

# GROWING AND WINNING TOGETHER



## Evolving with the times

Innovating and exploring new possibilities are at the core of our purpose to grow and win with you.

INTEGRATED ANNUAL REPORT

2 0 1 9









## **AmBank Group**

### **AMMB Holdings Berhad**

AMMB Holdings Berhad is the holding company of AmBank Group and has been listed on the Main Market of Bursa Malaysia since 1988. It is the sixth-largest banking group by assets in Malaysia, with a market capitalisation of around RM13.7 billion and assets of RM158.8 billion at 31 March 2019.



## **AmBank**

### **AmBank (M) Berhad**

Member of Association of Banks in Malaysia. AmBank (M) Berhad (AmBank) offers a comprehensive suite of financial products and services focused on retail banking and preferred segments in small business, SME, mid-corporate and corporate customers.



## **AmBank Islamic**

### **AmBank Islamic Berhad**

Member of Association of Islamic Banking Institutions Malaysia. AmBank Islamic Berhad (AmBank Islamic) is the Islamic banking arm of the AmBank Group.



## **AmInvestment Bank**

### **AmInvestment Bank Berhad**

Member of Malaysian Investment Banking Association. AmInvestment Bank Berhad (AmInvestment Bank) is a leading Malaysian investment bank with more than 30 years of experience.



## **AmGeneral**

Insurance

### **AmGeneral Insurance Berhad**

Member of Persatuan Insurans Am Malaysia. AmGeneral Insurance Berhad (AmGeneral Insurance) is one of the largest motor and general insurance companies in Malaysia with over four million policy holders.

## **AmMetLife**

### **AmMetLife Insurance Berhad**

Member of Life Insurance Association of Malaysia. AmMetLife Insurance Berhad (AmMetLife) is a strategic partnership between AMMB Holdings Berhad (AmBank Group) and MetLife International Holdings, Inc. (MetLife).

## **AmMetLife**Takaful

### **AmMetLife Takaful Berhad**

Member of Malaysian Takaful Association. AmMetLife Takaful Berhad (AmMetLife Takaful) is a strategic partnership between AmBank Group and MetLife. The strategic partnership combines the international expertise and financial strength of MetLife with the local strength and reach of AmBank Group.

OUR  
BEST  
INTERESTS





## AmBank Group

AmBank Group is one of Malaysia’s premier financial solutions groups with over 40 years of experience in supporting Malaysians in their economic development. AmBank Group offers a wide range of both conventional and Islamic financial solutions and services, including wholesale banking, retail banking, investment banking, underwriting of general insurance, life assurance and takaful, stock and share broking, futures broking, investment advisory and management services in assets, real estate investment trust and unit trusts.

### Board of Directors

**TAN SRI AZMAN HASHIM**  
*Chairman, Non-Independent Non-Executive Director*

**GRAHAM KENNEDY HODGES**  
*Non-Independent Non-Executive Director*

**SOO KIM WAI**  
*Non-Independent Non-Executive Director*

**VOON SENG CHUAN**  
*Senior Independent Non-Executive Director*

**DATUK SHIREEN ANN  
ZAHARAH BINTI MUHIUDEEN**  
*Independent Non-Executive Director*

**SEOW YOO LIN**  
*Independent Non-Executive Director*

**FARINA BINTI FARIKHULLAH KHAN**  
*Independent Non-Executive Director*



Kindly scan this QR code for more details of the Board of Directors’ profiles.



TAN SRI AZMAN HASHIM



## AmBank Islamic

Since its beginnings as AmBank Group’s Islamic banking division in 1993 and subsequently incorporated as an Islamic bank in 2006, AmBank Islamic has built a reputation in serving the Shariah banking needs of individuals, businesses, and institutions.

AmBank Islamic’s comprehensive range of Shariah-compliant retail and wholesale banking products and services (including treasury and trade solutions), and their delivery channels continuously evolve in line with market changes. This dynamic approach supports the agenda to help individuals, businesses, and institutions in Malaysia to grow and win together.

### Board of Directors

**DATO’ SRI ABDUL HAMIDY ABDUL HAFIZ**  
*Chairman, Independent Non-Executive Director*

**HJH ROSMAH BINTI ISMAIL**  
*Independent Non-Executive Director*

**FARINA BINTI FARIKHULLAH KHAN**  
*Independent Non-Executive Director*

**AZLAN BAQEE ABDULLAH**  
*Non-Independent Non-Executive Director*

**DR MOHD NORDIN MOHD ZAIN**  
*Independent Non-Executive Director*



Kindly scan this QR code for more details of the Board of Directors’ profiles.



VOON SENG CHUAN



## AmBank

AmBank (M) Berhad is supported by a strong network of 170 branches, 11 regional offices, 759 ATMs, a 24-hour contact centre and a digital banking system to ensure access to AmBank’s financial solutions and services is simple and convenient.

### Board of Directors

**VOON SENG CHUAN**  
*Chairman, Independent Non-Executive Director*

**SOO KIM WAI**  
*Non-Independent Non-Executive Director*

**RAYMOND FAM CHYE SOON**  
*Independent Non-Executive Director*

**DATO’ SRI ABDUL HAMIDY ABDUL HAFIZ**  
*Independent Non-Executive Director*

**DR VEERINDERJEET SINGH A/L TEJWANT SINGH**  
*Independent Non-Executive Director*

**U CHEN HOCK**  
*Independent Non-Executive Director*

**NG CHIH KAYE**  
*Independent Non-Executive Director*



Kindly scan this QR code for more details of the Board of Directors’ profiles.



DATO’ SRI ABDUL HAMIDY ABDUL HAFIZ





## AmInvestment Bank

AmInvestment Bank Berhad has an award-winning track record in providing a full range of investment advisory, solutions and products covering conventional and Islamic financing for our sovereign, corporate and institutional clients. Key areas of our expertise include Corporate Finance, Equity Markets, Debt Markets, Islamic Capital Markets, Private Banking, and integrated fund management. AmFunds Management Berhad, an integral part of AmInvestment Bank, is amongst the top fund management houses in Malaysia with a proven track record in the management of unit trusts and wholesale funds, institutional mandates, exchange-traded funds, and Private Retirement Schemes.

### Board of Directors

**JEYARATNAM A/L TAMOTHARAM PILLAI**  
*Chairman, Independent Non-Executive Director*

**ROBERT TAN BUN POO**  
*Independent Non-Executive Director*

**RAMESH PILLAI**  
*Independent Non-Executive Director*

**CHEE LI HAR**  
*Independent Non-Executive Director*

**SEOW YOO LIN**  
*Independent Non-Executive Director*

**LUM SING FAI**  
*Non-Independent Non-Executive Director*



Kindly scan this QR code for more details of the Board of Directors' profiles.



JEYARATNAM A/L TAMOTHARAM PILLAI

## AmMetLife

AmMetLife offers a comprehensive range of life assurance and wealth protection solutions distributed through a combination of AmBank and AmMetLife branch offices nationwide, in addition to the strength of its authorised life insurance agents nationwide.

### Board of Directors

**CHO HORNG FATT**  
*Chairman, Independent Non-Executive Director*

**PHOON SOON KEONG**  
*Independent Non-Executive Director*

**DATO' ABDULLAH MAT ZAID**  
*Independent Non-Executive Director*

**DATO' SEOW THIAM FATT**  
*Independent Non-Executive Director*

**SATHASIVAN KUNCHAMBOO**  
*Independent Non-Executive Director*

**TONY LEUNG KA KEUNG**  
*Non-Independent Executive Director*

**DATO' SULAIMAN MOHD TAHIR**  
*Non-Independent Non-Executive Director*



Kindly scan this QR code for more details of the Board of Directors' profiles.



CHO HORNG FATT



## AmGeneral Insurance

It is backed by a strong partnership between AmBank Group and Insurance Australia Group ("IAG"). Trading under its two trusted brands, AmAssurance and Kurnia, AmGeneral Insurance generates business from a comprehensive range of general insurance solutions distributed through a network of 32 insurance branches servicing 6,500 agents and dealers, as well as through AmBank branches and customer touch points nationwide.

### Board of Directors

**PHOON SOON KEONG**  
*Chairman, Independent Non-Executive Director*

**DUNCAN VICTOR BRAIN**  
*Non-Independent Executive Director*

**DATO' SULAIMAN BIN MOHD TAHIR**  
*Non-Independent Non-Executive Director*

**SATHASIVAN KUNCHAMBOO**  
*Independent Non-Executive Director*

**WONG TECK KAT**  
*Independent Non-Executive Director*

**RAMESH PILLAI**  
*Independent Non-Executive Director*



Kindly scan this QR code for more details of the Board of Directors' profiles.



PHOON SOON KEONG



DATUK WIRA (DR) HAJI AMEER ALI MYDIN

## AmMetLifeTakaful

AmMetLife Takaful offers a comprehensive range of takaful solutions distributed by its authorised takaful agents and AmBank branches nationwide. Offers a range of takaful products including Education, Group Products, Health, Protection, Reducing Term Takaful and Savings.

### Board of Directors

**DATUK WIRA (DR) HAJI AMEER ALI MYDIN**  
*Chairman, Independent Non-Executive Director*

**ROBERT TAN BUN POO**  
*Independent, Non-Executive Director*

**CHO HORNG FATT**  
*Independent, Non-Executive Director*

**DATO' ABDULLAH MAT ZAID**  
*Independent, Non-Executive Director*

**TONY LEUNG KA KEUNG**  
*Non-Independent, Executive Director*

**DATO' SULAIMAN MOHD TAHIR**  
*Non-Independent, Non-Executive Director*

**DATUK AZRULNIZAM ABDUL AZIZ**  
*Independent, Non-Executive Director*



Kindly scan this QR code for more details of the Board of Directors' profiles.

# About This Report

AMMB Holdings Berhad's (AmBank Group) Integrated Annual Report is our principal report and is supplemented by supporting online disclosures for our stakeholders. These disclosures include our condensed financial statements for our quarterly and yearly performance.

## AmBank Group Integrated Annual Report 2019



**> CORPORATE REPORT**

**CONTENT**

- Provides a comprehensive overview of AmBank Group's performance for the 2019 financial year and its outlook for 2020.

**REGULATIONS COMPLIED**

- Companies Act 2016
- Bursa Malaysia Main Market Listing Requirements
- Bank Negara Malaysia Corporate Governance Guidelines
- Malaysian Code on Corporate Governance 2017
- Global Reporting Initiative (GRI) Standards
- Limited assurance by SIRIM QAS International Sdn Bhd



**> FINANCIAL REPORT**

**CONTENT**

- Provides a full account of AmBank Group's audited financial statements. The report includes the Basel II Pillar 3 Disclosures.

**REGULATIONS COMPLIED**

- Companies Act 2016
- Financial Services Act 2013
- Islamic Financial Services Act 2013
- Capital Markets and Services Act 2007
- Securities Commission Act 1993
- Main Market Listing Requirements of Bursa Securities
- Malaysian Financial Reporting Standard (applicable to AmBank Group)

## INTEGRATED REPORTING

Financial year 2019 marks the first year of our Integrated Reporting (IR) journey, as part of our continuous efforts to improve our reporting approach and disclosures. In doing so, we strive to provide information in a concise, clear, consistent and comparable manner, integrating both material financial and non-financial data concerning how AmBank Group creates sustainable value, as well as the Group's key aspirations, achievements, governance and business model.

### ONLINE VERSION



The softcopy of AmBank Group Integrated Annual Report 2019 is available at [ambankgroup.com](http://ambankgroup.com)

### CONTACT



For questions regarding the Integrated Annual Report 2019, kindly email to [sasa@ambankgroup.com](mailto:sasa@ambankgroup.com)

### CROSS REFERENCE



Directs further reference within the reports



Directs further information available online at [ambankgroup.com](http://ambankgroup.com)



# Inside This Report

## GROWING AND WINNING TOGETHER



“Evolving with the times. Innovating and exploring new possibilities are at the core of our purpose to grow and win with you.”



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# Business Highlights

## TRACTION IN TOP 4 STRATEGY

- We are in the third year of our Top 4 Strategy and are progressing well towards achieving top four position in our target segments and products

## NEW DIGITAL CAPABILITIES

- Launched virtual assistant AMY™ for AmOnline mobile banking
- Strategic partnerships with industry players to diversify our ePayment offerings

## LEADERSHIP AND TALENT

- Invested in our Senior Management and focused on nurturing future talents to ensure AmBankers succeed in their careers and are groomed as future leaders of the Bank

## HOLISTIC BRANCH MODEL

- Our new branch model encompasses digitally-enabled capabilities to deliver seamless products and services across all lines of business to our valued customers

# Financial Highlights

## TOTAL INCOME



**RM3,922.4 million**

## COST TO INCOME RATIO



**54.3%**

## PROFIT AFTER TAX AND MINORITY INTERESTS



**RM1,505.3 million**

## TOTAL LOANS



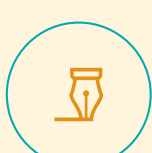
**5.7%**

## TOTAL DEPOSITS



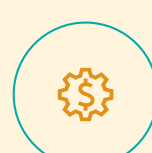
**11.6%**

## CET 1 CAPITAL RATIO



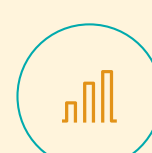
**11.9%**

## RETURN ON EQUITY



**8.8%**

## DIVIDEND PAYOUT RATIO



**40%**



# Overview of AmBank Group

## OUR PURPOSE

To help individuals and businesses in Malaysia grow and win together



## OUR PRESENCE AND OPERATIONS

We are not transactional. We focus on relationships and are advisors and long-term partners to our customers.

We help our customers by being professional, reliable and fast and providing the best possible service.

By helping, we earn their trust.

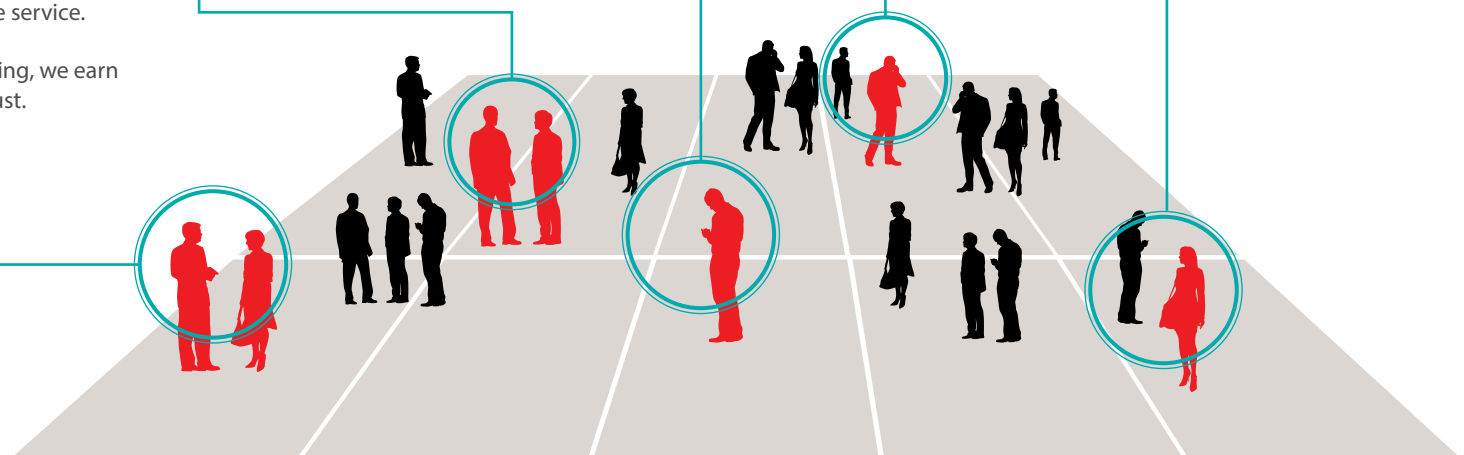
We are more than a retail bank. We go beyond being a corporate bank. We are greater than an investment bank. We are a bank for all Malaysians.

We believe in growth, for our customers, for our people and for our businesses.

We support and empower our customers and our people to achieve their aspirations.

Externally, we focus on helping our customers to become winners. Internally, we emphasise performance, teamwork and collaboration to achieve our goals.

We leverage domestic opportunities to develop our businesses and help Malaysians grow and win together.

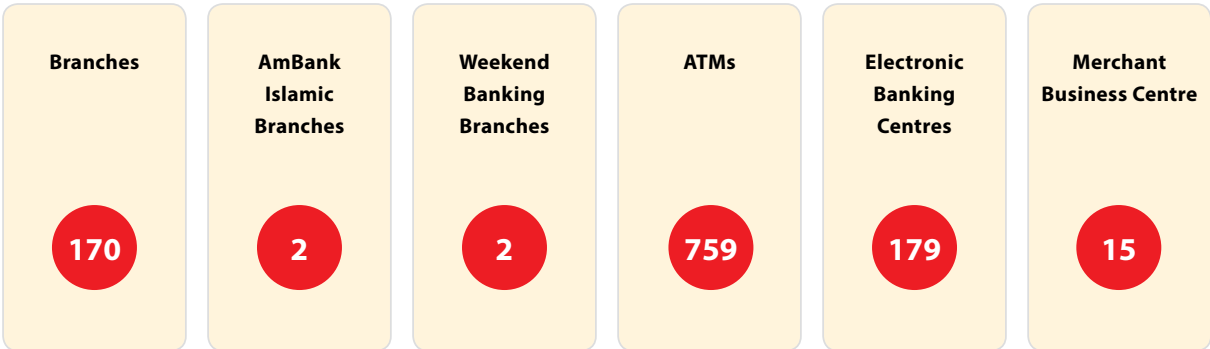


# Corporate Profile



AmBank Group is a leading financial services group with over 40 years of expertise in supporting the economic development of Malaysia. We have over three million customers and employ over 9,000 people.

The Group was listed on the Main Market of Bursa Malaysia in 1988. It is the sixth-largest banking group by assets in Malaysia, with a market capitalisation of around RM13.7 billion and assets of RM158.8 billion as at 31 March 2019.



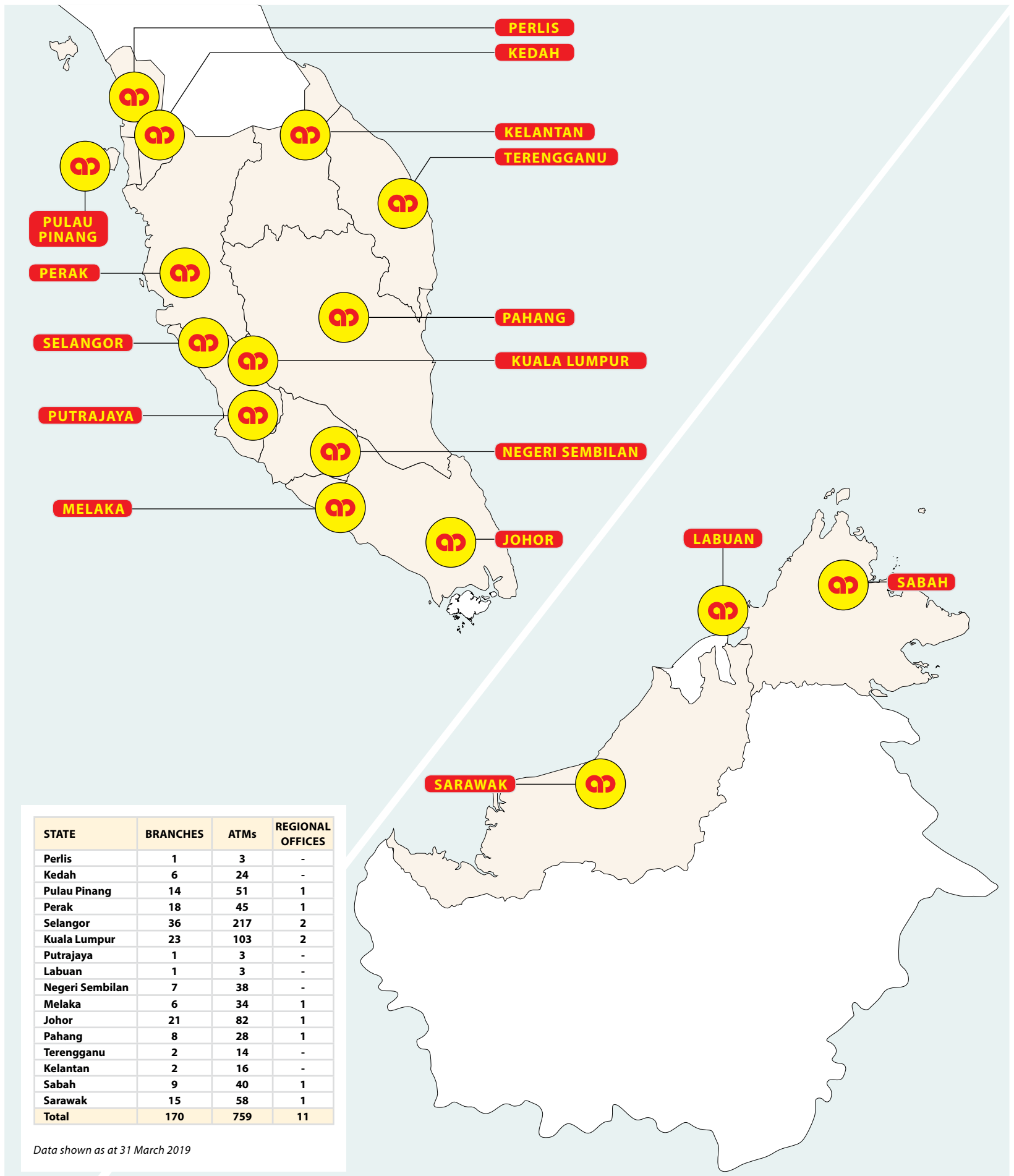
**DIVERSE RANGE OF FINANCIAL SERVICES**

AmBank Group serves over three million individual and corporate customers. It provides services in wholesale banking, investment banking, retail banking, business banking and related financial services which include Islamic banking, underwriting of general insurance, stock and share broking, futures broking, investment advisory and management services in assets, real estate investment trust and unit trusts.

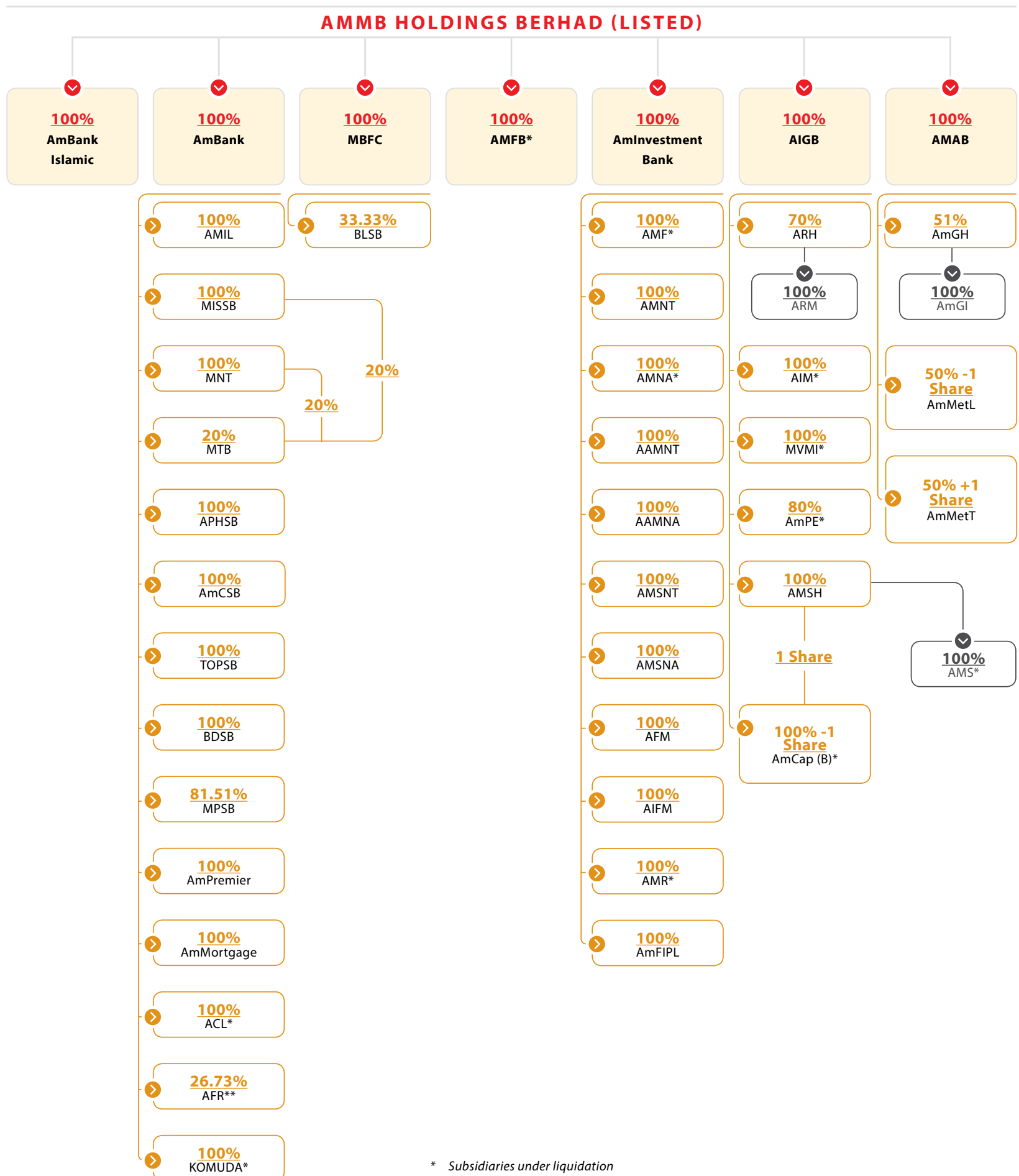
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## Corporate Profile



# Group Corporate Structure





## Group Corporate Structure

Legend	Company	Principal Activities
<b>AMMB</b>	AMMB Holdings Berhad	Investment Holding
<b>AMFB</b>	AMFB Holdings Berhad	Investment Holding <i>(In members' voluntary winding-up)</i>
<b>AmBank Islamic</b>	AmBank Islamic Berhad	Islamic Banking
<b>AmBank</b>	AmBank (M) Berhad	Commercial Banking
AMIL	AmLabuan Holdings (L) Ltd	Investment Holding
AmCSB	AmCard Services Berhad	Credit Card-Related Services and Asset Financing Agency
AmPremier	AmPremier Capital Berhad	Issue of Subordinated Securities
AmMortgage	AmMortgage One Berhad	Securitisation of Mortgage Loans
MTB	MBf Trustees Berhad	Trustee Services
MNT	MBf Nominees (Tempatan) Sdn Bhd	Nominee Services
MISSB	MBf Information Services Sdn Bhd	Property Investment
APHSB	AmProperty Holdings Sdn Bhd	Property Investment
BDSB	Bougainvillaea Development Sdn Bhd	Property Investment
MPSB	Malco Properties Sdn Bhd	Dormant
TOPSB	Teras Oak Pembangunan Sendirian Berhad	Dormant
ACL	AMBB Capital (L) Ltd	Dormant
KOMUDA	Komuda Credit & Leasing Sdn Bhd	Dormant <i>(In members' voluntary winding-up)</i>
AFR	AmFirst Real Estate Investment Trust	Investment in Real Estate
<b>AmInvestment Bank</b>	AmInvestment Bank Berhad	Investment Banking
AMF	AmFutures Sdn Bhd	Dormant <i>(In members' voluntary winding up)</i>
AFM	AmFunds Management Berhad	Funds Management including management of unit trusts and Private Retirement Schemes
AIFM	AmIslamic Funds Management Sdn Bhd	Islamic Fund Management Services and Distribution of Wholesale Funds
AMNT	AMMB Nominees (Tempatan) Sdn Bhd	Nominees Services
AMNA	AMMB Nominees (Asing) Sdn Bhd	Dormant
AAMNT	AM Nominees (Tempatan) Sdn Bhd	Nominee Services
AAMNA	AM Nominees (Asing) Sdn Bhd	Nominee Services
AMSNT	AMSEC Nominees (Tempatan) Sdn Bhd	Nominee Services
AMSNA	AMSEC Nominees (Asing) Sdn Bhd	Nominee Services
AmFIPL	AmFraser International Pte Ltd	Investment Holding
AMR	AmResearch Sdn Bhd	Dormant
<b>AIGB</b>	AmInvestment Group Berhad	Investment Holding
AmCap (B)	AmCapital (B) Sdn Bhd	Dormant <i>(In court winding-up)</i>
ARH	AmREIT Holdings Sdn Bhd	Investment Holding
ARM	AmREIT Managers Sdn Bhd	Management of Real Estate Investment Trusts
AMSH	AmSecurities Holding Sdn Bhd	Investment Holding
AIM	AmInvestment Management Sdn Bhd	Dormant <i>(In members' voluntary winding-up)</i>
AmPE	AmPrivate Equity Sdn Bhd	Dormant <i>(In members' voluntary winding-up)</i>
AMS	AMSEC Holdings Sdn Bhd	Investment Holding. Dormant <i>(In members' voluntary winding-up)</i>
MVMI	Malaysian Ventures Management Incorporated Sdn Bhd	Fund Management and Consultancy Services <i>(In members' voluntary winding-up)</i>
<b>AMAB</b>	AMAB Holdings Sdn Bhd	Investment Holding
AmGH	AmGeneral Holdings Berhad	Investment Holding
AmGI	AmGeneral Insurance Berhad	General Insurance
AmMetL	AmMetLife Insurance Berhad	Life Assurance
AmMetT	AmMetLife Takaful Berhad	Family Takaful
<b>MBFC</b>	MBF Cards (M'sia) Sdn Bhd	Dormant
BLSB	Bonuskad Loyalty Sdn Bhd	Managing Customer Loyalty Schemes

# Corporate Information



## BOARD OF DIRECTORS

### TAN SRI AZMAN HASHIM

Non-Independent Non-Executive Chairman

### GRAHAM KENNEDY HODGES

Non-Independent Non-Executive Director

### SOO KIM WAI

Non-Independent Non-Executive Director

### VOON SENG CHUAN

Senior Independent Non-Executive Director

### DATUK SHIREEN ANN ZAHARAH BINTI MUHIUDEEN

Independent Non-Executive Director

### SEOW YOO LIN

Independent Non-Executive Director

### FARINA BINTI FARIKHULLAH KHAN

Independent Non-Executive Director

## Audit and Examination Committee

### Seow Yoo Lin

Chairman

Independent Non-Executive Director

### Voon Seng Chuan

Senior Independent

Non-Executive Director

### Farina binti Farikhullah Khan

Independent Non-Executive Director

## Group Nomination and Remuneration Committee

### Voon Seng Chuan

Chairman

Senior Independent

Non-Executive Director

### Graham Kennedy Hodges

Non-Independent

Non-Executive Director

### Soo Kim Wai

Non-Independent

Non-Executive Director

### Datuk Shireen Ann

Zaharah binti Muhiudeen

Independent Non-Executive Director

### Seow Yoo Lin

Independent

Non-Executive Director

### Farina binti Farikhullah Khan

Independent

Non-Executive Director



## Corporate Information

**Risk Management Committee****Datuk Shireen Ann Zaharah  
binti Muhiudeen**

Chairman  
Independent Non-Executive Director

**Graham Kennedy Hodges**

Non-Independent  
Non-Executive Director

**Voon Seng Chuan**

Senior Independent  
Non-Executive Director

**Group Information Technology Committee****Voon Seng Chuan**

Chairman  
Senior Independent  
Non-Executive Director

**Soo Kim Wai**

Non-Independent  
Non-Executive Director

**Seow Yoo Lin**

Independent  
Non-Executive Director

**Group Company Secretary****Koid Phaik Gunn**

MAICSA 7007433  
Chartered Secretary

**Registered Office**

22<sup>nd</sup> Floor, Bangunan AmBank Group  
No. 55, Jalan Raja Chulan  
50200 Kuala Lumpur  
Malaysia  
Tel: 603-2036 2633  
Fax: 603-2032 1914

**Registrar**

Boardroom Share Registrars Sdn Bhd  
(formerly known as Symphony Share Registrars Sdn Bhd)  
Level 6, Symphony House  
Pusat Dagangan Dana 1  
Jalan PJU 1A/46, 47301 Petaling Jaya  
Selangor Darul Ehsan, Malaysia  
Tel : 603-7849 0777  
Fax : 603-7841 8151/8152  
Email : BSR.Helpdesk@  
boardroomlimited.com

**Auditors**

Messrs Ernst & Young  
Chartered Accountants

**Principal Banker**

AmBank (M) Berhad

**Stock Exchange Listing**

Listed on the Main Market of  
Bursa Malaysia Securities Berhad  
Listing Date: 13 February 1992  
Stock Name: AMBANK  
Stock Code: 1015

# Chairman's Statement

## Becoming a Bank of the Future



“Our strategic journey in striving for excellence kept pace with the global technology phenomenon in FY2019, acquiring scale for our customer-centric, differentiated and secure solutions in a much faster and more cost-efficient manner.”

**TAN SRI AZMAN HASHIM**

Non-Independent Non-Executive Chairman

## Chairman's Statement

### Our journey for excellence took another major step in FY2019.

As we progressed into the third year of our business transformation journey, the Malaysian banking industry continued to grow at a steady pace. Concurrently, the operating space between banks and non-bank payment platforms narrowed, catalysed by advancement of mobile technology and instant connectivity.

To maintain and grow our position in the Malaysian banking industry, our transformation exercise to 'Change the Bank' continued to deliver strong results, as we emerged as the top three banks with the most assertive growth across the key performance indicators during the year.

In achieving this, significant focus was directed at aligning our workforce to our new purpose, instilling culture change, driving new synergies across our businesses and subscribing to the highest ethical conduct and professionalism. The progress made has meant that we have a more effective operating model to 'Run the Bank Better'.

#### FORGING A STRONGER SUSTAINABILITY FOOTPRINT

In our bid to stay at the forefront of innovation, AmBank Group reviewed how we manage our growth capitals – which are essentially defined by our relationship with the people and our planet and how our interactions with the environment and stakeholders play a crucial role in sustaining and growing our profits.

This renewed approach saw us re-double our efforts in the way we manage our social, environmental and financial risks, while meeting our obligations to stakeholders, and capturing new opportunities.

Moving forward, sustainability will be the common thread that binds our business transformation initiatives, where the end-goal is to change the way we work in order to remain relevant to all our stakeholders.

I am proud that our efforts in improving AmBank Group's environmental, social and governance ("ESG") performance – under our 'Responsible Banking', 'Positive Societal Impact', and 'Employer of Choice' sustainability pillars – has garnered us recognition during FY2019.



**Being a constituent of the FTSE4GOOD Index Series allows AMMB Holdings Berhad to use the FTSE4Good logo accompanied by the explanatory text below:**

FTSE Russell (the trading name of FTSE International Limited and Frank Russell Company) confirms that AMMB Holdings has been independently assessed according to the FTSE4Good criteria and has satisfied the requirements to become a constituent of the FTSE4Good Index Series. Created by the global index provider FTSE Russell, the FTSE4Good Index Series is designed to measure the performance of companies demonstrating strong ESG practices.

The FTSE4Good indices are used by a wide variety of market participants to create and assess responsible investment funds and other products.



AMMB Holdings Berhad, the investment holding company for the AmBank Group, was among the few ESG advocates to join the FTSE4GOOD Index Series, namely the FTSE4GOOD Bursa Malaysia Index, the FTSE4GOOD Emerging Markets Index, and the FTSE4GOOD ASEAN 5 Index, effective June 2018.

We remain committed to consistently improve on our ESG performance and reporting going forward. We have broadened the areas of our sustainability measures this year to cover nine United Nations Sustainable Development Goals, compared with four in FY2018. We aim to provide a more in-depth review into how we continue to align and shape our sustainable practices as we make progress in these areas.

The policies and guidelines to which we abide by in managing our relationships with employees, suppliers, clients and the communities, underscore AmBank Group's purpose as a bank that helps our customers win and move forward in their daily endeavours.

We strive towards becoming an 'Employer of Choice', by instilling proactive measures to empower AmBankers by rewarding good performance, encourage teamwork and collaboration and to attract top talents in the industry.

In doing so, the Group is also committed to make working in AmBank Group's fun and enjoyable, yet effective and engaging. Since 1 January 2019, we have introduced a dress-down attire code and staggered work hours to provide flexibility for our workforce to match individual lifestyles and family obligations.

Additionally, some of the new employment features that we now provide to our colleagues are accessible anytime, anywhere - digital business cards (via QR code), and a "Digital Garage" to foster new and innovative ideas.

In all that we do for the community, for the environment, and for our colleagues, we are driven by a desire to be a bank that grows with the people.

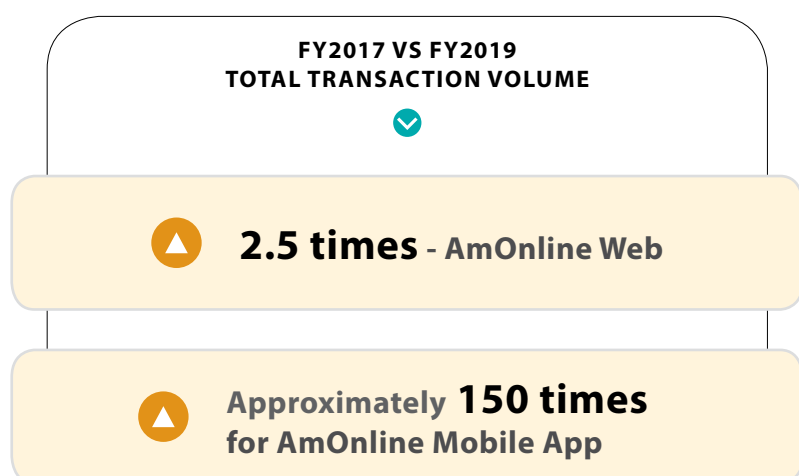


## Chairman's Statement

### PROVIDING A DIGITAL-FIRST BANK PLATFORM

The changing consumer preferences increasingly requires real-time products and services to be delivered, with banks having to adapt and augment existing capabilities to deliver simplified, safe and seamless solutions.

We released the first multi-lingual online and mobile banking platform, known as AmOnline. We have seen a shift in the way people perform their banking transactions from over the counter to online and mobile banking, which increased by 2.5 times and approximately 150 times, respectively, since FY2017.



We have come a long way since our digitalisation push with a 70% progress to-date on a plan to digitalise our customer journey.

To this end, the bank continues to innovate for new ideas and work collaboratively with industry leaders to address the needs of consumers. Our goal is to provide a comprehensive range of financial solutions that cuts across our Group-wide offerings.

As part of our digitalisation efforts, AmBank Group is also launching our SME online banking platform, AmAccess Biz, to cater to the growing demand of the Business Banking and SME Banking segments.

“AmBank Group is a leading financial services group with over 40 years of heritage in supporting Malaysians in their economic development and wellbeing.”

### BANKING A DEVELOPED NATION

As a diversified Malaysian financial services Group with over four decades of understanding and meeting the needs of Malaysians, the AmBank Group of tomorrow will be much more than just a banking partner to individuals and businesses.

