial performance and cash flows for the reporting period for which there is a significant risk of mounts of assets and liabilities reported in the related financial statements.	
16 (a) to (b)		Current climate-related adjustments to financial statements remain limited due to early-stage execution of AmBank Group's climate strategy. However, transition risks in exposed sectors are now monitored through climate-related metrics and targets. To ensure that material climate risk is considered in capital planning, the climate-related expected credit loss has been incorporated into our ICAAP.	Climate Action (Risk Management), pages
16 (c) (i) to (d)		AmBank Group expects rising capital deployment into green, sustainable, and transition- aligned assets, and increasing exposures towards hard-to-abate sectors in line with its NZTP. Financial performance will increasingly reflect climate-adjusted risk pricing and decarbonisation- linked loan growth. Future changes may include asset write-downs for carbon-intensive exposures.	AmBank Group's Climate Action Risk Management, pages 49 to 51



References

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)	Portfolio implications (PD, LGD, ECL) are modelled under NGES climate scenarios. While	AmBank Group's Climate Action (Risk Management), pages 48 to 51, 53 to 54
	<ul> <li>affect scenario outcomes:</li> <li>Policy shifts, such as evolving carbon pricing and regulatory mandates (e.g. NETR);</li> <li>Technology readiness, including the cost and scalability of decarbonisation solutions like CCUS and green hydrogen;</li> <li>Customer behaviour, particularly the pace of client adoption and readiness to transition;</li> <li>Data limitations, especially in emissions disclosure from smaller or high-risk sectors.</li> </ul>	
How and when the climate-r	elated scenario analysis was carried out, including information about the inputs the entity use	2d.
How and when the climate-r	elated scenario analysis was carried out, including the key assumptions the entity made in th	e analysis.
o (7) to (5)	Disorderly Transition and Hot House World) to assess physical and transition risks across our retail and non-retail portfolios, with a warming outcome of ~1.5°C, ~1.8°C and ~3°C	AmBank Group's Climate Action (Risk Management), pages 53 to 54

AmBank Group has conducted its scenario analysis in FY2025, using NGFS pathways (Orderly Transition, Disorderly Transition, Hot House World) to assess physical and transition risks

across our retail and non-retail portfolios, with a warming outcome of ~1.5°C, ~1.8°C and ~3°C respectively. The financial impact is modelled across a 30-year horizon. Inputs include physical and transition risk scores, forward looking macroeconomic variables, sector specific sensitivities

Our NZTP provides sectoral decarbonisation pathways for our select hard-to-abate sectors.

IFRS S2 Indicator

22 (a) (i) to (ii)

22 (b) (i)

22 (b) (ii)

22 (b) (iii)

22 (b) (i) (1) to (7) 22 (b) (ii) (1) to (5)

22 (a)

Remarks

The entity's assessment of its climate resilience as at the reporting date.

and geographic mapping.

