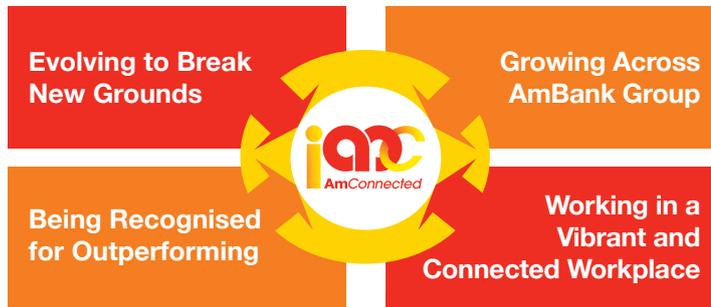


# Human Capital Agenda



The articulation of AmBank Group’s Employee Value Proposition (“EVP”) in 2012 has provided direction, focus and a framework for our human capital agenda going forward. With the EVP communicated, we have focused on enhancing, developing and executing programmes and initiatives that allow employees to experience the promise embedded in the EVP’s four pillars (see diagram on the left).

The programmes and initiatives are wide-ranging, and outcomes expected in the medium to longer-term. They have been prioritised and rolled-out in a phased approach in order to fully realise benefits from human capital investments and to drive the Group towards achieving its long-term goal of becoming a high performing organisation.

### I Am Connected

“I Am Connected” stands for the employee promise for current and future employees of the Group who are committed to and contribute towards the success of the Group.

The programmes and initiatives for each of the four pillars of the EVP are detailed as follows:

#### Evolving to break new grounds

- *Continuously challenging employees to innovate and to find creative and smart ways of doing things*
- *Providing employees with opportunities to learn, grow and to be part of this exciting journey towards attaining greater success*

We provided this experience through:

- Provision of support to build technical expertise and upskilling local expertise by our strategic partners
- Replacement of the Group’s Banking System – building in-house expertise and experience in large-scale system implementation, programme and change management
- Divisional Transformation Programmes – involving organisational restructuring, process re-engineering, new roles and skills
- Integrating best practices from merging companies from mergers and acquisitions
- Continued centralisation of business operations, involving a change in approach, mind-set, skills and processes to ensure continued positive customer experience

### Growing across AmBank Group

- *Making employees proud to be part of AmBank Group*
- *Achieving professional and personal growth across the Group through structured and varied approaches to training and development programmes*

In 2012, we focused on emplacing building blocks that enable employee career development:

- Further e-enablement of Internal Course Offerings (“ICO”) to enhance and fast-track development of employees
- Completing the Technical Competency Framework development for the third and final phase, and preparing for implementation
- Building profile management, career planning and succession management (all part of a Career Management framework) for roll-out via our Human Resource Information System (“HRIS”)
- Managing talent and potential successor development through individual development planning (“IDP”)
- Customised programme to fast track career/learning for performers and talent

### Being recognised for outperforming

- *Recognition of employee contribution through the Group’s Total Rewards Philosophy, benefits and Pay for Performance system*

To deliver on this pillar, we:

- Implemented medical outsourcing covering all employees, in order

- to enhance service efficiency for employees when seeking medical care
- Introduced programmes to recognise innovation to improve efficiency and productivity, unique to each Line of Business and Corporate Division
- Communicated the Group’s Total Rewards Philosophy to managerial levels and above to ensure better understanding of the components of total remuneration and its impact on employee packages

We also reviewed the performance management system to increase ease and effectiveness in conducting the key processes.

### Working in a vibrant and connected workplace

- *Connecting employees across the Group as we live and breathe our shared brand values*



- *Leaders sustaining a workplace that is vibrant and exciting and where employees’ views are encouraged and always appreciated*

Leaders play a key role in creating a conducive environment for employees to outperform; therefore our focus for this pillar was on developing, measuring and enhancing our leadership competencies through the following activities:



## Human Capital Agenda (Cont'd.)

- Shared values and leadership behaviours from our new brand chapter were incorporated into a new set of behavioural competencies
- The new behavioural competencies were launched in leadership and employee selection, assessments for leadership and talent
- A 360-degree assessment of the senior management was launched using the new behavioural competencies
- We also ran a photography competition from October 2012 to February 2013 to engage the creativity of employees in best depicting each of the five values in photographs. The five winners and 10 runners-up won cash and certificates presented to them by the Group Managing Director

To measure how we were doing in making our employee promise come alive, we included the EVP as a category to be measured in the FY2013 Employee Engagement Survey.

### “YOUR VOICE, SHAPING OUR FUTURE”



Our third Employee Engagement Survey results show a continued growth not only in the response rate and engagement index, but also major improvements in survey categories we have been focusing on in the past few years.

The results reflect the leadership of the business divisions and corporate departments **successfully executing employee engagement action plans.**

Some of the key results from the surveys to-date:

- The Group's employee engagement sustainability index, which measures

our ability to sustain employee engagement at desired levels remains high at over 80% as we continue to:

- provide a work environment that supports productivity and performance, as well as
- enable employees' needs for individual physical, interpersonal and emotional well-being to be met
- The survey participation rate has remained high at over 85% in all three surveys
- The employee engagement index has improved steadily in a three year period with a focus on achieving the Malaysian Financial Services Norm
- We have improved significantly in satisfaction scores in the following categories:
  - Communications (↑25% in two years)
  - EVP Index (↑13% in two years)
  - Organisational Image & Competitive Position (↑11% in two years)
  - Career Development & Training (↑10% in two years)
  - Leadership (↑9% in two years)

We are committed towards continuing on this engagement journey as it is important to ascertain if we are focusing on the right investments in our human capital. The engagement index enables us to monitor the outcomes of our human capital initiatives through the voice of the employees themselves.

### KEY PLANS FOR FY2014

The main thrust for the coming year will be to continue to embed and roll-out the Group's EVP through various Organisational and Human Resource functions.

Focus areas in each of the four pillars of the EVP will be:

#### Evolving to Break New Grounds:

- With the Group's transformation journey, there will be further opportunities for employees to be part of an aggressive agenda to increase efficiency and productivity, to generate more revenue, to manage investments effectively, to improve customer experience and to realise the benefits of significant investments made to infrastructure in the past few years

#### Growing Across AmBank Group:

- Career pathing to provide career options within AmBank Group
- Enhance Line Manager's ability in managing talent and employee development
- Resourcing internally as a priority, and enabling cross-divisional career mobility
- Preparing for roll-out of the Career Management Framework in the HRIS
- Roll-out of the new Technical Competency Framework across the Group, which will involve mapping of competencies to positions, employee assessment, building of learning road-maps and development planning
- A new and structured leadership development programme that meets the Group's leadership pipeline needs

#### Being Recognised for Outperforming:

- Upskilling Line Managers to better manage performance
- A simplified PMS form to reduce time spent in form-filling and instead focus on effective performance and development conversations that lead to actionable and measurable development plans that narrow competency gaps and enhance future performance
- Conducting a review of the Group's Job Grading Structure to enable more job and career options for employees
- A Group Rewards review to bring our salary and benefits practices at par with market

#### Working in a Vibrant and Connected Workplace:

- Leadership competencies to be further incorporated into human capital management functions
- Behavioural and technical development programmes based on new behavioural and technical competencies to be rolled-out through MyLMS
- Coaching programmes for Line Managers to develop people, talent and career management skills

As the journey of putting in place the building blocks in our human capital agenda nears completion, the next phase is to ensure effective implementation of these building blocks in making AmBank Group a “preferred employer” for current and future employees.