Whilst we position AmBank Group to lead in specific areas within our Top 4 Strategy, we continue to work closely with the regulators to ensure the collective vision of Malaysia's financial institution industry is realised.



Among the key efforts undertaken by the Group during the financial year in supporting to accomplish Malaysia's agenda for progressive, sustainable and inclusive development, are summarised as below:

- Developing an efficient, advanced, and convenient e-payment infrastructure to support the transition towards becoming a cashless society.
- Creating a vibrant, innovative and sustainable funding ecosystem to catalyse growth of higher value-added economic activities, including start-ups and SMEs.
- Preserving the stability and resilience of the financial system through a more robust surveillance, regulatory and supervisory regime; while raising the standards of governance.
- Strengthening Malaysia's position as an international Islamic financial centre with diverse players and instruments and strong connectivity.
- Nurturing skilled talents to support the growth of Malaysia's financial services sector.
- Addressing affordable home ownership among the lower-income groups, first-time homebuyers and civil servants.

## Chairman's Statement

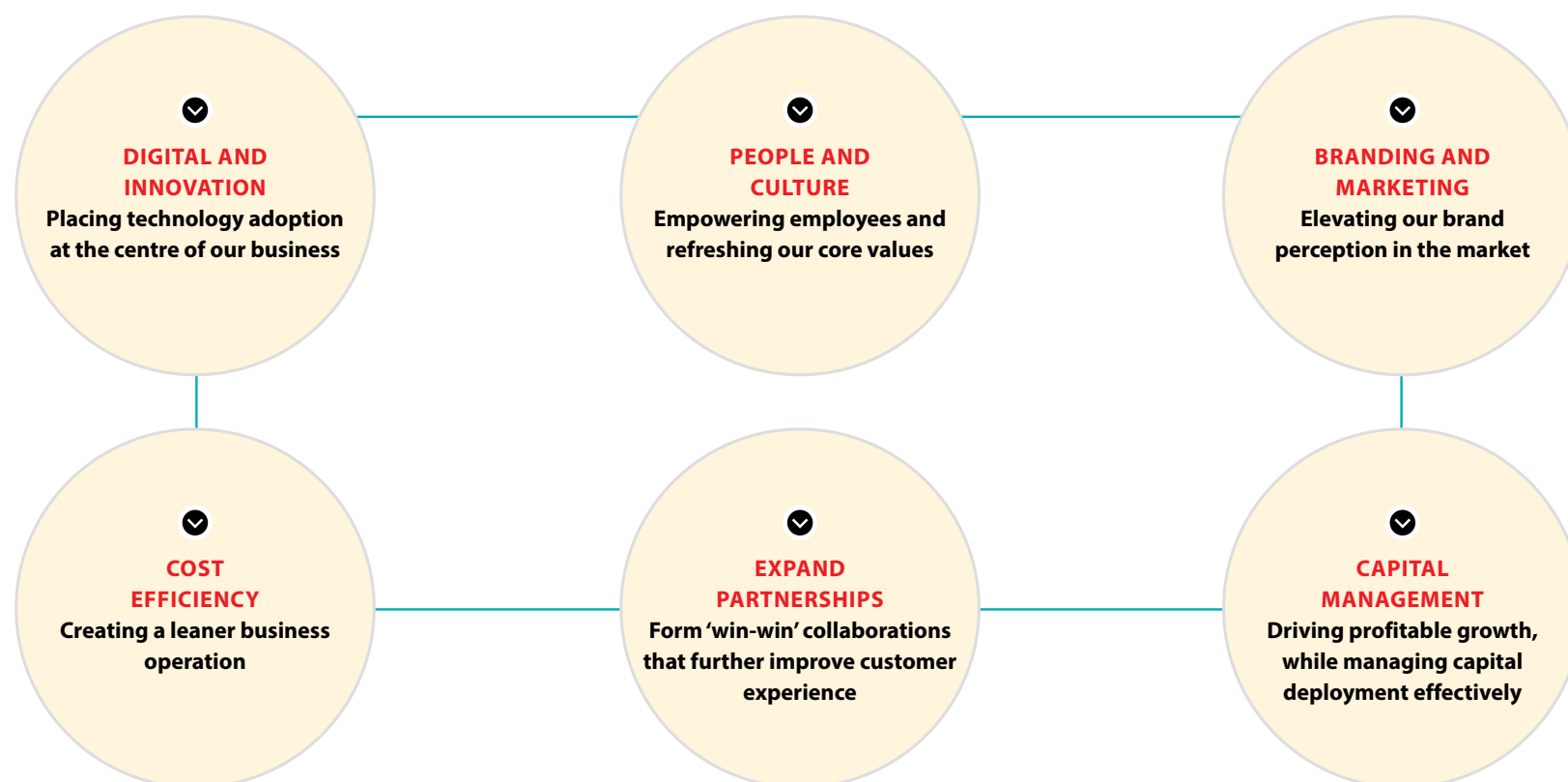
### DIVIDEND

On behalf of the Board, I propose a final, single-tier dividend of 15 sen per share for the financial year, bringing the total dividend declared to our valued shareholders to 20 sen (single-tier interim dividend of 5.0 sen per share). This is equivalent to 40% of our PATMI and is consistent with our market guidance payout ratio.

The Board has reviewed, after consideration and evaluation of regulatory buffer and working capital requirements, that the proposed dividend payout will not impose any discernable impact to the Group's ability to carry out its strategic growth initiatives and financial obligations moving forward.

### WHAT'S AHEAD

When we commenced our business transformation plan in 2016, the goal was to reassess our strengths and future direction, by benchmarking ourselves against leading industry players. To-date, we have shown encouraging results. We continue to move forward in FY2020 with the following focus:



### ACKNOWLEDGMENT

It has been my privilege to work with a team of AmBankers who have shown dedication and commitment in collectively realising our end-goals. I am inspired by the team's spirit of unitedness in rallying towards our cause and what it means to the Group and our shared future. My sincere gratitude also goes to my fellow Board colleagues, who have provided their guidance and wisdom in steering the Group in times of rapid industry changes and challenges.

Also, a word of appreciation goes to our partners, suppliers and vendors for believing in AmBank Group and for having trust in what we aspire to achieve. Lastly, my appreciation extends to all our customers for your support and for being the cornerstone of our growth throughout the years.

The next financial year marks the culmination of our Top 4 journey. I look forward to another strong performance ahead, one where all of us at AmBank Group can look back and say, "We have grown and won together with all Malaysians".

# Group Chief Executive Officer's Message

## Towards a Digitalised Future



"AmBank Group's transformation plan saw increased traction that further strengthened our fundamentals, drove higher earnings and efficiencies across all business segments."

**DATO' SULAIMAN MOHD TAHIR**  
Group Chief Executive Officer



## Group Chief Executive Officer's Message

### FY2019 was an impactful year for AmBank Group.

Three years into our Top 4 journey, our Group has indeed grown by leaps and bounds. As a result of our strategic transformation efforts, we have moved forward to unlock the true potential and value of the Group.

The fruition of our efforts is nowhere more pronounced than in our significantly improved earnings, stemming from broad-based growth in our key business segments throughout the year.

Testament to our improved performance, AmBank Group's profit after tax and minority interest ("PATMI") rose substantially by 33% to RM1,505.3 million.

What is important to note is the fact that we achieved these sterling results by performing amidst a backdrop of slower economic growth due to higher volatilities in global markets as well as continuing geopolitical uncertainties in the region.

#### ALL-ROUND EARNINGS PROGRESSION

For the financial year ended 31 March 2019 ("FY2019"), the Group's Net Interest Income grew by 3.9%, while profit before provision increased by 15% to RM1,791.5 million. We were able to achieve this profit increase mainly due to our commendable loans growth which in turn improved our net interest income.

The strategic cost optimisation measures that were undertaken during the year complemented by our prudent capital management as well as the Group's diversified funding has allowed our Group to enhance the resilience of our balance sheet.

In terms of cost optimisation, we were able to record an improved cost-to-income ("CTI") ratio, with a reduction from 60.8% in FY2018 to 54.3% in FY2019, resulting in a positive JAWS ratio of 11%.

Reflecting the improvement in our profit, our earnings per share ("EPS") (basic) stood at 50.03 sen, increasing 32.9% from FY2018. Moreover, return on assets ("ROA") improved by 0.2% to 1.08%. As we move forward, the Group is committed to delivering progressive growth in terms of our dividend payout.

We also surpassed our return on equity ("ROE") target of 8.5%, achieving 8.8% during the year under review, an increase of 180 basis points from FY2018, placing our Group amongst the top three domestic banks during the fiscal year.

Our transformation journey so far has elicited the interest of both the retail as well as institutional investment communities. We were able to chart a strong recovery in our share price from RM3.90 on 2 April 2018 to RM4.56 on 29 March 2019 which is equivalent to a capital appreciation of 16.9% per share for FY2019, excluding dividend returns.

Indeed, we are moving in the right direction and with good momentum as we entrench ourselves as a bank that is committed to creating sustainable value for our shareholders and investors.

"Reflecting the improvement in our profit, our earnings per share ("EPS") (basic) stood at 50.03 sen, increasing 32.9% from FY2018."

#### COST-TO-INCOME ("CTI") RATIO



**54.3%**  
in FY2019  
↑  
**60.8%**  
in FY2018

#### EARNINGS PER SHARE ("EPS") (BASIC)



**50.03 sen**  
in FY2019  
increasing  
**32.9%**  
from FY2018

#### TRANSFORMATION JOURNEY

Our transformation journey commenced in 2016, following the launch of our Top 4 Strategy. We knew we needed to ensure that AmBank Group not only survives, but thrives. We were single-minded in our aim of attaining top four industry positions in our growth segments, key products as well as sustaining our existing top four position in current engines. This was complemented by our aim to be among the top employers in Malaysia.

## Group Chief Executive Officer's Message

We developed 33 initiatives across our line of businesses to underpin our Top 4 Strategy as we charted a clear performance framework to drive and measure our achievements, benchmarked against the best of the best in the sector.

I am pleased to share that today, we have seen meaningful and tangible progress and advances on all fronts. Our achievements bear testament to the execution of our Top 4 Strategy.

SMEs are a key client segment for AmBank Group and the potential for growth in the SME market is certainly tremendous. It is by no accident that we are in pole position in terms of SMEs today. Total loans extended to SMEs grew 21.2% YoY to RM20.2 billion and comprises 19.9% of our total loan base.

At AmBank Group, we believe that a bank for SMEs must have the ability to create holistic relationships with our SME clients that go beyond financing. We want to provide SMEs with solutions that cater to different business models at different stages, accompanied by additional support through digital and development initiatives. We hope to help SMEs become successful by being part of their journey from cradle to initial public offering. Our financial products and services are complemented by our various beyond-financing initiatives aimed at helping SMEs grow and succeed. We are also constantly working on enhancing our loan financing and cash management products to cater to the needs of our clients and improving our loan-processing infrastructure to expedite delivery of loan offerings to SMEs. Over the last year, we have onboarded more than 15,000 new SME clients.

AmBank BizCLUB which was formed in 2017 to accelerate entrepreneurial development has more than 5,000 members from the SME community today. Our aim is to help grow and nurture SMEs, equipping them with the fundamentals to achieve sustained success through the AmBank BizCLUB platform.

One of the key activities of AmBank BizCLUB is the AmBank BizRACE, which is a platform where SMEs can connect, learn, as well as showcase their business ideas. We have hosted two successful seasons of the AmBank BizRACE which received close to 1,000 participants in each season and are looking forward to the third season soon.

AmBank BizCONFERENCES were also held in multiple locations nationwide in FY2019, in conjunction with the launch of AmBank BizRACE Season Two where successful business owners shared their path to success and lessons learnt along the way. There were also exclusive sharing sessions with well-known entrepreneurs and experts from various fields and industries via our CEO Chat sessions.

Testament to our efforts with SMEs, AmBank Group received the Best SME Bank award for Malaysia by the Global Banking & Finance Review.

AMY™, an acronym for AmBank Malaysia, is the country's first virtual assistant for customer service which is integrated into AmBank's AmOnline mobile banking app.

The idea for AMY™ was conceived to create a brand new digital banking experience for our customers, one which is available round the clock and provides proactive and personalised assistance through a self-guided chat interface. AMY™ will continue to evolve and get smarter with artificial intelligence in future releases with an emphasis on 'customer first' to revolutionise our customers' banking experience with us.



AmOnline which is our flagship online and mobile banking platform, has more than 700,000 registered users, an upsurge of 58% from a year ago, with a monthly average of circa 28 million transactions at the value of RM1.34 billion. Our near term target is to reach one million AmOnline users by 2020.

Last October, we launched AmEquities which is an online share trading platform available via web and mobile. AmEquities is designed to allow our customers who are increasingly digital savvy to manage their investment anytime, anywhere. We hope to attract millennials who are fast emerging as a new generation of investors. AmEquities' trading engine is now available in two languages i.e. English and Chinese and will soon be available in Bahasa Melayu as well.

As part of the Group's digital agenda, our investment in specific digital initiatives has allowed us to drive market share in key product segments as well as develop new growth engines. We continued to form new strategic partnerships with industry players such as PayNet, WeChat, Digi and Axiata to complement our efforts to broaden our electronic payment (e-payment) capabilities.

We are also pleased to partner with government agencies to drive value-driven solutions which enable cashless collections and convenience to customers for payments transacted via eWallet, JomPAY, Virtual Accounts and other channels. AmBank Group is intent on supporting Bank Negara Malaysia's agenda to accelerate the country's migration to become a cashless society.

Our Sustainability Rating was upgraded from Silver to Gold by RAM Consultancy Services Sdn Bhd ("RAMC") during the year. AmBank Group is the first banking group in Malaysia to secure a RAM Sustainability Rating, and the recognition of this milestone was the RAM Sustainability Award 2019' received during the 16<sup>th</sup> Annual RAM League Awards. The Sustainability Rating upgrade by RAMC was primarily supported by an improvement in the Group's Environment Rating from Bronze to Silver, while our Gold Social Rating and Gold Governance Rating were reaffirmed. As we are serious about driving sustainability within the Group, we had taken the bold step of having ourselves independently assessed and are truly proud of the acknowledgment by RAMC.

## Group Chief Executive Officer's Message

### INVESTING FOR THE FUTURE

Technology will continue to disrupt the financial services industry and we are cognisant of this irrefutable fact, which is why we are determined to continue driving the digital agenda.

To not embrace change would be self-destructive. AmBank Group needs to be at the forefront of disruptions that are and still continue to remould the financial landscape. It goes back to the idea of adaptability, receptiveness and innovation.

We will continue to grow quality assets, improve our deposits mix, maximise our fee-based income potential, optimise our risk-adjusted returns, as well as expand our partnerships and network footprint, while improving value creation for our customers and shareholders.

In today's digital age, banks do not only operate in the physical sense, but increasingly in a virtual manner. More than ever, the need to establish synergistic partnerships, particularly with FinTech and e-payment platforms becoming an imperative as competition intensifies.

Our online offerings have been refreshed. We are now able to offer a comprehensive online banking platform via AmOnline which is available via both web and mobile app (Android and iOS). AmOnline has been designed to offer our customers an easy, simple and fast online banking experience. We are market leaders in adopting a mobile-first approach to electronic banking and we look to continue pushing beyond what is expected of the industry.



We continue to win industry awards across our businesses and control functions, reflecting external recognition of our performance, benchmarked across industry peers. Some of these awards are first-of-its-kind and regionally renowned:

#### AmBank Group

- **16<sup>th</sup> Annual RAM League Awards**
  - Sustainability Award
- **8<sup>th</sup> Asian Excellence Awards 2018**
  - Best Investor Relations Company
  - Asia's Best CFO, Investor Relations
- **Australasian Reporting Awards**
  - Gold Award for 2018 Annual Report
- **2<sup>nd</sup> Asean Corporate Governance Awards Ceremony 2018**
  - One of the Top 50 ASEAN Public Listed Companies

#### AmInvestment Bank

- **The Asset Triple A Asia Infrastructure Awards 2018**
  - Project Finance House of the Year (4<sup>th</sup> Consecutive Year)
- **The Asset Triple A Country Awards 2018**
  - Best Loan Adviser (2<sup>nd</sup> Consecutive Year)
- **The Global Islamic Finance Awards 2018**
  - Best Islamic Project Finance House
- **The Edge's Best Deal of the Year 2018**
  - Best Non-IPO Fund Raising (Sukuk/Bond) - Yinson TMC Sdn Bhd's RM950.0 million Perpetual Sukuk Issuance
  - Best Mergers & Acquisitions - IOI Corporation's RM3.95 billion partial divestment of Lodders Crocklaan Group
- **Islamic Finance News ("IFN") Awards 2018**
  - Equity & IPO Deal of the Year - Malaysia Building Society Berhad RM644.95 million acquisition of Asian Finance Bank
- **Employees Provident Fund ("EPF")'s External Fund Managers Annual Awards 2019**
  - Best Domestic Fixed Income Fund Manager 2018

#### SME Business

- **Best SME Bank Malaysia 2018 by Global Banking and Finance Magazine**
- **CGC SME Awards 2018 (CGC's Top FI Partner)**
  - Top Financial Institution ("FI") Partner Award for the Commercial category
  - Top Financial Institution ("FI") Partner Award for the Bumiputera category

#### Wholesale Banking

- **'Outstanding Contribution to JomPAY'** at the Malaysian e-Payments Excellence Awards ("MEEA")
- **12<sup>th</sup> Annual Alpha Southeast Asia Best Financial Institution Awards 2018** (7<sup>th</sup> Consecutive Year)
  - Best FX Bank for Corporates & Financial Institutions
- **The Asset Benchmark Research Award**
  - The Region's Best Local Currency Bond Individuals (Trading)
  - The Region's Best Local Currency Bond Individuals (Sales)

#### Retail Banking

- **ASNB Starz Awards 2018**
  - Six awards including third highest number of new accounts for all ASNB products.

#### AmMetlife Takaful

- **Innovation Award for iMeriah 2018**
- **Best Family Takaful Operator Award 2018**

#### AmGeneral

- **Bronze Award for 'Excellence in Branding Strategy'** for Kurnia's auto365 marketing campaign at A&M Magazine's Marketing Excellence Awards

#### Digital

- **The Asset Triple A Digital Awards 2018**
  - AMY™ won Most Innovative Emerging Digital Technologies Project for Malaysia
- **Red Hat Innovation Awards APAC 2018**
  - Digital Transformation category for Malaysia

#### Group Operations

- **2018 J.P. Morgan Elite Quality Recognition Award** for Treasury Operations
- **Appreciation of Partnership Award 2018** from BNY Mellon

#### HR

- **Employer Branding Awards 2018**
  - Malaysia Best Employer Brand Awards 2018 (3<sup>rd</sup> Consecutive Year)



## Group Chief Executive Officer's Message



➤ Launch of AMY, Malaysia's first virtual financial assistant for customer service



➤ Launch of New Redesigned Website & Mobile App - AmEquities

We will also be tailoring customer experiences on the mobile phone to fully capitalise on smartphone capabilities such as geolocation, camera as scanner and more. Backed by advanced analytics to personalise the recommendations, we serve customers based on their financial profiles.

In the age of digital convergence, our customers are not only exponentially shifting their banking needs to mobile but are also increasingly expecting their devices to deliver the convenience and speed of borderless banking – anytime, anywhere.

In response to these rapid disruptions, the Group is investing for the future by ramping up our digital capability through a structured and customer-led approach.

Over the next five years, we will be breaking new markets and extending the limits of our value chain, providing trusted, secure, and value-centric solutions that cut across industries.

The realisation of our digital strategy rests on the strategic measures outlined under the four key pillars of Retail, Non-Retail, Partnerships and Ecosystem Play. A further capital investment of RM54 million has been allocated and approved by the Board to be spent over the next two financial years to provide the necessary resources for our Digital team to continue conquering new milestones.

Significant time and resources were also channeled towards instilling a 'Digital Culture' amongst each and every AmBanker. Our three key drivers to build consensus are as follows:



**Transforming each employee to become our digital ambassador;**



**Embedding digitalisation into our corporate DNA; and**



**Aligning employees' digital 'customer experience' ("CX") with the expectations of our customers.**

In transitioning to become a fully digitalised entity, we are harmonising the digital expectations of our own employees who we see as our in-house 'customers', with those of our external customers.

We have invested a significant amount of time, effort and focus to implement this impactful and timely digital journey, to ensure a future-ready AmBank Group in terms of competitiveness, branding and profitability.



➤ To know more about our digitalisation strategy and efforts, please refer to the Responsible Banking section on [pages 89-96](#).

**Our end-goal is simple:  
To be an end-to-end financial  
solutions provider with just a  
touch on the screen.**

## Group Chief Executive Officer's Message

### BUSINESS PERFORMANCE

We were able to improve profitability as well as strengthen our market position during the year as a result of focused execution of the Group's Top 4 Strategy.

On the Retail Banking front, we saw a substantial increase in our target segments with a 35% growth in our Mass Affluent customer base and close to a 20% growth in our Priority customer base. We continue to see traction in the distribution of Amanah Saham Nasional Berhad ("ASNB"), retaining our top three position last year.

SME loans expanded to RM20.2 billion as of 31 March 2019 (21.2% YoY) which translated to an income growth of 19.9% YoY. We grew our SME segment customer base to more than 90,000 customers. Our stronger market presence in the segment is underpinned largely by the successful AmBank BizCLUB community engagement events, such as the AmBank BizRACE which supports SMEs in their entrepreneurial journey.

The Mid Corp segment was another strong performer in FY2019 as a result of consistent efforts undertaken to nurture strong relationships with new-to-bank businesses, particularly in the services and manufacturing sectors. The Mid Corp segment contributed 36% to our Wholesale Banking division's revenue during the financial year. Revenue rose by 5% while loans and deposits grew by 15% and 9%, respectively.

On the Islamic Banking front, AmBank Islamic achieved further improvement in its financial performance by recording a total income and profit after taxation and zakat ("PATZ") of RM820.1 million and RM311.8 million respectively, which were correspondingly 4.4% and 30.4% higher than the previous financial year. AmBank Islamic also recorded total financing and deposit YoY growth of 4.6% and 17.5% respectively.

AmBank Islamic has further broadened its range of offerings through the introduction of new products such as AmMoney Line-i (Tawarruq) and has also launched the following foreign currency products:

- Foreign Currency Current Account-i
- Foreign Currency Revolving Credit-i
- Foreign Currency Term Financing-i



**SME base of more than  
90,000 customers**



**SME loans expanded to  
RM20.2 billion  
in FY2019**



Strategic Partnership with Credit Guarantee Corporation Malaysia Berhad ("CGC")

New Islamic unit trusts and will writing service were also offered to customers to bolster the Islamic wealth management business.

As part of its VBI aspiration, AmBank Islamic continued to support the SME sector via the provision of credit and other banking facilities. To this end, AmBank Islamic has entered into various collaborations such as:

- Portfolio guarantee schemes and imSME Business Financing/Loan Referral Platform with Credit Guarantee Corporation Malaysia Berhad ("CGC")
- Shariah-compliant SME Financing Scheme with SME Corporation
- BNM Funds for SME with BNM
- Syarikat Jaminan Pembiayaan Perniagaan Berhad ("SJPP")

As at 31 March 2019, total financing to the SME sector stood at approximately RM5.8 billion, or 20% of AmBank Islamic's financing book.

In addition to the focus on the SME sector, AmBank Islamic has launched the SME Biz Start-up-i Scheme, a Shariah-compliant financing scheme for business start-ups. AmBank Islamic also supports the nation's agenda of providing financing for the purchase of affordable homes, including being a participating bank in BNM's Fund for Affordable Homes.

Overall, we have seen tangible traction on all fronts supported by digitalisation and data analytics which allows us to draw valuable insights that enable us to further enhance our product offerings and improve customer journey.

Innovative products combined with seamless, easy and secure banking experience were some of the key factors which helped the Group realise a 6% YoY increase in total loans to RM101.8 billion against the industry average of 5%. At the same time, total customer deposits grew 12% to RM106.9 billion against the industry average of 5%.

Current accounts and savings accounts ("CASA") rose in tandem by a substantial 22% YoY to RM24.9 billion against the industry average of 3%, with CASA mix at 23.3% compared with 21.3% in the previous financial year.



## Group Chief Executive Officer's Message

### NURTURING OUR PEOPLE

AmBank Group remains a strong advocate of workforce diversity. We recognise the diversity of our people as a source of strength. Significant efforts were undertaken during the year to ensure that we continue to create a workplace environment that fosters the growth of a vibrant and inclusive team – one that fully represents our multi-cultural and multi-generational community. The diversity of experiences, knowledge as well as approaches that a diverse workforce brings is key to driving innovation and growth.

I am pleased to have received constructive feedback from our diverse team during the course of the year through in-person engagements ranging from townhalls, business review meetings, lunches and a dedicated email channel where I can be reached directly, titled 'Talk to DSMT'. The voice of our AmBankers matter and very often their feedback reflects the passion that many AmBankers have on how we can continue to improve.

In our journey to be an 'Employer of Choice', as outlined under our Top 4 aspirations, we make every effort to support our people to achieve their personal and professional goals through a culture of teamwork and collaboration.

Understanding the significance of creating a harmonious work environment where each and every AmBanker is treated with respect and trust, we are committed to ensuring that the spirit and essence of equal opportunity, human rights, zero tolerance for discrimination, employee governance and

integrity are well institutionalised into our human capital policies and processes – primarily through our values, our Code of Conduct and our Code of Ethics.

We also place emphasis on ensuring the individual needs of AmBankers are catered to through flexible employee benefits and supportive workplace policies. We make a point to observe and celebrate Malaysia's unique multi-cultural and multi-religious festivities with all employees across AmBank Group.

In addition, we focus on the career development of AmBankers by ensuring that learning is made easier and more accessible across all employee levels. The Group spent RM23.9 million on training in 2018, garnering a total of 576,753 hours on training. This effectively translates into an average of 55 hours of training per employee during the year.

By employing a comprehensive range of programmes on focused learning, we are committed to empowering our talent pool. The professional growth of our talented AmBankers is accelerated through world-class learning. During the year, more than 200 AmBank Group employees participated in our talent development programmes, such as Leadership Enhancement and Acceleration Programme ("LEAP"), Emerging Leaders' Programme ("ELP") and Being A Talented Manager Programme ("BATMAN"), to sharpen their leadership skills, soft skills and personal potential in order to fast-track their career progression to leadership roles at AmBank Group.



▶ Talent Connect 2018 (TC18)



## Group Chief Executive Officer's Message

We are focused on preparing our workforce to be ready for future roles and opportunities. To this end, succession planning is strongly featured as part of AmBank Group's talent management strategy.

Through systematic and consistent measures carried out in accordance with our Talent and Succession Management Policy, we assessed, identified and monitored key positions within the Group to determine potential suitable successors with the capability to be future leaders in the organisation. As part of our Talent and Succession Management Policy, we have identified potential successors for all of the Group's most critical positions.

In line with our commitment to grow and promote internal talents, three of our internal talents were promoted to the C-Suite level over the last two years including our Chief Executive Officer of AmInvestment Bank, Group Chief Internal Auditor and Group Chief Human Resource Officer. I look forward to working closely with my senior management team to ensure the continued success of AmBank Group.



> For details on how we manage the sustainability of our talents and employees, please refer to the 'Employer of Choice' section on [pages 102-123](#).

### BUILDING OUR FUTURE TOGETHER

It has certainly been an eventful and rewarding year at AmBank Group. I am proud that we have made positive progress and the Group is stronger today than it was three years ago. This is due, in no small part, to the untiring efforts of our AmBankers who displayed high levels of commitment in putting our strategies into practice and giving their all to realise the Group's objectives.

I would also like to take this opportunity to express my appreciation to our Chairman and Board members for their leadership and wise counsel, which helped steer the organisation to greater heights.

I personally look forward to the coming financial year where we, AmBankers, take another step closer to achieve our ultimate ambition.

To all AmBankers, thank you for believing in our cause. It has been and will continue to be a journey worth embarking on, together.

### MALAYSIA'S OUTLOOK FOR FY2020

Malaysia's economy is expected to grow by 4.5%-4.7% in FY2020 from sustained expansion of private sector activities in a well-managed inflation environment of around 1%. Bank Negara Malaysia's lowering of the Overnight Policy Rate ("OPR") by 25 basis points to 3% will also support private sector growth amidst higher global risks, in addition to domestic challenges. In tandem with a moderate economic outlook, the Malaysian banking system loans growth is envisaged to grow by about 4.6%.

Malaysia's macroeconomy is well-positioned to remain resilient with strong foreign reserves, supported by the manufacturing and service sectors as key drivers of growth.

We expect modest improvement in bank earnings underscored by higher interest income from the expansion of loans while non-interest income will still be challenging, owing to the volatile global market.

We will continue to focus on executing our Top 4 Strategy in the year ahead as we capitalise on the prospects for tailored digitalised banking solutions as well as the emerging SME sector. The Group's growth will indeed be underpinned by keen focus on cost-efficiency and improving productivity through digitalisation of our processes for sustainable value creation.

We are cognisant that competition will remain fierce, and that regional as well as international headwinds will impact local market dynamics as it has this past year. We are confident that with our growth strategy to improve profitability and strengthen our balance sheet, our journey for growth remains on track.

"We are focused on preparing our workforce to be ready for future roles and opportunities. To this end, succession planning is strongly featured as part of AmBank Group's talent management strategy."

# Economic and Banking Industry Review and Outlook

## FY2019 GLOBAL AND MALAYSIA ECONOMIC REVIEW

Following the victory of Pakatan Harapan in the 14<sup>th</sup> General Election ("GE14"), Tun Dr. Mahathir Mohamad was sworn in as Malaysia's new Prime Minister.

In order to boost the confidence of investors and households, Tun Dr. Mahathir announced a suite of changes including the removal the Goods and Services Tax ("GST"), reintroduced subsidies for electricity and fuel, to address the increased cost of living and reviewed the toll and construction projects as part of a broad measure to improve the country's fiscal position.

Malaysia's macroeconomic fundamentals are expected to continue to remain resilient despite domestic and external headwinds, as it builds on the firm gross domestic product ("GDP") growth registered in 2018 at 4.7% (2017: 5.9%). This resiliency is supported by the private sector and consumer spending, on-going infrastructure investments, a more business-friendly regulatory environment, and exports performance. Global growth for 2018 is 3.6%, with global trade and investments dampened by the on-going trade talks between the United States and China which escalated in the second half of the year.

The banking system's loans growth was at 5.6% in 2018, continued to be driven mainly by the household, real estate and manufacturing sectors. In the domestic property sector, an excess supply of luxury high-rise residential properties, office spaces and shopping complexes will continue. If left unchecked, this could pose risks to macroeconomic and financial stability.



**On business and investment sentiment, uncertainties in oil pricing will continue to weigh on the oil and gas industry amid geopolitical uncertainties and changes in the global economic policy. We anticipate major oil producers and service providers to remain cautious on spending in the upstream segment.**

### GROSS DOMESTIC PRODUCT 2019

**4.5% - 4.7%**  
**(forecast)**

### HOUSEHOLD DEBT/GDP RATIO 2019

**82.5% - 83.0%**  
**(forecast)**

### UNEMPLOYMENT RATE

**3.5%**

## FY2020 GLOBAL AND MALAYSIAN ECONOMIC OUTLOOK

Although the external sector may continue be influenced by on-going challenges surrounding the global environment, particularly the possible escalation of US-China trade tensions, the International Monetary Fund has maintained Malaysia's 2019 GDP growth forecast at 4.7%, followed by 4.6% in 2020. This is in line with our expectation of Malaysia's GDP to fall within the 4.5% to 4.7% range. Malaysia is also expected to achieve a high-income status by 2024.

In terms of business competitiveness, Malaysia maintained its global ranking at 22<sup>nd</sup> among 63 countries for the second consecutive year in the World Competitiveness Yearbook 2019. The business competitiveness report was published by the IMD World Competitiveness Centre in Lausanne, Switzerland. In addition to improvements in governance related indicators such as bribery and corruption, transparency, bureaucracy, justice, social cohesion and public finance, the global ranking was also a reflection of the positive sentiments of the business community towards the Government.

## Economic and Banking Industry Review and Outlook

### FINANCIAL SECTOR OUTLOOK

The banking sector continues to chart steady growth with stable asset quality with an expected loans growth of 4.6% in 2019, underscored by resilient liquidity and capital positions. We also anticipate the Overnight Policy Rate ("OPR") to remain stable at 3%, consistent with the Central Bank's monetary policy stance of supporting a steady growth path amid price stability.

Banks anticipate an improvement in earnings supported by lower provisioning and operating expenses. Income growth is expected to be modest.

The implementation of MFRS 9 has affected banks' capital ratios but the impact, as expected, has been manageable in the first year of transition. Higher provisions resulting from the implementation of MFRS 9 may however lead to increases in the cost of capital if profitability is affected. In managing the impact of MFRS 9, banks will need to have more loan pricing discipline, strengthen collection resources and monitor asset quality closely to deter loans from being classified under Stage 2.

Asset quality is expected to be steady and the Gross Impaired Loans ("GIL") ratios of banks' loans portfolio should remain stable. Return on Equity ("ROE") for banks is projected to be stable at around 10%-11%, with net interest margin remaining under pressure.

The sector may also face higher funding costs in 2019, when industry loan growth starts to accelerate. To counter the potential increase, we will keep our focus on asset and liability management, increasing CASA growth and controlling pricing for loans and deposits.

We expect modest improvement in bank earnings supported by higher interest income from the expansion of loans growth while non-interest income will still be challenging owing to the volatile global markets and a more cautious investor sentiment.

"The International Monetary Fund has maintained Malaysia's 2019 GDP growth forecast at 4.7%, followed by 4.6% in 2020. This is in line with our expectation of Malaysia's GDP to fall within the 4.5% to 4.7% range. Malaysia is also expected to achieve a high-income status by 2024."



# Strategic Review

## HOW WE CREATE VALUE

We believe our business model through business lines, distribution network and customer relations, enhances our ability to adapt swiftly to changes in the external environment. In addition, we harness the benefits of diversification through efficient delivery of synergies across the Group. We also leverage our rich resource of experiences and relationships as key elements in our business model, which in turn enables us to produce long-term sustainable outputs for our stakeholders. These outputs provide compounded values to our stakeholders, facilitating both individuals and businesses to achieve their ambitions.

### WHAT WE DO



Our business model aims to meet robust consumer needs by delivering simple, seamless, convenient and holistic financial services and solutions for our customers, enabling them to navigate the evolving business environment.



We connect with our customers via our extensive and growing touch points to improve accessibility to our offerings, while balancing our physical presence in recognition of the importance of the 'human touch'.



We offer innovative financial products and services in Wholesale Banking, Investment Banking, Retail Banking, Business Banking, Islamic Banking, Insurance and Takaful.



We work hand-in-hand with our customers to deliver the right financial solutions that cater to their needs and help them grow.

## Key Resources and Relationships



## We focus on these key areas

### Ensuring Operational Efficiency

- Driving operational efficiency across the Group
- Deepening relationships with our customers
- Enhancing the funds management performance of AmFunds

### Driving Productivity

- Driving productivity in the Business and Retail Banking divisions
- Pushing income through ancillary products
- Focus on capital-light assets – i.e. ASB, Card, Wealth Management, etc.

### Improving Cost Efficiency

- Delaying management structure and processes for a flatter and leaner organisation
- Cost Structure Optimisation initiatives under Business Efficiency Transformation ("BET300")

### Enablers

- Continuously drive digital adoption at the heart of our businesses through implementation of our Digital blueprint
- Intensify Cyber Security
- Continuously inculcating a culture of compliance and embedding them in our performances
- Improve Credit Risk Rating
- Implement a robust and strategic talent management framework

### Strategic Focus

- Ensuring capital and funding efficiency
- Grow our core business and form new strategic business partnerships
- Diversify revenue through Digital Partnerships and Ecosystem Build

Create sustainable value for our shareholders, customers, the community and the country



#### Wholesale Banking

- Building Cash Net Interest Income
- Enhance ROCE
- Grow Non-Interest Income
- Recalibrate Balance Sheet



#### Investment Banking

- Grow Private Banking Business
- Grow Retail and Institutional Businesses
- Focus on Strategic Bond Placements and Swaps
- Focus on Privatisation and Opportunistic Consolidation Play (Mergers and Acquisitions)



#### Retail Banking

- Capital
- CASA Drives
- Process Optimisation and Branch Digitalisation
- Compliance
- Collaboration



#### Business Banking

- CASA Focus
- Higher Risk-adjusted Returns
- Asset Focus
- FX
- Portfolio Actions
- Deposit Hunting Team



#### Digital and Group Information and Operations

- Protect the Enterprise from Cyber Threats
- Improve Price Performance
- Improve Business Resilience
- Build Business Capability



#### FOR

#### CORPORATE CUSTOMERS

We help our corporate customers raise their competitive edge in local markets by supporting them with services ranging from corporate loans to debt capital markets and asset management.



#### FOR

#### UNDERSERVED SEGMENTS

We reach out to the underserved market such as small and medium-sized enterprises to help them grow and expand; whilst meeting the needs of the growing Mass Affluent and Affluent retail segment.



#### FOR

#### MALAYSIA

As a Malaysian bank, we possess a comprehensive understanding of the local environment and the Malaysian way of doing business and we share our unique insights with local companies and multinationals.



#### FOR THE

#### FINANCIAL MARKET

Build and strengthen financial market confidence through strong compliance and governance practices.



#### FOR

#### OUR CUSTOMERS

We partner with other organisations to develop value-driven products and services for our customers. Our digital initiatives are designed to enhance the daily lives of our customers and make banking with us simple, fast and convenient.



#### FOR

#### OUR SOCIETY

We reach out to communities and contribute to societal wellbeing via our corporate social responsibility initiatives and our sustainability focus. Our comprehensive internal training programmes upskill our employees, which improve the socio-economic development of the community.