# IFRS S2: Climate-related Disclosures Content Index

IFRS S2 Indicator	Remarks	References		
RISK MANAGEMENT				
25 The processes and related p	olicies the entity uses to identify, assess, prioritise and monitor climate-related risks.			
	Climate-related risks are managed through a systematic cycle: identification, assessment, control, monitoring and reporting.			
	We leverage external consultants and proprietary climate tools in identifying and assessing the potential impact of climate risk on our portfolio. References are also made to assessments provided by rating agencies to better understand climate-related risks and opportunities at the customer level. Key components of the assessment process includes:	AmBank Group's Climate Action (Risk Management), pages 46 to 47, 52 to 53, 55		
	<ul><li>CERA</li><li>Scenario Analysis</li><li>Stress Testing</li></ul>			
	LGD, and ECL values). Scenario analysis plays a central role in climate risk identification and prioritisation. AmBank <sup>I</sup> Group uses three distinct NGFS transition scenarios to evaluate how different climate '			
25 (a) (i) to (vi)				
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IFRS S2 Indic	ator	Remarks	References
25 (b) to (c)	\ 2 1 2 1 2 2 3 4 3 3 4 3 5 4 5 5 4 5 5 5 5 5 5 5 5 5	Ambank Group manages sustainability and climate-related risks through a systemic cycle which includes identify, assess, prioritise and monitor climate-related risks and opportunities across its portfolio. The central mechanism for this is the Prohibition List and CERA, which help flag high-risk activities, guide due diligence, and inform customer engagement strategies. High-risk transactions are escalated for enhanced review by the CACC. In parallel, opportunities are identified through the SFP Framework and the STG Financing Guideline, which enables AmBank Group to classify eligible sustainable financing based on purpose, sector, and sustainability performance. Opportunities are particularly concentrated in renewable energy, energy efficiency upgrades, sustainable construction, and ESG-linked investment solutions. Climate scenario analysis—using NGFS pathways—also informs this process by helping project credit risks, potential losses, and transition readiness, particularly within AmBank Group's select hard-to-abate sectors under the NZTP.	Management), pages
	t	Climate risk thresholds such as exposure limits to high-emitting sectors and green financing targets are used to steer capital allocation and credit exposure. Climate-adjusted risk metrics, including projected changes in PD, LGD, and ECL, are integrated into credit assessment and stress testing processes to inform portfolio resilience.	
		These processes are governed through a layered oversight structure. The GSCRC drives technical execution and integration, reporting to the GMRC and Board-level RMC. This ensures that climate considerations are cascaded from strategic decisions to operational execution across credit, risk, and business functions.	AmBank Group's Climate Action (Risk Management), pages 46 to 47
		METRICS & TARGETS	
CLIMATE-RELA	TED METRICS		
29 (a)	An entity shall disclose inform	nation relevant to the cross-industry metric categories of greenhouse gas.	
	0	Own Operations: Enterprise Emissions:	
29 (a) (i) to (ii)		<ul> <li>AmBank Group's total GHG emissions for FY2025 are categorised as follows:</li> <li>Scope 1 emissions total 62 tCO<sub>2</sub>e, covering direct emissions from fuel used in company owned vehicles</li> <li>Scope 2 emissions total 16,375 tCO<sub>2</sub>e, comprising indirect emissions from purchased electricity. Further reduction efforts through green energy sourcing and offsetting strategies resulted in a Net Scope 2 GHG emissions of 5,849 tCO<sub>2</sub>e.</li> <li>Scope 3 emissions currently focus on Category 5 (waste generated in operations), 6</li> </ul>	
		(business travel) and 7 (employee commuting), accounting for 12,429 tCO <sub>2</sub> e.	

AmBank Group's Scope 3, Category 15 (Investments), also known as financed emissions, accounts for 9.98 million tCO2e using the PCAF methodology, covering both retail and non-

retail portfolios for three main subsidiaries based on the six asset classes.

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# IFRS S2: Climate-related Disclosures Content Index

IFRS S2 Indicator	Remarks	References
29 (a) (iii) to (vi)	<ul> <li>In FY2025, a materiality assessment on the other 11 categories under scope 3 was conducted, whereby the Group identified two categories (Category 1 on Purchased Goods &amp; Services and Category 2 on Capital Goods) as relevant and material. To improve the completeness of the GHG emissions reporting, we will be progressively expanding the scope to include these two categories deemed material.</li> <li>Emissions are calculated in accordance with the Greenhouse Gas Protocol: Corporate Accounting and Reporting Standard (2004) for scopes 1, 2, and 3 (category 5 and 6), while GHG Protocol Corporate Value Chain (Scope 3) Accounting &amp; Reporting Standard (2011) and GHG Protocol Technical Guidance for Calculating Scope 3 Emissions (2013) is used for category 7. Categories 5 &amp; 7 have been augmented to cover waste directed to disposal and employees' own commuting, which includes AmFunds, AmIslamic Funds and AmREIT Managers Sdn Bhd.</li> <li>Scope 1 and 2 emissions are derived from internal data sources such as metered energy use, utility bills, and fuel consumption records, with emissions factors obtained from Department for Environment, Food and Rural Affairs (DEFRA) for scope 1 and Suruhanjaya Tenaga (ST) announcements for Peninsular Malaysia, Sabah, and Sarawak under the Grid Emission Factor methodology for scope 2. For scope 3 data sources are obtained from internal e-claims, employee commuting survey and vendor and management records, while emissions factors are obtained from ICAO Carbon Emission Calculator and DEFRA Financed emissions are calculated using PCAF-endorsed sectoral emission factors and exposure-weighted estimates. These methodologies ensure alignment with leading practices and</li> </ul>	
	regulatory expectations. In FY2025, AmBank Group enhanced its emissions boundary to include financed emissions as part of Scope 3. Current reporting covers only the three main subsidiaries, AmBank (M) Berhad, AmBank Islamic Berhad, and AmInvestment Bank Berhad.	
29 (g) An entity shall disclose info	mation relevant to the cross-industry metric categories of remuneration	
29 (g) (i) to (ii)	<ul> <li>Performance Evaluation and Governance:</li> <li>Board Oversight: The GNRC reviews these KPIs and assesses the remuneration of Directors, Shariah Committee members, and senior management before recommending approvals to the Board.</li> <li>Tracking &amp; Implementation: The GSCRC monitors the progress of these KPIs quarterly, ensuring alignment with the Group's sustainability objectives.</li> <li>Cascading Accountability: Selected sustainability-related KPIs are integrated across various management levels to embed sustainability into operational decision-making.</li> <li>The Group CEO and all direct reports have been assigned annual sustainability and climate-related Key Performance Indicators (KPIs) to drive accountability and ensure alignment with the Group's long-term sustainability objectives since FY2021.</li> <li>These KPIs are embedded within the customer, strategy or operational areas of the executive's scorecard, with weightage ranging from 5% to 15% based on the individual's role and influence. Notably, the CSO carries a 75% weightage, reflecting the strategic importance of the role in driving the sustainability-related initiatives.</li> </ul>	AmBank Group's Climate Action (Governance), page 31

