

Sustainability Governance

GOVERNANCE STRUCTURE

Our governance structure streamlines sustainability decisions and strategies for improved efficiency. As we progress on our sustainability journey, we are continuously reviewing and strengthening our sustainability governance approach. In FY2020, we are working to introduce four new advocacy groups:

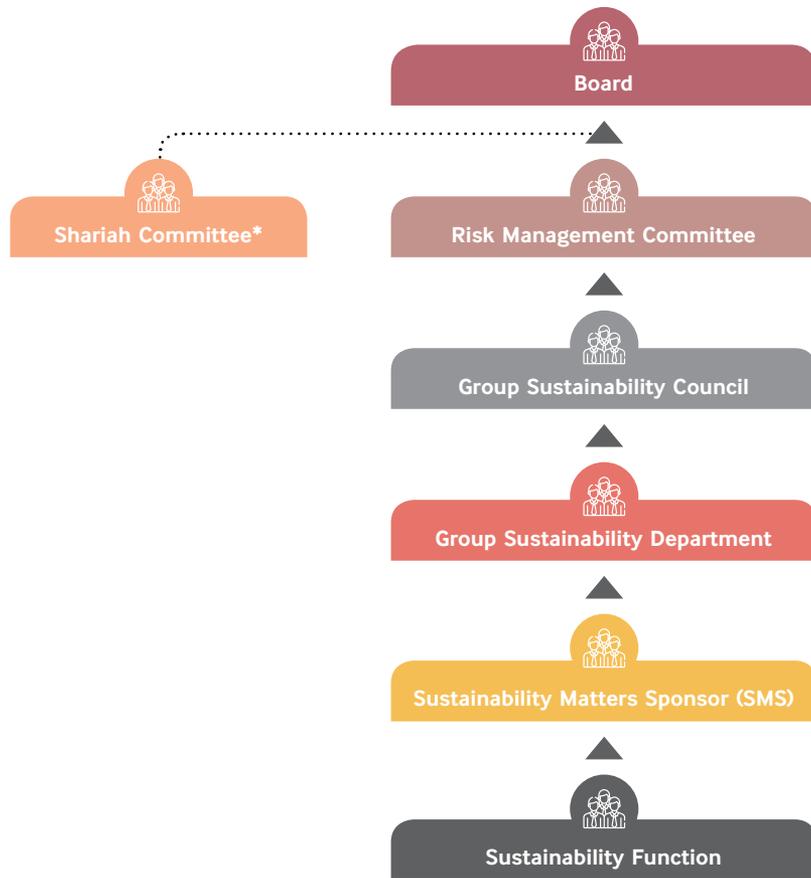
Group Sustainability Council;

Group Sustainability Department;

Sustainability Matters Sponsors; and

Sustainability Champions.

The new governance structure aims to enhance our approach to sustainability. The clear delineation of responsibilities across the Group enables better accountability, transparency and implementation of sustainability decisions. In the next financial year, sustainability-related KPIs will also be set for mission-critical positions with sustainability-related criteria embedded in the scorecards of performance assessments.



* Applicable only for AmBank Islamic matters

Board

- Approves and validates all sustainability-related matters and decisions.
- Takes accountability for the Group's sustainability journey and integrates sustainability matters into the formulation of the group-wide strategy, including oversight and decision-making.
- Strategises on building capacity and expertise in sustainability and impact-based assessments.

Risk Management Committee

- Manages ESG risks group-wide, which includes overseeing the formulation and management of the ESG risk aspects within the Group Risk Appetite Framework and asset writing strategy.

Shariah Committee

- Governs all matters related to Shariah, including oversight accountability on Shariah-related sustainability issues and advising the management and the Board accordingly.

Group Sustainability Council (GSC)

- Provides a platform for AmBank Group senior management to deliberate, monitor and drive the Group's sustainability agenda. The Council is chaired by the Group Chief Executive Officer (CEO), with the CEO of AmBank Islamic acting as the alternate chairman.
- Assists in the oversight of sustainability-related strategies and initiatives at Group.
- Ensures effective integration of sustainability principles within the organisation.
- Recommends and approves all sustainability-related policies, programmes and initiatives.
- Manages the inclusion of sustainability-related KPIs in the Group's scorecards.

Group Sustainability Department

- Leads the development and implementation of broad-based, group-wide strategic sustainability initiatives.
- Supervises the execution of strategies and initiatives in support of sustainability matters and ensure that it is in line with the Group's sustainability strategies.

Sustainability Matters Sponsor (SMS)

- Implement sustainability strategies on-the-ground, which includes the determination and tracking of performance metrics and targets.
- Review the effectiveness of relevant policies, guidelines and processes based on sustainability matters and the implemented initiatives.

Sustainability Function

- Seeks support from appointed Sustainability Champions to drive sustainability initiatives within their respective legal entities, divisions or departments.
- Aligns all sustainability initiatives with the strategies and direction set by the GSC.