## Strategic Review

### MATERIAL MATTERS IMPACTING OUR STRATEGY

#### MATERIAL MATTERS

#### Increasing Competition



Rising competition in the financial services in Malaysia with the emergence of new financial technology companies

#### Understanding Our Customers



Customers form the core of our businesses. We thrive when we integrate our financial services into the lives of our customers by understanding their needs, circumstances and desired outcomes

#### Evolving Regulatory Requirements



To safeguard the financial services industry, government regulators are adopting a widening emphasis on compliance and an increasingly rigorous regulatory framework

#### HOW WE RESPOND

Launch of our four-year journey to become a Top 4 Malaysian bank in key segments and products by 2020

Focus on our Top 4 Strategic target segments and products

Everything we do is aimed at helping individuals and businesses in Malaysia grow and win together

Set up a centralised Customer Care unit to manage all retail customer issues

Established Customer Innovation Lab (Digital Garage) to improve customer experience with innovations solutions and enhanced processes

Group-wide digital roadmap to integrate and innovate products and services

Integration of our compliance function as a strategic element of the business

Compliance Department is realigned to ensure independence

Strengthened compliance policies, procedures, training, technology and systems



#### REFER:

Group CEO's Message, page 14  
Our Strategy, page 28



Group CEO's Message, page 14  
Customer Experience, page 57  
Integrating Digital Technology, pages 89-93



Group CEO's Message, page 14  
Group Compliance, page 181  
Sustainability Statement, page 76



## Strategic Review

### Building Leadership and Talent



We need motivated leaders and talents to build capacity, lead our transformation strategy and champion our values

### Innovation and Digital Transformation



The digital era is transforming the financial services industry, impacting customer journey and expectations

### Managing Our Sustainability



The sustainability of the Group is influenced by how we manage current and future environmental, economic and social risks and opportunities

MATERIAL MATTERS

Ensure we have the right people and skillsets to drive our Top 4 Strategy

Continue to groom and identify talents through Group and Division Talent Councils

Reinforce employee performance by emphasising on our Code of Conduct, customer care, risk management and compliance

Identify mission-critical positions and set up succession planning

Adopt mobile-first approach. Introduced an enhanced mobile banking platform to cater to the needs of retail, business and corporate customers

Focus on infrastructure and Application Programming Interface ("API") readiness

Establish partnerships with financial technology and cross-industry players

Employ data analytics to capture new business insights and drive internal efficiencies

Identify and group our sustainability contributions into three key themes: Responsible Banking, Employer of Choice and Positive Societal Impact

Integrate environmental, economic and social considerations into our business decisions

Fulfil our social commitments towards local communities

Assess our internal practices by engaging third party assessments

HOW WE RESPOND



Group CEO's Message, page 14  
People, Talent and Culture, pages 120-123  
Corporate Governance, pages 141-195



Group CEO's Message, page 15  
Integrating Digital Technology, pages 89-93  
Sustainability Statement, page 76



Sustainability Statement, page 76

## Strategic Review

### OUR STRATEGY

“We dedicate ourselves to bringing financial solutions to the community in a seamless and simplified manner, delivering innovative solutions that are convenient, easy, affordable and holistic.”

We formulated our Top 4 Strategy in 2016. Since then, we have achieved significant milestones in each of our Top 4 aspirations.



Progressing our strategic targets to create new sustainable growth engines, attain market leadership in key products and client segments, optimise our current engines, and improve our capabilities – major efforts are underway Group-wide as we approach the final leg of our Top 4 transformation journey.

### OUR STRATEGIC PRIORITIES

#### “FIRING UP NEW GROWTH ENGINES”

- Win in fast-growing, underserved segments:
  - Affluent
  - Mass Affluent
  - Mid Corp
  - SME

#### “ATTAIN MARKET LEADERSHIP IN KEY PRODUCTS”

- Build our Transaction Banking and financial market solutions
- Build an integrated cards and merchant ecosystem
- Lead the market with an advisory-led wealth management proposition

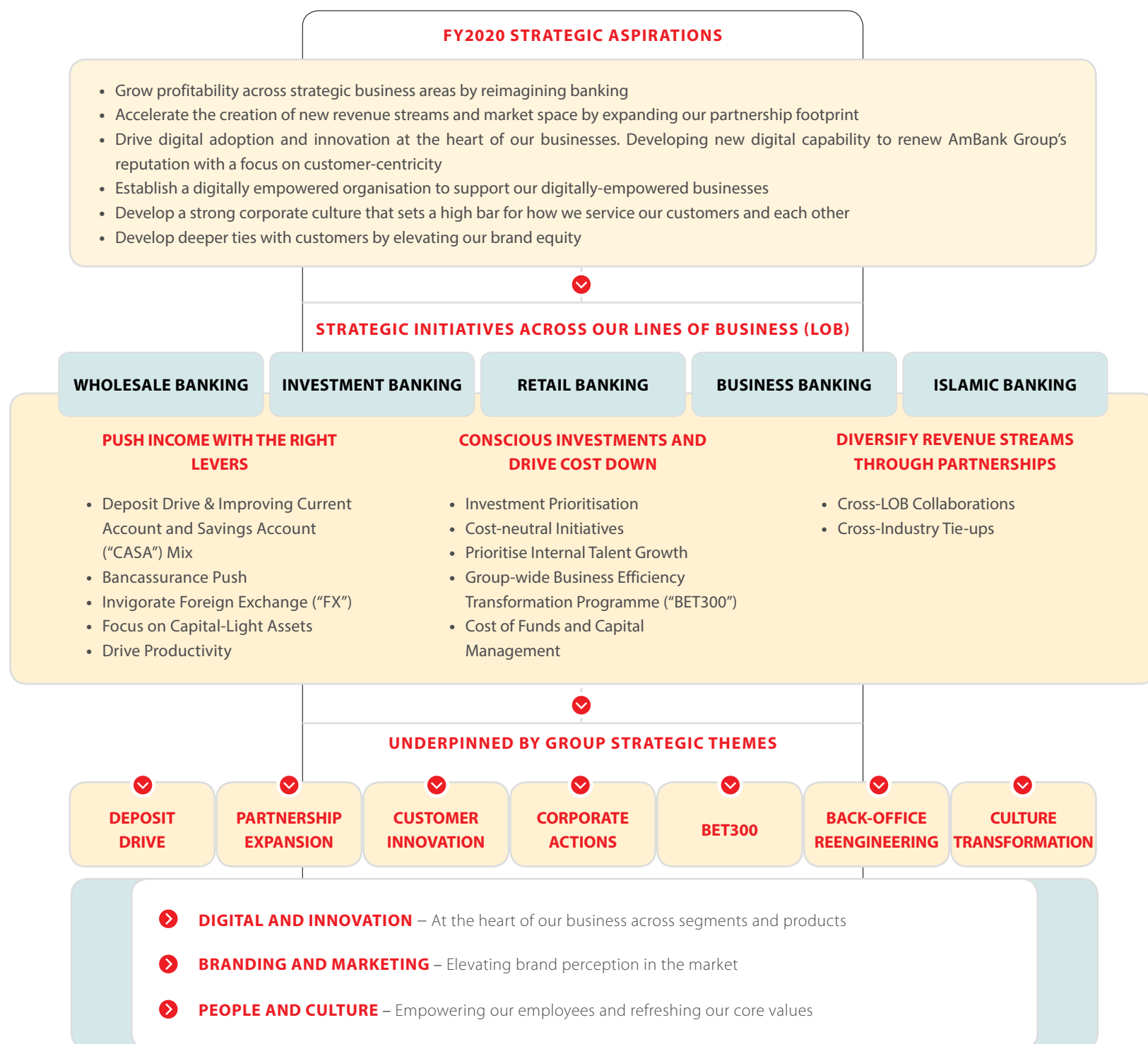
#### “SETTING UP FOR SUCCESS”

- Digital Transformation across our channels, processes, enabled by analytics and improved productivity
- Fully leverage our distribution footprint, partnerships and establish new digital channels
- Break down organisational silos and focus on growing our people, talent and culture
- Emphasise risk and compliance culture

#### “OPTIMISE CURRENT ENGINES”

- Leverage on our strength in corporate and investment banking
- Strengthen retail deposit franchise

## Strategic Review





## Strategic Review

“We delivered stronger traction in the transformation of AmBank Group during the third year of our Top 4 Strategy.”

### OUR STRATEGY

#### Top 4 Segments



##### AFFLUENT (PRIORITY BANKING)

**FY 2019 Revenue ▲ 32.4%**

- Priority Banking Customer Base ▲ 19.7%.
- Loans ▲ 16.4%, Deposits ▲ 10.6%



##### MASS AFFLUENT (TRUE BANKING)

**FY 2019 Revenue ▲ 58.4%**

- TRUE Banking Customer ▲ 35.2%
- Loans ▲ 53.0%, Deposits ▲ 6.8%



##### MID CORP

**FY 2019 Revenue ▲ 5%**

- eAmBiz Payment Customer ▲ 36.0%.
- MidCorp Loans ▲ 15%, Deposits ▲ 9%



##### SME (RETAIL SME, BUSINESS BANKING)

**FY 2019 Revenue ▲ 26.4%**

**(Retail SME: ▲ 34.0%, BB: ▲ 21.8%)**

- Won BEST SME Bank Malaysia 2018 by Global Banking & Finance Review
- Business Banking Loans ▲ 29.4% and Deposits ▲ 27.1%

#### Top 4 Products



##### CREDIT CARDS

- Income from Cards ▲ 10.2% and Card Spend ▲ 11.6%
- Retail Card Loans ▲ 17.4% YoY
- Merchants CASA Balances ▲ 15.8%



##### MARKETS

- Awarded the Best FX Bank for Corporates and Financial Institutions for the 7<sup>th</sup> consecutive year at the 12<sup>th</sup> Annual Alpha Southeast Asia Best Financial Institution Awards.
- Overall FX Revenue ▲ 10.7%



##### TRANSACTION BANKING

- Positive JomPAY Performance ▲ 58.0%
- Virtual Accounts Performance ▲ >100%
- Payroll Employee Sign-On ▲ >100%



##### WEALTH MANAGEMENT

- Strong Growth Momentum in ASNB Sales – ▲14.5% Disbursement
- Unit Trusts Fee Income ▲ 7.9%

#### Top 4 Position Current Engines

##### ASSET MANAGEMENT

- Awarded the 'Best Fund House – Malaysia' by Asian Investors in May 2019.
- Awarded the 'Best Pension Fund House – Malaysia' by Asia Asset Management in May 2019.
- Asset Under Management ("AUM") by AmFunds increased by 13.5% (RM 4.8 billion).
- Unit Trust market share was ranked number five (5) with an 8% market share.

##### CORPORATE FINANCE

- As at 31 March 2019, AmInvestment Bank was ranked number three amongst local banks in M&A in Malaysia.
- Top 4 with an 11.8% market share for fund raising.

##### DEBT CAPITAL MARKETS

- Ranked number three with a 19.0% market share for Overall Malaysian Bonds/Sukuk for 2018.
- Ranked number four with a 17.2% market share for Malaysian Ringgit Islamic Sukuk for 2018.
- Received 25 awards.

#### Employer of Choice



TOP 75

Most Attractive Companies to Work for 2018



Malaysia Best Employer Brand Awards 2018  
(third consecutive year)



Graduate Recruitment and Development

## Strategic Review

## Other Notable Achievements and Awards in FY2019

## GOVERNANCE AND PROCESSES

**RAM SUSTAINABILITY RATING**

Upgraded from Silver to Gold in 2019

**AUSTRALASIAN REPORTING AWARD**

GOLD Award

**ISO45001 FOR OSH**

1<sup>st</sup> Financial Institution in Malaysia to be awarded

**NACRA**

Received Certificate of Merit for three consecutive years since 2016

## NEW CHANNELS/SEGMENTS/PRODUCTS

**ASBF/ASNBV**

- Sales grew 12% YoY. Ranked third position in the market
- Six awards in ASNB Starz Awards Night 2018

**TIE-UP/COLLABORATION**

Partnered up with Various Financial and Non-Financial Players

**DIGI, TENCENT, BONUSLINK**

- Widen merchant network through partnership with Digi by enabling merchants to accept vcash QR code
- One of the two local banks that collaborated with Tencent's WeChat Pay to offer local and cross-border merchant acquiring services
- BonusLink modernisation

**CLIENT ENGAGEMENT**

Organised engagement sessions and appreciation dinners with customers

**PARTNERSHIP WITH CGC**

- Launched SME Biz Start Up-i to assist start-ups (one to three years in business) with their financing needs
- Top Financial Institution ("FI") Partner Award for Commercial category
- Top FI Award for the Bumiputera category

**AmBank BizCLUB**

Nurtured and empowered the growth of SMEs

**GLOBAL BANKING & FINANCE REVIEW**

Best SME Bank Award for Malaysia

**VISA AWARDS**

- Highest Payment Volume Growth – Consumer Credit
- Highest Payment Volume Growth – Visa Signature Cards
- Highest Card Growth – Consumer Credit

**WELLS FARGO OPERATIONAL EXCELLENCE**

Award 2017/2018

**RED HAT**

Innovation Awards APAC 2018 (Digital Transformation)

**MOST INNOVATIVE EMERGING DIGITAL TECHNOLOGIES PROJECT**

The Asset (for AMY™)

**2018 J.P. MORGAN ELITE QUALITY RECOGNITION AWARD FOR TREASURY OPERATIONS**

Award - Treasury Operations

**BNY MELLON EXCELLENCE IN PARTNERSHIP FOR TRADE EXPORT COLLECTION BILLS 2018**

Wholesale Banking Operations

**STAFF ENGAGEMENT**

Townhalls, Conventions, AmGames Annual Sports Event, Sport Club Engagements ("Kelab AmBank Group")

**TALENT PROGRAMME**

Groomed internal talents through Emerging Leader Programme ("ELP") and Being A Talented Manager ("BATMAN") Programme

# Group Chief Financial Officer's Message

## Progressing Growth Strategy



"We have executed well in FY2019, with improved operating leverage and we have further strengthened our capital and liquidity positions.

We delivered a commendable result in FY2019, with a 33% increase in net profit to RM1,505.3 million and ROE of 8.8% (FY2018: 7%)."

**JAMIE LING**  
Group Chief Financial Officer



## Group Chief Financial Officer's Message

### OUR PRIORITIES AND FINANCIAL TARGETS FOR FY2019



#### STRATEGIC PRIORITIES

- **Revenue Growth**
  - Continue to build income momentum
- **BET300**
  - To achieve cost-to-income ratio of 55% by FY2019 and deliver cost savings of RM300 million over three years
- **Capital Accretive Growth**
  - To strengthen our capital position and deliver sustainable dividend payout



#### FINANCIAL TARGETS

- **Return On Equity (ROE)**  
**8.5%**
- **Cost-to-Income (CTI)**  
**55%**
- **Dividend Payout**  
**40%**
- **FHC CET1**  
**10.5% ±1%**

We are pleased to share the progress made during the year and our key performance highlights are summarised below.

#### KEY PERFORMANCE HIGHLIGHTS

1

#### Overall income remained resilient and was in line with the previous year, amidst a tougher economic backdrop in the second half of the financial year:

Good growth was achieved in net interest income underpinned by continued balance sheet expansion, offsetting net interest margin compression. In contrast, fee income was more subdued against a tougher economic backdrop which affected Investment Banking revenues significantly. Heightened market volatilities also resulted in a more cautious position taking with lower trading gains generated.

2

#### Cost discipline and business efficiency were key drivers in improving our operating leverage, driving profit before provision up 15% year on year:

Overall expense base fell 12.0% year on year, with cost-to-income ratio at 54.3% compared to 60.8% a year ago. This year, our BET300 initiatives generated approximately RM112 million in gross savings, enabling us to absorb salary inflation as well as allowing for higher investment related expenses in technology and digital infrastructure.

3

#### Improved returns with ROE of 8.8%:

The completion of retail debt sale and the resolution of several non-performing legacy corporate loans during the financial year further supported our earnings. These outcomes also reflect our commitment to release capital and improve capital efficiency as well as focus our collection resources on newer vintage delinquent loans.

4

#### Strengthened our funding, liquidity and capital metrics:

The Group's CET1 and total capital ratio increased by 80 bps and 180 bps to 11.9% and 15.4% respectively through capital accretive growth and better risk weighted assets efficiency. The Group's liquidity profile remains strong, and is already compliant with NSFR requirements. The Group received two credit rating upgrades this year; RAM upgraded AMMB Holdings Berhad, our financial holding company's credit rating to AA2 from AA3 and AmBank (M) Berhad's foreign currency rating was also upgraded by Moody's to A3 from Baa1.

5

#### Delivered total shareholders' return of 21.1% during the year:

The Group's dividend per share of 20 sen per share compared to 15 sen per share in FY2018, taken together with the growth in share price over the past year represented a 21.1% total shareholder's return over one year.

## Group Chief Financial Officer's Message

### KEY PERFORMANCE HIGHLIGHTS

	FY2019 Financial (YoY)				FY2019 Executing on strategic priorities
Profitability (RM Million)	Income	3,922 <i>FY2018: 3,979</i>	▼	-1.4%	• Underlying income unchanged YoY, with NII growing 3.9%
	Expenses	2,131 <i>FY2018: 2,421</i>	▼	12%	• Cost actions taken allows for reinvestments
	PBP	1,791 <i>FY2018: 1,558</i>	▲	15%	• Operating leverage improved, positive JAWS of 11%
	(Recovery)/Impairment	(304) <i>FY2018: 16</i>	▼	>100%	• Resolved certain large NPL and completed the retail debt sale. LLC <sup>1</sup> , 114%, GIL ratio 1.59%
	PATMI	1,505 <i>FY2018: 1,132</i>	▲	33%	• Strong PATMI growth YoY
	ROE	8.8% <i>FY2018: 7%</i>	▲	180 bps	• Improved returns
Assets and Liabilities (RM Billion)	Gross Loans	101.8 <i>FY2018: 96.3</i>	▲	5.7%	• Good loans growth, tougher second half FY2019
	Deposits	106.9 <i>FY2018: 95.8</i>	▲	11.6%	• Higher liquidity buffers
Capital and Dividend	FHC CET1 <sup>2</sup>	11.9% <i>FY2018: 11.1%</i>	▲	80 bps	• Capital accretive growth, credit ratings upgrades
	Final Dividend	15sen <i>FY2018: 10 sen</i>	▲	5 sen	• 33.3% annual dividend growth, 40% payout
	Dividend per share	20sen <i>FY2018: 15 sen</i>	▲	5 sen	

<sup>1</sup> Includes regulatory reserve

<sup>2</sup> After deducting proposed dividend

### NET PROFIT GREW 33% UNDERPINNED BY GOOD NET INTEREST INCOME GROWTH, COST ACTIONS AND RECOVERIES

The Group generated a total income of RM3,922.4 million. Our net interest income grew 3.9% YoY with growth recorded across all business divisions, on the back of good lending growth of 5.7%. The Group's total deposits from customers increased strongly by 11.6% and the Group's liquidity position remains strong.

As a result of the OPR hike in January 2018 and the repricing of our term deposits, the Group saw an increase in cost of funds during the year. The higher liquidity surplus coupled with the lending rate pressures in Retail Banking have weighed on our net interest margin ("NIM"), with a net compression of 11 bps to 1.89%.

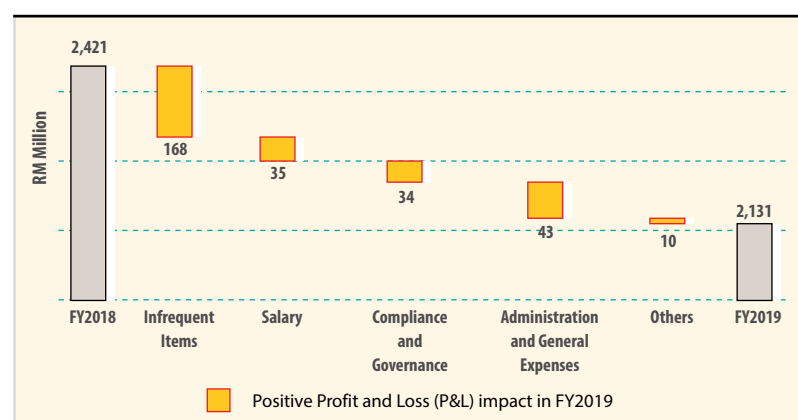
Non-interest income declined by 10.2% YoY. Volatilities in the financial markets and rising geopolitical risks, including the escalating trade tensions between the United States and China which emerged in the second half of the financial year, had dampened our Investment Banking fee income and financial markets trading income. This was partially cushioned by higher fee income contributed by Business Banking as well as better outcome from our Life Insurance business.

## Group Chief Financial Officer's Message

As revenue growth was more subdued, we remained assertive in managing cost while continuing to invest in improving the Group's infrastructure and building new capabilities. We reduced expenses by 12.0% YoY to RM2,130.9 million and achieved a positive JAWS of 11%, and our CTI ratio improving to 54.3%. Excluding certain one-off costs in the previous year, underlying expenses were down by 4%. The BET300 efficiency programme remains on-going and delivered additional gross cost savings of RM112 million (FY2018: RM139 million), mainly driven by the following initiatives:

- Business units absorbing salary inflation from new cost efficiencies generated;
- Maintained a targeted employee number of circa 8,000 for the banking entities post the Mutual Separation Scheme;
- Pacing investments by conducting comprehensive cost benefits analysis and considering revenue outlook;
- Workforce efficiency, reducing management layers and benefits review;
- Rental savings from relocation and consolidation of office spaces as well as lease negotiations;
- Improved procurement efficiencies, streamlined external vendors and re-negotiated certain supplier contracts; and
- "Go green, reduce wastage" initiatives which promoted greater adoption of e-statements by our customers and digitised some of our internal processes to reduce paper printing.

### BUSINESS EFFICIENCY ("BET300")



Consequently, our profit before provision posted a double digit growth of 15% to RM1,791.5 million.

On credit costs, the Group recorded a net recovery of RM303.8 million in FY2019 compared to a net impairment charge of RM15.7 million in FY2018. This was attributable to the sale of retail non-performing loans and a few large corporate recoveries achieved during the financial year.

### ROBUST BALANCE SHEET GROWTH IN TARGETED SEGMENTS

Our gross loans grew by 5.7% to RM101.8 billion, exceeding Malaysia's 2018 GDP growth of 4.7% and outperformed the system loans growth of 4.9% for the same period. We achieved good traction in our preferred segments and our lending volume expanded across all segments and products except for auto finance and large corporates. Our auto finance loans have been declining since the Group embarked on a de-risking exercise several years ago which has helped to improve our retail asset quality. Drawdowns by large corporates were generally slower during the year as our clients were adopting a cautious stance amidst rising uncertainties.

Mortgages, retail SME and cards were key growth drivers of our Retail Banking's loans portfolio, which increased by 4.2% during the year. Business Banking, our growth engine, delivered a strong loans growth of 29.4% while our lending to mid corporates segment also increased by circa 15%. In totality, loans to the SMEs represented about 20% of our gross loans outstanding and grew 21.2% in FY2019, reflecting the Group's commitment in supporting BNM's strategic focus on driving financial inclusion.

During the year, the Group's deposits growth outpaced loans growth, increasing our liquidity buffer. Our deposits increased by 11.6% YoY, with CASA up 22.1% and fixed deposits grew 8.8%. Our focus was to expand our retail fixed deposits base (+8.4%), leveraging on our Signature Priority Banking offerings and reducing our dependencies on large corporate deposits. We also saw good growth in our CASA balances with CASA mix higher at 23.3% from 21.3% a year ago, supported by our enhanced cash management and transaction banking capabilities.

As part of our liquidity management, we have invested part of our excess liquidity in treasury assets. The Group has progressively increased its holding of government securities in the second half of FY2019 in anticipation of a potential OPR cut in calendar year 2019.

### ASSET QUALITY STABLE

The Group's gross impaired loan ("GIL") ratio was 1.59% as at 31 March 2019, down 11bps from the previous year while our loan loss coverage ratio was higher at 114.0% (FY2018: 100.5%). Our new impaired loans formation was down 3.3% YoY and total impaired loans were broadly stable (-1%) as we continued to exercise credit vigilance while pursuing assets growth.

### MFRS 9

The Group adopted Malaysian Financial Reporting Standard 9 on Financial Instruments ("MFRS 9") on 1 April 2018. The impairment assessment under MFRS 9 is based on the expected credit loss ("ECL") model, which uses forward-looking assumptions, as opposed to MFRS 139, the preceding accounting standard, which based impairment assessment on an incurred loss model. The Day-1 (i.e. on 1 April 2018) impact to the Group's capital position was broadly neutral (+4 bps). As a result of the adoption of MFRS 9, the Group's allowances for ECL on loans and financing increased by circa 48% on Day-1. We have made a total allowance for ECL on loans amounting to RM1,300.5 million as at end of FY2019 (+37.9% YoY) and regulatory reserve of RM450.2 million in our balance sheet.

### IMPROVED CAPITAL AND LIQUIDITY POSITIONS

As at 31 March 2019, our FHC CET1 Capital Ratio and Total Capital Ratio were higher at 11.9% (+80 bps) and 15.4% (+180 bps) respectively, a reflection of our focus on driving capital accretive growth.

On liquidity, all banking subsidiaries of the Group have maintained liquidity coverage ratio ("LCR") and net stable funding ratio ("NSFR") above 100%.

### PROSPECTS FOR FY2020

Our growth strategy in terms of improving profitability and strengthening our balance sheet is progressing well.

For FY2020, our financial priorities will continue to be on the following:

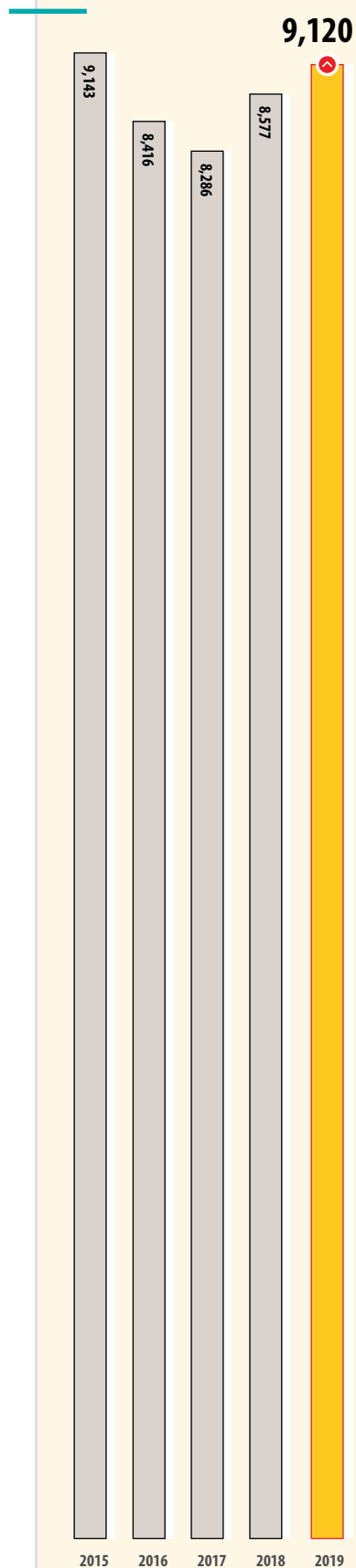
1. Revenue growth: We will continue to increase penetration in the targeted segments and products, especially in the areas of transaction banking, foreign exchange, SME and wealth management. We need to accelerate our CASA growth and improve our retail assets yield in order to better manage our cost of funds and NIM. On the digital front, we have embarked on developing our digital roadmap and exploring smart digital partnerships to create new customer access points, but we need to accelerate our presence in this space.
2. BET300: Moving into the third year of our BET300 programme, we will continue to maintain a tight rein on cost and pacing our investments while driving operational efficiencies through digitalisation and streamlining of processes.
3. Capital accretive growth: We aim to further strengthen our capital position and deliver sustainable dividend payout to our shareholders, focusing on managing returns on capital employed and risk-weighted assets.



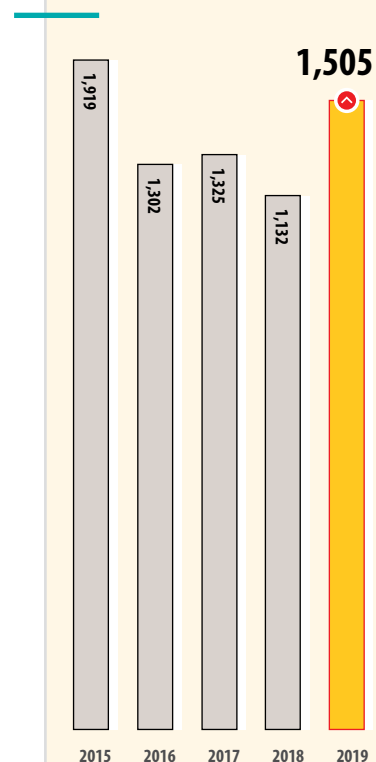
# Performance Review

## FIVE-YEAR GROUP FINANCIAL SUMMARY

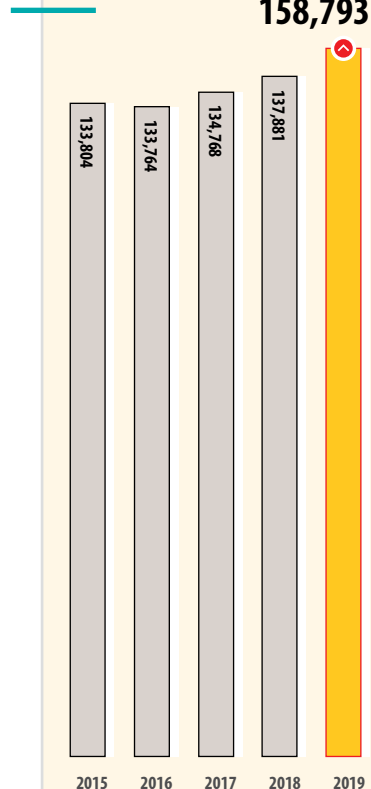
### OPERATING REVENUE (RM MILLION)



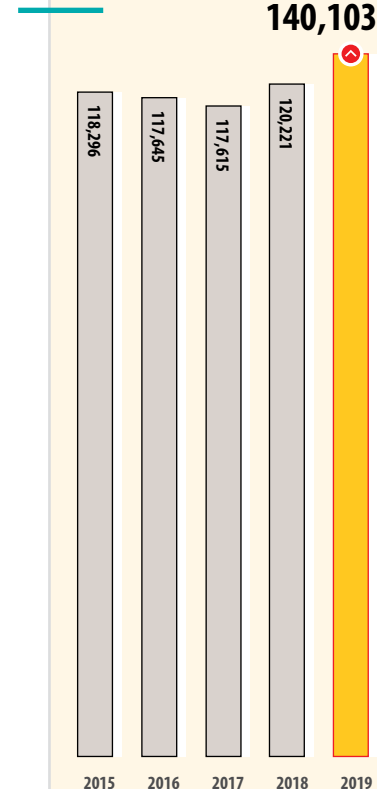
### PROFIT ATTRIBUTABLE TO SHAREHOLDERS (RM MILLION)



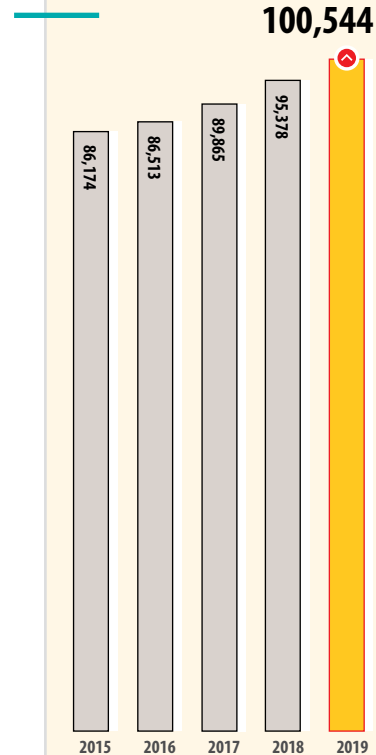
### TOTAL ASSETS (RM MILLION)



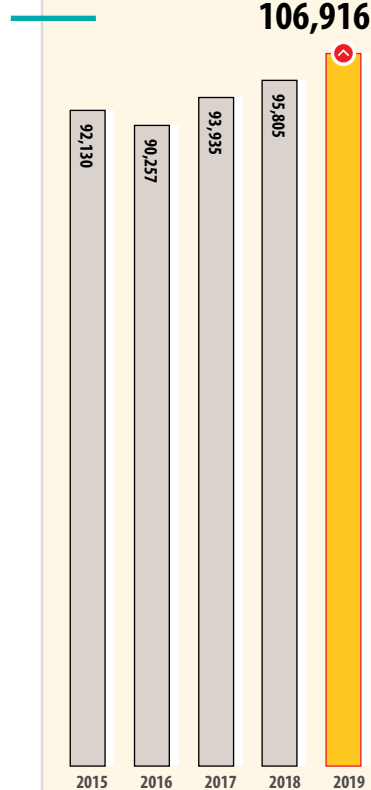
### TOTAL LIABILITIES (RM MILLION)



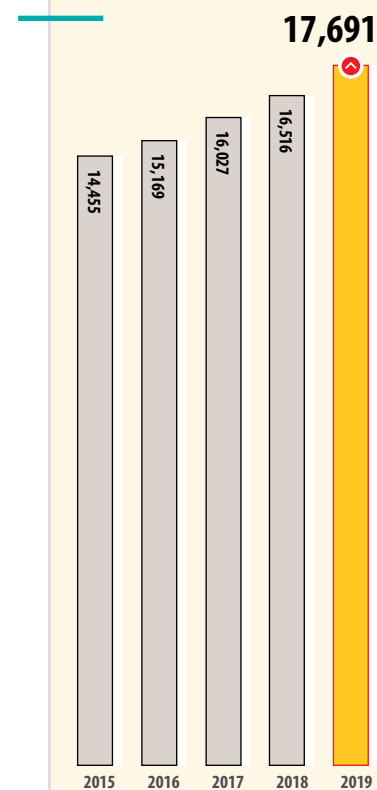
### LOANS, ADVANCES AND FINANCING (NET) (RM MILLION)



### CUSTOMER DEPOSITS (RM MILLION)



### SHAREHOLDERS' EQUITY (RM MILLION)



## Performance Review

## FIVE-YEAR GROUP FINANCIAL HIGHLIGHTS

## FINANCIAL YEAR ENDED 31 MARCH

	2019	2018	2017 <sup>®</sup>	2016	2015
<b>1. REVENUE (RM MILLION)</b>					
i. Operating Revenue	9,119.9	8,576.7	8,285.8	8,416.0	9,142.5
ii. Operating Profit Before Impairment Losses	1,791.5	1,558.4	1,605.1	1,521.5	2,566.8
iii. Impairment Writeback on Loans, Advances and Financing	301.3	1.1	173.5	164.1	30.5
iv. Profit Before Taxation and Zakat	2,095.4	1,542.7	1,801.2	1,731.0	2,604.3
v. Profit Attributable to Shareholders	1,505.3	1,132.1	1,324.6	1,302.2	1,918.6
<b>2. BALANCE SHEET (RM MILLION)</b>					
<b>Assets</b>					
i. Total Assets	158,793.4	137,881.2	134,767.6	133,764.0	133,803.8
ii. Loans, Advances and Financing (Net)	100,544.0	95,377.9	89,865.1	86,513.3	86,173.8
<b>Liabilities and Shareholders' Equity</b>					
i. Total Liabilities	140,103.0	120,221.2	117,614.7	117,644.6	118,296.4
ii. Customer Deposits	106,916.0	95,805.2	93,935.1	90,257.4	92,130.0
iii. Paid-Up Share Capital*	5,751.6	5,551.6	5,551.6	3,014.2	3,014.2
iv. Shareholders' Equity	17,691.0	16,515.6	16,027.1	15,168.5	14,455.1
<b>Commitments and Contingencies</b>	<b>131,016.8</b>	<b>143,672.5</b>	<b>134,563.3</b>	<b>125,037.1</b>	<b>116,765.1</b>
<b>3. PER SHARE (SEN)</b>					
i. Basic Net Earnings	50.0	37.6	44.1	43.3	63.8
ii. Fully Diluted Net Earnings	50.0	37.6	44.0	43.3	63.8
iii. Net Assets	586.9	547.9	531.7	503.2	479.6
iv. Single Tier/Gross Dividend	20.0	15.0	17.6	15.5	27.3
<b>4. FINANCIAL RATIOS (%)</b>					
i. Post-Tax Return on Average Shareholders' Equity <sup>^</sup>	8.8	7.0	8.5	8.8	13.8
ii. Post-Tax Return on Average Total Assets	1.1	0.9	1.1	1.1	1.6
iii. Loans to Deposits <sup>#</sup>	91.1	98.1	95.3	96.4	93.9
iv. Cost to Income	54.3	60.8	57.4	58.8	45.7
<b>5. SHARE PRICE (RM)</b>					
i. High	4.61	5.62	4.99	6.50	7.34
ii. Low	3.45	3.88	3.90	4.27	6.16
iii. As at 31 March	4.56	3.89	4.65	4.60	6.36

\* Paid-up share capital prior to 31 March 2017 is excluding share premium account

<sup>^</sup> Adjusted for non-controlling interests

<sup>®</sup> After adjusting for restatement pursuant to clarification provided in Bank Negara Malaysia circular on Classification and Regulatory treatment for structured products under the Financial Services Act 2013 and Islamic Financial Services Act 2013 that have been applied retrospectively for one financial year

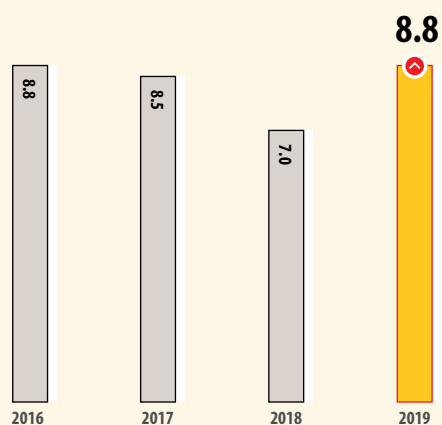
<sup>#</sup> Loans to Deposits is gross loans divided by deposits from customers and financial institutions excluding interbank borrowings

## Performance Review

### FINANCIAL INDICATORS

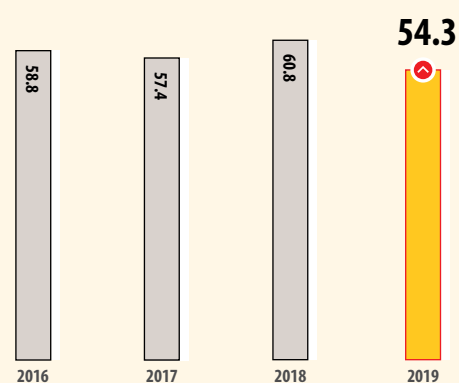
#### RETURN ON EQUITY

(%)



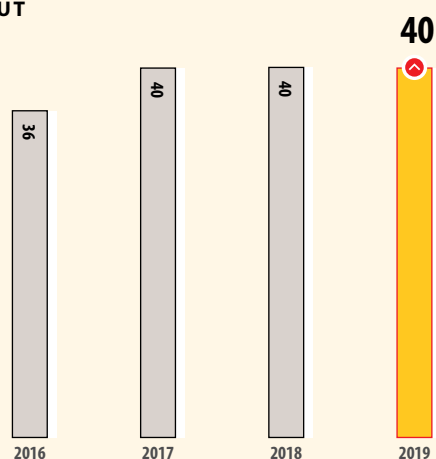
#### COST-TO-INCOME RATIO

(%)



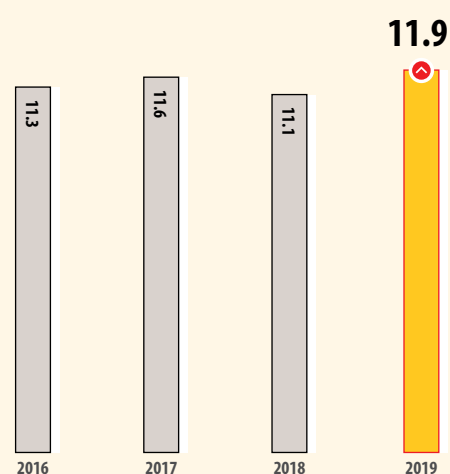
#### DIVIDEND PAYOUT

(%)