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IFRS S2 Indi	ator Remarks	References						
	CLIMATE-RELATED TARGETS							
33	An entity shall disclose the qualitative and quantitative climate-related targets it has set to monitor progress towards ach goals, and any targets it is required to meet by law or regulation, including any greenhouse gas emissions targets.	eving its strategic						
	Own Operations: Enterprise Emissions							
	We are committed to achieving carbon neutrality by 2030 (for Scope 1 and 2 emissions) This ambition is underpinned by our active and passive levers: (1) implementation of energy efficiency and renewable energy initiatives, (2) gradual decarbonisation of the national grid (3) adoption of the Green Energy Tariff (GET), and (4) utilisation of Renewable Energy Certificates (RECs) and carbon credits. As we support customers and the broader economy in the low-carbon transition, we recognise							
	the importance of leading by example. Our approach combines active measures, such as energy optimisation and clean energy integration, with passive solutions, including verified carbon offsets. While 2030 marks our near-term absolute target, we will periodically reassess our trajectory in line with evolving climate data, policy developments, and advancements in emissions reporting.							
	Business Activities: Financed Emissions:	Business Activities: Financed Emissions:						
33 (a) to (h)	We have established science and intensity-based targets for carbon-intensive sectors, guided by the NZBA and further aligned with internationally recognised definitions of emissions intensive sectors. Interim targets are set for 2030, with the overall Net Zero target to be achieved by 2050, against a 2024 baseline. These sectors are palm oil, thermal coal mining power generation, oil & gas, cement manufacturing, iron & steel manufacturing as well as commercial real estate. These sectors represent 39% of the Group's total non-retail portfolic excluding financial services, trading and other services (including hotels, gambling, casinos etc.). The same hard-to-abate sectors contribute to 45% of our total financed emissions underscoring the importance of targeted action in these areas.	AmBank Group's Climate Action (Metrics & Targets), pages 60 to 61, 65						
	<ul> <li>Reference scenarios selected for our sectoral decarbonisation pathways are based on:</li> <li>Palm Oil – Science-based Targets Initiative (SBTi) Forest, Land and Agriculture (FLAG Commodity Pathway for Palm Oil (Regional – Southeast Asia (SEA)) Augmented for National Energy Transition Roadmap (NETR) and National Biomass Action Plan (NBAP)</li> <li>Power Generation – Augmented Malaysia Pathway Adjusted for NETR</li> <li>Oil &amp; Gas – International Energy Agency (IEA) Announced Pledges Scenario (APS) (Global 2030</li> </ul>							
	<ul> <li>Cement Manufacturing – SBTi IEA Net Zero Emissions (NZE) Pathway for Cement (Global)</li> <li>Iron &amp; Steel Manufacturing – Mission Possible Partnership (MPP)-Technology Moratorium (TM) Scenario (Regional – SEA)</li> <li>Commercial Real Estate – Adjusted Carbon Risk Real Estate Monitor (CRREM) for Malaysia Grid Emission Factor (GEF) and NETR</li> </ul>	I						

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# IFRS S2: Climate-related Disclosures Content Index

IFRS S2 Ir	ndicator	Remarks	References
34	An entity shall disclose inform	nation about its approach to setting and reviewing each target, and how it monitors progres	s against each target
	0	n FY2025. The Group endeavours to review and if necessary, revise its sectoral decarbonisa s and performance against our 2030 targets in our annual sustainability disclosures.	ation targets closer to
36 (e)	The entity's planned use of c explaining its planned use of	carbon credits to offset greenhouse gas emissions to achieve any net greenhouse gas emiss carbon credits.	ions target. In
36 (e) (i)		To drive Carbon Neutral by 2030 (Scope 1 and Scope 2), the Group aims to utilise active and passive levers to reduce its enterprise emissions, with a 30% reduction coming from Renewable Energy Certificates (RECs) and Carbon Credits to offset the unavoidable emissions.	Climate Action
36 (e) (iii)		Renewable energy is sourced from providers such as TNB Green Energy Tariffs (GET) and Sarawak Energy Berhad's and Bursa Carbon Exchange's Renewable Energy Certificates (RECs) to decrease reliance on non-renewable sources: TNB GET: Utilised 13,016,233 kWh, offsetting 10,074 tCO <sub>2</sub> e. SESCO: Utilised 2,270 MWh from technology-based carbon removals, offsetting 452 tCO <sub>2</sub> e. BURSA: Sourced 10,000 MWh from technology-based carbon removals for future use.	Responsible Consumption, page 151

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# Industry-based Disclosure Requirements for IFRS S2 Content Index

### SECTOR: COMMERCIAL BANKS

Topics	Metrics	Code	Remarks	Reference
			Sustainability Disclosures Topics and Metrics	•
Incorporation of Environmental, Social, and Governance Factors in Credit Analysis	Description of approach to incorporation of environmental, social, and governance (ESG) factors in credit analysis	FN-CB- 410a.2	ESG risk considerations such as environmental impact assessment and involvement in carbon-intensive economic activities are integrated and operationalised through CERA for non-individual customers and financial investments. This includes the assignment of ESG Risk Ratings to non-SMEs and SME clients with exposures of RM10 million and above, assessing their overall sustainability position and ESG risk profile. Assessments are conducted annually and/or when customers seek new or additional facilities. High-risk exposures are escalated to the CACC. Additionally, the Group has a Prohibition List, a list of prohibitions on financing as part of its Retail and Non-retail Credit Policies, comprising of social and	Climate Action (Risk
			environmental concerns which are integrated into credit decision-making.	
			Activity Metrics	
	<ol> <li>Gross exposure to carbon-related industries, by industry (2) total gross exposure to all industries, and (3) percentage of total gross exposure to each carbon-related industry</li> </ol>	FN-CB-1	Gross exposure to hard-to-abate sectors is disclosed, covering RM51.93 billion or 39% of total non-retail portfolio. This excludes financial services, trading and other services (including hotels, gambling, casinos, etc.). The same hard-to- abate sectors contribute to 45% of our total financial emissions, underscoring the importance of targeted action in these areas.	AmBank Group's Climate Action (Metrics & Targets), pages 59 to 60
Transition Risk Exposure	Percentage of gross exposure included in the financed emissions calculation	FN-CB-2	Financed emissions cover 74.5% of AmBank Group's total assets of RM196.76 billion as at 31st March 2024.	AmBank Group's Climate Action (Metrics & Targets), pages 58 to 59
	For each industry by asset class: (1) absolute gross (a) Scope 1 emissions, (b) Scope 2 emissions, and (c) Scope 3 emissions, and (2) gross exposure (i.e. financed emissions)	FN-CB-3	Disclosed by six asset classes as prescribed by PCAF and seven hard-to-abate sectors (by outstanding financing and investments as well as financed emissions).	AmBank Group's Climate Action (Metrics & Targets), pages 59
	For each industry by asset class: (1) gross emissions intensity of (a) Scope 1 emissions, (b) Scope 2 emissions, and (c) Scope 3 emissions, and (2) gross exposure (i.e., financed emissions)	FN-CB-4	Intensity metrics (tCO $_2$ e/ RM million) for each of the six asset classes are reported.	AmBank Group's Climate Action (Metrics & Targets), pages 59
	Description of the methodology used to calculate financed emissions	FN-CB-5	Financed emissions are calculated using the PCAF methodology. The methodology includes asset-class-specific emission factors, data quality scores, and exclusions (e.g. short-term instruments, unavailable data).	