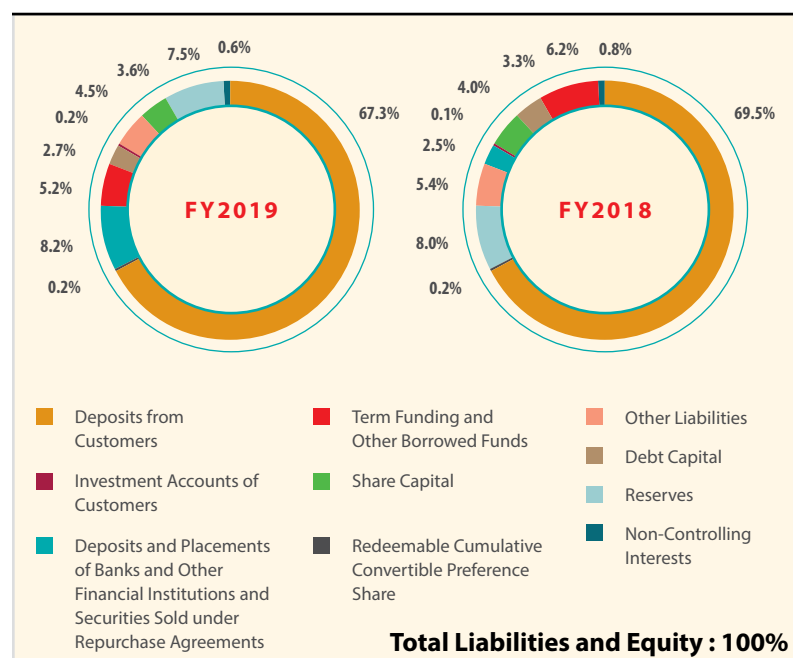
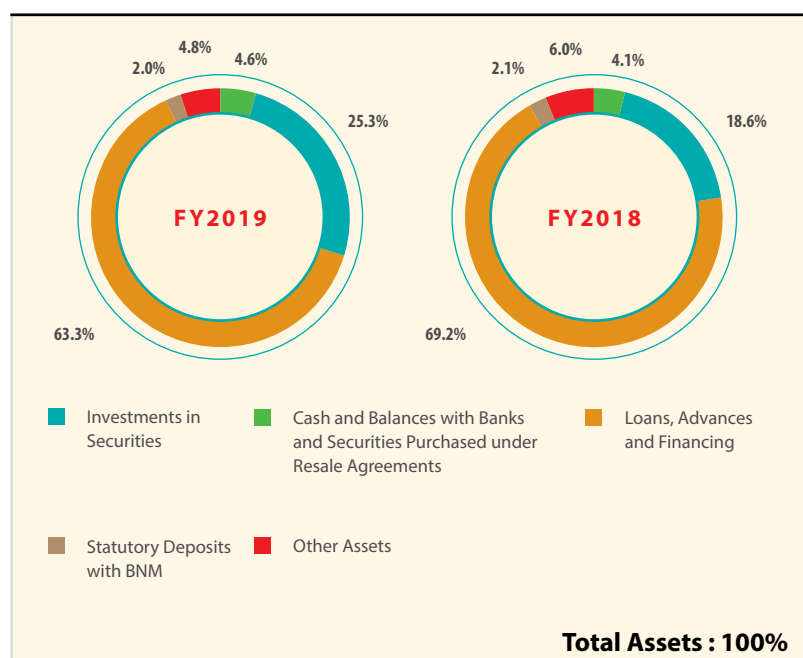
#### CET 1\*

(%)



\* Proforma aggregated for FY2016 and FY2017; Financial Holding Company Basis ("FHC") for FY2018 and FY2019

### SIMPLIFIED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

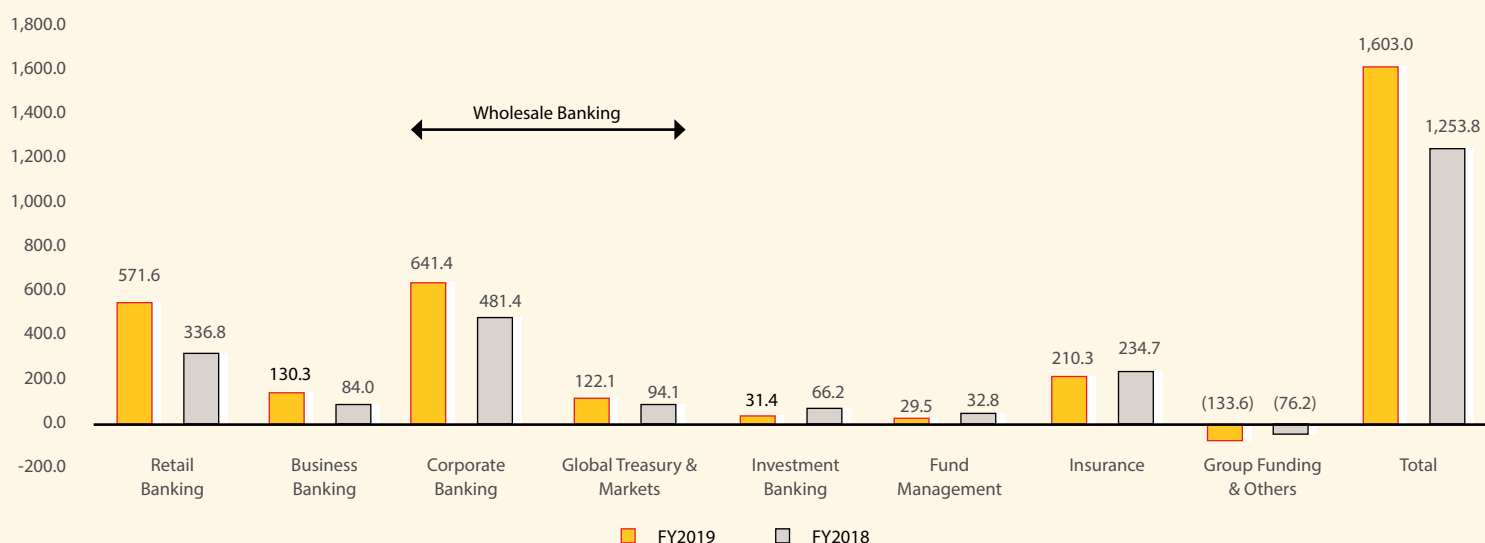


## Performance Review

### SEGMENTAL ANALYSIS

AmBank Group's businesses are grouped in the following business activities: Wholesale Banking, Investment Banking, Retail Banking, Business Banking, Fund Management, Insurance and Group Funding and Others.

**SEGMENT PAT**  
(RM MILLION)



#### WHOLESALE BANKING

Wholesale Banking comprises Corporate Banking and Group Treasury & Markets. Corporate Banking offers a full range of products and services of corporate lending, trade finance, offshore banking and cash management solutions to wholesale banking clients.

Group Treasury & Markets includes proprietary trading as well as providing full range of products and services relating to treasury activities, including foreign exchange, derivatives, fixed income and structured warrants.

Wholesale Banking's PAT increased 32.7% to RM763.5 million mainly due to higher writeback of impairment and lower other operating expenses.

#### INVESTMENT BANKING

Investment Banking offers investment banking solutions and services, encompassing capital markets (primary) activities, broking, private banking services, corporate advisory and fund raising services (equity and debt capital).

PAT decreased by RM34.8 million from softer fee income, offset by lower other operating expenses and higher writeback of impairment on loans, advances and financing.

#### RETAIL BANKING

Retail Banking continues to focus on building mass affluent, affluent and small business customers. Retail Banking offers products and financial solutions which includes auto finance, mortgages, personal loans, credit cards, small business loans, priority banking services, wealth management, remittance services and deposits.

Profit after tax ("PAT") increased by RM234.8 million year-on-year ("YoY") to RM571.6 million. The increase was largely attributable to lower operating expenses underpinned by cost savings flow through from Mutual Separation Scheme ("MSS") last year and net writeback of impairment mainly on loans, advances and financing driven by higher recoveries from debt sale.

Strong balance sheet growth with deposits up 7.4% and gross loans, advances and financing grew 4.2% YoY mainly from mortgages.

#### BUSINESS BANKING

Business Banking focuses on the small and medium sized enterprises segment, which comprises Enterprise Banking and Commercial Banking. Solutions offered to Enterprise Banking customers encompass Capital Expenditure ("CAPEX") financing, Working Capital financing and Cash Management and while Commercial Banking offers the same suite of products, it also provides more sophisticated structures such as Contract Financing, Development Loans and Project Financing.

PAT increased by RM46.3 million due to higher income and writeback of provision for commitments and contingencies, offset by higher other operating expense from business expansion.



## Performance Review

### SEGMENTAL ANALYSIS

#### FUND MANAGEMENT

Fund Management comprises the asset and fund management services, offering a variety of investment solutions for various asset classes to retail, corporate and institutional clients.

PAT decreased by RM3.3 million from lower management fee, offset by lower other operating expenses.

General Insurance business reported a PAT of RM198 million underpinned by lower trading and investment income, and higher expenses. After tax and non-controlling interests, General Insurance's contribution to the Group's net profit was RM101 million in FY2019.

The joint ventures Life Insurance businesses reported a PAT of RM24.6 million from higher trading and investment income, and higher claims. Their equity accounting contribution to the Group net profit was RM12.3 million.

#### INSURANCE

Insurance segment offers a broad range of general insurance products, namely motor, personal accident, property and household. It also offers life insurance and Takaful products namely wealth protection/savings, health and medical protection and family Takaful solutions provided through our joint venture operations.

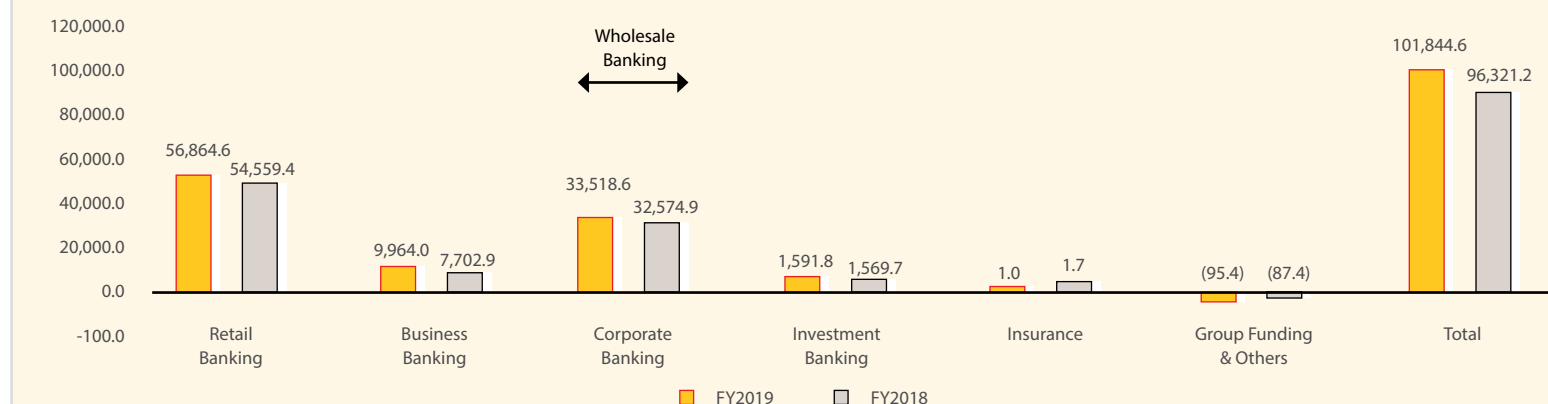
PAT from Insurance decreased 10.4% to RM210.3 million in FY2019.

#### GROUP FUNDING AND OTHERS

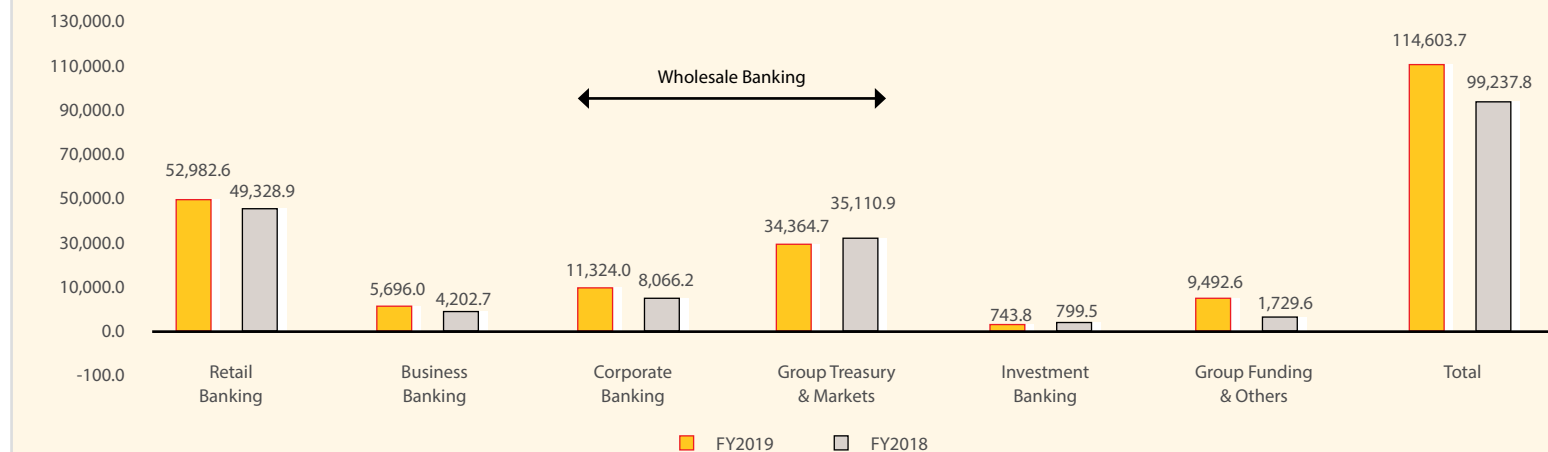
Group Funding and Others comprises activities to maintain the liquidity of the Group as well as support operations of its main business units and non-core operations of the Group.

PAT dropped by RM57.4 million to close the year at a loss of RM133.6 million mainly attributed to higher net impairment, partially offset by lower other operating expenses from cost savings initiatives and post MSS.

#### GROSS LOANS (RM MILLION)



#### DEPOSITS (RM MILLION)



## Performance Review

## GROUP QUARTERLY FINANCIAL PERFORMANCE

	2019			
ALL IN RM MILLION UNLESS STATED OTHERWISE	Q1	Q2	Q3	Q4
Operating Revenue	2,171.3	2,314.0	2,300.6	2,334.0
Net Interest Income	431.4	431.3	438.8	422.8
Net Income from Islamic Banking	236.6	235.6	242.1	237.6
Net Income from Insurance Business	155.1	107.7	109.8	79.9
Other Operating Income	174.7	225.8	160.1	212.6
Share in Results of Associates And Joint Ventures	15.9	6.7	(3.8)	1.6
Other Operating Expenses	(512.9)	(505.5)	(512.5)	(599.9)
Impairment and Provisions	(7.0)	(10.9)	51.3	270.4
Profit Before Taxation and Zakat	493.8	490.7	485.8	625.0
Profit Attributable to Equity Holders of The Company	347.6	348.1	349.9	459.7
Earnings Per Share (sen)	11.5	11.6	11.6	15.3
Dividend Per Share (sen)	-	5.0	-	15.0

	2018			
ALL IN RM MILLION UNLESS STATED OTHERWISE	Q1	Q2	Q3	Q4
Operating Revenue	2,080.8	2,125.0	2,159.6	2,211.3
Net Interest Income	416.2	415.0	407.8	425.3
Net Income from Islamic Banking	225.3	225.8	239.9	250.0
Net Income from Insurance Business	123.2	108.5	85.1	148.3
Other Operating Income	220.3	228.3	218.5	248.0
Share in Results of Associates And Joint Ventures	(2.9)	(10.7)	8.0	(0.7)
Other Operating Expenses	(553.0)	(562.7)	(576.7)	(728.4)
Impairment and Provisions	20.0	28.0	(80.9)	17.2
Profit Before Taxation And Zakat	449.1	432.2	301.7	359.7
Profit Attributable to Equity Holders of The Company	328.3	331.4	219.0	253.4
Earnings Per Share (sen)	10.9	11.0	7.3	8.4
Dividend Per Share (sen)	-	5.0	-	10.0

## Performance Review

### KEY INTEREST BEARING ASSETS AND LIABILITIES

	FY2019			FY2018		
	Average Balance	Average Rate	Interest Income/Expense	Average Balance	Average Rate	Interest Income/Expense
	RM million	%	RM million	RM million	%	RM million
<b>INTEREST EARNING ASSETS</b>						
Short-term Funds, Deposits and Placements with Banks and Other Financial Institutions	5,272	3.30%	174	7,205	2.80%	202
Financial Assets at Fair Value Through Profit or Loss/Financial Assets Held-for-trading	15,461	3.83%	592	9,979	3.88%	387
Financial Investments at Fair Value Through Other Comprehensive Income/Financial Investments Available-for-sale	10,377	4.75%	493	8,307	4.20%	349
Financial Investments at amortised cost/Financial Investments Held-to-maturity	4,912	4.39%	216	3,274	4.15%	136
Loans, Advances and Financing	99,215	5.40%	5,358	93,494	5.29%	4,947
<b>INTEREST BEARING LIABILITIES</b>						
Deposits from Customers <sup>1</sup>	101,786	3.28%	3,340	94,382	3.07%	2,894
Deposits and Placements of Banks and Other Financial Institutions	7,009	3.37%	236	4,004	2.86%	115
Recourse Obligation on Loans and Financing Sold to Cagamas Berhad	4,469	4.27%	191	3,757	4.01%	151
Term Funding, Debt Capital and Other Borrowed Funds	10,507	4.83%	508	10,319	4.97%	513

Note:

<sup>1</sup> Deposits from customers includes Investment accounts of customers

### STATEMENT OF VALUE ADDED

Value Added	FY2019	FY2018
	RM million	RM million
Net Interest Income	1,724.3	1,664.3
Net Income from Islamic Banking	951.9	941.0
Income from Insurance Business	1,374.8	1,390.4
Other Operating Income	773.2	915.1
Share in Results of Associates and Joint Ventures	20.4	(6.3)
Insurance Claims and Commissions	(922.3)	(925.3)
Other Operating Expenses	(701.2)	(840.3)
Writeback for Impairment on Loans, Advances and Financing	301.3	1.1
Net Writeback/(Impairment) on Other Financial Investments	2.5	(16.8)
<b>Value Added Available for Distribution</b>	<b>3,524.9</b>	<b>3,123.2</b>

Distribution of Value Added	FY2019	FY2018
	RM million	RM million
To Employees:		
Personnel Expenses	1,260.5	1,401.0
To the Government:		
Taxation	489.9	286.9
To State Collection Centres and Community:		
Zakat	2.4	2.0
To Providers of Capital:		
Dividends to Shareholders	602.8	452.1
Non-controlling Interests	97.8	121.7
To Reinvest to the Group:		
Depreciation and Amortisation	169.1	179.5
Retained Profits	902.4	680.0
	<b>3,524.9</b>	<b>3,123.2</b>

## Performance Review

### CAPITAL MANAGEMENT

AmBank Group's capital management approach remains focused on maintaining a healthy capital position that supports the Group's strategic objectives and risk appetite. This is achieved through building an efficient capital structure that optimises return on capital and provides sustainable returns to shareholders.

**EFFECTIVE CAPITAL MANAGEMENT IS ESSENTIAL TO THE SUSTAINABILITY OF THE GROUP AND INVOLVES:**



**Meeting regulatory capital requirements at all times**

**Supporting the Group's risk appetite, business growth and strategic objectives**

**Maintaining good credit ratings from local and international rating agencies**

Annually, the Group establishes a set of Internal Capital Targets that provide an adequate buffer above the minimum regulatory requirements.

#### Key Initiatives

The Group manages its capital position proactively by building sufficient capital buffers in view of forthcoming capital requirements. Capital management tools that were employed in FY2019 include:

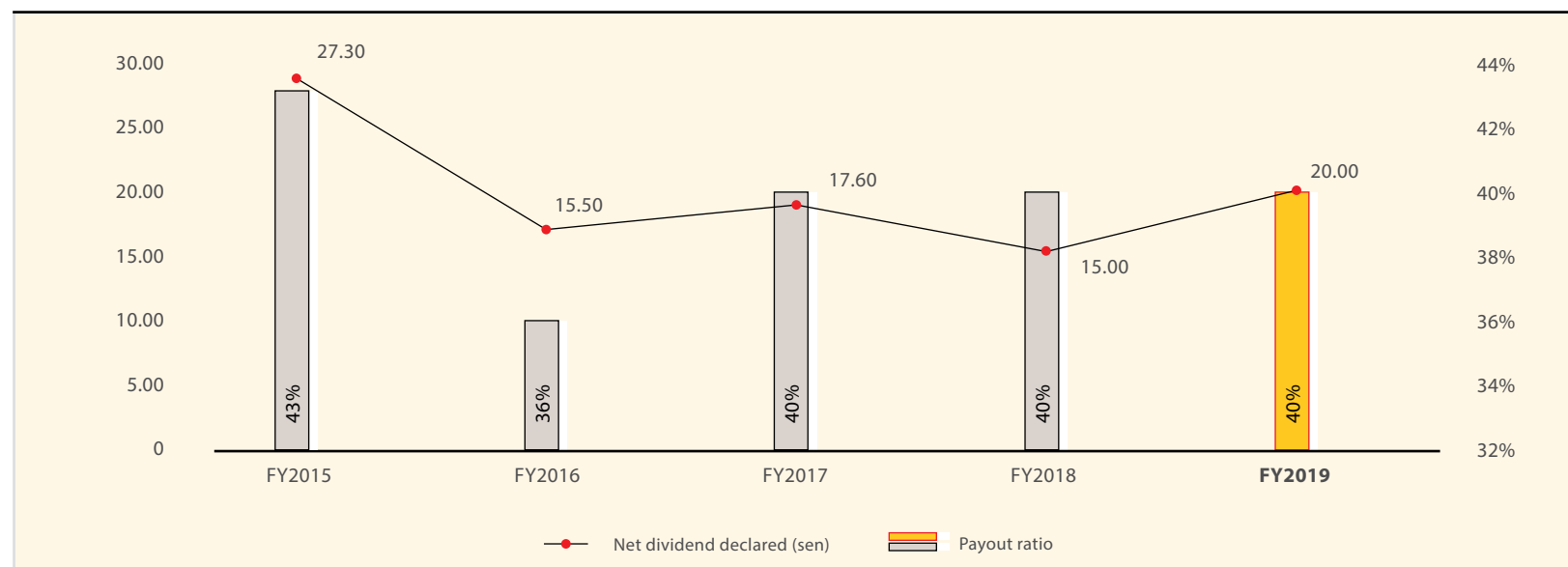
- 1 Revision of Capital Programmes to include the Point of Non-Viability Clause with Reference to the Financial Group
- 2 New Basel III Compliant Capital Issuances
- 3 Risk-Weighted Assets Optimisation
- 4 Non-core Asset Disposal

During the financial year, the Group issued RM1,500 million Basel III compliant Tier 2 capital instruments that were utilized for working capital and general banking purposes and had redeemed a total of RM1,250 million capital instruments as outlined below:

- (a) RM400 million Tier 2 Subordinated Notes redeemed on 31 December 2018;
- (b) RM200 million Non-Innovative Tier 1 Capital Securities redeemed on 27 February 2019;
- (c) RM200 million Subordinated Sukuk Murabahah redeemed on 28 February 2019;
- (d) RM300 million Non-Innovative Tier 1 Capital Securities redeemed on 6 March 2019;
- (e) RM150 million Subordinated Sukuk Murabahah redeemed on 25 March 2019.

### DIVIDENDS FOR 2019

For the financial year ended 31 March 2019 ("FY2019"), a final dividend of 15 sen on 3,014,184,844 ordinary shares was approved by the Board of Directors on 30 April 2019 and Bank Negara Malaysia on 27 May 2019. With the interim dividend of 5 sen per share paid on 28 December 2018, the total dividends for FY2019 amounted to 20 sen per share, leading to a full year dividend payout ratio of 40%.





## Performance Review

### CREDIT RATINGS

From a credit rating perspective, we believe in providing our stakeholders with an independent view of our banking subsidiaries as well as that of the Company. As such, we continue to maintain credit ratings with Moody's Investors Service, S&P Global Ratings and RAM Rating Services Berhad ("RAM Rating Services").

Rating agency	Rating classification	Ratings accorded
<b>The Company</b>		
RAM Rating Services	Long-Term Corporate Credit Rating	AA2
	Short-Term Corporate Credit Rating	P1
	Outlook	Stable
<b>AmBank (M) Berhad</b>		
Moody's Investors Service	Long-Term Bank Deposits (Foreign) Rating	A3
	Short-Term Bank Deposits (Foreign) Rating	P-2
	Outlook	Stable
S&P Global Ratings	Long-Term Foreign Currency Rating	BBB+
	Short-Term Foreign Currency Rating	A-2
	Outlook	Stable
RAM Rating Services	Long-Term Financial Institution Rating	AA2
	Short-Term Financial Institution Rating	P1
	Outlook	Stable
<b>AmBank Islamic Berhad</b>		
RAM Rating Services	Long-Term Financial Institution Rating	AA2
	Short-Term Financial Institution Rating	P1
	Outlook	Stable
<b>AmInvestment Bank Berhad</b>		
RAM Rating Services	Long-Term Financial Institution Rating	AA2
	Short-Term Financial Institution Rating	P1
	Outlook	Stable

## Performance Review

### BALANCE SHEET MANAGEMENT

Balance sheet management involves the management of AmBank Group's structural funding and liquidity. It also maintains the Funds Transfer Pricing ("FTP") framework which is governed by the Group Assets and Liabilities Committee ("GALCO").

Structural funding and liquidity is managed by targeting a diversified funding base and avoiding concentrations by depositor and investor type, product, maturity or currency and implementing wholesale funding diversification and maturity concentration limits. In setting its funding diversification policy, the Group will take into consideration the cost/benefit trade-off to ensure optimum level of funding cost.

To sustain a diversified funding profile and monitor the liquidity risk of the Group, we are guided by the Basel III liquidity framework, namely the:

- 1 Liquidity Coverage Ratio ("LCR"), with a primary focus of ensuring a sufficient buffer of liquid assets that could be easily converted into cash to meet the liquidity needs for up to 30 calendar days; and
- 2 Net Stable Funding Ratio ("NSFR"), outlining the requirements on maintaining stable funding profile vis-à-vis the composition of assets and off-balance sheet commitments in order to reduce likelihood of disruption to liquidity position.

The FTP framework promotes a Group-wide allocation of funding costs to the business units by taking into account the interest rate and liquidity positions of the Group. The FTP mechanism is refined according to market conditions and relevant strategies approved by the management and it is derived to reflect regulatory principles.

To fund our businesses, a liquidity premium is charged to the business units based on the contractual tenor of the transactions. Business units that generate long-term, stable funding are incentivised in the form of liquidity credit. Presently the key funding growth agenda are as follows:

- 1 To strengthen the deposit franchise, by focusing on lower cost current accounts and savings accounts ("CASA") and gathering term deposits to build sufficient base to fund the loans growth; and
- 2 To diversify the sources of funding to build a more sustainable base and reduce reliance on non-core deposits.

### FUNDING STRUCTURE FY2019

Loans are the largest component of the Group's assets and are generally funded by core customer deposits. Our core customer deposits increased by RM11.1 billion from RM95.8 billion in FY2018 to RM106.9 billion in FY2019, an 11.6% growth. We will continue to prioritise growth in core customer deposits, which are a stable and resilient source of funding. We have outlined plans to lower the cost of funding by growing CASA composition, tapping on alternative funding sources and optimising a stable funding mix.

### FINANCIAL CALENDAR

#### 2018

##### 21 August

Announcement of unaudited consolidated results for the financial first quarter ended 30 June 2018

##### 28 August

Payment of final single-tier dividend of 10 sen per share for the financial year ended 31 March 2018

##### 22 November

Announcement of unaudited consolidated results for the financial half year ended 30 September 2018

##### 28 December

Payment of interim single tier dividend of 5 sen per share for the financial year ended 31 March 2019

#### 2019

##### 21 February

Announcement of unaudited consolidated results for the financial third quarter ended 31 December 2018

##### 28 May

Announcement of audited consolidated results for the financial year ended 31 March 2019

##### 28 June

Notice of 28<sup>th</sup> Annual General Meeting

##### 31 July

28<sup>th</sup> Annual General Meeting

# Business Review

## WHOLESALE BANKING



**Raja Teh Maimunah Raja Abdul Aziz**

*Managing Director, Wholesale Banking*

Wholesale Banking comprises of Corporate Banking, Group Treasury & Markets and Transaction Banking.

Our Wholesale Banking coverage team holds strong relationships with AmBank Group's key clients across various economic sectors and industries covering mid-sized and large corporates.

We provide bespoke business solutions and help our clients by offering innovative, quality, and customised products and services. In addition, we also help our clients to be more effective and efficient in the daily running of their businesses through our cash management, trade solutions and cross-border transaction services for foreign exchange ("FX"), remittances and interbank transactions.

### FINANCIAL PERFORMANCE

#### Overall Performance

##### TOTAL INCOME



**RM1,056.4 million**  
in FY2019

RM1,053.2 million in FY2018

##### PROFIT AFTER TAX AND MINORITY INTERESTS ("PATMI")



**RM763.6 million**  
in FY2019

RM575.5 million in FY2018

### PERFORMANCE METRICS

##### NET INTEREST INCOME ("NII")

**RM757.0 million**

in FY2019

RM711.0 million in FY2018

##### GROSS LOANS

**RM33,518.6 million**

in FY2019

RM32,574.9 million in FY2018

##### TREASURY ASSETS

**RM32,535.9 million**

in FY2019

RM16,860.0 million in FY2018

##### CASA

**RM11,323.6 million**

in FY2019

RM8,065.7 million in FY2018

### KEY INITIATIVES AND DEVELOPMENTS

#### Corporate Banking

- Growing the **Mid-Corporate segment** through developing strong relationship with potential clients.
- Focus on providing tailored solutions to fit clients' needs and thereby improving overall ROCE.
- Focusing on building new-to-bank customers particularly in the services and manufacturing sectors, in keeping with the country's economic growth direction.

#### Group Treasury and Markets

- The Group Treasury and Markets ("GTM") division offers hedging and investment solutions spanning across all asset classes which include interest rates, FX, commodities and equity derivatives.
- As one of the appointed Principal Dealers, our fixed income traders and sales dealers continue to play a prominent role in the local fixed income market.
- During the year, our people were recognised in The Asset Benchmark Research Award as "The Region's Best Local Currency Bond Individuals" in the Trading and Sales categories.
- FX remains as one of our key products as we expand our flow business. In recognition of our ability to provide efficient and effective FX solutions and services to meet the needs of our customers, we were again awarded the "Best FX Bank for Corporates & Financial Institutions" by Alpha Southeast Asia for the seventh consecutive year.

## Business Review

## WHOLESALE BANKING

## KEY INITIATIVES AND DEVELOPMENTS

## Group Treasury and Markets (continued)

- Actively manage overall Group funding requirements and cost of funds, whilst maintaining sound liquidity position in meeting the Group's liquidity and regulatory requirements.

## Transaction Banking

- We provide end-to-end cash management proposition to improve our clients' business efficiency and effectiveness ie. virtual accounts, JomPay Reference and Electronic Invoice Presentation and Payment ("EIPP").
- We launched a new **Cash Management System ("CMS")** to deliver an improved customer experience.
- In addition, we also partnered with Paynet to customise and meet complex workflows to boost buyers' and sellers' confidence and provide transaction assurance.
- We aim to enhance growth in current account and savings account ("CASA") income through our collections and payments solutions.



Strategic Collaboration with Cameron Highlands District Council to enable JomPAY Payments



Collaboration with PayNet for Direct Merchant Settlement ("DMS") services

## SUSTAINABILITY CONTRIBUTIONS

## Responsible Banking

## Digitalising Customer Journey

- Formed digital innovation incubators through FinTech partnerships to enable new transaction channels for easy, cashless banking and long-term development of sustainable CASA. Among the initiatives include:
  - Payment Gateway and FPX** – Diversify current eWallet offerings with comprehensive financial services;
  - Payroll Solution** – Differentiated payroll propositions for clients;
  - Blockchain Remittances** – Strategic partnership on new blockchain payment innovation;
  - Co-Brand Card** – Co-brand prepaid cards towards implementing a cashless society;
  - eWallet Withdrawal** – Seamlessly facilitate fund transfer from eWallet to specified bank account;
  - Virtual Account (VA) and Multi-Layer VA** – Flexible reconciliation by payment modes.

## Positive Societal Impact

## Corporate Social Responsibility ("CSR")

- The Wholesale Banking team undertakes several CSR initiatives such as volunteering and sponsoring meals at Pertiwi Soup Kitchen, supporting the SEMOA Orang Asli Home as well as undertaking social procurement from social enterprises such as PichaEats and Silent Teddies.

## Employer of Choice

- Increasing talent engagement and targeted training.
- Regular huddle sessions with wholesale banking team to foster deep relationship across the Group.



Pertiwi Soup Kitchen Programme



## Business Review

### WHOLESALE BANKING

#### AWARDS AND RECOGNITIONS

- **Outstanding Contribution to JomPAY** at the Malaysian e-Payments Excellence Awards (“MEEA”) on 22 May 2018.
- 12<sup>th</sup> Annual Alpha Southeast Asia Best Financial Institution Awards 2018 (7<sup>th</sup> Consecutive Year):
  - **Best FX Bank for Corporates & Financial Institutions**
- The Asset Benchmark Research Award
  - **The Region’s Best Local Currency Bond Individuals (Trading)**
  - **The Region’s Best Local Currency Bond Individuals (Sales)**



➤ Malaysian e-Payments Excellence Awards 2018



➤ 12<sup>th</sup> Annual Alpha Southeast Asia Best Financial Institution Awards

#### KEY RISKS AND MITIGATION MEASURES

- **Credit Risk** – the risk of default on debt that may arise from borrower’s failure to make the required payment obligations.
  - Improved Wholesale Banking asset quality as reflected below:
    - > Out of the total new impairment of RM1.8 billion in the five years from 2014 to 2018, only RM114.9 million (or 6.3%) were originated in 2014 onwards.
  - Issued the Non-Retail Credit Policy (“NRCP”) following the new Bank Negara Malaysia (BNM) Credit Risk Policy, dated 22 January 2018. The NRCP sets out high-level credit principles to ensure that the non-retail segment of AmBank Group practises a consistent approach in managing credits.
  - Introduced the “Loss Estimate Thermometer” as input for strategic monitoring of sector limits.
  - Completed the Credit Pathway programme to guide credit officers in Wholesale Banking (“WB”) on how credit is assessed in AmBank Group.
- **Market Risk** – the risk posed by unfavourable market conditions due to changes in the country’s macroeconomic outlook, policies and regulations, and uncertainties in interest rates, credit spreads, foreign exchange rates and volatility.
  - Potential consolidation in Malaysia’s Gross Domestic Product and overall business loans growth. This is mitigated by measures to increase revenue through deposits growth.
  - Changes in the Government’s procurement policy that may extend the rollout of infrastructure deals, causing lower financing needs. Efforts are made to follow closely the latest developments in the Government’s review of public infrastructure projects for potential funding prospects.
  - Potential fluctuations in foreign exchange rates in the global markets due to geopolitical dynamics and changing global economic structure. We actively advise clients on hedging structures that may further protect their businesses from foreign currency volatilities.

#### • Risk Mitigation Strategy for FY2020:

- To support AmBank Group’s aspirations towards achieving the FIRB status. In this respect, immediate focus is targeted at ensuring credit policies address relevant regulatory requirements e.g. Basel II international regulatory framework, Bank Negara Malaysia regulations, Bursa Malaysia rules and regulations, and other regulatory stipulations.
- To support Sustainable Finance initiatives to ensure alignment with AmBank Group’s ESG agenda.

#### PROSPECTS AND STRATEGY FOR FY2020 AND BEYOND

- Over the next three years, Wholesale Banking will be focusing on further developing our FX franchise; cash management capabilities namely digital collections and payments solutions; recalibration of our assets by focusing on ROCE and providing infrastructure support for e-money players.
- We will continue to refine our suite of products and services (for both conventional and Shariah) to meet the needs of our increasingly sophisticated clientele to navigate changing markets. We remain focused on growing our FX franchise by leveraging on the Group’s coverage and distribution footprint to reach out to our individual and corporate clients across all segments, whilst enhancing our services through digitalisation.

## Business Review

## INVESTMENT BANKING

**Seohan Soo**

Chief Executive Officer, AmlInvestment Bank

Investment Banking, under AmlInvestment Bank, provides a full range of investment advisory, solutions, and products covering conventional and Islamic financing for our sovereign, corporate and institutional clients. Key areas of our expertise include Corporate Finance, Equity Markets, Debt Markets, Islamic Capital Markets, Private Banking and integrated fund management.

AmlInvestment Bank has a solid award-winning track record in the debt, equity and Islamic capital markets segment.

As an integral part of AmlInvestment Bank, AmFunds Management Berhad (AmlInvest) leads the fund management business of AmBank Group. AmlInvest is among the top fund management houses in Malaysia with an award-winning track record spanning three decades in the management of unit trusts and wholesale funds, institutional mandates, exchange-traded funds and Private Retirement Schemes.

## FINANCIAL PERFORMANCE

## Overall Performance

## ➤ TOTAL INCOME



**RM242.4 million**  
in FY2019

RM321.2 million in FY2018

## ➤ PROFIT AFTER TAX AND MINORITY INTERESTS (PATMI)



**RM60.9 million**  
in FY2019

RM99.0 million in FY2018

## PERFORMANCE METRICS

## ➤ LEAGUE TABLE

## Overall Malaysian Bonds/Sukuk:

**2018: Ranked 3<sup>rd</sup>**  
with a **19.04%**  
market share

**2017: Ranked 3<sup>rd</sup>**  
with a **15.23%**  
market share

## Malaysian Ringgit Islamic Sukuk:

**2018: Ranked 4<sup>th</sup>**  
with a **17.22%**  
market share

**2017: Ranked 3<sup>rd</sup>**  
with a **14.06%**  
market share

## ➤ ASSETS UNDER MANAGEMENT (AUM) BY AmFunds AND PRIVATE BANKING

**RM48.6 billion** in FY2019  
RM43.2 billion in FY2018

## KEY INITIATIVES AND DEVELOPMENTS

## What We Do

## • Capital Markets Group

- Capital Markets Group provides customised financing solutions to our sovereign, corporate and institutional clients through fixed income, derivatives and credit solutions and advisory services.

## • Corporate Finance

- Corporate Finance provides an extensive range of corporate finance and advisory services comprising initial public offerings ("IPO"), mergers and acquisitions ("M&As"), take-overs, restructuring, issuance of equity and equity-linked instruments, valuations and independent advisory services.

## • Equity Markets

- Equity Markets is our stockbroking business arm which provides share trading services including futures trading, margin financing, discretionary financing, and custody services.

## • Equity Capital Markets

- Equity Capital Markets deals mainly with the marketing, sales, and distribution of equities in the primary and secondary equity and equity-linked markets.

## • Fund Management

- Fund Management provides fund management services to institutional and retail investors.

## Business Review

### INVESTMENT BANKING

#### KEY INITIATIVES AND DEVELOPMENTS

##### What We Do

##### • Private Banking

- AmPrivate Banking services high net worth Malaysian clients with investment advisory, securities dealings and fund management services.