Sustainability at AmBank Group

Positive Societal Impact

Responsible Banking

AmBank Group's Climate Action

# Industry-based Disclosure Requirements for IFRS S2 Content Index

### SECTOR: INVESTMENT BANKING & BROKERAGE

Topics	Metrics	Code	Remarks	Reference
			Sustainability Disclosures Topics and Metrics	·
	Description of the approach to the incorporation of environmental, social, and governance (ESG) factors in investment banking and brokerage activities	FN-IB- 410a.3	ESG risk considerations such as environmental impact assessment and involvement in carbon-intensive economic activities are integrated and operationalised through CERA for non-individual customers and financial investments. This includes the assignment of ESG Risk Ratings to all non-SMEs and SME clients with exposures of RM10 million and above, assessing their overall sustainability position and ESG risk profile. Assessments are conducted annually and/ or when customers seek new or additional facilities. High-risk exposures are escalated to the CACC.	
			Activity Metrics	
	d (2) value of (a) underwriting, d (c) securitisation transactions <sup>24</sup>	FN-CB-1	Gross exposure to hard-to-abate sectors is disclosed, covering RM51.93 billion or 39% of total non-retail portfolio. This excludes financial services, trading and other services (including hotels, gambling, casinos, etc.). The same hard-to-abate sectors contribute to 45% of our total financial emissions, underscoring the importance of targeted action in these areas.	AmBank Group's Climate Action (Metrics & Targets), pages 59 to 60
	nd (2) value of proprietary nd loans by sector <sup>25</sup>	FN-CB-2	Financed emissions cover 74.5% of the Group's balance sheet of AmBank Group's total assets of RM196.76 billion as at 31st March 2024.	AmBank Group's Climate Action (Metrics & Targets), pages 58 to 59
transactions in	d (2) value of market-making (a) fixed income, (b) equity, (c) erivatives, and (e) commodity	FN-CB-3	Disclosed by six asset classes as prescribed by PCAF and seven hard-to-abate sectors (by outstanding financing and investments as well as financed emissions).	

24. Note to FN-IB-000.A – For syndicate transactions, the entity shall include only the value for which it was accountable.

25. Note to FN-IB-000.B - The entity shall use the Global Industry Classification Standard (GICS) for classifying investees and borrowers.

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Sustainability at AmBank Group

AmBank Group's Climate Action

Responsible Banking

Conscious Self-Conduct

### SECTOR: ASSET MANAGEMENT & CUSTODY ACTIVITIES

Topics	Metrics	Code	Remarks	Reference
			Sustainability Disclosures Topics and Metrics	
Incorporation of Environmental, Social, and Governance Factors in Investment Management & Advisory	Amount of assets under management, by asset class, that employ (1) integration of environmental, social, and governance (ESG) issues, (2) sustainability-themed investing, and (3) screening	FN-AC- 410a.1	ESG considerations are incorporated in AmFunds Management Bhd (AFM) and AmIslamic Funds Management Sdn Bhd's (AIFM) investment process. Each investee company is assessed using our proprietary ESG scoring methodology, complemented by external service providers, where applicable. The Group offers a wide range of ESG-focused funds, with 10 certified as SRI by the Securities Commission Malaysia. Our investment approach combines ESG integration and screening. As of 31 March 2025, we have 10 SRI-qualified funds amounting to RM4.16 billion of AUM.	Responsible Financing & Building Climate Resilience, pages 83 to 84
	Description of approach to incorporation of environmental, social, and governance (ESG) factors in investment and/or wealth management processes and strategies	FN-AC- 410a.2	<ul> <li>AmBank Group's Funds Management Division (FMD) Sustainability Framework guides ESG integration in investment management, incorporating values-based investing (VBI), ESG scoring, and alignment with SDGs, Maqasid Shariah and net zero principles.</li> <li>ESG factors are incorporated into our investment decision making process to support long-term value creation. Our approach involves identifying and assessing ESG risks and opportunities at the company and sector levels. This includes applying ESG screening using our Negative List, performing ESG assessment on investee companies using our ESG Scoring Methodology, incorporating ESG considerations in portfolio construction and monitoring of firmwide ESG scores.</li> </ul>	Responsible Financing & Building Climate Resilience, pages 83 to 84
	Description of proxy voting and investee engagement policies and procedures	FN-AC- 410a.3	Our stewardship approach is guided by the FMD Sustainable Investment Guideline and is built upon the principle of inclusion. We exercise our influence via proxy voting in accordance with the principle of "best interest of investors". In addition, we engage our investee companies via company visits and meetings and through questionnaires, amongst others. We believe collaboration is key in creating awareness and driving change, which underpins our membership in the Institutional Investors Council Malaysia.	Responsible Financing & Building Climate Resilience, pages 83 to 84
			Activity Metrics	
Total assets ur	nder AUM	FN-AC- 000.A	As of 31 March 2025, total AUM managed by AFM and AIFM stood at RM52.3 billion.	Climate Action (Metrics & Targets), pages 62 to 63

<sup>21.</sup> Note to FN-IN-450a.1 – The entity shall describe climate-related scenarios used, including the critical input parameters, assumptions and considerations, analytical choices, and time frames, in calculation of the PML.

22. Note to FN-IN-450a.2 – The entity shall discuss how climate change-related impacts and variability of weather-related losses impact the cost of reinsurance and the entity's approach to transferring risk through reinsurance.

23. Note to FN-IN-000.A - The entity may additionally break down the number of policies in force by product line

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# Independent Limited Assurance Report



# SIRIM QAS INTERNATIONAL SDN BHD INDEPENDENT ASSURANCE STATEMENT

### To Board of Directors, Stakeholders, and Interested Parties,

SIRIM QAS International Sdn. Bhd. was engaged by AMMB Holdings Berhad (hereafter referred to as Ambank Group) to perform an independent verification and provide assurance of the Ambank Group Sustainability Report 2025. The main objective of the verification process is to provide assurance to Ambank Group and its stakeholders on the accuracy and reliability of the information as presented in this statement. The verification by SIRIM QAS International pertains to selected sustainable performance information (subject matter) within the assurance scope which is included in Ambank Group Sustainability Report 2025.

The management of Ambank Group was responsible for the preparation of the Sustainability Report. The objective and impartiality of this statement is assured as no member of the verification team and no other employee of SIRIM QAS International was involved in the preparation of any part of Ambank Group's Sustainability Report, and the Annual Report 2025.

The assurance engagement was designed to provide limited assurance in accordance with the International Standard on Assurance Engagements (ISAE) 3000, Assurance Engagements other than Audits or Reviews of Historical Financial Information, and BURSA Sustainability Reporting Guide, irrespective of the organization's ability to achieve its objectives, targets or expectations on their subject matter and sustainability-related issues. The assurance process involves verification of selected subject matter as listed below, as well as the BURSA Performance Data. The results of this verification process have been systematically tabulated in Appendix 1 and 2, and the Report to Management, with further details provided therein.

Subject matter
Climate Action - Governance
Responsible Consumption and the Sustainability Performance Data
Responsible Procurement and the Sustainability Performance Data
Enhancing Employee Well-Being and the Sustainability Performance Data
Developing Our People and the Sustainability Performance Data
Driving Diversity, Equity and Inclusion and the Sustainability Performance Data

The verification was carried out by SIRIM QAS International between May and July 2025, with the following methodologies:

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



Insights & Achievements

> Sustainability at AmBank Group

The verification process was subjected to the following limitations:

- The scope of work did not involve verification of other information reported in Ambank Group Annual Report 2025.
- As part of this assurance engagement, the verification team visited Ambank Group's corporate office at Bangunan Ambank Group, Jalan Raja Chulan. However, the verification process did not include physical inspections of any of Ambank Group's buildings, offices and branches.
- 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 Ambank Group relating to the accuracy of some of the information contained in the report. In response to the findings raised, the Sustainability Report was subsequently reviewed and revised by Ambank Group. It is confirmed that the changes that have been incorporated into the final version of the report have satisfactorily addressed all issues related to the selected subject matters. Based on the scope of the assessment process and evidence obtained, nothing has come to our attention that causes us to believe that Ambank Group has not complied, in all material respects, with the referred assurance standard and guide. The following represents SIRIM QAS International's opinion:

- The level of data accuracy included in Ambank Group Sustainability Report 2025 is fairly stated;
- The level of disclosure of the selected sustainability performance information presented in the report was found to be properly prepared;
- The personnel responsible were able to demonstrate the origin(s) and interpretation of data contained in the report.

:

List of Assessors.

- 1) Ms. Aernida Abdul Kadir
- 2) Ms. Kamini Sooriamoorthy
- 3) Ms. Suzalina Kamaralarifin
- 4) Ms. Aine Jamaliah Mohamad Zain

Statement Prepared by:

**AERNIDA BINTI ABDUL KADIR** 

Team Leader

Management System Certification Department SIRIM QAS International Sdn. Bhd.

Date: 4 July 2025

Team Leader Team Member Team Member Team Member

Statement Approved by:

WAN SHAHIMA BINTI MIOR AHMED SHAHIMI

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

Date: 7 July 2025

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 guarantee 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 (29 May & 4 July 2025).