##### FY2019 Highlights

- The Capital Markets Group continued to rank Top 3 in the Bonds/Sukuk market, whilst Corporate Finance ranked Top 3 in M&A and Corporate Advisory.
- Our Equity Markets established the Prime Brokerage unit last year to service the share trading and share margin financing needs of selected groups of customers. We are seeing good growth from both the Prime Brokerage and the share margin financing businesses.
- The Fund Management team registered a good performance to achieve an Asset Under Management ("AUM") of RM40.5 billion as at 31 March 2019 (13% growth YoY).
- The Private Banking unit achieved double-digit Return On Equity ("ROE").
- As part of our digital initiatives, our Equity Markets unit launched the AmEquities share trading portal in October 2018, whilst our Funds Management unit launched Malaysia's first Robotech fund and Private Retirement Scheme ("PRS") FinTech.

##### Prospects and Strategy for FY2020 and Beyond

- We aspire to be a top 3 investment bank in Malaysia and a trusted advisor with best-in-class advice and execution excellence. To this end, some of the strategic initiatives we plan to roll out in FY2020 include a focus by the origination businesses (i.e., Corporate Finance and Capital Markets Group) on M&A Advisory and Financing.
- Equity Markets will continue with its digital strategy and enhance the AmEquities online platform. To grow our broking retail segment, Equity Markets will leverage on our retail branch broking network. We anticipate above-market growth for our Equity Markets' Prime Brokerage and share margin financing businesses, and our wealth management business via our Funds Management and Private Banking units.
- Our strategic initiatives also include helping our people grow through talent management and succession planning and cultivating a culture of collaboration and teamwork, high performance and compliance, besides improving the working environment and holding regular employee engagement sessions.

##### Capital Markets Group ("CMG")

- AmInvestment Bank is a key player in the bonds/sukuk market and the ringgit-denominated loan market in Malaysia.
- To maintain our Top 3 market position, CMG continues to pull the right levers in providing a full spectrum of debt solutions such as project financing, structured finance, loan syndication and advisory services for emerging growth sectors in the economy with high funding needs.

#### KEY INITIATIVES AND DEVELOPMENTS

##### Capital Markets Group ("CMG") (continued)

- CMG is well-positioned to meet the demands of our clients with our ability to provide a full suite of customised debt and capital financing solutions through proven capabilities in fixed income, derivatives, credit solutions, and advisory services – covering both conventional and Islamic financing. With a strong team comprising professionals experienced in finance, accounting, tax, actuarial, legal, credit rating, Shariah, risk management and regulatory requirements, we offer our clients innovative and customised financing solutions that meet and exceed expectations.
- Achievements in the Malaysian debt markets:
  - Ranked **No. 3 with 19.04% market share for Overall Malaysian Bonds/Sukuk** for 2018.
  - Ranked **Top 3 on the Bloomberg MYR Bonds/Sukuk league table for 16 consecutive years** since 2003.
  - Ranked **No. 4 with 17.22% market share for Malaysian Ringgit Islamic Sukuk** for 2018.

##### Corporate Finance ("CF")

- CF is an integral product of AmInvestment Bank where we advise our corporate clients on mergers and acquisitions (M&As), and equity fund raising such as rights issues, placements and initial public offerings.
- Our strategy is aligned with Wholesale Banking Coverage (WBC) to help drive strategic dialogue with the bank's corporate clients. Close collaboration between CF and WBC delivers high quality advice to win advisory mandate from our clients. Whilst the local M&A market in FY2019 recorded a slightly lower level of activity compared to the previous year, we nevertheless remained active in the M&A scene.
- We are committed to delivering the highest standards of execution for our clients, complementing our strong understanding of clients' requirements with our deep talent pool. We will also deliver our balance sheet strategically by underwriting transactions to provide total solutions for our valued clients.

##### Equity Capital Markets ("ECM")

- ECM deals mainly with the marketing, sales and distribution of equities in the primary and secondary equity and equity-linked markets.
- ECM leverages on AmInvestment Bank's established distribution network and close relationships with fund managers, investors and research analysts to provide timely market intelligence in the origination of primary market transactions and in the structuring and managing of the marketing and distribution of both primary and secondary equity offerings.
- Through ECM's close collaboration with CF and WBC teams, we provide clients with value-added equity solutions. As successful equity offerings are a function of accurate pricing, effective distribution, and market awareness of both the issuer's industry and investor demand, we place strong priority on tracking the pulse of the market, combined with insights from the latest market developments.

## Business Review

## INVESTMENT BANKING

## KEY INITIATIVES AND DEVELOPMENTS

## Equity Markets

- During the financial year under review, AmInvestment Bank's market share of the total trading value on Bursa Malaysia was 5%, which ranked us at sixth position, out of 30 investment banks/brokers in the industry.
- As part of our strategy to improve our market share and ranking in the domestic equity markets, we introduced the following initiatives:
  - Rolled out a new and improved online share trading portal, AmEquities**, which contains enhanced features and functionalities, in October 2018. The trading portal is available on web, mobile and tablet applications. AmEquities' trading engine is now offered in dual language (English and Chinese) with Bahasa Malaysia on the way soon.
  - Established a Prime Brokerage unit** to serve the share investment and trading needs of ultra-high net-worth individuals; and
  - Adopted the 'Bank Branch Broking model'** which leverages on our retail and commercial bank's network of 170 branches nationwide to increase penetration in the retail investors segment.

## Fund Management

- AmInvest, our brand for AmInvestment Bank's Fund Management Division, is backed by more than 38 years of fund management expertise, encompassing both conventional and Shariah-compliant mandates. As at 31 March 2019, we managed 73 unit trusts, 10 private retirement schemes ("PRS"), 78 institutional mandates and two exchange traded funds.
- Total AUM growth of 13% to RM40.5 billion in FY2019** (as at 31 March 2019). This marked a record fund size achieved to-date, despite a challenging capital market in 2018 and 2019.
- Successfully launched three new unit trust funds in FY2019** – all three were conventional, of which two were Shariah-compliant funds.
- AmInvest rolled out our inaugural Environmental, Social and Governance ("ESG") and Shariah-compliant global equity fund, named 'AmIntelligent Global Equity Multi Strategy – Developed Markets ("iGEMS") in September 2018.

## Private Banking

- AmPrivate Banking as part of the Wealth Management division continue to grow its AUM, reaching out geographically with its strong regional presence to serve the growing needs of High Net Worth ("HNW") individuals.
- It has an established track record in serving HNW individuals, both in discretionary and non-discretionary mandates.

## SUSTAINABILITY CONTRIBUTIONS

## Responsible Banking

- AmInvest rolled out our inaugural Environmental, Social and Governance ("ESG") and Shariah-compliant global equity fund, named 'AmIntelligent Global Equity Multi Strategy – Developed Markets ("iGEMS") in September 2018. iGEMS is AmInvest's inaugural foray to invest in ethical and sustainable businesses across the world using a rules-based investment approach.
- In support of green initiatives by the Securities Commission Malaysia and the Malaysian government, Sustainable and Responsible Investment ("SRI") and Green Bonds/Sukuk is one of the primary areas of our focus, particularly the Capital Markets Group. We are committed to providing innovative products and support to our clients who embark on sustainable and green projects, as reflected in our award-winning green capital financing and advisory work to-date.
- In terms of market leadership, AmInvestment Bank is an active contributor to all RAM Consultancy Services Sdn Bhd's ("RAMC") second opinion for Green Bond Principles reporting to-date.
- The Group was also accorded the 'RAM Sustainability Award 2019' during the RAM Leagues and Conference 2019, held in Kuala Lumpur on 25 April 2019.
- Noteworthy deals led by AmInvestment Bank and rated by Malaysian Rating Corporation ("MARC") in 2018 included the RM415 million green bonds for Segi Astana, representing the first MYR-rated bonds issued under the ASEAN Green Bonds Standards, and the RM245 million green sukuk for Sinar Kamiri, the first green SRI Sukuk Wakalah for a listed company in Malaysia.

## Positive Societal Impact

- As part of efforts in contributing towards sustainability and a greener environment, we reduced paper consumption by introducing electronic contract notes and electronic statements for all our share-trading customers on AmEquities – our online share trading portal – in October 2018.
- In line with the digitalisation exercise across AmBank Group, we digitised our front-end customer interaction process to cater to investors' needs 24/7 and created a digital interface for PRS fund subscriptions accessible across all devices.



➤ Islamic Finance News Awards 2019



➤ Alpha SEA 12th Annual Deal & Solution Awards 2018



## Business Review

### INVESTMENT BANKING

#### AWARDS AND RECOGNITIONS



- **12<sup>th</sup> Annual Alpha Southeast Asia Best Financial Institutions Awards 2018**

- Best Asset & Fund Manager, Malaysia



- **12<sup>th</sup> Annual Alpha Southeast Asia Deal & Solution Awards 2018**

- Best Mudharabah Deal | Yinson TMC Sdn Bhd | RM1.5 billion Perpetual Sukuk Mudarabah Programme
- Most Innovative Bond Deal | GENM Capital Berhad | RM3 billion Medium-Term Note Programme
- Best Sustainable Energy/Renewable Finance Deal | Segi Astana Sdn Bhd | RM415 million ASEAN Green Medium-Term Note Facility
- Best Sukuk Deal | MBSB Bank Berhad | RM2.295 billion Structured Covered Sukuk Facility



- **15<sup>th</sup> Annual RAM League Awards 2018**

- Lead Manager Award 2017
  - No. 3 (by No. of Issues)
- Lead Manager Award (Sukuk) 2017
  - No. 3 (Programme Value)
- Lead Manager Award (Sukuk) 2017
  - Joint 3<sup>rd</sup> (by No. of Issues)
- Lead Manager Award X 2017
  - No. 3 (by Programme Value)



- **2019 Morningstar Awards**

- Best Malaysia Bond Fund: AmDynamic Bond
- Best Malaysia Bond (Syariah) Fund: AmBon Islam



- **Asia Asset Management's 2019 Best of the Best ASEAN Awards**

- Best Pension Fund Manager, Malaysia



- **Employees Provident Fund ("EPF")'s External Fund Managers Annual Awards 2019**

- Best Domestic Fixed Income Fund Manager 2018



- **FundsSupermarket.com Recommended Unit Trusts Awards 2017/18**

- Fixed Income – Malaysia (Short Duration) (5<sup>th</sup> Consecutive Year): AmIncome Plus
- Fixed Income – Malaysia with Foreign Exposure (3<sup>rd</sup> Consecutive Year): AmDynamic Bond



- **IFR Asia Awards 2018**

- Malaysia Capital Markets Deal | Yinson TMC Sdn Bhd | RM950 million Perpetual Sukuk Issuance



- **Insurance Asia News' Institutional Asset Management Awards 2018**

- Insurance Fund House of the Year, Malaysia



- **Islamic Finance News Awards 2018**

- Mudharabah Deal of the Year | Yinson TMC Sdn Bhd | RM950 million Perpetual Sukuk Issuance
- Equity & IPO Deal of the Year | Malaysia Building Society Berhad's RM644.95 million acquisition of Asian Finance Bank

#### AWARDS AND RECOGNITIONS



- **Lipper Fund Awards from Refinitiv 2019**

- Equity Malaysia – Malaysia Pension, 3 Years: AmMalaysia Equity
- Mixed Asset MYR Balanced, Malaysia – Malaysia Pension, 3 Years: AmBalanced



- **MARC 2017 Lead Managers League Tables Awards**

- Issue Count (Conventional & Islamic) (Second Runner-Up)



- **The Asset Triple A Asia Infrastructure Awards 2018**

- Project Finance House of the Year, Malaysia (4<sup>th</sup> Consecutive Year)
- Oil & Gas Deal of the Year | Pengerang Terminals (Two) Sdn Bhd | USD\$1.25 billion Syndicated Term Loan Facility
- Social Infrastructure of the Year | Perbadanan PR1MA Malaysia | RM2.5 billion Government-Guaranteed Islamic Medium-Term Note Issuance
- Power Deal of the Year | Tenaga Nasional Berhad | RM2 billion Sukuk Issuance
- Transport Deal of the Year | Projek Lintasan Sungai Besi Ulu Klang Sdn Bhd | RM380 million Sukuk Issuance
- Transport Deal of the Year (Highly Commended) | Danalnfra Nasional Berhad | RM10.18 billion Government-Guaranteed Sukuk Issuance



- **The Asset Triple A Country Awards 2018**

- Best Loan Adviser (2<sup>nd</sup> Consecutive Year)



- **The Asset Triple A Islamic Finance Awards 2018**

- Best Loan Adviser, Malaysia
- Best Government-Guaranteed Sukuk | Perbadanan PR1MA Malaysia | RM2.5 billion Government-Guaranteed Islamic Medium-Term Note Issuance
- Best Corporate Sukuk | Tenaga Nasional Berhad | RM2 billion Sukuk Issuance
- Best New Sukuk | Danajamin Nasional Berhad | RM500 million Subordinated Sukuk Issuance
- Best Project Finance Deal | Project Lintasan Sungai Besi Ulu Klang Sdn Bhd | RM380 million Sukuk Issuance



- **The Asset Triple A Private Banking, Wealth Management, Investment and ETF Awards 2018**

- Best ETF Provider, Malaysia (3<sup>rd</sup> Consecutive Year)

## Business Review

## INVESTMENT BANKING

## AWARDS AND RECOGNITIONS


**The Edge's Best Deal of the Year 2018**

- Best Non-IPO Fund Raising (Sukuk/Bond) | Yinson TMC Sdn Bhd | RM950 million Perpetual Sukuk Issuance
- Best Mergers & Acquisitions | IOI Corporation Berhad | RM3.95 billion partial divestment of Loders Crocklaan Group


**The Global Islamic Finance Awards 2018**

- Best Islamic Project Finance House


**World Finance Investment Management Awards 2018**

- Best Investment Management Company, Malaysia (7<sup>th</sup> Consecutive Year)

## NOTABLE TRANSACTIONS

## Capital Markets Group

## Notable Bonds &amp; Sukuk Deals

- **MBSB Bank Berhad**
  - Joint Solicitation Agent, Joint Principal Adviser, Joint Lead Arranger, Joint Lead Manager, and Joint Shariah Adviser
  - RM2,295 million Structured Covered Sukuk Murabahah Facility
- **Yinson TMC Sdn Bhd**
  - Joint Principal Adviser, Joint Lead Arranger, Joint Lead Manager and Joint Shariah Adviser
  - RM1.5 billion Perpetual Sukuk Mudharabah Programme
- **Telekom Malaysia Berhad**
  - Joint Principal Adviser, Joint Lead Arranger, Joint Lead Manager and Joint Shariah Adviser
  - RM4 billion Sukuk Wakalah Programme
- **Zamarad Assets Berhad**
  - Joint Principal Adviser, Joint Lead Arranger, Joint Lead Manager and Joint Shariah Adviser
  - RM2 billion Asset-Backed Securitisation Islamic Medium-Term Notes Programme
- **MNRB Holdings Berhad**
  - Principal Adviser, Lead Arranger, Lead Manager and Shariah Adviser
  - RM320 million Sukuk Murabahah Programme
- **GENM Capital Berhad**
  - Joint Lead Manager
  - RM2.6 billion Medium-Term Notes Issuance
- **Tenaga Nasional Berhad**
  - Joint Principal Adviser, Joint Lead Arranger, Joint Shariah Adviser and Joint Lead Manager
  - RM3 billion Sukuk Issuance

## Notable Loan Syndication Deals

- **M.P. Evans & Co Limited**
  - Mandated Lead Arranger
  - USD\$120 million Syndicated Credit Facilities
- **Asaljuru Weida Sdn Bhd**
  - Mandated Lead Arranger
  - RM360.0 million Syndicated Islamic Finance Facilities
- **Penang Development Corporation**
  - Lead Arranger
  - RM1 billion Syndicated Term Loan Facilities

## NOTABLE TRANSACTIONS

## Corporate Finance

## Notable M&amp;A Deals

- **Can-One Berhad**
  - Principal Adviser
  - RM1.37 billion Mandatory Takeover of Kian Joo Can Factory Berhad
- **Doh Properties Holdings Sdn Bhd**
  - Principal Adviser
  - RM99.5 million Mandatory Takeover of D.B.E. Gurney Resources Berhad
- **Jawawana Sdn Bhd**
  - Principal Adviser
  - RM68.6 million Mandatory Takeover of GSB Group Berhad
- **DKSH Holdings (Malaysia) Berhad**
  - Principal Adviser
  - S\$157.6 million acquisition of Auric Pacific Group Limited

## Notable Equity Fund Raising Deals

- **MNRB Holdings Berhad**
  - Principal Adviser
  - RM403.0 million Rights Issue
- **PMB Technology Berhad**
  - Principal Adviser
  - RM212 million Rights Issue of ICULS with Warrants
- **Naim Holdings Berhad**
  - Principal Adviser
  - RM160 million Rights Issue
- **Priceworth International Berhad**
  - Joint Underwriter
  - RM102.4 million Rights Issue

## Equity Capital Markets

## Notable Equity Fund Raising Deals

- **ATA IMS Berhad**
  - Sole Placement Agent
  - RM184 million Primary and Secondary Placement
- **Eastern & Oriental Berhad**
  - Sole Placement Agent
  - RM128 million Primary Placement
- **GHL Systems Berhad**
  - Sole Placement Agent
  - RM85 million Primary Placement
- **MNRB Holdings Berhad**
  - Joint Underwriter
  - RM403 million Rights Issue

## Business Review

### INVESTMENT BANKING

#### KEY RISKS AND MITIGATION MEASURES

- **Key Investment Banking Risk Initiatives in FY2019:**
  - Enhanced liquidity stress testing methodologies and assessed intraday liquidity risk practices under stress scenario.
  - Continued automation of market risk monitoring and assessment tools to enhance coverage and increase efficiencies.
- **Key Market Risk** – the risk of experiencing losses as a result of changes in interest rates, foreign exchange rates, credit spreads, volatility, correlations and fluctuations in bond, commodity or equity prices.
  - The Group has a comprehensive Market Risk and Liquidity Risk Management Framework, which is supplemented by the Market Risk Management Policy, to govern trading and balance sheet activities in line with the Group's risk appetite. We apply an independent risk measurement approach to quantify and proactively monitor market risk within the respective portfolios arising from dynamic movements in the market.
- **Liquidity and Funding Risk** – the risk that the Group may be unable to meet payment obligations as they fall due, including repaying depositors or maturing wholesale debt or that the Group has insufficient capacity to fund increases in assets.
  - The Group has a comprehensive Market Risk and Liquidity Risk Management Framework, which is supplemented by the Liquidity Risk Management Policy, to govern liquidity risk taking activities. The Group's liquidity risk appetite is defined by the ability to meet a range of regulatory and internal liquidity metrics mandated by the Board.
- **Group Technology Risk** – we continued to build internal capability and resiliency to protect against information and cyber security threats. Key mitigative actions taken and updates are as follows:
  - In the second year of the three-year Cyber Security Maturity Improvement Programme to strengthen the Group's cyber security posture and the ability to protect the Group's information assets.
  - Further built on cyber security awareness through on-going education programmes for employees.
  - A Cyber Security Risk team (Red Team) was established.
  - Enhanced the Group's Data Leakage Prevention ("DLP") monitoring controls.
- **Governance and Provisioning** – we continued to enhance our robust regulatory measures to strengthen our compliance efforts. Key measures taken to reinforce regulatory controls include:
  - Basel II Internal Rating Based ("IRB") Programme – The Basel II IRB Programme was launched in 2013 and is gearing for accreditation. Organisation is focusing on IRB-based ROCE (risk-based) lending assessment and direction.
  - MFRS 9 implementation – MFRS 9 compliance is well into operation with Day-1 and quarterly disclosures published. Infrastructure build of on-going MFRS9 model development and maintenance, and analytics.
- **Risk Mitigation Strategy for FY2020:**
  - **Investment Banking and Markets Risk:**
    - > Enhance or upgrade infrastructure to improve risk analytics and assessment.
    - > Enhance market and liquidity risk management practices in line with regulatory and market developments.
  - **Group Technology Risk:**
    - > Continue to further enhance and strengthen our cyber defences and robust cyber security controls framework.
    - > Continue on-going initiatives to educate our employees and customers about cyber security and what they can do to protect their data security.
    - > Further develop the maturity and capabilities of our Cyber Risk team.
  - **Governance and Provisioning:**
    - > Basel II IRB Programme – Optimise allocation and efficient usage of capital.

## Business Review

## RETAIL BANKING

**Jade Lee Gaik Suan***Managing Director, AmBank (M) Berhad*

Our Retail Banking serves the banking needs of 2.4 million consumers. Our comprehensive suite of financial products and solutions include deposits, loans, financing, credit cards, wealth management, and Priority Banking.

Operating one of the larger retail banking networks in the country, Retail Banking supports the needs of our customers through our 170 retail branches, 759 ATMs, 11 regional offices, and eight Priority Centres countrywide.

Retail Banking made significant progress in growing our Mass Affluent and Priority customer base during the year to 115,000 and 85,000, respectively. Besides retail customers, we also serve Corporate, Business, SME, and payroll clients at all our branches.

## FINANCIAL PERFORMANCE

## Overall Performance

## ➤ TOTAL INCOME



**RM1,453.3 million**  
in FY2019

RM1,476.4 million in FY2018

## ➤ PROFIT AFTER TAX AND MINORITY INTERESTS ("PATMI")



**RM571.7 million**  
in FY2019

RM329.0 million in FY2018

## PERFORMANCE METRICS

## ➤ DEPOSITS

**RM52,982.6 million**  
in FY2019

RM49,328.9 million in FY2018

## ➤ CASA

**RM11,677.2 million**  
in FY2019

RM11,333.5 million in FY2018

## ➤ MORTGAGE

**RM34,122.4 million**  
in FY2019

RM30,532.8 million in FY2018

## ➤ CREDIT CARD OUTSTANDING BALANCE

**RM2,514.4 million**  
in FY2019

RM2,142.3 million in FY2018

## ➤ RETAIL SME

**RM2,672.7 million**  
in FY2019

RM1,743.6 million in FY2018

## KEY INITIATIVES AND DEVELOPMENTS

## Easy, Simplified, and Fast Online Banking

- A refreshed AmOnline platform, launched in April 2018, is available via both web and mobile app (Android & iOS). The key features of AmOnline include:
  - Multi-lingual – The first online banking platform in Malaysia that is equipped with three language options (Bahasa Malaysia, English, and Mandarin);
  - Quick Apply – Customers are able to consolidate their outstanding credit card balance from other banks into their AmBank credit card, or get cash from their credit card;
  - AMY™ Virtual Assistant – Launched in October 2018 to help customers on credit card applications;
  - DuitNow – Launched in December 2018 in collaboration with PayNet to enable instant fund transfers through mobile number and national identity ("ID") card number; and
  - Wealth – Currently at the beta testing stage, preparing for regulatory approval.
- As of 31 March 2019, total AmOnline users surpassed 700,000 and is poised to reach one million by end 2019.
- As of 31 March 2019, total DuitNow ID registrations exceeded 365,000.



## Business Review

### RETAIL BANKING

#### KEY INITIATIVES AND DEVELOPMENTS

##### Priority Banking and Wealth Management

- Total Priority Banking customers grew 20% year-on-year (YoY) to 85,000 in FY2019, placing us among the top three local banks in Malaysia for Priority Banking; while total Mass Affluent customers went up 35% YoY to 115,000.
- We expanded our product range for wealth-savvy customers including ASNB variable-priced products, unit trusts, structured investments, direct bonds, dual currency investments, bancassurance and providing referrals for Universal Life Financing.

##### Catalysing SME Banking

- Launched SME Biz Property Extra – The first Credit Guarantee Corporation (“CGC”) asset-backed financing in the market offering SMEs a high margin for assets and working capital financing.
- Upcoming SME financing facility: SME Biz Start Up – a hassle-free working capital facility to support new businesses and start-ups.
- Participated in SME-focused events throughout the year:
  - SME Deposit Day @ Nationwide for SMEs to carry out business banking transactions such as payroll, current accounts, fixed deposits, over-the-counter bank guarantee, and foreign exchange.
  - SME Tea Talks @ Nationwide
  - BizCONFERENCE KL @ Nexus Bangsar South
  - Digital Forum @ Nationwide
  - Malaysia International Retail and Franchise Exhibition 2018 - SME Learning Conference 2018 @ Mines 2

##### Loans and Financing Growth

###### Mortgage

- Mortgage loans grew 11.8% YoY from RM30.5 billion to RM34.1 billion.
- As a result of greater stability in the secondary market, mortgage loan acquisition via secondary market versus primary market improved from 50% to 77% YoY in FY2019.
- Our mortgage valuation practices Risk-Based Pricing to ensure we offer appropriate rates based on the customers’ risk profile.

###### Credit Card Receivables

- Card spend YoY performance:
  - Overall card spend grew 17% YoY for FY2019 vs FY2018.
  - Overall online card spend grew 30% YoY.
  - Overall cross-border card spend grew 27% YoY.

#### KEY INITIATIVES AND DEVELOPMENTS

##### Loans and Financing Growth (continued)

###### Credit Card Receivables

- Instituted cost-efficient and effective card-based processes (i.e. Quick Apply, Balance Transfer & Quick Cash (“BTQC”) and AMY™) which helped reduce channel and contact centre servicing cost.
- ‘Balance Transfer’ and ‘Quick Cash’ features provided via AmOnline utilises propensity-based pricing to boost year-on-year sales and improved net interest income.

###### Customer Expansion

- We grew our key or target customer base in FY2019:
  - 19.7% YoY increase in Priority Banking customers
  - 35.2% YoY increase in True Banking (payroll) customers
  - 6.3% YoY increase in SME customers

##### Credit Management

###### Retail Debt Sale

- Successfully executed one of the biggest debt portfolio sale in Malaysia worth RM554 million.

###### Credit Analytics Capability

- Established a new Credit Analytics team to optimise acquisition value towards for better quality and higher ROCE segments.
- Enhanced collection productivity and monitoring via collection scorecards.
- Implemented various collection strategies and campaigns, which improved collection and recovery rate.

###### Credit Recovery

- Upgraded telephony (auto-dialer) and Customer Relationship Management system for more efficient payment collection and shorter turnaround time.
- Showed significant growth of around 13% in recovery numbers on ageing credit portfolio.

###### Fraud Management

- Successfully prevented potential fraud loss of RM207 million in 2018 by more effective detection of fraudulent applications.
- Successfully implemented INSTINCT, which significantly enhanced the bank’s fraud detection capability.

## Business Review

## RETAIL BANKING

## SUSTAINABILITY CONTRIBUTIONS

## Responsible Banking

- We enhanced our customer journey through three key initiatives for AmBankers:
  - The Happy To Help Programme features service attributes of warmth, attentiveness and helpfulness. Frontline staff also underwent AmBank@BEST training to build excellent service talent. More than 1,380 AmBankers were trained.
  - A nationwide customer experience ("CX") awareness tour entitled CX Unity Tour, kicked off in August 2018, and is on-going.
  - Customer Pain Point workshops were held, in conjunction with the CX Unity Tours. Issues identified were addressed through Six Sigma Green Belt Projects.
- To monitor customer feedback, we completed a Net Promoter Score ("NPS") and Customer Satisfaction ("CSAT") surveys through IPSOS. Our baseline NPS is -21 and CSAT is 60%.



CX Unity Tour

## Employer of Choice

- We have a proactive program to reskill employees to enhance their contributions, called RB CARES.
- An employee portal was introduced for updated information on KPI, incentives and other performance data.
- Employee engagement focus groups are being conducted countrywide, to gather feedbacks, and improve our employee engagement scores.
- The GCEO Challenge rewards sales and service achievers with overseas trips.



Winners of AmBank MasterCard Campaign

## Business Review

### RETAIL BANKING

#### AWARDS AND RECOGNITIONS

- CGC SME Awards 2018 (CGC's Top FI Partner)
- ASNB Starz Awards 2018 – six awards including third highest number of new accounts for all ASNB products.
- AMY™ won 'Most Innovative Emerging Digital Technologies Project' for Malaysia at The Asset Triple A Digital Award in Hong Kong

#### KEY RISKS AND MITIGATION MEASURES

- Credit Risk – the risk of default on debt that may arise from borrower's failure to make the required payment obligations. Potential credit risk may arise from external factors including:
  - Softening residential property market with high property overhang;
  - High household debt (83.8% of GDP at 1H 2018); and
  - Softening economic growth which may have significant impact to vulnerable income groups.
- Among the risk mitigation measures executed include improved lending guidelines to focus on owner-occupied property financing; as well as GRAF and internal credit policy (ie. Debt-Service Ratio) for vulnerable income groups.
- Key initiatives in mitigating retail credit risk were:
  - Comprehensive customer portfolio review and implementation of granular scoring cut-off by segments;
  - Implementation of test programme to encourage booking of better-quality customers; and
  - Enhanced monitoring of monthly credit applications and customer profiling (portfolio performance).



Strategic Partnership with Credit Guarantee Corporation Malaysia Berhad ("CGC")



Strategic Partnership with Credit Guarantee Corporation Malaysia Berhad ("CGC")



ASNB Starz Awards 2018

#### PROSPECTS AND STRATEGY FOR FY2020

- The operating environment is expected to be challenging as consumer sentiments become more cautious. We will rely on our data science and credit analytics capabilities to better focus and target profitable and new customer segments, with relevant products.
- Key initiatives are:
  - CASA acquisition through new products and channels;
  - Building a more efficient and technology enabled Branch Footprint;
  - Embracing a High Performance Culture with a structured and sustainable programme;
  - Improving Customer Satisfaction based on drivers for Net Promoter Scores; and
  - Managing Credit Risk through credit analytics, proactive credit strategies and actions.



## Business Review

## BUSINESS BANKING

**Christopher Yap Huey Wen***Managing Director, Business Banking*

The Business Banking division was launched in April 2017 to focus on Malaysia's emerging small and medium-sized enterprises (SMEs), which form the backbone of the country's economy.

The creation of Business Banking is also in keeping with our national agenda and strategic initiative to nurture entrepreneurs. This will create positive spillover effects for Malaysia's economy and vision to become a fully-developed nation by 2024.

The Business Banking division comprises of two segments, namely: Enterprise Banking and Commercial Banking.

## FINANCIAL PERFORMANCE

## Overall Performance

## TOTAL INCOME



**RM322.4 million**  
in FY2019

RM258.7 million in FY2018

## PROFIT AFTER TAX ("PAT")



**RM130.3 million**  
in FY2019

RM84.0 million in FY2018

## PERFORMANCE METRICS



## TOTAL LOANS

**RM9,964 million** in FY2019

RM7,703 million in FY2018



## TOTAL DEPOSITS

**RM5,696 million** in FY2019

RM4,203 million in FY2018



## BANCASSURANCE

## Life Insurance

**RM37.3 million** in FY2019

RM5.7 million in FY2018

## General Insurance

**RM16.6 million** in FY2019

RM14.1 million in FY2018

## KEY INITIATIVES AND DEVELOPMENTS

## Widening Distribution and Reach

- Business Banking continued to expand distribution channels nationwide via 27 Enterprise Business Banking Centres, and 18 Commercial Business Banking Centres. The division now employs 194 Relationship Managers serving the financial needs of business banking customers across Malaysia.
- Business Banking supports the needs of our customers by providing a wide range of products and solutions, such as Business Banking Lending, Business Wealth, Bancassurance, and Shariah-compliant SME Financing.

## Digitalising Transactions and Processes

- Business Banking's online banking portal, e-AmBiz, provides secured online 24/7 internet banking service with comprehensive features to support clients' day-to-day transactions.
- AmACE, our new Loan Origination System, dramatically improves customer experience by reducing the time taken to process, offer, and disburse a loan. Thorough automation, previously separate and repetitive tasks are completed at the click of the button. AmACE also makes possible on-demand extraction of performance, efficiency and exposure data to meet users' MIS needs.



## Business Review

### BUSINESS BANKING

#### KEY INITIATIVES AND DEVELOPMENTS

##### Innovative Business Financing Solutions

- Through its lending programs, Business Banking is able to offer banking products with improved lending guidelines that significantly reduce turnaround time ("TAT") and is more responsive to business customers' needs. Total lending under these programs in FY2019 was recorded at RM4.7 billion.
- The division offers a range of schemes such as financing for business premises and equipment purchases to more complex financing that allow for a combination of capital expenditure ("CAPEX") and working capital needs.
- Business Banking also structures more sophisticated products to cater to its larger business customers under Commercial Banking. Such products include working capital, bridging financing, contract financing and other specialised loans.
- The contract financing facilities offered by AmBank can be tailored for a specific project or contract. The financing package varies in accordance to the type of contract, such as construction, services, or supply-based projects. AmBank also provides financing for import and export transactions, particularly for businesses in the auto parts and food-related industries
- Apart from that, the bank is also the first to offer an asset-backed Credit Guarantee Corporation ("CGC") guaranteed scheme in the market which has a high margin of up to 148.0% for SMEs' asset and working capital loan needs.
- **Portfolio Guarantee ("PG") Scheme**
  - The scheme provides SMEs with financing of up to RM2.5 million and financing tenure of up to seven years at a competitive interest/profit rate. As part of its proposition, the PG Scheme does not require collaterals or charge credit guarantee fees, and has a shorter TAT due to its simplified lending process. The scheme saw a total of RM149 million loans disbursed in FY2019.
  - The bank also launched a Portfolio Guarantee Scheme in collaboration with CGC specially for Proton Dealers. The scheme provides assistance to dealers who are entitled to upgrade their facilities to 3S (sales, services and spare parts) and 4S (including body and paint) centres.
- **Shariah-compliant SME Financing Scheme 3.0**
  - The Bank is also exploring to participate in the Shariah-compliant SME Financing Scheme 3.0 which gives priority to SMEs involved in exporting halal products as announced in the Budget 2019. Total fund allocation is RM1.0 billion with profit rate subsidy of 2% by the Government that is to be enjoyed by eligible SMEs. Based on 19 participating financial institutions, each institution will be allocated an initial limit of RM52.6 million.

##### Business Wealth

- Business Banking has a dedicated team of Relationship Managers ("RMs") that focus specifically on helping businesses manage their wealth. RMs are committed to tailoring the right solutions to help business clients meet their financial goals and objectives.
- The Business Wealth team saw total deposits of RM817 million in FY2019.

##### Business Bancassurance

- To achieve a holistic level of offerings, Business Banking offers solutions that help customers protect their business from financial damages resulting from unforeseen events.
- Bancassurance solutions include Reducing Team Assurance ("RTA"), Level Term Assurance ("LTA"), and Level Term Assurance with Refund of Premium ("ROP").
- The Business Banking Bancassurance Unit has closed a total of 4,395 number of cases for both life insurance and general insurance with a total premium of RM53.82 million to-date.

## Business Review

## BUSINESS BANKING

## SUSTAINABILITY CONTRIBUTIONS

## Positive Societal Impact

## Accelerating Entrepreneurial Development

## • AmBank BizCLUB

- The AmBank BizCLUB is a business community platform that aims to help SMEs scale their business, go international, and reduce rate of failure.
- Three main activities of AmBank BizCLUB include:
  - > A series of conferences (AmBank BizCONFERENCES),
  - > A business competition (AmBank BizRACE); and
  - > Exclusive sharing sessions with well-known entrepreneurs and experts from various fields and industries.

## • AmBank BizCONFERENCES 2018

- Garnering a host of business owners from all industries, five AmBank BizCONFERENCES were held in FY2019, in conjunction with the launch of AmBank BizRACE Season 2. The conferences in FY2019 took place in Kuala Lumpur, Klang, Penang, Malacca and Johor Bahru. Its panelists included successful business owners who spoke about their own journey to success, as well as sharings from the top three winners of AmBank BizRACE season 1.

## • AmBank BizRACE Season 2

- The eight-month long AmBank BizRACE Season 2 programme ended in April 2019 where five high potential SMEs made it to the finale and three winners were chosen.
- The three winners were announced during an Awards Night ceremony held in Sheraton Hotel, Petaling Jaya
  - > AmBank Business of the Year 2019 went to PTT Outdoor, a retailer in outdoor gear and adventure trips
  - > AMS metal, a wholesale trader was the first runner-up; and
  - > Ticket2U, an online ticketing platform was second runner-up.
- The programme generated close to 1,000 entries and RM5.7 million in media exposure value.
- The second season of AmBank BizRACE provided opportunity for Malaysian business owners to learn from seasoned entrepreneurs, such as Dato' Cheah See Yeong from Baskin Robbins Malaysia, Mr. Chiau Haw Choon from Chin Hin Group, who is also EY's Entrepreneur of the Year (Malaysia), and Mr. Teh Swee Chye from Malayan Flour Mills.
- Other judges include Christopher Yap Huey Wen, Managing Director of Business Banking; Datuk Kamal Khalid, Group MD of Media Prima; and the senior management of AmBank BizRACE partners – UTM-Azman Hashim International Business School, Microsoft and MasterCard.
- AmBank Group decided to up the ante in season two by extending the development programme to the top 100 participating SMEs, instead of the top 15 in season one.
- In partnership with UTM-AHIBS, the top 100 SME participants attended a two-day training consisting of a business simulation programme centered around Strategic Talent Management, and another day involving an immersive experiential programme designed to help leaders develop critical thinking skills as well as build trust in their organisation.
- The top 30 SME participants that made it to next round, attended a four-day development programme that targeted four specific business areas – culture, innovation, process, and leadership.
- Besides entrepreneur-focused prizes, business owners also stood a chance to gain exposure across various mediums including TV, print, radio and digital channels, made possible by AmBank Group's partnership with Media Prima.



➤ AMS Metal Group, AmBank BizRACE First Runner Up 2019



➤ Cloudhax (Ticket2U), AmBank BizRACE Second Runner Up 2019

## Business Review

### BUSINESS BANKING

#### AWARDS AND RECOGNITIONS

- Best SME Bank Malaysia 2018 by Global Banking and Finance Magazine
- Top Financial Institution (FI) Partner Award for Commercial category by Credit Guarantee Corporation Malaysia
- Top Financial Institution (FI) Partner Award for the Bumiputera category by Credit Guarantee Corporation Malaysia

#### KEY RISKS AND MITIGATION MEASURES

- Credit risk - the risk of default on debt that may arise from borrower's failure to make the required payment obligations. Potential credit risk may arise from external factors including the softening economic growth which may impact businesses that do not have the financial capacity to maintain their cashflow position.
- We have issued the Non-Retail Credit Risk policy which sets out high-level credit principles to ensure that the non-retail segment of AmBank Group practises a consistent approach in managing credits while our GRAF is reviewed semi-annually to ensure our controls commensurate both the market conditions and business strategy.
- We have also implemented portfolio management tools, including the implementation of Phase 1 and Phase 2 of the Behavioral Early Warning Trigger system and our MIS reporting has been enhanced to allow for identification of portfolio trends for more proactive credit management.
- Portfolio management approach for small ticket size borrowers is applied, making use of early warning tools, collection management and MIS.
- Close monitoring on vulnerable borrowers is carried out.
- There is continued focus to drive an effective risk culture in Business Banking, especially with the planned migration to the FIRB approach.