**Appendix 1** BURSA Performance Data

Indicator	Measurement Unit	FY2025
Bursa (Anti-corruption)		
Bursa C1(a) Percentage of employees who have received training on anti-corruption by employee category	,	
Top Management	Percentage	0.2
Senior Management	Percentage	3.7
Mid Management	Percentage	17.5
Junior Management	Percentage	65.3
Non-Management	Percentage	13.3
Bursa C1(b) Percentage of operations assessed for corruption-related risks	Percentage	100
Bursa C1(c) Confirmed incidents of corruption and action taken	Number	0
Bursa (Community/Society)	1	1
Bursa C2(a) Total amount invested in the community where the target beneficiaries are external to the listed issuer	MYR	2,001,510
Bursa C2(b) Total number of beneficiaries of the investment in communities	Number	27,233
Bursa (Diversity)		
Bursa C3(a) Percentage of employees by gender and age group, for each employee category		
Age Group by Employee Category		
Top Management Under 30	Percentage	0.0
Top Management Between 30-50	Percentage	46.2
Top Management Above 50	Percentage	53.8
Senior Management Under 30	Percentage	0.0
Senior Management Between 30-50	Percentage	52.5
Senior Management Above 50	Percentage	47.5
Mid Management Under 30	Percentage	0.0
Mid Management Between 30-50	Percentage	74.9
Mid Management Above 50	Percentage	25.1
Junior Management Under 30	Percentage	18.4
Junior Management Between 30-50	Percentage	65.7
Junior Management Above 50	Percentage	15.9
Non-Management Under 30	Percentage	1.3
Non-Management Between 30-50	Percentage	72.5
Non-Management Above 50	Percentage	26.2
Gender Group by Employee Category		
Top Management Male	Percentage	76.9
Top Management Female	Percentage	23.1
Senior Management Male	Percentage	59.1
Senior Management Female	Percentage	40.9
Mid Management Male	Percentage	48.8
Mid Management Female	Percentage	51.2
Junior Management Male	Percentage	34.6
Junior Management Female	Percentage	65.4
Non-Management Male	Percentage	30.4
Non-Management Female	Percentage	69.6



Male	Percentage	5
Female	Percentage	4
Below 50	Percentage	
Between 50 - 60	Percentage	2
Above 60	Percentage	7
Bursa (Energy management)	roroontago	
Bursa C4(a) Total energy consumption	Megawatt	23,35
Bursa C4(a) Total energy consumption	MJ	84,075,77
Bursa (Health and safety)	into	01,010,11
Bursa C5(a) Number of work-related fatalities	Number	
Bursa C5(b) Lost time incident rate ("LTIR")	Rate	0.1
Bursa C5(c) Number of employees trained on health and safety standards	Number	46
Bursa (Labour practices and standards)	Number	+0
Bursa C6(a) Total hours of training by employee category		
Top Management	Hours	1.08
Senior Management	Hours	24,98
Mid Management	Hours	109,52
Junior Management	Hours	386,62
Non-Management	Hours	51,97
Bursa C6(b) Percentage of employees that are contractors or temporary staff	Percentage	0.
Bursa (Labour practices and standards)	Tercentage	0.
Bursa C6(c) Total number of employee turnover by employee category		
Top Management	Number	
Senior Management	Number	3
Mid Management	Number	13
Junior Management	Number	85
Non-Management	Number	2
Bursa C6(d) Number of substantiated complaints concerning human rights violations	Number	
Bursa (Supply chain management)	Humbon	
Bursa C7(a) Proportion of spending on local suppliers	Percentage	8
Bursa (Data privacy and security)	rereentage	0
Bursa C8(a) Number of substantiated complaints concerning breaches of customer privacy and losses of customer data	Number	1
Bursa (Water)		
Bursa C9(a) Total volume of water used	Megalitres	10
Bursa (Waste Management)		
C10(a) Total waste generated, and a breakdown of the following:		356.70
(i) total waste diverted from	Metric Tonnes	16.46
(ii) total waste directed to disposal	1	339.
Bursa (Emission Management)		
C11(a) Scope 1 emissions in tonnes of CO2e		6
C11(b) Scope 2 emissions in tonnes of CO2e	tCO2e	16,37
C11(c) Scope 3 emissions in tonnes of CO2e		12,42

Appendix 2	CLASSIFICATION OF DATA				
The topics and subject matters covered in this assessment are tabulated	ed HIGH MEDIUM LOW SUBS			UN SUBSTANTIATED	
below:					
Climate Action – Governance					
Responsible Consumption and the Sustainability Performance Data					
Responsible Procurement and the Sustainability Performance Data					
Enhancing Employee Well-Being and the Sustainability Performance Data					
Developing Our People and the Sustainability Performance Data					
Driving Diversity, Equity and Inclusion and the Sustainability Performance Data					
BURSA Performance Data					

Note 1:

This Independent Assurance Statement has been issued based on the content verified prior to the approval date. SIRIM QAS International Sdn Bhd shall not be responsible for any changes or additions made after the referred date (29 May & 4 July 2025).