#### PROSPECTS AND STRATEGY FOR FY2020

- Forge new mutually beneficial partnerships, aligned with the Group's Top 4 Strategy.
- While focusing on high yield products, increase flow-through for advisory business such as FX Bancassurance and others.
- Optimise Business Centre Network into new high potential areas, and improve the use of existing resources.
- Improve operational efficiency with AmACE and early warning tools.
- Magnify impact by clearly identifying targeted sectors, and deploying the specific value propositions to suit their needs.



PTT Outdoor (Malaysia) winner of AmBank Business of the Year 2019 Award



## Business Review

## ISLAMIC BANKING

**Eqhwan Mokhzanee Muhammad**

Chief Executive Officer, AmBank Islamic Berhad

AmBank Group offers Islamic banking, Islamic fund management, family takaful and Islamic capital market solutions to our customers.

AmBank Islamic Berhad is the primary Islamic banking arm of AmBank Group and offers a comprehensive range of Shariah-compliant retail and non-retail banking products and services, including investment, treasury, and trade solutions. Our primary role as a credit intermediary is complemented by an investment intermediary role, both of which are anchored by our value-based intermediation ("VBI") aspiration. This is an integral strategy to catalyse our journey towards becoming a purpose-based organisation, whilst being mindful of financial returns to our shareholder.

AmlIslamic Funds Management Sdn Bhd provides Islamic fund management solutions, whilst family takaful products are offered by AmMetLife Takaful Berhad.

## FINANCIAL PERFORMANCE

## Overall Performance

## TOTAL INCOME



**RM820.1 million**  
in FY2019

RM785.9 million in FY2018

PROFIT AFTER TAX  
AND ZAKAT ("PATZ")

**RM311.8 million**  
in FY2019

RM239.1 million in FY2018

## PERFORMANCE METRICS

COST-TO-INCOME ("CTI")  
RATIO

**38.7%** in FY2019  
53.7% in FY2018



## GROSS FINANCING

**RM29.3 billion**  
in FY2019

RM28 billion in FY2018

GROSS IMPAIRED  
FINANCING ("GIF") RATIO

**1.95%** in FY2019  
2.08% in FY2018



## CASA RATIO

**28.8%** in FY2019  
26% in FY2018

## KEY INITIATIVES &amp; DEVELOPMENTS

## Driving Sustainable and Profitable Growth

## Targeted and Diversified Growth

- Whilst auto financing used to be AmBank Islamic's primary income driver, AmBank Islamic's current strategy is to grow the auto financing portfolio in a selective manner.
- The strategy of offering auto financing and mortgages to selected segments, coupled with the distribution of Islamic unit trusts and bancatakaful products, have diversified and further improved our earnings.
- We have also introduced new products such as AmMoney Line-i (MTQ) and will writing service, which broadened our range of value-added offerings.
- One of our other key earnings drivers was term financing-i for investment in Amanah Saham Bumiputera ("ASB"), which grew to almost RM1.5 billion during the financial year.
- AmBank Islamic continued to strengthen its investment intermediation role, as manifested by the growth of its term investment account-i ("TIA-i") from RM118.6 million (as at 31 March 2018) to RM334.8 million (as at 31 March 2019). The TIA-i provides an avenue to our customers to earn higher returns by deploying their funds to invest in Shariah-compliant assets.

## Penetrating the SME Sector

- In line with our VBI aspiration, AmBank Islamic continued to make headways in the SME sector through our Enterprise Financing Programme, amongst other programmes. The programme enabled AmBank Islamic to offer banking products with pre-determined criteria to significantly reduce turnaround time to improve responsiveness to SMEs' needs. The offerings ranged from simple financing requirements for business premise and equipment purchase, to more complex structures, which may combine capital expenditure and working capital requirements.



## Business Review

### ISLAMIC BANKING

#### KEY INITIATIVES AND DEVELOPMENTS

##### Penetrating the SME Sector (continued)

- We were also one of the participating banks in the imSME Business Financing/Loan Referral Platform managed by Credit Guarantee Corporation Malaysia Berhad ("CGC"). imSME is the first online referral platform in Malaysia that is available 24/7 for SMEs to search for financial solutions offered by participating banks.
- We also participated in the 'Shariah-compliant SME Financing Scheme', whereby eligible SMEs may receive a two per cent profit expense rebate from SME Corporation.
- As at 31 March 2019, total financing to the SME sector stood at RM5.8 billion, or approximately 20% of our financing book.

##### Niche Sectors for Islamic Banking

- AmBank Islamic continued to lead Group-wide initiatives to move into sectors which typically gravitate towards Islamic banking, such as public bodies and educational institutions.
- We offered JomPAY solutions to public bodies and educational institutions as an additional collection channel to provide added convenience, accessibility and flexibility for online payments.
- Amongst others, we partnered with three public universities, a zakat collection centre and three mosques in Johor Bahru under the Waqaf An-Nur programme. We also partnered with Pejabat Tanah and Galian Negeri Perak.

##### Liquidity Resilience

- To grow 'sticky' and cost-effective deposits, we offered collection solutions via various channels, such as JomPAY. We also enhanced our payroll services and increased our share of wallet with our SME and mid-sized corporate customers to boost our deposit base.
- Cross-selling of CASA with financing products was an integral part of the strategy.
- The success of AmBank Islamic's deposit strategies resulted in an increase in deposits by 17.5%, on the back of CASA growth of 30.3%, resulting in AmBank Islamic's CASA ratio to improve to 28.8% in FY2019.

##### Capital Management

- Given that capital is scarce, AmBank Islamic is cognisant of the returns on capital employed to ensure accretive growth.
- We also monitored the utilisation rates of facilities extended to ensure optimum utilisation by our customers.
- AmBank Islamic completed the sale of certain written-off retail debt to Aiqon Islamic Sdn Bhd on 5 March 2019, and the net gain from the sale had improved AmBank Islamic's capital position. Furthermore, resources which would otherwise be utilised to recover the written-off debt, could be redeployed to prevent asset quality deterioration.
- After deduction of proposed dividend, AmBank Islamic's total capital ratio stood at 16.3%, while both common equity tier 1 and Tier 1 capital ratios stood at 11.1% (as at 31 March 2019).

##### Reinforce Malaysia's Position as an Islamic Finance Hub

- We are committed to strengthen Malaysia's position as an international financial centre for Islamic finance.

##### Promote Cross-Border Trade

- Our participation in cross-border trade is via the provision of trade finance facilities to our customers.
- Our target sectors were plantation, refinery, manufacturing, service providers and trading.
- Our trade finance portfolio grew from RM2.8 billion in FY2018 to RM3.7 billion in FY2019.

##### Foreign Currency Products to Support Cross-Border Trade

- We launched the following foreign currency products in FY2019:
  - Foreign Currency Current Account-i (MTQ)
  - Foreign Currency Revolving Credit-i (MTQ)
  - Foreign Currency Term Financing-i (MTQ)

##### Supported Events to Promote Islamic Finance

- AmBank Islamic was a member of the Organising Committee and Chairman of the Sub-Committee for Theme, Agenda and Speakers for the Global Islamic Finance Forum 2018 ("GIFF 2018").
- We provided sponsorships to and/or participated in finance-related events such as:
  - Kuala Lumpur Islamic Finance Forum 2019
  - Symposium on Islamic Finance
  - Penang International Halal Expo and Conference 2019
  - GIFF 2018
  - Karnival Kewangan, Terengganu
  - Karnival Kewangan, Sarawak
- We participated as a speaker at events such as:
  - IFN Investor Conference 2018
  - Future Retail Banking Summit 2019

##### Talent Development

- Besides building our own human resource capacity for our business, we also played a part towards the development of the industry's talent pool by providing internship placements for students from local educational establishments.
- We also contributed industry expertise to educational institutions as:
  - Member of the Industry Advisory Panel of Azman Hashim International Business School, University Technology Malaysia ("UTM")
  - Professor of Practice, The International Centre for Education in Islamic Finance ("INCEIF")

## Business Review

## ISLAMIC BANKING

## SUSTAINABILITY CONTRIBUTIONS

## Responsible Banking

## Value-based Intermediation ("VBI") for Financial Inclusion and Responsible Financing

- VBI is a BNM-led initiative which is expected to be a game-changer to drive Malaysia's Islamic finance industry to the next level, by giving equal importance to social and environmental considerations for sustainable value creation.
- The industry-level collaboration articulates strategies to promote the application of VBI practices, to lead to an improved suite of products and services offered by the Islamic banking industry for better facilitation of entrepreneurship, community wellbeing, sustainable environment and economic growth, without compromising shareholders' returns.
- The implementation of VBI practices is very much aligned with shareholders' focus on sustainable returns.
- While VBI shares similarities with concepts such as Ethical Finance, Environmental, Social and Governance ("ESG") and Sustainable and Responsible Investment ("SRI"), some of the key distinguishing features are the:
  - Central position of Shariah in determining the underlying values, moral compass, and priorities of the Islamic financial institution;
  - Focus on the real economy; and
  - Embedment of networking and upskilling aspects.
- VBI would benefit the following:
  - Financial Industry – Greater innovation, as well as enhanced efficiency and effectiveness of the Islamic financial ecosystem;
  - Customers and community – Improved standard of living with fair and transparent treatment for all customers;
  - The Government of Malaysia – Realignment of the banking industry's focus towards national agenda; and
  - Malaysian regulators (e.g. BNM) – Strengthened financial sector stability.
- In support of this vision, AmBank Islamic is a member of BNM-led Community of Practitioners for VBI.
- VBI is part of AmBank Group's sustainability agenda and is an integral part of AmBank Group's journey towards becoming a responsible lender/financier.
- AmBank Islamic has appeared on radio and business publications, and participated in events, to promote VBI.
- Whilst VBI encapsulates inter alia all of AmBank Group's material sustainability matters, the VBI aspiration is driven primarily from the lens of:
  - Financial Inclusion; and
  - Responsible Lending/Financing.
- We have put in motion several initiatives in our quest to integrate VBI characteristics into our business, which include our focus on and foray into the following sectors:
  - SMEs
  - Start-up businesses
  - Affordable homes
  - Green

## SUSTAINABILITY CONTRIBUTIONS

## Responsible Banking

## Value-based Intermediation ("VBI") for Financial Inclusion and Responsible Financing (continued)

- In regard to Financial Inclusion, VBI has been put into practice through:
  - AmBank Islamic's sectoral focus to grow in the SME sector by increasing the accessibility of banking solutions which are suitable to customers' needs and financial capability;
  - The AmBank BizCLUB and AmBank BizRACE continue to be AmBank Group's platform to support SMEs to network and provide them with the necessary tools to move forward and scale up their businesses;
  - We have broadened our offerings to start-up businesses under our SME Biz Start-up-i Scheme, a Shariah-compliant financing scheme in partnership with CGC; and
  - We are one of the participating banks in BNM's Fund for Affordable Homes, in support of the government's efforts to help the lower income group in the country to own a home.
- As regards to Responsible Financing, the Bank's:
  - Non-retail credit policy articulates the need to consider VBI as part of the credit evaluation;
  - Credit memorandum for credit applications in wholesale banking includes a section for commentaries on the environmental aspects of the credit application; and
  - Product development process has been improved to consider environmental aspects.

## Positive Societal Impact

## Business Zakat FY2019

- Total business zakat amount declared was RM1.9 million, out of which RM479,000 have been paid to the respective state zakat collection centres. Identified eligible recipients for the balance of RM1.4 million comprised of associations, charitable organisations, and Yayasan Pelajaran Mara ("YPM") for the on-going Student Adoption Programme.

## Employer of Choice

## Human Capital Development

- Our capacity building initiatives for Islamic banking entailed the establishment of a systematic training programme, which includes:
  - Mandatory Islamic banking 101 e-learning course;
  - Instructor-led training with modules that are tailored to ensure that the specific requirements of the business units are met; and
  - Nationwide engagements with relationship managers and Islamic banking champions in all AmBank Group branches.
- These are critical to ensure the sustainability of AmBank Islamic's business and operations.
- AmBank Group has established the Leadership Enhancement and Acceleration Programme ("LEAP") for the Group's top-tier talent development. The curriculum for LEAP includes project-based assignments, one of which is being sponsored by AmBank Islamic. The assignment is premised upon the principles of VBI and the talents were provided with opportunities to be involved in implementing some of the initiatives identified under the VBI aspiration.

## Business Review

### ISLAMIC BANKING

#### SUSTAINABILITY CONTRIBUTIONS

##### Employer of Choice

##### Employee Engagement

- Continuous employee engagement is our commitment in AmBank Islamic.
- “The Voice” was formed to champion employee engagement initiatives comprising representatives of employees from various levels and departments.
- “The Voice” worked closely with Group Human Resources to organise employee engagement activities. These engagement activities were consistent with the organisation’s values and in response to feedback provided by the employees.
- A job rotation programme was successfully launched to provide opportunities for AmBank Islamic employees to acquire new exposures in different areas.
- In the recent “Q12 Engagement Survey” carried-out by AmBank Group, the participation rate from AmBank Islamic employees was 100% and AmBank Islamic obtained the highest engagement score in AmBank Group.

#### KEY RISKS AND MITIGATION MEASURES

- **Credit Risk** – the risk of loss resulting from non-payment of facilities extended to customers.
  - Credit risk is mitigated by managing asset quality via prudent credit underwriting standards and proactive collection strategies.
  - We would also proactively engage major underperforming customers to avoid impairment.
- **Operational Risk** – the risk of loss resulting from inadequate or failed internal processes, people, systems or from external events, which include, but not limited to legal risk, technology risk and outsourcing risk.
  - We maintain a control environment, which encompasses a set of standards, processes, policies and structures that provide the basis for carrying out internal controls across the organisation.
  - The Operational Risk Appetite is established as part of the overall Group Risk Appetite Framework (“GRAF”), which sets acceptable tolerance level of operational risk we are willing to take and accept.
  - We identify, measure, assess, monitor, control and report operational risks in a consistent manner via operational risk management tools. The evaluation and monitoring of the effectiveness of the control activities at the business units is conducted periodically to ensure effective oversight of business/functional activities at all operating levels.
- **Market Risk** – the risk of loss due to adverse changes in the level or volatility of market rates, such as profit rates, equity prices, foreign exchange rates and commodity prices. It affects AmBank Islamic via:
  - i. Earnings – where market movements may affect the Bank’s earnings due to unrealised or realised losses; and

#### KEY RISKS AND MITIGATION MEASURES

- ii. Economics – where the economic or balance sheet value of the Bank’s assets and liabilities may be affected by changes in market rates.
    - Guidelines, practice guides and/or methodologies are emplaced to address market risk issues that may arise in each business.
    - In managing market risk, risk controls on market and liquidity risks via GRAF are established.
    - Stress testing is also conducted on a periodic basis with the objective to identify possible events or future changes in financial and economic conditions that could have unfavourable effects on the market or liquidity risk exposure including assessing the ability to withstand changes in relation to the capacity of the capital and earnings to absorb potential significant losses.
- **Cyber Risk** – the risk of loss of data and income arising from cyber-attack, as well as the costs incurred to remedy the situation. The scenario of such losses could be from Distributed Denial of Service (“DDOS”) attack, data leakage/theft, electronic payment interception and ransomware. Cyber risk is a type of technology risk that refers to threats or vulnerabilities emanating from connectivity to external networks or the internet on internal technology infrastructure.
    - The Cyber Resilience Policy is established to manage security with a multi-layered approach that encompasses people, processes, and technology, as well as facilitates and builds our ability to anticipate, withstand, contain and promptly recover from cyber-attacks and events that disrupt usual business operations and services.
    - A Security Incident Response Team is established with specific roles and responsibilities to identify, protect, detect, respond and recover from any cyber risk incident.
  - **Shariah Risk** – the risk arising from failure to comply with the Shariah rules and principles (Shariah non-compliance or “SNC”).
    - AmBank Islamic adopted the Shariah Governance Framework (“SGF”) issued by BNM by inter alia having the four key Shariah functions. The Shariah Research & Advisory (including Shariah Legal), Shariah Risk Management, and Shariah Review functions act as the second line of defence, whilst the Shariah Audit function, which is part of the Group Internal Audit Department, acts as the third line of defence.
    - The Bank has also put in place the necessary guidance, governance, policies and controls to manage SNC risk.
    - By having this practice in place, the Bank is able to identify, monitor, and mitigate Shariah risks.

## Business Review

### ISLAMIC BANKING

#### PROSPECTS AND STRATEGY FOR FY2020

##### Sustainable and Profitable Growth

- Over the last couple of years, AmBank Islamic had embarked on a revised strategy by growing its auto financing and mortgage portfolios in a selective manner, and focusing on profitable growth for its non-retail portfolio.
- We also introduced a number of new products and services to diversify our earnings drivers. These have resulted in a marked improvement in AmBank Islamic's underlying business as manifested through:
  - Growth in total income, financing, deposits, and PATZ;
  - Composition of fee-based income;
  - Asset and depositor concentration profile;
  - Net funded margin; and
  - Customer base.
- AmBank Islamic is now poised to harness opportunities in the Islamic banking space to further serve niche sectors. This would provide opportunities for the distribution of Islamic wealth management and bancatakaful products, and term financing-i for investment in ASB.
- These initiatives would be underpinned by strategies to procure low-cost deposits via new CASA propositions, cash management solutions, payroll, merchant acquisition, and utilisation of online channels.
- In line with our VBI aspiration, AmBank Islamic will continue to emphasise on the SME sector. Leveraging on strategic partnerships and upskilling initiatives such as the AmBank BizCLUB and AmBank BizRACE, would position us as the preferred bank among the SMEs. The SME sector would also provide the opportunity to cross-sell products such as key man takaful and deposits.
- We would continue to focus on trade and mid-sized corporate customers to increase the share of higher margin credit and deposits, and boost fee-based income.
- Managing asset quality via prudent credit underwriting standards and proactive collection strategies will continue to be our focus. This will complement our capital management strategies, which are key to drive our business in a sustainable manner.

##### Value-based Intermediation ("VBI")

- VBI's universal values in respect of being responsible towards the environment, economy, and society shall form an integral part of AmBank Group's financial inclusion and responsible lending/financing agenda.
- For AmBank Islamic specifically, our VBI journey will continue to be primarily manifested as follows:
- In the Financial Inclusion space:
  - We will leverage on our recently launched SME Biz Start-up-i Scheme, a Shariah-compliant financing scheme for businesses with minimal track record. Based on the performance of the scheme, we will incorporate further refinements to promote financial inclusion for start-up businesses.
  - To diversify our offering to the SME sector, we are exploring to participate in the Shariah-compliant SME Financing Scheme 3.0, which gives priority to SMEs involved in exporting halal products, as announced in the Budget 2019.
  - We are exploring to develop a platform to support SMEs to upskill themselves, particularly for sectors which are synergistic with Islamic banking.
- In the Responsible Financing space:
  - We intend to tap into the green financing sector to support the nation's renewable energy targets. We will also be exploring to participate in the Green Technology Financing Scheme 2.0, which was announced in the Budget 2019.
  - AmBank Islamic is spearheading AmBank Group's efforts to incorporate environmental and social considerations into the credit process in its quest to become a responsible lender/financier. Once the BNM VBI Financing and Investment Impact Assessment Framework is finalised, AmBank Group would explore embedding some areas of the framework into its credit processes.
- Moving forward, we are confident that value-based considerations will deliver the intended outcomes of Shariah to generate positive and sustainable impacts to the economy, community and environment, consistent with sustainable returns for shareholders' and our long-term interests.

##### Capacity Building

- We will continue to promote capacity building in order to develop the right skillsets, optimal level of resources, and ensure proper succession. To ensure the sustainability of our business and operations, our training plan entails systematic and targeted training for Board members, Shariah Committee members, management, and staff of AmBank Group who are involved in the Islamic banking business.
- AmBank Islamic is keen to contribute towards raising the professional standards of the Islamic finance industry in Malaysia by creating a workforce which ascribes to high standards of professional conduct, knowledge, and competence to continue building customer trust and confidence in the Islamic finance industry, through inter alia the Certified Shariah Advisor, Certified Shariah Practitioner, and Chartered Professional in Islamic Finance programmes.



## Business Review

### GENERAL INSURANCE



**Derek Llewellyn Roberts**

*Chief Executive Officer, AmGeneral Insurance Berhad*

Our General Insurance division, operating under AmGeneral Insurance, has over 2 million customers and over 4 million policies – making us one of the largest Motor and General Insurance providers in the country.

Our products are distributed under two trusted and well-established brands – Kurnia and AmAssurance. We generate growth through continuous improvement in our comprehensive range of general insurance solutions, distributed through a network of 33 Kurnia and AmAssurance counters and branches, more than 6,500 agents and dealers, and AmBank's 170 nationwide branches.

#### FINANCIAL PERFORMANCE

##### Overall Performance

##### GROSS WRITTEN PREMIUM



**RM1,526.5 million**  
in FY2019

RM1,473.9 million in FY2018

##### PROFIT AFTER TAX ("PAT")



**RM220.1 million**  
in FY2019

RM255.5 million in FY2018

#### KEY INITIATIVES AND DEVELOPMENTS

##### Maintaining Market Leading Position in Motor and General Insurance

- Throughout 2018, AmGeneral is the forerunner in the Malaysian Motor insurance market, ranked at second position with a 14.55% gross market share as of December 2018. AmGeneral is also the third largest general insurer in Malaysia by Gross Written Premium ("GWP") with an 8.59% market share.

##### Leading the Market with Better Coverage and Value-Driven Products

- AmGeneral remained competitive and aggressive in the Liberalised environment by releasing a string of new and enhanced products throughout the year. In conjunction with the first Anniversary of Liberalisation on July 2018, AmGeneral launched its new and improved liberalised 'Better365' Motor and Fire products, catered to the increasing market demands.
- The launch was officiated by Chief Executive Officer, Derek Roberts, together with Chief Distribution Officer, Grace Quah, and Chief Underwriting Officer, Simon Herbert in the presence of AmGeneral Senior management team, AmGeneral employees, agents, partners and members of the media. A one-month roadshow campaign to 51 selected Kurnia agents' offices was conducted to promote these newly launched products.



➤ The launch of new and improved liberalised 'Better365' Motor and Fire products

## Business Review

## GENERAL INSURANCE

## KEY INITIATIVES AND DEVELOPMENTS

## Introducing More Innovative and Distinctive Products

- AmGeneral took the opportunity to embrace this ever changing industry by packing our products with better coverage and better value, focused on delivering products that are different from the standard tariff products whilst providing significant value to customers for the Motor and Non Motor segments.
- Motor:
  - **Corporate Motor**
    - > a risk-based pricing approach for comprehensive motor insurance offered only to corporate clients
  - **Auto365 Comprehensive Premier**
    - > an upgrade to the highly successful Motor product which was originally launched in October 2017, currently contributing 38% of total Motor portfolio in AmGeneral
  - **Auto365 Comprehensive Motor (Franchise)**
    - > exclusive product developed for our franchise partners
  - **Auto365 Third Party Fire & Theft ("TPFT") Premier**
    - > a differentiated Motor product that fills the gaps between the standard Third Party Fire & Theft and standard Comprehensive Motor
- Non-Motor:
  - **Fire365**
    - > a new liberalised Fire product which provides a limited number of additional covers from the standard tariff coverage
  - **Right Cover Personal Accident ("PA")**
    - > a low-cost Personal Accident product for the masses
  - **Right Cover PLUS Personal Accident**
    - > a mid-range Personal Accident product with market leading unique covers and benefits
  - **E-hailing** optional add-on for both Comprehensive Standard and Comprehensive Premier products
    - > providing customers who are using their vehicles for E-hailing purposes with necessary add-on cover
  - **Enhanced All Risks 365**
    - > enhanced product with sharper pricing and additional coverage and options
  - **M&E365 (Machinery & Equipment 365 All Risks)**
    - > targeted at customers with machinery and equipment assets who require an All Risks cover with competitive pricing

## KEY INITIATIVES AND DEVELOPMENTS

## Putting Our Customers First

- AmGeneral's priorities has always been to put our customers first by providing a strong customer experience and ensure customer satisfaction in all areas of our operations from confirming a policy to renewing or making a claim. Some of our customer-centric initiatives include:
  - **Kurnia and AmAssurance One Touch App** – customers are able to request for immediate accident and roadside assistance, submit claim information, and connect with their preferred agent.
  - **Kurnia Auto Assist Services** – an exclusive 24-hour roadside assistance to help customers in the event of a vehicle break down or an accident.
  - **Fast Claims Approval Turnaround Time** – provide the best turnaround in the industry with an average claims approval of six days.
  - **Express Claims Services** – ensure smooth and speedy motor claims settlement, with significant savings in time and cost.
  - **Specialist Windscreen Repairers** – we fix or repair customers' windscreen in a matter of hours, with no upfront payment and a two-year guarantee on workmanship.
  - **Multi-channel Renewal Reminders** – we provide quick and easy insurance renewal for our customers.

These customer-centric initiatives contributed to a significant increase in AmGeneral's Net Promoter Score ("NPS") by 60% as of March 2019, compared to the same period last year.

## Creating Product Awareness Among AmBank Customers

- In mid-July 2018, the second phase of 'AmAssurance on Tour' truck that was first introduced in February 2017, was launched at Bangunan AmBank Group in Kuala Lumpur. The three-month roadshow aimed to create brand visibility and public awareness on AmGeneral products offered at AmBank branches.
- The truck traversed to 80 selected AmBank branches in Peninsular Malaysia to share AmGeneral's product offerings with AmBank customers, such as our auto365 Comprehensive Premier, AmDrive Plus, and AmPro PA Plus. There were also fun-filled activities arranged for clients who dropped by our 'AmAssurance on Tour' truck.

## Business Review

### GENERAL INSURANCE

#### KEY INITIATIVES AND DEVELOPMENTS

##### Digitalising Products and Customer Engagement

- Through our brand, Kurnia Insurans (Kurnia), AmGeneral recognises the importance of embracing digital technology and began providing digital solutions for our customers.
- Kurnia launched '**Home Safe Campaign**' on 11 May 2018, a social media engagement campaign held in partnership with Paramount Property and Build Easy, which used virtual reality ("VR") to identify home hazards.
- Home Safe Engagement Campaign achieved a total of 4 million impressions and reached an audience of 3 million individuals.
- To speed up AmGeneral's digital penetration, **Self-Serve Insurance Kiosks** were deployed at over seven AmGeneral branches nationwide, two AmBank branches and one Kurnia agent's office.
- Leveraging on AmBank's online banking platform, **AmOnline**, customers can now purchase or renew their motor insurance and road tax at the click of a button via the AmOnline website and mobile app.
- On 15 August 2018, Kurnia inked a **digital partnership with local insurance startup GITOGO**.
- Through the partnership, AmGeneral is able to offer Kurnia Personal Accident (PA) policies with better coverage and value to our clients via GITOGO. The partnership signifies another step for AmGeneral in providing more digital solutions to our clients, whilst empowering our agents and local entrepreneurs to further capture the digital space.

#### SUSTAINABILITY CONTRIBUTIONS

##### Positive Societal Impact

##### Inculcating Road Safety Among the Young

- Kurnia organised a pilot Corporate Social Responsibility ("CSR") Programme called '**Adiwira Topi Keledar**', carrying the theme 'Hero yang Selamat adalah Hero yang Hebat!' at 30 selected primary schools in Klang Valley, Selangor; Johor Bharu, Johor; and Kota Bharu, Kelantan, in March 2019. Through this programme, 1,800 limited edition helmets were given away to primary school students to promote road safety and good road behavior. The main message delivered was the importance of wearing motorcycle helmet while on the road.
- We kick-started the programme with a colouring contest where students from participating schools were given the opportunity to express their creativity by designing their own helmets. The colouring contest received entries from over 20,000 students. A prize-giving ceremony was held in April 2019 where the three finalists and their respective schools were awarded with prizes. The winning designs were adapted to produce special edition helmets to be distributed to the students of these schools.
- The CSR Programme is aligned with AmGeneral Insurance's purpose, which is - "Together We Help Make Our Malaysia a Safer Place with Great Insurance Solutions". The campaign was co-organised with 'MyPerintis' as our partner to work with the Ministry of Education and the Education District Offices to reach out to the targeted primary schools.
- AmGeneral is set to roll out phase two of 'Adiwira Topi Keledar' campaign due to encouraging response from our partners with strong support from the Ministry of Education, the District Education Offices, teachers, and parents.



AmGeneral Insurance links up with startup GITOGO



CSR Programme 'Adiwira Topi Keledar'



## Business Review

### GENERAL INSURANCE

#### AWARDS AND RECOGNITIONS

- Won the '**OSH Best Practices Award**' at the AmBank OSH Seminar held on 3 July 2018 for obtaining the highest rating in the OSH Audit and Inspection among AmBank Group entities.
- Awarded **Bronze for 'Excellence in Branding Strategy'** for Kurnia's auto365 marketing campaign at A+M's Marketing Excellence Awards held at Sheraton Imperial KL on 19 October 2018. AmGeneral's winning submission "Navigating in a New Insurance Landscape" was evaluated and judged by esteemed industry leaders and senior marketers. Through our 'Better365' range of liberalised products, AmGeneral strives to establish our brand as the preferred insurer with strategic and insightful branding and marketing plans.



#### KEY RISKS AND MITIGATION MEASURES

- Insurance Risk – AmGeneral principally issues the following types of general insurance contracts: Motor, Household and Commercial Fire, Business Interruption, Personal Accident, Extended Warranty and other Miscellaneous commercial contracts. Risks under these contracts usually cover a twelve-month duration other than Contractors' All Risk & Engineering and Extended Warranty which may be extended for more than a year. For general insurance contracts, the most significant risk arises from the frequency and severity of the claims experience. These risks vary significantly in relation to the location of risk, type of risk insured and industry.
- The above risks are mitigated by diversification across a large portfolio of insurance contracts. The volatility of risks is mitigated by implementation of underwriting strategies and claims management policies which attempt to minimise risks while at the same time encouraging reduction in the time taken to settle claims.
- AmGeneral limits its exposure to risk via various reinsurance arrangements. Also claims exposure is limited to individual contracts and loss events basis such as floods and fires, as well as accidents involving multiple insureds.
- Underwriting, Pricing & Product ("UPPCo") has been established to ensure that underwriting, pricing and product review and development is well managed and governed.

#### Risk Management Framework for FY2020

- AmGeneral's Enterprise Risk Management Framework is focused on embedding effective risk mitigation mechanisms and risk disciplines within the Company to manage risks within the Board-approved and risk appetites while protecting it from uncertainties and threats, thus enabling the achievements of its business objectives.
- The objectives in managing risks are essential to sustain the Company's business in order to:
  - Protect the investment of the Company's shareholder
  - Create value for the Company's shareholder
  - Fulfil its obligation to the Company's customers and other stakeholders
  - Prepare the Company's resilience to face expected and unexpected events
  - Support the Company's objectives and the achievement of its long term strategic intent
  - Instil confidence in customers, shareholders and other stakeholders on the Company's financial strength, capability and reliability

#### PROSPECTS AND STRATEGY FOR FY2020

- AmGeneral's enhanced strategic goals will be delivered via a series of innovative programmes that leverage on existing and recently deployed foundational capabilities.
- Our three-year FY2019-2021 key focus areas are:
  - Drive Motor growth and profit across all distribution channels
  - Balance up the Non Motor portfolio to include more innovative products
  - Offer market leading customer and agent servicing
  - Develop stronger internal capabilities within the business



## Business Review

### LIFE INSURANCE



**Ramzi Albert Toubassy**

*Chief Executive Officer, AmMetLife Insurance Berhad*

Our Life Insurance division operates under AmMetLife Insurance Berhad (AmMetLife), a joint venture between AmBank Group and MetLife International Holdings, Inc. The partnership merges MetLife's financial strength and global expertise with the local reach of AmBank Group to deliver value-centric and tailored wealth protection solutions.

AmMetLife serves one million policyholders in Malaysia and is fully supported by AmBank Group's extensive distribution channel of almost 200 AmBank and AmMetLife branches across the country.

#### FINANCIAL PERFORMANCE

##### Overall Performance

##### TOTAL INCOME



**RM198 million**  
in FY2019

RM137.0 million in FY2018

##### PROFIT AFTER TAX AND MINORITY INTERESTS ("PATMI")



**RM35 million**  
in FY2019

(RM1.5 million) in FY2018

#### PERFORMANCE METRICS

##### ➤ NEW BUSINESS ANNUAL PREMIUM EQUIVALENT CAGR

**RM151.5 million**  
in FY2019

RM132.9 million in FY2018

##### ➤ MANAGEMENT EXPENSE RATIO

**26.8%**  
in FY2019

30.1% in FY2018

#### KEY INITIATIVES AND DEVELOPMENTS

##### Improving Business Performance through Better Partnership

- AmMetLife recorded a new Business Annual Premium Equivalent growth of 14% and a Gross Written Premium growth of 13% in FY2019, attributed to revenue contribution from our strong Bancassurance partnership and Employee Benefits distribution channel.
- We also accelerated the development of our Bancassurance Specialist team and launched 'Protect Value' to provide crucial protection with cancer-care benefits in April 2018. This has led to a doubling of New Business Premium for our Bancassurance Specialists business sub-channel.

##### Enhancing Life Insurance Product Features

- Launched HCC BoostUp Rider, a first of its kind medical plan in Malaysia that covers genomic testing after a patient is diagnosed with cancer. The HCC BoostUp Rider is an investment-linked unit deducting rider, attachable to the HealthCare Choice Rider. It further enhances HealthCare Choice Rider's coverage by offering a high annual limit of RM1 million and above. This plan is distributed by our strong network of life insurance agents nationwide.

## Business Review

## LIFE INSURANCE

## KEY INITIATIVES AND DEVELOPMENTS

## Digitalisation for Better Efficiency

- As we further embark on digitalising our company, we launched an online sales tool which enables our sales agents to submit new applications electronically at any time of the day. The interactive app has been well received by our agents and has led to an increase in our life insurance business.

## Innovative Sales Force Recruitment Strategy

- We are also expanding our sales force through our Young Entrepreneurs Scheme. Through this recruitment strategy, we hope to develop young life insurance entrepreneurs within a span of three years by providing them with the right training and incentives. In addition to attracting aspiring entrepreneurs, we have also launched for the first time a very attractive programme to groom and attract MDRTs.

## SUSTAINABILITY CONTRIBUTIONS

## Positive Societal Impact

## Building Financial Health for All

- MetLife Foundation partnered with Kiva, a global non-governmental organisation, to support low-income entrepreneurs around the world. The collaboration saw thousands of MetLife Asia associates directing micro loans worth USD 260,000. In Malaysia, more than 400 AmMetLife associates participated and helped contribute RM45,000 to support low-income entrepreneurs from around the world.
- MetLife Foundation has made a significant grant commitment of USD2.5 million (for Malaysia) for the 'i3' (Innovate, Implement, Impact) programme, which aims to reach out to more than 200,000 low to moderate-income Malaysians with improved financial health outcomes over three years and millions more at scale.
- In September 2018, MetLife Foundation and the United Nations Capital Development Fund ("UNCDF"), in partnership with Bank Negara Malaysia, and the Malaysian Digital Economy Corporation launched the Digital Finance Innovation Hub as the first initiative under the i3 programme.



▶ Launching of HCC BoostUp Rider



▶ Launching of ProtectValue

## AWARDS AND RECOGNITIONS

- The American Malaysian Chamber of Commerce Certificate of Recognition for excellence in Corporate Social Responsibility.

## PROSPECTS AND STRATEGY FOR FY2020

- We will continue to focus on providing protection, health and wellness by introducing products that cater to our customers at various stages of their lives. We will further embark on growing the company by introducing new products and solutions that can genuinely make a difference in the lives of our customers and the communities we serve. We see ourselves as architects of a more protected world – and we are committed to making AmMetLife a company that can thrive for many more years to come.

## Business Review

### FAMILY TAKAFUL



**Noor Azam Bin Mohd Yusof**

*Chief Executive Officer, AmMetLife Takaful Berhad*

Our Family Takaful division, is operated under AmMetLife Takaful Berhad (AmMetLife Takaful). Being a working partnership between AmBank Group and MetLife International Holdings, Inc., our Family Takaful business benefit from MetLife's international takaful exposure and robust financial strength of and AmBank Group's local industry know-how.

AmMetLife Takaful is a member of the Malaysian Takaful Association and provides a broad range of family takaful solutions encompassing education, health, assets protection, group coverage, Reducing Term Takaful and personal savings.

#### FINANCIAL PERFORMANCE

##### Overall Performance

##### TOTAL INCOME



**RM18.8 million**  
in FY2019

RM9.8 million in FY2018

##### PROFIT AFTER TAX AND MINORITY INTERESTS ("PATMI")



**(RM9.9 million)**  
in FY2019

(RM21.3 million) in FY2018

#### PERFORMANCE METRICS

##### ➤ NEW BUSINESS GROSS ANNUAL PREMIUM

**RM51.6 million** in FY2019  
RM75.1 million in FY2018

##### ➤ VALUE OF NEW BUSINESS

**RM5.9 million** in FY2019  
RM8.3 million in FY2018

##### ➤ MANAGEMENT EXPENSE RATIO

**34%** in FY2019  
39% in FY2018

#### KEY INITIATIVES AND DEVELOPMENTS

##### Distribution Strategy

- AmMetLife Takaful continued to leverage and strengthen our bancatakaful offerings through AmBank and AmBank Islamic branches, as well as our authorised takaful agents nationwide to promote Shariah-compliant takaful products and improve the conversion rate for credit-related products.
- We also continued to reinforce our Hybrid Distribution Model with AmMetLife Insurance through on-going digital enhancements and joint expansion of our agency force. Going forward, AmMetLife Takaful will take full advantage of AmMetLife Insurance's distribution channels to capture the takaful-oriented employee benefits market.
- In addition, AmMetLife Takaful has embarked on an alternative distribution strategy, namely, to partner with third party banks to distribute advisory takaful products and explore non-traditional partners to provide takaful coverage to the general public.
- During the financial year, AmMetLife Takaful had started to provide takaful coverage to mortgages extended by *Lembaga Pembiayaan Perumahan Sektor Awam ("LPPSA")*.

##### Product Strategy

- In FY2019, AmMetLife Takaful focused on generating high-value and profitable new businesses through cross-marketing our product offerings to AmBank Islamic customers.
- In addition, we enhanced our current investment-linked takaful product offerings, in line with BNM's VBI aspirations to improve the living standards and financial inclusivity of our society.

## Business Review

## FAMILY TAKAFUL

## SUSTAINABILITY CONTRIBUTIONS

- A partnership between MetLife Foundation and Kiva, a global non-governmental organisation, to support low-income entrepreneurs around the world saw thousands MetLife Asia associates directing micro loans worth USD 260,000. In Malaysia, more than 400 AmMetLife associates participated and helped contribute RM45,000 to support low income entrepreneurs from around the world.
- MetLife Foundation has made a significant grant commitment of USD2.5 million (for Malaysia) for i3 (Innovate, Implement, Impact) programme that aims to reach more than 200,000 low to moderate income Malaysians with improved financial health outcomes over three years and millions more at scale. In September 2018, MetLife Foundation and United Nations Capital Development Fund ("UNCDF"), in partnership with Bank Negara Malaysia ("BNM"), and Malaysian Digital Economy Corporation ("MDEC") launched the Digital Finance Innovation Hub as a first initiative under the i3 programme.



Memorandum of Understanding ("MOU") with Yayasan Wakaf Malaysia

## AWARDS AND RECOGNITIONS

- Innovation Award for iMeriah 2018
- Best Family Takaful Operator Award 2018

## PROSPECTS AND STRATEGY FOR FY2020

- Ensuring the growth of the company is crucial this year and key strategies has been put in place to accelerate the business. Initiative to improve internal process and management of business activities are closely check and enhanced if need be.
- Collaboration of business arrangement with other financial institution is also been planned this year to diversify income into the company i.e. Banca arrangement with other banks to promote Takaful advisory product.
- FY2020 sets a new page for AmMetLife Takaful with the constant changes of the insurance and takaful landscape, we view it as opportunities as it will continue to fuel the need for takaful protection. In line with the Bank Negara's aspiration to close up the protection gap, we foresee the need for affordable and simple products – the iMeriah product concept is the solution for this.



Best Family Takaful Operator at the Islamic Business and Finance Southeast Asia Awards



# Our Approach to Sustainability

At AmBank Group, we continue to integrate the principles of sustainability and Value-based Intermediation ("VBI") into our business goals and strategy as part of our aspiration to become a Top 4 bank in Malaysia. Along with acting in an environmentally responsible manner, we also incorporate social and economic impacts of our actions to ensure they benefit and contribute to the greater good of society.

This is the first year where AmBank Group adopts an integrated reporting approach. In line with the new reporting format, efforts are taken to attribute specific sustainability contributions to each line of business. Nonetheless, specific areas of our sustainability efforts pertaining to the overall Group initiatives are retained within this dedicated sustainability section to provide a holistic view on our sustainability journey.

In addition to following the Integrated Reporting (IR) Framework, the preparation of this sustainability section is also guided by the Sustainability Reporting Guide and Toolkits issued by Bursa Malaysia Berhad. We also based our sustainability reporting approach on internationally established sustainability frameworks such as: Global Reporting Initiative ("GRI") Sustainability Reporting Standards; United Nations Sustainable Development Goals ("SDGs"); SDG Industry Matrix for Financial Services; and the Dow Jones Sustainability Index.

Whilst VBI is underpinned by Shariah principles, its universal values in respect of being responsible towards the environment, economy and society are an integral part of AmBank Group's financial inclusion and responsible lending agenda.

## SUSTAINABILITY STATEMENT SCOPE

The Sustainability Statement covers AmBank Group's operations pertaining to its three main subsidiaries: AmBank (M) Berhad, AmBank Islamic Berhad and AmInvestment Bank Berhad, hereinafter referred to as AmBank or the Group for the purposes of the Sustainability Statement (the "Statement" or "SS"), for the financial year ended 31 March 2019 ("FY2019"). The three subsidiaries account for more than 96% of AmBank Group's total assets and most of the environmental, economic and social ("EES") impacts.

The various banking entities under AmBank Group are active participants in joint industry initiatives and regulatory compliance measures to promote and reinforce inclusive, fair and responsible practices among financial services providers in Malaysia. The following table describes the banking industry associations, which we are a member of:

Banking Entities	Membership
AmBank (M) Berhad	The Association of Banks in Malaysia ("ABM")
AmBank Islamic Berhad	Association of Islamic Banking Institutions Malaysia ("AIBIM")
AmInvestment Bank Berhad	Malaysian Investment Banking Association ("MIBA")

## SUSTAINABILITY GOVERNANCE

AMMB Holdings Berhad ("AMMB")'s Board of Directors (the "Board") hold ultimate accountability for the integration of sustainability in the Group's operations including the monitoring and implementation of sustainability and VBI-related strategies.

A Sustainability Working Group ("SWG") operates at the management level to reinforce our existing governance ecosystem. The Board works alongside the SWG to provide formal oversight of AmBank Group's sustainability agenda and ensure that sustainability and VBI considerations are integrated into our decision making, where possible. This includes the relevant processes and conduct of embedding sustainability practices into AmBank's operations by ensuring all material sustainability matters are being considered and managed throughout our business operations, (e.g. developing policies, measures or action plans).

The Board's Risk Management Committee ("RMC") assists in sustainability oversight by reviewing this Sustainability Statement prior to submission to the Board for approval. The Audit and Examination Committee ("AEC") also provides support in driving sustainability initiatives at the Board level.

## Sustainability Governance Structure of AmBank Group

1	2	3	4	5
Board of Directors	Risk Management Committee ("RMC")	Group Chief Executive Officer ("GCEO")	Sustainability Working Group ("SWG")	Sustainability Champions Teams ("SCTs")

The SWG reports to the Group Chief Executive Officer ("GCEO") and is responsible to develop the Group's Sustainability Statement, in line with the Amendments to the Listing Requirements of Bursa Malaysia. The Statement is also guided by the Strategy Document on 'Value-based Intermediation: Strengthening the Roles & Impact of Islamic Finance' issued by Bank Negara Malaysia ("BNM") ("VBI Strategy Document").

The SWG is supported by Sustainability Champions Teams ("SCTs"), each of which have oversight on the delivery of the sustainability strategy and are involved in reporting and reviewing the progress on the Sustainability agenda.

## Our Approach to Sustainability

### ALIGNING TO GLOBAL SUSTAINABILITY GOALS

In line with the United Nations Agenda 2030 for Sustainable Development, AmBank Group strives to create a shared sustainable future for our employees, customers, shareholders and the community, as well as contributing to a sustainable future for Malaysia's present and future generations.

The SDGs aim to bring the world's countries together to end all forms of poverty, fight inequalities, protect human rights and tackle climate change. Of the 17 SDGs designed to shift the world onto a sustainable and resilient path, we have expanded our SDG reporting in FY2019 to include nine SDGs up from four in the previous year.

These interrelated global ambitions are closely linked to the Group's efforts in improving the economic, social, and environmental outcomes of communities; and ultimately reinforces Malaysia's contribution to the global collective journey to build peaceful, just and inclusive societies and ensure the tangible conservation of the planet and its natural resources.

#### AmBank Group's Sustainability Endeavours Contribute To Nine Out of The 17 UN SDGs



A strong advocate of sustainable development, AmBank Group continues to join the global alliance in accomplishing the goals outlined under Agenda 2030, by playing our part in improving the lives and livelihoods of Malaysians, focusing in particular on sustainable economic growth, environmental protection and social inclusion.

AmBank Group's Statement of Value Added summarises AmBank Group's economic contribution to our stakeholders, as we deliver on the larger wellbeing and integrity of the Malaysian financial sector, as outlined under the SDGs. AmBank Group aspires to continue to create sustainable value added from careful and prudent utilisation of our resources in all our decisions and processes.

For FY2019, the total value-added generated by AmBank Group amounted to RM3,524.9 million, registering an increase of 13% compared with RM3,123.2 million in FY2018. Among the stakeholders who are beneficiaries of the value-added distributed by the Group include:



Charity Programme at Shan Children's Home Association in Penang

- i. Employees (personnel expenses) accounted for a 35.8% share of value-added in FY2019, registering a 9.1 percentage points reduction from FY2018. This was mainly due to voluntary mutual separation scheme ("MSS") expenses incurred in prior year as part of the Group's strategy to enhance efficiency and productivity.
- ii. Contributions to the Malaysian Government in taxation took up 13.9% of the Group's value-added in FY2019, representing an increase of 4.7 percentage points from the preceding year;
- iii. Distributions in the form of zakat to state zakat collection centres benefiting members of the community constituted 0.1% of the total value-added for FY2019, unchanged from FY2018;
- iv. Dividends to shareholders and contributions to non-controlling interests took up 19.9% of total value-added for providers of capital in FY2019, marginally lower than the 20.9% share in FY2018; and
- v. Reinvestments back to the Group (depreciation and amortisation, as well as retained profits) absorbed 30.4% of our value-added for FY2019, compared with a 25% share in FY2018. This is to ensure the Group continues to grow sustainably in keeping with the objectives set under our Top 4 aspirations and beyond.



> Further details on AmBank Group's statement of value added for FY2019, please refer to [page 42](#).

In addition to the economic dimension where we ensure that our stakeholders enjoy shared prosperity and fulfilling lives in a fair and equitable manner, our sustainability endeavours also inextricably point to how we foster a society that is peaceful and just and how we help preserve our planet through sustainable consumption in managing our natural resources.

## Our Approach to Sustainability

The following table provides the relevant page references to the respective sections which highlight our key Agenda 2030 contributions for FY2019, in relation to the nine SDGs:

UN SDGs	Global SDG Targets	AmBank Group's Contributions
Goal 2 Zero Hunger	<ul style="list-style-type: none"> <li>By 2030, end hunger and ensure access by all people, in particular the poor and people in vulnerable situations, including infants, to safe, nutritious and sufficient food all year round</li> </ul>	<ul style="list-style-type: none"> <li>Please refer to our AmKasih Programme within the <b>'Community Investments and Developments'</b> section on page 125.</li> </ul>
Goal 3 Good Health and Wellbeing	<ul style="list-style-type: none"> <li>By 2030, reduce by one third premature mortality from non-communicable diseases through prevention and treatment and promote mental health and wellbeing</li> </ul>	<ul style="list-style-type: none"> <li>Read about the wellness tools, resources and benefits we provide our employees to promote their physical and mental wellbeing within the <b>'Improving Employee Wellbeing and Engagement'</b> and the <b>'Ensuring a Conducive, Safe, and Healthy Workplace'</b> sections on page 111 and 114, respectively.</li> </ul>
Goal 4 Quality Education	<ul style="list-style-type: none"> <li>By 2030, substantially increase the number of youth and adults who have relevant skills, including technical and vocational skills, for employment, decent jobs and entrepreneurship</li> </ul>	<ul style="list-style-type: none"> <li>Please refer to how we equip our employees with valuable professional and soft skills, as well as how we raise the standards of education through the Financial Industry Collective Outreach ("FINCO") within the <b>'Providing Professional Development'</b> and <b>'Building Social Equity and Improving Societal Wellbeing'</b> sections on page 120 and 126, respectively.</li> </ul>
Goal 5 Gender Equality	<ul style="list-style-type: none"> <li>End all forms of discrimination against all women and girls everywhere</li> <li>Ensure women's full and effective participation and equal opportunities for leadership at all levels of decision-making in political, economic and public life</li> <li>Adopt and strengthen sound policies and enforceable legislation for the promotion of gender equality and the empowerment of all women and girls at all levels</li> </ul>	<ul style="list-style-type: none"> <li>Learn about our gender equity efforts within the <b>'Gender Equality'</b> section on pages 105-109.</li> </ul>
Goal 8 Decent Work and Economic Growth	<ul style="list-style-type: none"> <li>Achieve higher levels of economic productivity through diversification, technological upgrading and innovation, including through a focus on high-value added and labour-intensive sectors</li> <li>Promote development-oriented policies that support productive activities, decent job creation, entrepreneurship, creativity and innovation and encourage the formalisation and growth of micro, small and medium sized enterprises, including through access to financial services</li> <li>By 2030, achieve full and productive employment and decent work for all women and men, including for young people and persons with disabilities ("PWDs") and equal pay for work of equal value</li> </ul>	<ul style="list-style-type: none"> <li>Please refer to how we realise our digitalisation strategy to meet future challenges and ensure sustainable growth within the <b>'Data Security, IT Infrastructure and Digital Transformation'</b> section on pages 89-96.</li> <li>Discover how we encourage entrepreneurship and promote the growth of SMEs in Malaysia within the <b>'Business Review – Business Banking'</b>, <b>'Business Review – Retail Banking'</b> and <b>'Business Review – Islamic Banking'</b> sections on pages 59-62, 55-58 and 63-67, respectively.</li> <li>Find out how we inculcate a robust workforce and our non-discriminatory hiring for PWDs within the <b>'Supporting a Vibrant, Diverse and Inclusive Workforce'</b> and <b>'Vulnerable Employment Groups'</b> sections on page 104 and 109, respectively.</li> </ul>

## Our Approach to Sustainability

UN SDGs	Global SDG Targets	AmBank Group's Contributions
Goal 8 Decent Work and Economic Growth	<ul style="list-style-type: none"> <li>Protect labour rights and promote safe and secure working environments for all workers, including migrant workers, in particular women migrants and those in precarious employment</li> </ul>	<ul style="list-style-type: none"> <li>Uncover how we support labour rights and how we support a safe working environment for our employees within the <b>'Human Rights, Freedom of Association, and Zero Discrimination'</b> and <b>'Ensuring a Conducive, Safe, and Healthy Workplace'</b> sections on pages 113-119.</li> </ul>
	<ul style="list-style-type: none"> <li>Strengthen the capacity of domestic financial institutions to encourage and expand access to banking, insurance and financial services for all</li> </ul>	<ul style="list-style-type: none"> <li>Read more about how we enhance banking, insurance, and financial services accessibility through our digitalisation strategy within the <b>'Data Security, IT Infrastructure and Digital Transformation'</b> section on pages 89-96.</li> </ul>
Goal 9 Industry, Innovation and Infrastructure	<ul style="list-style-type: none"> <li>Increase the access of small-scale industrial and other enterprises, in particular in developing countries, to financial services, including affordable credit and their integration into value chains and markets</li> </ul>	<ul style="list-style-type: none"> <li>Uncover our innovative business lending programmes and how we support SMEs in Malaysia within the <b>'Business Review – Business Banking'</b>, <b>'Business Review – Retail Banking'</b> and <b>'Business Review – Islamic Banking'</b> sections on pages 59-62, 55-58 and 63-67, respectively.</li> </ul>
Goal 11 Sustainable Cities and Communities	<ul style="list-style-type: none"> <li>By 2030, ensure access for all to adequate, safe and affordable housing and basic services and upgrade slums</li> </ul>	<ul style="list-style-type: none"> <li>Know how our investment and Islamic banking products support sustainable infrastructure, affordable housing the accolades we won within the <b>'Business Review – Investment Banking'</b> and <b>'Business Review – Islamic Banking'</b> sections on pages 49-54 and 63-67, respectively.</li> <li>Also learn about our environmental efforts in the <b>'Climate Change Actions'</b> section on page 127.</li> </ul>
Goal 12 Responsible Consumption and Production	<ul style="list-style-type: none"> <li>By 2030, achieve the sustainable management and efficient use of natural resources</li> </ul>	<ul style="list-style-type: none"> <li>Discover how we conserve our use of resources within the <b>'Resource Conservation and Waste Management'</b> section on page 130.</li> </ul>
	<ul style="list-style-type: none"> <li>By 2030, substantially reduce waste generation through prevention, reduction, recycling and reuse</li> </ul>	
	<ul style="list-style-type: none"> <li>Promote public procurement practices that are sustainable, in accordance with national policies and priorities</li> </ul>	<ul style="list-style-type: none"> <li>Details on our responsible procurement initiatives are available within the <b>'Responsible Sourcing and Procurement'</b> section on pages 96-98.</li> </ul>
Goal 16 Peace, Justice and Strong Institutions	<ul style="list-style-type: none"> <li>Promote the rule of law at the national and international levels and ensure equal access to justice for all</li> </ul>	<ul style="list-style-type: none"> <li>Find out how we support a fair and equitable workplace and how we address unethical conduct in our business within the <b>'Ethics, Governance, and Compliance'</b> section on pages 84-88.</li> </ul>
	<ul style="list-style-type: none"> <li>Substantially reduce corruption and bribery in all their forms</li> </ul>	
	<ul style="list-style-type: none"> <li>Promote and enforce non-discriminatory laws and policies for sustainable development</li> </ul>	
	<ul style="list-style-type: none"> <li>Ensure responsive, inclusive, participatory and representative decision-making at all levels</li> </ul>	<ul style="list-style-type: none"> <li>Information on how we engage and listen to our employees and stakeholders available within the <b>'Improving Employee Wellbeing and Engagement'</b> and <b>'Stakeholder Engagement'</b> sections on pages 111 and 80 respectively.</li> </ul>



## Our Approach to Sustainability

### STAKEHOLDER ENGAGEMENT

Engaging with stakeholders is essential to the success of AmBank Group. Effective engagement helps translate our stakeholders' needs into our strategic goals and creates a shared understanding and consensus on the value we deliver.

Aligning internal and external expectations is crucial in building an effective strategy to drive AmBank Group forward and implement the changes needed along the way. We engaged in active consultation with all stakeholder groups during the financial year to develop shared ownership and a cohesive vision for our future. During the engagement process, we provided clear, consistent and transparent communication on AmBank Group's objectives and aspirations with an aim to build trusted, collaborative partnerships that generate value.

In FY2019, we used a variety of channels to engage with internal and external stakeholders to obtain feedback and hold meaningful discussions on AmBank Group's current and future direction.

The SWG identified our key stakeholder groups – those with the highest level of influence and dependence on AmBank Group as:

1. Our customers;
2. Our employees;
3. Our investors and shareholders;
4. Our regulators;
5. Our community; and
6. Our media partners.

During the year, we also engaged with the Minority Shareholders Watch Group ("MSWG") and MSCI ESG Research Inc. ("MSCI") on our EES performance and FTSE Russell on their FTSE4Good assessment of the Group. We continue to be active in the development of the Islamic banking industry's VBI initiatives.

Our methods of engagement with each stakeholder group are summarised in the following table:

Customers	Investors and Shareholders	Government and Regulators
<ul style="list-style-type: none"> <li>Digital platforms (e.g. AmBank's corporate website, social media networks, smartphone applications and mobile messaging)</li> <li>Customer Satisfaction Surveys (e.g. SMS, phone call and survey tablet at AmBank branches)</li> <li>Mystery Shopping Programmes</li> </ul>	<ul style="list-style-type: none"> <li>Annual General Meeting</li> <li>Quarterly analyst and fund manager briefings</li> <li>Focused investor presentations, meetings and discussions</li> <li>Financial statements</li> <li>Media releases</li> <li>Investment conferences and roadshows</li> <li>AmBank Group's investor relation ("IR") section and dedicated IR mailbox</li> </ul>	<ul style="list-style-type: none"> <li>One-on-one meetings (e.g. Bank Negara Malaysia, Securities Commission Malaysia, Bursa Malaysia Berhad, Credit Guarantee Corporation Malaysia Berhad)</li> </ul>
AmBank Group Employees ("AmBankers")	Community	Media
<ul style="list-style-type: none"> <li>Employee surveys</li> <li>Employee Induction Training</li> <li>Employee Engagement Expo</li> <li>Townhall meetings</li> <li>AmBank Group's internal publications (e.g. Berita AmBank Group)</li> <li>'Am Connected' intranet portal</li> <li>Learning and development programmes</li> <li>Corporate volunteering programmes</li> <li>Employee performance appraisals</li> <li>Direct employee electronic feedback (e.g. Speakup!, Talk to DSMT*)</li> <li>Senior Management visits to employee touchpoints (e.g. AmBank branches and buildings)</li> <li>Digital platforms (e.g. social media networks, smartphone applications and digital training)</li> <li>'eHR' pool email channel</li> </ul>	<ul style="list-style-type: none"> <li>Digital platforms (e.g. social media networks and smartphone applications)</li> <li>Corporate volunteering programmes (e.g. community events, knowledge-sharing initiatives and partnerships with non-governmental organisations)</li> <li>Zakat contributions</li> <li>Financial Industry Collective Outreach</li> <li>AmBank Group Sports Club (Kelab AmBank Group) CSR activities</li> </ul>	<ul style="list-style-type: none"> <li>Media conferences and events</li> <li>Media releases</li> <li>Media interviews</li> <li>Media engagements*</li> </ul>
* Dato' Sulaiman Mohd Tahir		* Total Print & Electronic Media PR Value for FY2019 is RM13.2 million

## Our Approach to Sustainability

### MATERIALITY ASSESSMENT

Materiality assessment enables us to identify, review and prioritise our current material EES risks and opportunities. We also identify emerging risks that may affect our businesses and our stakeholders.

During the year, the AmBank Group Sustainability Stakeholder Engagement Survey was conducted. We reviewed our material sustainability matters which form the core of our SDG contributions, and streamlined them according to AmBank Group's three key sustainability themes: Responsible Banking, Employer of Choice and Positive Societal Impact as follows:



#### RESPONSIBLE BANKING

We are committed to being a responsible financial services group.

Material Sustainability Matters:

1. Data Security, IT Infrastructure and Digital Transformation;
2. Customer Satisfaction;
3. Ethics, Governance and Compliance;



4. Responsible Marketing, Product and Service Design;
5. Financial Inclusion and Responsible Lending;
6. Responsible Sourcing and Procurement

#### EMPLOYER OF CHOICE

We recognise the need to maintain an engaging and inclusive workplace that lets people achieve their aspirations.

Material Sustainability Matters:

7. Conducive & Inclusive Workplace and Human Capital Development



#### POSITIVE SOCIETAL IMPACT

We contribute to a more sustainable future by considering carefully our business decisions, the environmental impacts of our activities and how we interact with our wider communities.

Material Sustainability Matters:

8. Environmentally and Socially Responsible Investments;
9. Community Investment and Development;



10. Energy, Water and Waste Management

The questions in the stakeholder engagement survey mirror those shared during our previous survey conducted two years ago, which served as our baseline and enable us to benchmark noticeable changes in stakeholders' perception.

Objectives of the stakeholder engagement survey:

- Stakeholder engagement forms a critical component of AmBank Group's sustainability agenda.
- The survey seeks to reach out to stakeholders for their feedback on the relative importance of EES sustainability matters that are relevant to AmBank Group.
- Stakeholders' feedback contributes towards the identification, prioritisation, and management of material EES risks and opportunities.
- Prioritising AmBank Group's sustainability matters directs our focus and enable the allocation of the necessary resources to areas that matter most.

Respondents for the survey comprised internal and external stakeholder groups: Investors and Shareholders, Customers, Suppliers, AmBank Group Directors, members of Senior Management and AmBankers.

During FY2019, we have enhanced our approach by prioritising our 10 material sustainability matters, taking into account its significance to our stakeholders and our businesses. AmBank Group also considered the magnitude of impact, the likelihood of occurrence of these material matters, as well as its relevance to our strategic priorities in developing the FY2019 material sustainability matters ranking.

### Result of AmBank Group Sustainability Stakeholder Engagement Survey

In total of 67 respondents responded to the survey. The level of importance (ranking) of the identified material sustainability matters for the financial year are as follows:

Sustainability Matters	FY2019	FY2017	Change
	Ranking	Ranking	
Data Security, IT Infrastructure and Digital Transformation	1	3	↑
Customer Satisfaction	2	1	↓
Ethics, Governance and Compliance	3	2	↓
Conducive and Inclusive Workplace and Human Capital Development	4	4	-
Financial Inclusion and Responsible Lending (VBI to form an Integral Part)	5	7	↑
Responsible Marketing, Product and Service Design	6	9	↑
Responsible Sourcing and Procurement	7	8	↑
Environmentally and Socially Responsible Investment	8	6	↓
Community Investment and Development	9	5	↓
Energy, Water and Waste Management	10	10	-

Our Approach to Sustainability

MATERIAL SUSTAINABILITY MATTERS

Based on the result of our stakeholder engagement survey, the Board decided that particular focus should be accorded to the following material sustainability matters (in order of priority) for FY2019:

1. Data Security, IT infrastructure and digital transformation

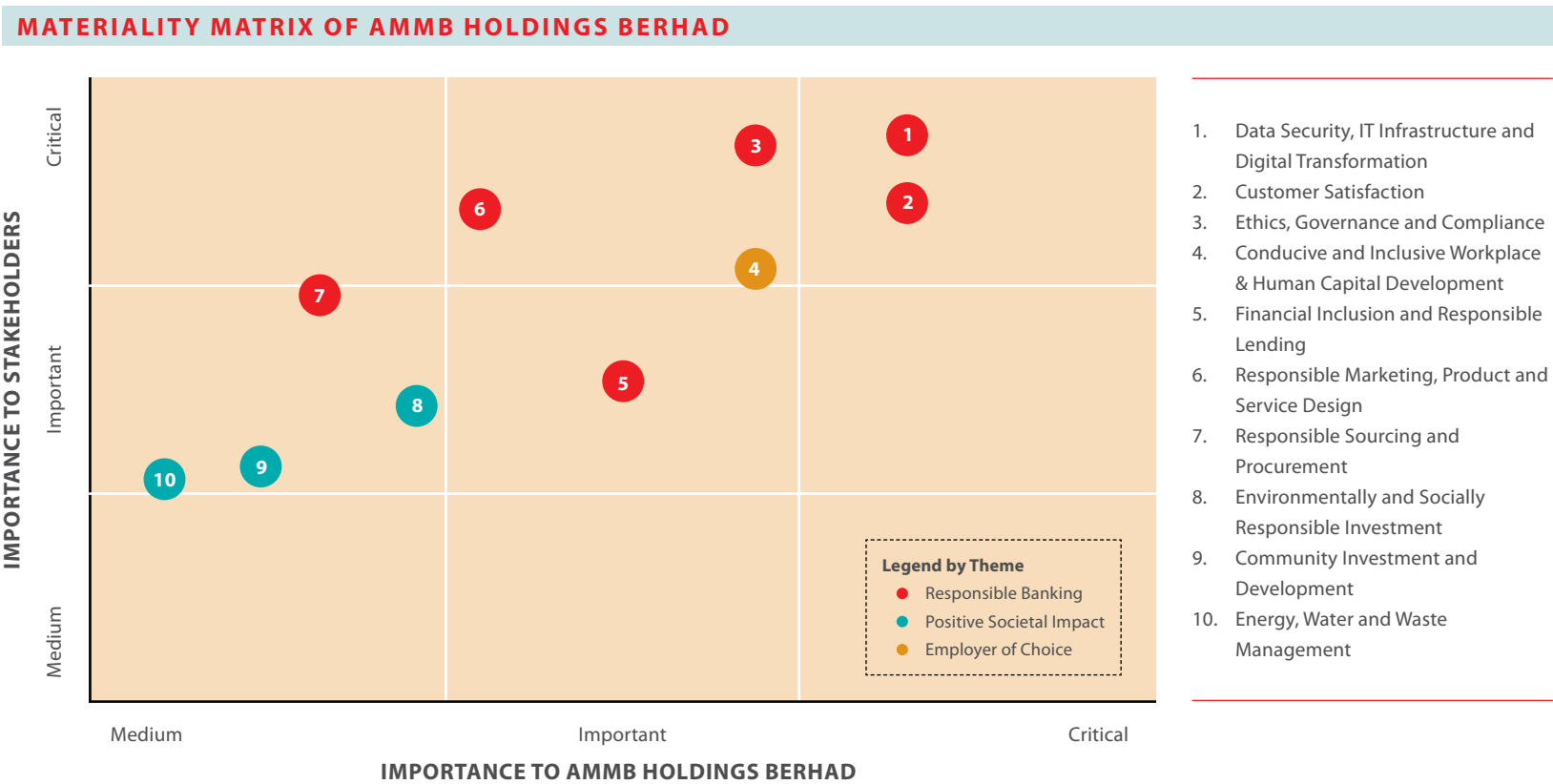
2. Customer satisfaction

3. Ethics, governance and compliance

4. Conducive and inclusive workplace and human capital development
5. Financial inclusion and responsible lending

6. Responsible marketing, product and service design

7. Responsible sourcing and procurement



SUSTAINABILITY RECOGNITIONS AND ACCOLADES

AmBank Group’s sustainability efforts were recognised by our stakeholders during the financial year. The following provides a list of the awards and recognitions received:

- **RAMC Sustainability Rating Upgrade**

AmBank Group is committed to sustainable practices through the engagement of an annual review of its performance by an independent agency, RAM Consultancy Services Sdn Bhd (“RAMC”). RAMC rates companies based on its ESG and Positive Impact performance criteria. Based on the Group’s ESG practices and performance in FY2019, RAMC upgraded the Group’s Sustainability Rating from Silver to Gold, primarily based on improvement in the Group’s environmental performance through the establishment of an Environmental Policy and practicing a supply chain management assessment that incorporates environmental and social performance criteria.

• **RAM Sustainability Award**

AmBank Group was awarded the RAM Sustainability Award. The Group was the first banking group in Malaysia and in the ASEAN region to be accorded a RAM Sustainability Rating. The award acknowledges AmBank Group’s exemplary leadership, commitment and transparency towards sustainable development and performance.

• **Inclusion in FTSE4Good Index Series**

In June 2018, AmBank Group has met globally recognised standards for inclusion in the FTSE4GOOD Index Series, namely the FTSE4GOOD Bursa Malaysia Index, the FTSE4GOOD Emerging Markets Index and the FTSE4GOOD ASEAN 5 Index. These indices measure the performance of companies demonstrating good ESG practices.

• **Independent Assurance**

Our Sustainability Statement has undergone independent verification and partial external assurance by SIRIM QAS International Sdn Bhd (SIRIM QAS International). The verification process involved a review of selected contents in the Sustainability Statement where its accuracy and reliability have been validated. The assurance approach covers AmBank Group’s sustainability performance, including processes (ie. material assessment and stakeholder engagement) that support the Group’s sustainability practices.
-  > Please refer to the Independent Assurance Statement (partial) by SIRIM QAS International on [page 136](#).
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ambankgroup.com

## Responsible Banking

## “Shaping a Sustainable Future”



## RESPONSIBLE BANKING

We are committed to being a responsible financial services group. We contribute towards the shared responsibility of a greener and more sustainable future by being transparent, accountable and clear about how our products and services create value for our customers, investors, stakeholders and the community. In delivering impactful sustainable growth, we are committed to acting responsibly and subscribing to the highest standards of ethical conduct and integrity in all areas of our operations.



## Responsible Banking

AmBank Group aligns its mission to societal goals by contributing towards a sustainable banking system of Malaysia. Our mission underscores the Group’s belief in holistic growth, for our customers, for our people and for our business.

- Our ‘Responsible Banking’ sustainability pillar includes efforts directed at:
- Infusing ethical compliance and governance standards in our work to ensure we continue to deliver positive contribution to the society;
  - Aligning our business objectives with the global sustainability agenda;
  - Digitalising AmBank Group’s service offerings to ensure a safe, secure and reliable platform for banking transactions;
  - Incorporating sustainability principles in how we procure our resources; and
  - Gaining and maintaining stakeholders’ trust and confidence in the way we conduct ourselves in the marketing and promotion of our products and services.

ETHICS, GOVERNANCE AND COMPLIANCE

AmBank Group takes every opportunity to minimise our environmental, economic and social (“EES”) impacts in every aspect of our work and this requires us to adapt to challenges and societal changes, responding to social concerns and valuing our employees.

In doing so, our ethical conduct and good governance continue to guide our behaviours in our interactions with our customers and relevant parties as we deliver value-added, transparent and responsible banking services.

Our Board is fully committed to ensuring that the Group maintains the highest standards in corporate governance, in accordance with applicable regulations and guidelines, and is aware of the importance of continuously implementing best-in-class banking practices that are in line with our corporate objectives.

### Policies and Frameworks

Our ethics, governance and compliance policies and frameworks are regularly reviewed by our Group Compliance Department to ensure they reflect the latest changes in legislative requirements and to safeguard AmBank Group against illegal and unethical practices such as abuse of power, conflict of interest, bribery, corruption, insider trading and money laundering.

Some of our key policies that guide our banking operations include:

 <b>Code of Conduct</b> (including Code of Ethics)	 <b>Whistleblower Protection Policy</b>	 <b>Anti-Money Laundering and Counter Financing of Terrorism Framework</b>	 <b>Trading in AmBank Shares Policy</b>
 <b>Group Compliance Framework</b>	 <b>Occupational Safety and Health Policy Statement</b>	 <b>Record Management Policy</b>	 <b>Product Approval and Management Policy</b>
 <b>No Gift Policy</b>	 <b>Management of Conflict of Interest Policy</b>	 <b>Shariah Governance Framework and Shariah-Related Policies</b>	 <b>Customer Relationship Review and Exit Guidelines</b>
 <b>Know Your Customer, Customer Identification and Due Diligence Policy</b>	 <b>Politically Exposed Person Policy</b>	 <b>Group Procurement Policy</b>	 <b>Markets Conduct Policy</b>

## Responsible Banking

### Code of Conduct

The Code of Conduct, which includes our Code of Ethics, represents AmBank Group's firm commitment to uphold, maintain and demonstrate a high level of integrity, professionalism and ethical conduct. The Code provides a clear direction in conducting business, interacting with community, government and business partners as well as general workplace behaviour.

The Code of Conduct is established by AmBank Group's Board of Directors. The Board takes a leadership role in shaping and driving the governance of, and compliance with, policies and practices via the Group Management Committee, Group Risk, Group Legal, Group Compliance, Group Internal Audit, Group Information Services, Group Finance and Group Human Resource functions.

The Code of Conduct has been developed according to a value-based approach which consists of the following five key areas:

#### 1 Message from our Chairman and Group Chief Executive Officer

Messaging from the top of AmBank Group emphasises our commitment to building a strong ethical culture that protects staff, customers and the Group by providing a common understanding of acceptable behaviours.

#### 2 Ethical Standards

AmBank Group employees ("AmBankers") are expected to always maintain integrity and ethical standards by complying with the Code of Conduct, internal policies and related regulations. All staff must demonstrate commitment to the highest ethical and professional standards and be personally accountable for upholding the Code of Conduct. These include holding each other accountable and an obligation to immediately report unacceptable conduct or unethical behaviour such as conflict of interest, abuse of power, bribery, corruption, insider trading and money laundering, via the designated channels.

#### 3 Company and People

AmBank Group expects its leaders and all AmBankers to act responsibly, promote open communication and treat all individuals respectfully. All staff are required to safeguard information entrusted to them, avoid potential conflicts of interest and handle their personal finances in a prudent manner.

When dealing with customers and regulators, all AmBankers must be clear in their articulation, exhibit professional conduct and exercise sound judgement in all communications. In recognition that our employees are our most valuable asset, AmBank Group is committed to providing a safe and secure workplace that is free from negative and inappropriate behaviours.

In dealing with suppliers and vendors, AmBank Group strives to apply good governance, set clear expectations on deliverables and strictly adhere to our 'No Gift Policy' to avoid potential conflicts of interest with all parties.

#### 4 Marketplace

AmBank Group is committed to adhering to laws, rules and regulations that safeguard against money laundering, terrorist financing, bribery and corruption, as well as promoting open and fair competition in the marketplace.

#### 5 Commitment to Sustainability

AmBank Group endeavours to create a sustainable future for our staff, customers, shareholders and the community through responsible banking practices, by being an employer of choice and by creating positive social impact through all our business activities.

### Treating Our Customers Fairly

Our Code of Conduct emphasises the importance of treating our customers fairly and with respect. To ensure that this is always the case, all AmBankers shall abide by the following guidelines:

- (a) Demonstrate professionalism, transparency and integrity in all our dealings with customers in order to provide accurate information to advise them accordingly, without directly or indirectly misleading or deceiving them through actions or omissions, intentionally or otherwise;
- (b) Provide full disclosure in all our transactions with customers of all rates, terms and conditions concerning the AmBank Group products and services which they purchase;
- (c) Know our customer and obtain all mandatory customer information, as required by regulations and relevant Group policies. This is an important step to prevent identity theft, financial fraud, money laundering and terrorist financing;

Conduct due diligence by finding out customers' personal financial background and condition, such as their financial needs, knowledge of investments, investment objectives and their tolerance to risk. In addition, we inform them of the products and services that are best suited to their needs tailored to their personal financial situations;

- (d) Protect the confidentiality of all AmBank Group's customer information (past, present and prospective) by complying with the relevant privacy laws and regulations (e.g. Personal Data Protection Act 2010) that restricts the use, disclosure, storage and access to confidential customer information by unauthorised parties; and
- (e) Handle customers' complaints received via our various feedback channels in a friendly, fast, fair and effective manner. We abide by the relevant guidelines in handling customer complaints and continue to leverage on constructive feedback to enhance our products and services.

## Responsible Banking

### Whistleblower Protection Policy (“WPP”)

AmBank Group encourages openness, integrity and accountability in our culture and the way we perform our work. Our WPP channels provide a reliable avenue for AmBankers, suppliers, business partners and customers to voice grievances and raise concerns about malpractice (e.g. dishonesty, fraud, corruption, bribery or illegal practices, abuse of power, or conflict of interest) involving the Group without fear of repercussions.

Whistleblowers are persons including employees, shareholders and external parties (e.g. customers, consultants, vendors or suppliers) making disclosure in good faith on any improper conduct in AmBank Group.

The WPP aims to achieve the following objectives:

- (a) Safeguard AmBank Group’s reputation;
- (b) Protect Whistleblowers from detrimental actions;
- (c) Facilitate timely escalation of improper conduct in a professional manner; and
- (d) Investigate and manage disclosed or reported improper conduct through established appropriate processes to ensure consistent and timely response.



> For further information on AmBank’s WPP, please log on to: [ambankgroup.com/eng/Pages/WhistleblowerProtectionPolicy.aspx](http://ambankgroup.com/eng/Pages/WhistleblowerProtectionPolicy.aspx)

A key feature of AmBank Group’s WPP is the appointment of Ombudspersons to ensure complete protection for the whistleblower as appropriate actions are taken. Ombudspersons shall comprise an appointed Board member, full-time senior management employee(s) and/or Regulator and/or Law Enforcement Agency. The internal ‘Speak Up Feedback Forum’ and our dedicated Whistleblower email address: [ombudsperson@ambankgroup.com](mailto:ombudsperson@ambankgroup.com) are our primary WPP channels for reporting misconduct and ethical concerns to the Ombudspersons.

Whistleblowers may also correspond directly by writing to our designated Board Ombudspersons via a sealed envelope marked “Strictly Private & Confidential” addressed to Level 25, Bangunan AmBank Group, 55 Jalan Raja Chulan, 50200 Kuala Lumpur, Wilayah Persekutuan, Malaysia.

### Anti-Money Laundering (“AML”) and Counter Financing of Terrorism (“CFT”) Framework

AmBank Group’s ‘AML/CFT Framework’ provides guidance and direction for detecting and deterring money laundering and terrorism financing activities. Our framework has been significantly enhanced following the implementation of 21 enhancement projects in FY2018, which comprise:

- (a) System-based transaction monitoring processes to identify and respond to potential money laundering or terrorism financing activities;
- (b) A comprehensive investigation approach to detect red flags, unusual transaction patterns and questionable customer activities; and
- (c) Mandatory comprehensive training for AmBankers on AML/CFT-related topics.

In FY2019, a total of 13 AML-related training programmes were conducted. These sessions were carried out either through classroom learning or via e-Learning modules.

### Trading in AmBank Shares Policy

Our ‘Trading in AmBank Shares Policy’ sets out specific responsibilities and trading procedures to be complied by the Group’s Directors and designated AmBankers when trading in the Group’s shares on Bursa Malaysia.

Accordingly, all Directors and designated AmBankers who have access to price-sensitive information relating to the Group’s shares must not trade in the Group’s shares until such time that such information is publicly available.

Directors and designated AmBankers who do not have access to price-sensitive information may deal in the Group’s shares provided that the procedures set out in the Main Market Listing Requirements of Bursa Malaysia are fully complied with. Notices on the closed period for trading in the Group’s shares are shared with our Directors, Principal Officers and designated AmBankers on a quarterly basis by the Group Company Secretary.