Note 2:

The assurance involves activity aims to obtain sufficient appropriate evidence to express a conclusion designed to enhance the degree of confidence of the intended users other than the responsible party, about the subject matter information. It comprises of activities carried out to assess the quality and credibility of the qualitative and quantitative information reported by the organization. This assurance is different from activities used to assess or validate the organization's performance, such as compliance assessments or the issuing of certifications against specific standards.

Note 3:

Definition of HIGH, MEDIUM, LOW and UNSUBSTANTIATED Classification of Data in the Report to Management.

HIGH: The data and information reviewed has been confirmed with the direct owners. The source of the data origin was provided during the conduct of the assessment.

MEDIUM: Data and information have been confirmed with the direct owners. However, the source of the data has been based on secondary data, where the data origin is not accessible by the verifiers during the conduct of the assessment.

LOW: Data and information reviewed has been based on information endorsed by the data owners. Verifiers did not have access to the source of the data origin. It has been identified as one of the limitations during the conduct of the assessment.

UNSUBSTANTIATED: The sources of data and information disclosed were not made available during the assessment review period due to reasons like confidentiality, unattainable data source and unavailable data owner. It has been identified as one of the limitations during the conduct of the assessment.





Independent Limited Assurance Report to the Board of Directors of AMMB Holdings Berhad on the selected sustainability information disclosed in the Sustainability Report 2025

We have been engaged by AMMB Holdings Berhad ("AMMB" or "the Group") to perform an independent limited assurance engagement on the selected sustainability information for the year ended 31 March 2025 (the "Subject Matter Information") as defined below and marked with the symbol "@" on pages 13 to 171 in the AMMB's Sustainability Report for the year ended 31 March 2025 (the "Sustainability Report 2025").

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 bas 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 pages 13 to 171 of the Sustainability Report 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 Sustainability Report 2025
Sustainable Financing			
Green Financing	AMMB's internal	AmBank, AmBank	RM2,407.3 million
Affordable and Low-income Financing	framework/ guideline	Islamic	RM1,114.7 million
Sustainable Investments (outstanding balance)		AmBank, AmBank Islamic,	RM8,506.0 million
Sustainable Capital Market Issuances Facilitated (underwritten portion)		AmInvestment Bank	RM2,557.5 million
Sustainable Financing Mobilised Total			RM14,585.5 million
Greenhouse Gas ("GHG")			
Scope 1 GHG emissions	GRI 305-1	AmBank, AmBank	62 tCO26
Scope 2 GHG emissions (i.e., location-based emissions)	GRI 305-2	Islamic, AmInvestment Bank	16,375 tCO2e
Net Scope 2 GHG emissions (i.e., market-based emissions)			5,849 tCO2e

PricewaterhouseCoopers PLT (LLP0014401-LCA & AF 1146), Chartered Accountants, Level 10, Menara TH 1 Sentral, Jalan Rakyat, Kuala Lumpur Sentral, P.O. Box 10192, 50706 Kuala Lumpur, Malaysia T: +60 (3) 2173 1188, F: +60 (3) 2173 1288, www.pwc.com/my



Independent Limited Assurance Report to the Board of Directors of AMMB Holdings Berhad on the selected sustainability information disclosed in the Sustainability Report 2025 (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;
- AMMB Holdings Berhad's internal guidelines and procedures by which the Subject Matter Information is gathered, collated and aggregated internally;
- The Global Reporting Initiative's Sustainability Reporting Standards ("GRI Standards") for disclosures;
- The GHG Protocol Corporate 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 AMMB Holdings Berhad's Sustainability Report 2025 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 AMMB Holdings Berhad's Sustainability Report 2025 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 3000 (Revised) for Assurance Engagements Other Than Audits or Reviews of Historical Financial Information. 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.







Independent Limited Assurance Report to the Board of Directors of AMMB Holdings Berhad on the selected sustainability information disclosed in the Sustainability Report 2025 (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 at the Group's 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 AMMB 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.



Independent Limited Assurance Report to the Board of Directors of AMMB Holdings Berhad on the selected sustainability information disclosed in the Sustainability Report 2025 (cont'd)

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.

### 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 AMMB Holdings in accordance with the agreement between us dated 12 February 2025 (the "agreement"). We consent to the inclusion of this report in the Sustainability Report 2025 of AMMB Holdings Berbad which will be accessible at a 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 entircly at its own risk.

waterhongel

PRICEWATERHOUSECOOPERS PLT LLP0014401-LCA & AF 1146 Chartered Accountants

Kuala Lumpur 25 June 2025



## **AMMB Holdings Berhad**

Registration No. 199101012723 (223035-V) (Incorporated in Malaysia)

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