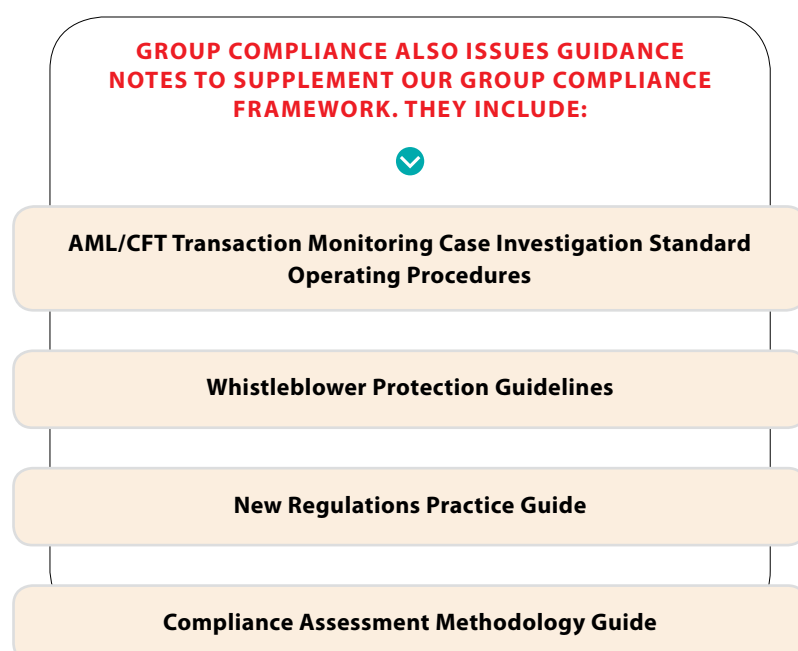
## Responsible Banking

### Group Compliance Framework

AmBank's Group Compliance Framework details the roles and responsibilities of the Board, Senior Management, Business Units, Group Shared Services, Group Compliance and Group Internal Audit in the area of compliance with regulatory guidelines and the law. They collectively oversee our management of compliance risk with the aim of promoting the safety and security of the Group's processes by mitigating financial, reputational and operational risks arising from potential legal violations and/or regulatory non-compliance.

The Senior Management Team is responsible for communicating the Group Compliance Framework to all AmBank Group employees and ensuring that appropriate remedial or disciplinary actions are taken for non-compliance.

Group Compliance is responsible for providing oversight on the dissemination of regulations and ensuring the implementation of the latest regulatory requirements is carried out in a timely manner. The effectiveness of implementation is assessed through risk-based reviews and testing where focus is directed at higher-risk areas of potential non-compliance.



Monitoring, testing, reviews and assessments are carried out by the Compliance Monitoring and Testing team (under Group Compliance supervision) to provide assurance that compliance risks are assessed and managed effectively and efficiently. As our second line of defence, our Compliance Monitoring and Testing team conducts:

- Adherence reviews and testing across all lines of business;
- Thematic reviews of key regulations;
- Targeted deep dives; and
- Independent validation of key submissions to regulators.

### Guidance and Training

Our Group Compliance team is responsible for ensuring adequate training and awareness on key regulations is provided to all AmBankers. Group-wide policies are regularly reviewed to ensure that adequate internal training and awareness programmes are in place to support the efficient compliance of relevant key regulatory requirements governing AmBank Group's activities. Guidance is provided on the execution of internal controls to manage compliance risk. Compliance training and awareness programmes are provided to AmBankers via:

- Annual and periodic e-learning;
- Email communication with embedded links to relevant policies and guidance (Reminders@Within); and
- Classroom training (including 'Train the Trainer') on specific compliance-related topics such as 'Know Your Customer' AML/CFT, Whistleblower Protection Policy, No Gift Policy and Foreign Exchange Administration Rules.

During the year, 11,089 participants from various employee categories attended the Group's compliance training programmes, which were conducted over a total of 75 training sessions.



## Responsible Banking

### Shariah Compliance

AmBank Islamic complies with the rulings of BNM's Shariah Advisory Council and we have an established Shariah Control Function Structure, formulated based on BNM's Shariah Governance Framework ("SGF"). AmBank Islamic's Shariah Control Function Structure comprises:

(a)	(b)	(c)	(d)	(e)	(f)	(g)
Board of Directors	Shariah Committee	Management	Shariah Research & Advisory	Shariah Risk Management	Shariah Review	Shariah Audit

The relevant policies that govern the conduct of our businesses in ensuring Shariah compliance include:

- (a) Shariah Governance Policy;
- (b) Shariah Policy on Eligibility Criteria of Underlying Assets for Islamic Financing;
- (c) Shariah Policy on Purification of Shariah Non-Compliant Income;
- (d) Shariah Policy on Financing for Business with Mixed Business Activities;
- (e) Shariah Policy on Acceptance of Funds for Deposits and Other Liabilities; and
- (f) Business Zakat Policy.

We actively align the focus of our Shariah Review and Shariah Audit functions to areas that are susceptible to Shariah risks. We then enhance our internal controls to mitigate against potential Shariah non-compliance incidences, including measures such as improvements to documentations and process flows, as well as developing manuals and guidelines.

AmBank Group aspires to continuously review the effectiveness of our internal Shariah controls and processes to ensure that our Islamic Banking business practices comply with all stipulated Shariah requirements.

### No Gift Policy

AmBank Group's 'No Gift Policy' has as its primary objectives to:

- (a) Safeguard AmBank Group's reputation by countering potential conflicts of interest and bribery and corruption and ensure practices and dealings within and by the Bank are conducted in an ethical and professional manner;
- (b) Provide guidance to AmBankers to keep within acceptable practices;
- (c) Develop employees who self-regulate and are able to distinguish between acceptable practices and those that are questionable from the ethical perspective and as such to be avoided at all times; and
- (d) Avoid any potential perception that the Group encourages or condones exchanges of favours for personal gratification of any kind.

AmBankers are required to abide by the policy and ensure that there is no offering, soliciting, or receiving gifts in any form, to or from current or potential customers, vendors, agents and business partners, either directly or indirectly – which could influence impartial judgement during decision-making or places our employee in a position of conflict of interest.

Heads of Departments are required to maintain a Gift Registry in a transparent manner and must be made available for inspection or audit as and when required.

### Political Donation

AmBank Group is not part of any political party and has not made any donations to any political parties.

### Know Your Customer ("KYC"), Customer Identification and Due Diligence Policy

The objective of AmBank Group's 'KYC Policy' is to conduct proper customer identification to facilitate assessment of each customer's risk profile by using reliable information and documentation. KYC allows for a standardised approach to understanding the customer during onboarding process and assist in on-going due diligence reviews. Our KYC Policy outlines controls and procedures to ensure that the Group only deals with customers whose background information has been adequately verified and approved.

### Politically Exposed Persons ("PEP") Policy

Our 'PEP Policy' aims to identify and manage potential risks associated with onboarding and maintaining our dealings with PEPs, Politically Exposed Corporations ("PECs"), and Relatives and Close Associates ("RCAs"). PEPs, PECs and RCAs are subject to Enhanced Customer Due Diligence processes, which involves robust assessment of, amongst other things, reputational risk issues and risk mitigation and is conducted prior to establishment of a banking relationship.

### Customer Relationship Review and Exit Guidelines

AmBank Group's business units are well guided by our 'Customer Relationship Review and Exit Guidelines' which outline the review and determination of whether a customer relationship should be exited, or if closer monitoring is required, as a result of potential money laundering or terrorist financing risks, supported by internal or external trigger events or red flags.

## Responsible Banking

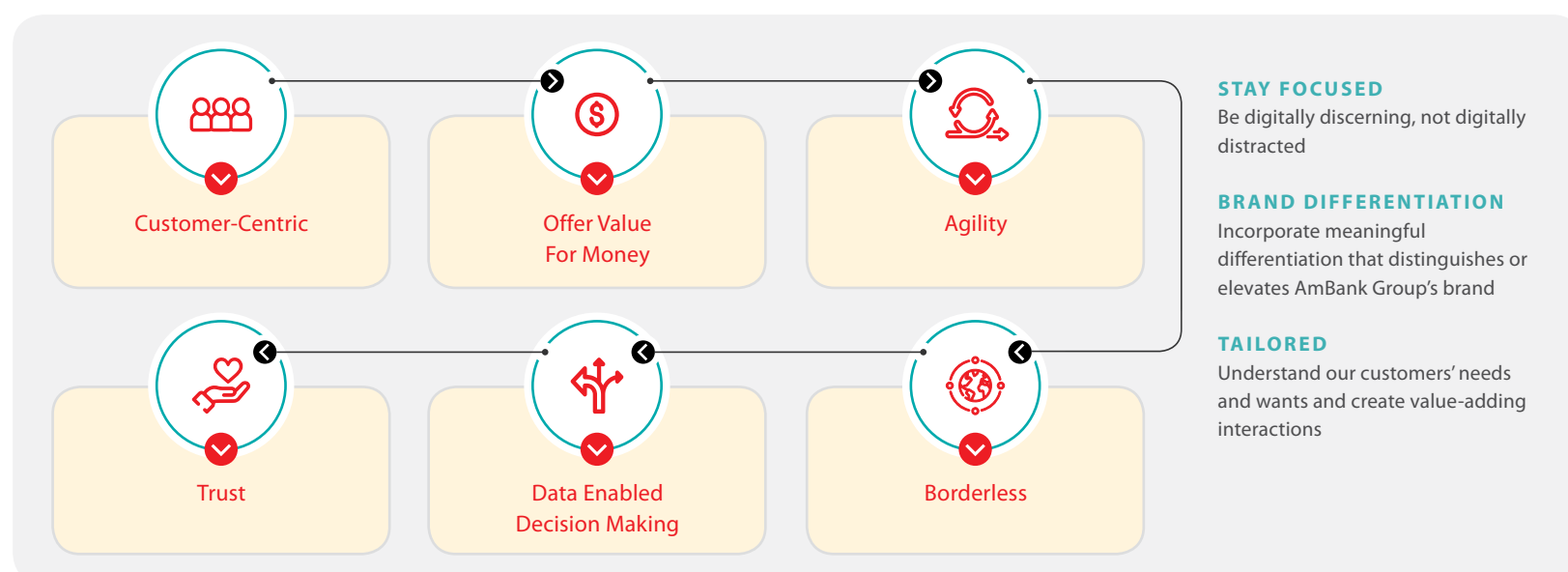
### DATA SECURITY, IT INFRASTRUCTURE AND DIGITAL TRANSFORMATION

Digitalisation is driving the banking of tomorrow and AmBank Group is moving ahead with the adoption of technology to enable smarter, faster and more efficient processes with 24/7 availability. We started our digitalisation journey to automate fulfilment of customer journeys end to end and to enable self-service at our mobile and internet banking channels. We then extended digital to origination, using analytics to make the right offer at the right price to customers at online channels and enable them to avail new services entirely online. We are also exploring entirely new business models and value-added services such as our digital collection solutions that help corporate customers in digitalising their day-to-day business operations and our upcoming Pay-As-You-Grow SME financing that provides speedy and convenient working capital financing.

#### AmDigital – The Way Forward

AmBank Group's comprehensive digital strategy, known as AmDigital, adopts an integrated approach across all businesses. AmDigital aims to enhance our digital capabilities to simplify customer experience by leveraging on the power of data, redefine AmBank Group's operating model and advance AmBank Group as a digital-driven organisation.

#### DIGITAL BUSINESS PRINCIPLES



Our Group-wide digital strategy that was approved by the Board in 2018 consists of four key pillars and informs the Bank's key digital initiatives. The four key pillars are:

- ❶ Pillar One – Retail Digitalisation
- ❷ Pillar Two – Non-Retail Digitalisation
- ❸ Pillar Three – Partnerships
- ❹ Pillar Four – Ecosystem Play

#### ❶ PILLAR ONE – RETAIL DIGITALISATION

Our new retail offerings target the entire spectrum of our customers' journey and recreates AmBank Group's digital interface for a new virtual banking experience that is convenient, instant, ever-ready and secure. We call it 'Bank in the Sky'. Our all-new AmOnline launched in April 2018, offers an enhanced Internet banking experience that is analytics backed to deliver tailored products and services.

AmOnline's "Easy. Simple. Fast" banking functions are also optimised into a mobile app. It is among the first online banking platforms in Malaysia to have a multi-lingual option (accessible in English, Bahasa Melayu and Mandarin) to cater to the diverse background and preference of our customers.

AmBank Group's vision for AmOnline is to create the best e-commerce-like experience of banking, to allow customers to invest, gain access to financing and fulfil their end-to-end financial needs entirely online. Customers are now able to apply for Balance Transfer and Quick Cash at their convenience, anytime and anywhere.

Among the transacting features available include funds transfer, bill payments and JomPay, prepaid mobile top ups, credit card and loan payments, foreign remittances, eFixed Deposits and more. AmBank's credit card customers are also able to increase their credit card limit and apply for a new or supplementary card online, while our "Wealth" capability enables online investing and management of investments.

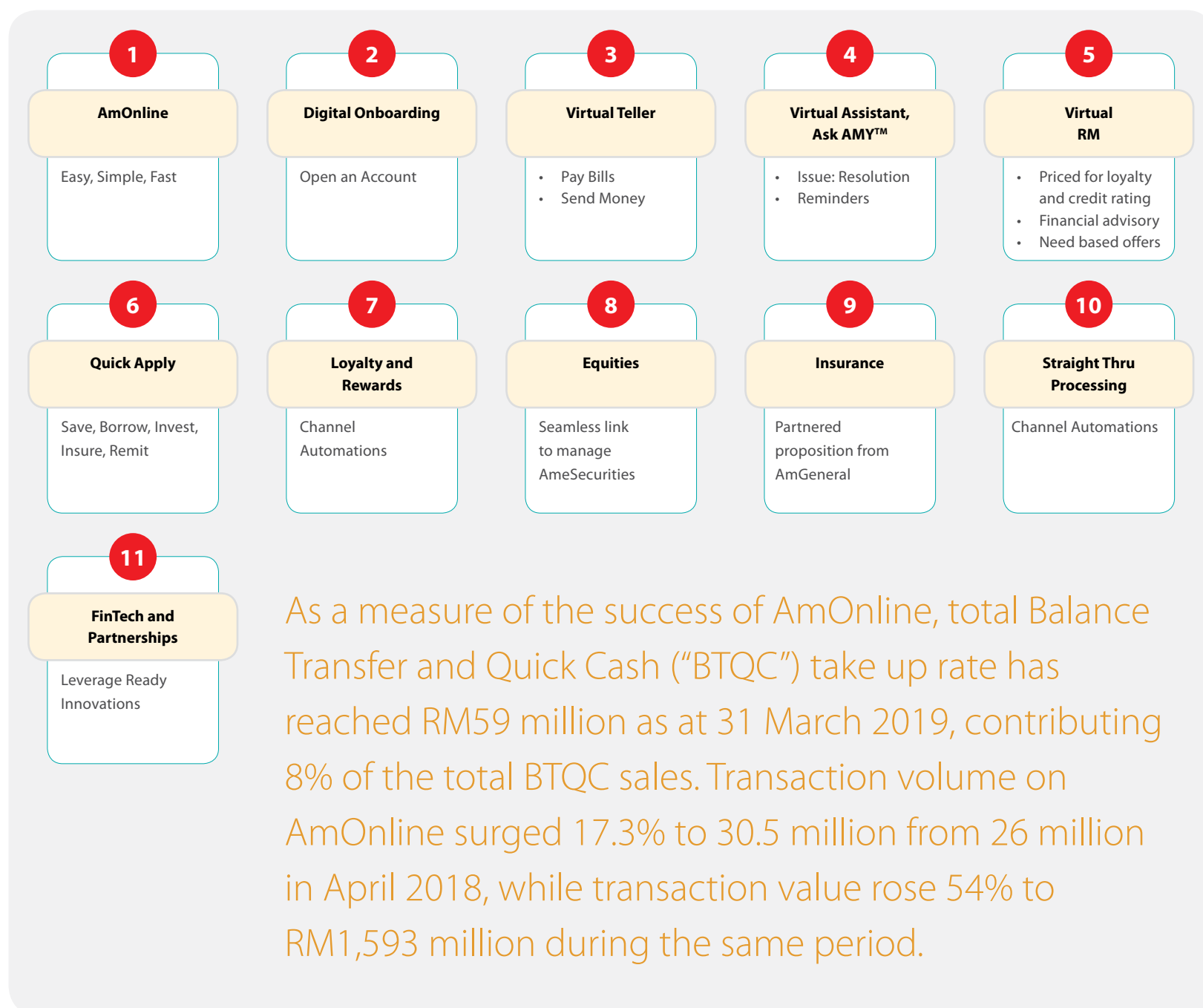
## Responsible Banking

'Ask AMY™' (AMY™ is the acronym for AmBank Malaysia), our friendly, virtual customer service within the AmOnline mobile app was first released on 28 October 2018 to add value to our credit card services. Subsequent quarterly updates promise a broader and richer set of virtual capabilities.

With over half of AmBank's customers accessing online banking from their mobile device, we built AmOnline not only as a desktop web application, but also as a mobile app to deliver a seamless, simple and fast banking experience that is compatible with next-gen smartphones with the same comprehensive functions. Average daily sign up rate since we re-launched AmOnline went up by 109% in FY2019, compared with FY2018. As of end-March 2019, AmOnline reached a total customer base of about 716,000 users.

### CUSTOMER PROPOSITION > BANK IN THE SKY

### STAKEHOLDER PROPOSITION > BETTER RORWA & ROCE



## Responsible Banking







### 2 PILLAR TWO – NON-RETAIL DIGITALISATION

Non-Retail Digitalisation initiatives delivered to our Mid Corporate, Large Corporate, Business and SME banking customers through AmAccess Corporate and AmAccess Biz encompass the following key components:

- Cash Management (AmAccess Biz and AmAccess Corporate) – provides cash, payment and liquidity management solutions to corporate and SME customers.
- Virtual accounts – works as a collection tool for customers to manage a large number of account receivables effectively. This is achieved by assigning a virtual account to each player for ease of reconciliation.
- JomPAY and JomPAY Smart Reference – a basic collection tool where AmBank integrates payment solutions with PayNet for the purpose of bill collection. AmBank has upped the ante by enhancing the basic JomPAY model (JomPAY Smart Reference), where customers can embed information such as the payment amount and validity period for total reconciliation control and minimum input fields. This will enable the consolidation of multiple bills through a single JomPAY payment. This is a unique tool offered only by AmBank.
- Electronic Invoice Presentation and Payment (“EIPP”) Host-to-Host settlement – a platform that enables sophisticated host-to-host settlements for high-volume and efficient transfers. Customers may take advantage of this facility for automated transfers, merchant settlement and other transfer solutions on a real-time basis.
- FPX Payment – another collection tool from PayNet where AmBank is able to offer collection of online payments. Widely used mainly in the e-commerce segment, FPX payments enable our customers to effectively collect payments from their buyers on a real-time basis and with easy reporting for reconciliation purposes.
- Cashless Kiosks – customers may harness the convenience of our nationwide network of 759 ATMs for round-the-clock non-cash self-service collection.

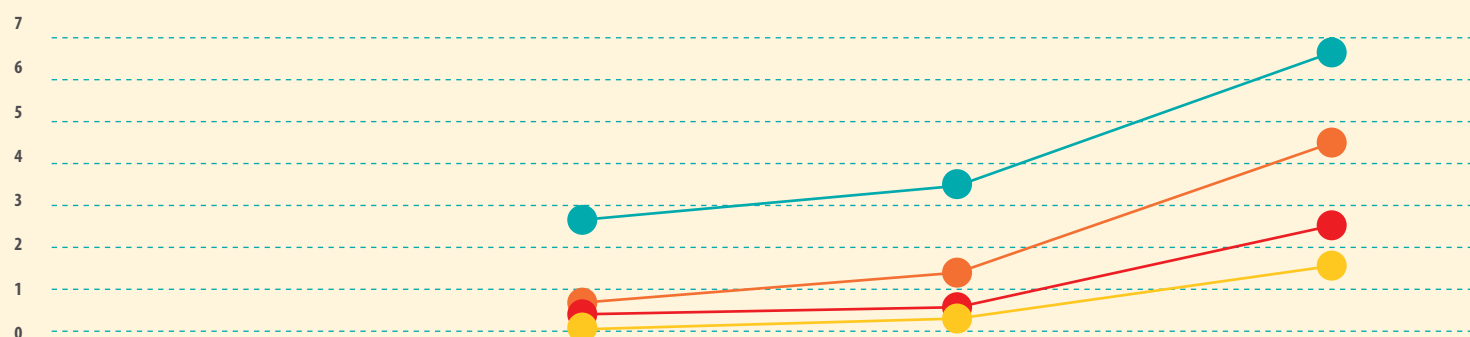
#### CUSTOMER PROPOSITION > PARTNER WITH US TO DIGITALISE YOUR BUSINESS

#### STAKEHOLDER PROPOSITION > ACQUIRE STICKY CASA

					
<b>Cash Management</b>	<b>Virtual Accounts</b>	<b>JomPAY Smart Reference</b>	<b>EIPP H2H Settlement</b>	<b>FPX Payment</b>	<b>Cashless Kiosk</b>
Provide cash payment and liquidity management solutions to corporate customers	Manage large number of Account Receivables effectively by assigning a virtual account to each payer	Embed amount and validity period info into Ref-1 for total reconciliation control & minimum input fields	Enable sophisticated host-to-host settlements for high volume and efficient transfer transactions	Real-Time payment platform for corporates to collect payment via internet and mobile banking of participating banks	Ride on ATM network to provide non-cash and 24x7 self-service collection channel

Our Current Account Savings Account (“CASA”) deposit performance has improved significantly as a result of the specialised payment and collection solutions we offer to our Large Corporate, Mid Corporate, Business and SME Banking customers, as shown in the chart below:

#### AVERAGE BALANCE (RM'MILLION)



	Inquiry	Payment	Payment and Collection
Large Corporate	2.71	3.30	6.74
Mid Corporate	0.99	1.47	4.53
Business Banking	0.38	0.39	2.45
Small Business Banking	0.11	0.15	1.55



## Responsible Banking

### ③ PILLAR THREE – PARTNERSHIPS

At AmBank Group, we believe that partnerships and collaborations with third parties are essential in growing the business and to maintain customer ‘stickiness’ and enhance our digital capabilities. The following components are among the areas where AmBank Group is currently focusing on with regards to forming win-win relationships with vertical industry players:

- (a) **Business JumpStarters (or ‘SME-in-a-Box’)** – providing our customers with a one-stop solution where customers will get to enjoy the seamless integration between our partner’s products and AmBank Group’s innovative cash management solution. In addition, customers of AmBank Group also get to enjoy preferential rates for the services offered by our partners in the following areas to help “jumpstart” their business:
  - i. Payroll and Accounting
  - ii. Operations and Payments
  - iii. Connectivity
  - iv. Digital Marketing
  - v. Other Digital Solutions
- (b) **eWallet Partnerships** – AmBank Group work closely with eWallet players in Malaysia by providing essential business and financial tools to complement the existing features and functionalities of eWallet service providers. These include services such as merchant settlement, JomPAY and FPX services for eWallet reload and top-up, cashing out from eWallet into one’s bank account, etc. Additionally, we also formed joint-efforts on merchant onboarding activities where AmBank Group supports account opening for merchants for our partners to onboard these merchants onto their respective QR code platforms.
- (c) **WeChat Wallet** – Leveraging on the increase in eWallet penetration in the marketplace, AmBank Group collaborates with WeChat Pay to offer cross-border merchant acquisition services, as well as creating local eWallets under WeChat Pay MY.

The Group has since launched several gamification campaigns via the WeChat Official Account and gathered close to 10,000 followers. The ‘AmBank WeChat’ official account serves to provide valued customers with added convenience and ease to interact with us. Apart from showcasing AmBank Group’s latest promotions, events and announcements, this innovative touch-point leverages on gamification and campaigns to reach out to WeChat’s large base of digital users.

Other banking features made available on the ‘AmBank WeChat’ official account include branch locators; application for credit cards and loans; private retirement schemes; unit trusts; as well as quick reference to the latest foreign exchange rates offered by AmBank Group.

Moving forward, the Group is looking to extend the wallet capability of WeChat to our SME customers, revolutionising the way SME businesses capitalise and leverage on the potential of eWallets. This will pave the way for AmBank Group to offer more value-added services and utility under the digital-wallet ecosystem, particularly for emerging SMEs in the near future.

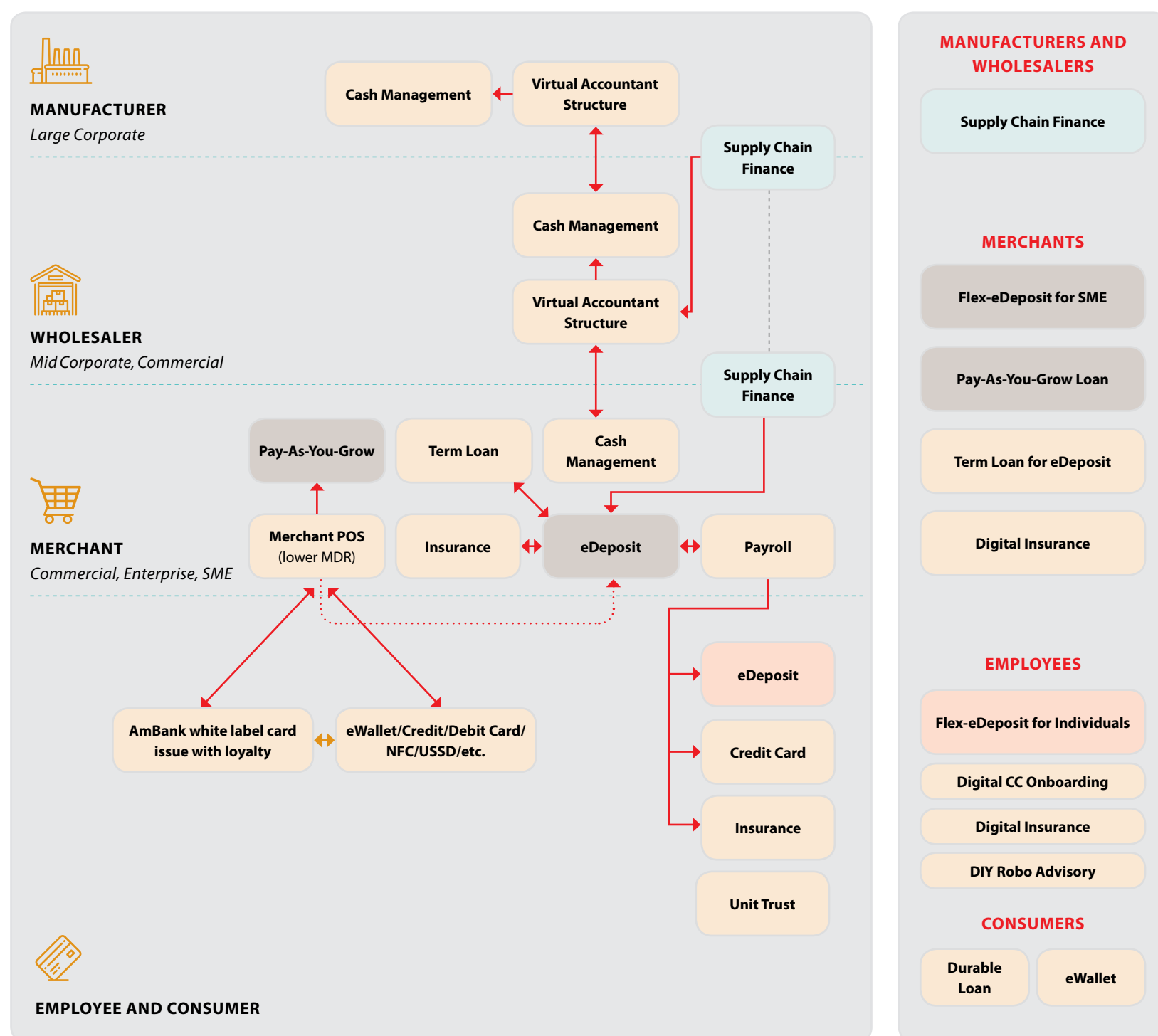
- (d) **Remittance Services** – AmBank is exploring the possibility of partnering remittance services providers where we can leverage on the corridors and footprints of these partners to ensure that the remittances performed by our customers reach its intended beneficiaries in a timely and secure manner. These remittances can be done via account-to-account, account-to-cash out points, as well as from account-to-eWallets in selected countries.
- (e) **Smart City** – AmBank Group is also actively working with State Governments and government agencies in enabling and promoting a cashless society. Together with our eWallet partners, we help Malaysian State Governments in payment collection for utility bills, quit rents, summons and parking fines and other relevant bills via our payment solutions such as JomPAY, FPX, QR codes, virtual accounts, etc.

## Responsible Banking

### 4 PILLAR FOUR – ECOSYSTEM PLAY

The last pillar of AmDigital strategy is where we expand our business proposition to the entire value chain – from producers and manufacturers to wholesalers, merchants and their respective employees. By aggregating all our products under one roof, we aim to offer specialised and differentiated products and services to industry segments, including (but not limited to) supply chain financing for manufacturers and wholesalers; eFlex deposit accounts, Pay-As-You-Grow financing, term loans and other financing products for merchants; as well as eFlex deposit accounts, credit cards, insurance and other retail products for their employees and customers.

#### UNIQUE VERTICAL GO-TO-MARKET: TAP BREADTH AND DEPTH OF BANKING ACROSS THE INDUSTRY'S VALUE-CHAIN



**HOLISTIC SOLUTIONS** ➔ Target Segments: **F&B, Logistics & Manufacturing**

## Responsible Banking

### Cyber Security

AmBank Group places cybersecurity as the cornerstone of our banking platform, to maintain trust and credibility among our customers. With increasingly diverse ways in which our customers are interacting with their assets, we place great emphasis on ensuring the safety and integrity of each transaction – to safeguard our customers from potential losses and mitigate the Group against potential regulatory and reputational consequences.

To accomplish the above objectives, our three-year Cyber Security Maturity Improvement Programme made good progress in FY2019 in the areas such as Data Loss Prevention (“DLP”), Third Party Security Risk, Identity and Access Management and Technology Project Governance. Moving ahead in FY2020 – the final year of the programme implementation, we shall focus on areas such as Identity Governance and Administration (“IGA”), Remote Access Management, Advanced Security Operations Centre (“SOC”), Threat Hunting & Intelligence and Digital Asset Management.

#### THREE-YEAR CYBER SECURITY MATURITY DEVELOPMENT PROGRAMME (FY2018-FY2020)

##### Identity Governance and Administration (desktop, servers, network, security, apps)

- New IGA platform to support internal and external digital identity & access management
- End-to-end privilege ID management in mitigating cyber credentials theft
- Business Process Re-Engineering

##### Enhance Cyber SOC (monitor, detect, respond)

- Enhance capability to mitigate insider threats and improve incident response
- Expand security monitoring to include APT and endpoint cyber threat response
- Build threat intelligence capabilities

##### People and Skill Alignment, Training

- Increase security resources with right skills sets
- Re-structure security operations to address IT security goals
- Security training programmes to address security competencies and capabilities

##### Threat, Vulnerability Management, Hardening and Assured Patch Management

- Strengthen continuous security assurance
- Enhance security testing scope including cyber security scenarios, cyber compromise assessments

##### Cyber Awareness

- Comprehensive Cyber Awareness programme with dynamic content
- Effective and efficient measurement metrics
- Embed cyber security in the culture and decision making

##### Unified Enterprise Cyber Fraud Prevention, Detection and Response

- Establish cyber fraud prevention, detection and response systems to align with digital banking strategy

## Responsible Banking

### Data Science to Enhance Service Delivery

As we become a more data-driven organisation, AmBank Group's Data Science Team provides data expertise by reviewing data quality and proactively handles abnormality (exceptions) in our banking data. The team measures organisational, consumer behavioural and data governance to prevent, among others, faulty data from being recorded by internal IT systems. Doing so will help reduce costly resources employed to investigate and repair data errors, handling inaccurate metrics, misreporting and tidying data sets.

Data science is also used to solve day-to-day business challenges from safeguarding customers from fraud and cyber-attacks to enhancing our customer experience. Valuable information derived from data behavioural analysis helps AmBank introduce products that benefit our customers. By fostering data stewardship culture in AmBank Group, we strive to reduce data redundancies and improve accuracy in our data collection and data footprints.

### IT Infrastructure

The bridge to deliver service transformation, involves five IT core processes that we have embraced in our continuous journey to reinvent the effectiveness and efficiency of our IT Services, and to provide infrastructure support to enable business growth. AmBank's five core IT processes include:

- (a) Daily Service Review ("DSR")
- (b) Management Escalation and Notification
- (c) Major Incident Management ("MIM")
- (d) Root Cause Analysis ("RCA")
- (e) Change Management.

These core processes are embedded into AmBank Group's DNA. Riding on these disciplines to deliver IT Service Improvement, ITIL V3 Event Management is established through Operation Command Center ("OCC") which performs proactive detection and escalation of abnormal transactions or data incidence for speedier resolution before issues are escalated.

Additionally, continual Service Level Management Improvements have boosted service levels not only across IT systems, but also in relation to internal IT services. The outcomes of the five core IT processes led to successful achievement of major IT targets – high system availability and up time. The Group maintained its ISO 27001:2013 certification during FY2019 and recorded zero non-conformities in the last certification audit.

### Pushing Digital Adoption

#### Mobile banking and chatbot

AmOnline has come a long way in FY2019 with the introduction of many features such as Quick Apply, Quick Access and AMY™, our first Virtual Assistant for customer service on credit card related matters.

AMY™, came into existence as a solution to current credit card customers' frustration of having to call customer service to cancel or block their credit

cards, apply for a new card or a supplementary card and change PINs that they had forgotten or to see the status of their current application. The Quick Apply features are further enhanced via AMY™.

The challenge was to engage with both the current AmBank base where the majority is 40 years old and above but at the same time attract a younger demographics to sign up with AmBank.

For the first time, in an unconventional method, we injected a dose of colour and fun in the campaign content. The creative strategy played with unique Malaysian (first world) problems, that paved a humorous way to introduce AMY™. Although AMY™ will not fix every problem faced by customers, 'she' can help make customer services easier and faster.

The campaign ran predominantly on digital and social media channels, saw a series of videos that were created to educate our customers and the public. As a result, the campaign generated over 4.5 million impressions and reached out to 1.1 million people. The launch video itself chalked over 190,000 views on Facebook and YouTube, while the rest of the videos saw a combined 758,000 views across Facebook, YouTube and Instagram.

The average time spent on the branded content article was 6 Min and 46 Seconds which is 45% higher compared to the average time spent on the publisher's website. The biggest group of readers was aged 25-35 which was exactly the demographics we wanted to reach out with this article.

In October 2018, when AMY™ was launched, we saw an increase of 22% of AmOnline logins compared to the previous month. By the way, the AMY™ icon is chosen by our own employees through an internal survey that saw over 500 respondents.

Internally, we ran roadshows at our main buildings, provided fun and freebies to employees who correctly answered questions on AmOnline and AMY™. The intention was to get AmBankers to be acquainted with AmOnline. We also ran a 'Staff Campaign' where we engaged AmBankers as social media advocates by posting comments about AmOnline on their personal Facebook page. The three-week long campaign saw over 40 entries from AmBankers and a noteworthy 250 organic shares.

As yearly giveaways to staff, we created AMY™ premium items to encourage adoption.

Among the plans in the pipeline, we will be creating bite-sized videos to educate our customers and the public on all AmOnline features.

#### Wealth

We will launch wealth investment capability available via AmOnline by August 2019 to attract customers with unique experience on how and when they wish to invest. We are continuing this momentum with the effort to activate and re-activate our customers so they can experience the many features AmOnline will offer.



## Responsible Banking

To drive digital adoption internally, we started with elevating the understanding and knowledge of our employees in our digital ambitions and implemented programmes to accelerate the learning process. These include:

### (a) Change Management and Communication

- Commenced in January 2019, our on-going roadshow at AmBank branches aim to share our digital culture transformation and plans.
- Gather feedback from AmBankers, especially on how digitalisation improves AmBank Group's Employee Value Proposition.
- Regular town halls and publication of news flash and bulletins on the latest virtual milestones.

### (b) Digital Learning

- Introducing digital competency framework and provided mobile learning through bite-sized learning and gamification.
- Knowledge sharing on internal platforms on digital issues such as cyber security, FinTech, and how technology improves work and service delivery.
- Digital upskilling through learning modules such as human design thinking and group learning through Agile workshops.

### (c) AmBankers as Ambassadors

- Aligning AmBankers' digital expectations as a consumer with the digital experience as an employee (a strong internal customer experience leads to an awesome external customer experience).
- Continuous sharing on how digital benefits each and every AmBanker - WIIFM (What's In It For Me).
- Providing flexible and digital-enabled initiatives including flexi/staggered work hours, dress-down attire, collaborative workspaces such as AmBank Group's digital garage, mobile pharma, digital doc, My.FlexBen, mobile claim, mobile leave, digital QR biz card, digital onboarding and digital recruitment.

## Green Technology

We are proud to report the success of our 'lights off' Data Centre, which embraces green technologies that consume less energy than conventional data centres. With virtualisation technology in place, AmBank Group achieved an annual cost saving of RM1.7 million in FY2019. This was achieved through approximate rental space reduction of 1,600 square feet and replacing about 800 physical servers via virtualisation, which led to significant reduction in electricity consumption. This 'light off' initiative also reduced our Data Centres' manhour cost.

Furthermore, the Data Centre utilises environment-friendly equipment, such as inverter-based computer room air-conditioning and high-efficiency Uninterruptible Power Supply ("UPS"), to provide long-term energy savings.

Our maintenance programme ensures that all our leading-edge computer room air-conditioners are using R410/R407c refrigerant, instead of R22 refrigerant, which is not ozone friendly. We have also introduced automation and remote access technology that enables our Primary and Secondary Data Centres to be unmanned, translating to further sustainable long-term cost savings for AmBank Group.

## RESPONSIBLE SOURCING AND PROCUREMENT

By responsibly sourcing the materials we require to operate, we aim to minimise our ESG impacts and play a positive role in influencing the environmental, social and ethical performance of our suppliers. We recognise our responsibility to consider sustainability principles in all our procurement activities, not just within AmBank Group, but also along our supply chain and when interacting with partner organisations in the course of our business.

### Supply Chain Sustainability

We promote responsible and inclusive procurement practices and apply standards of integrity and best practices in managing the social and ethical impacts of our supply chain. Selected contractors which we work with are guided by AmBank Group's 'Operations OSH Contractor Compliance Guidelines' which dictate mandatory ESG requirements, including OSH induction and safety rules and procedures for all new contractors.

### Group Procurement Function

AmBank's Group Procurement function was established to provide governance and control on procurement processes, while seeking opportunities to consolidate volume for greater bargaining power and deliver sustainable savings.

We carry out due diligence processes such as vendor evaluation and selection and risk impact assessments before outsourcing. Our defined risk impact assessment criteria for outsourced products and services outline our minimum requirements for suppliers and vendors, especially in relation to customer satisfaction and reputation, ethical business practices and regulatory compliance.

AmBank Group conducts annual audits and visits the offices, factories and warehouses of outsourced suppliers to assess and evaluate relevant aspects of their business practices vis a vis BNM's outsourcing requirements.

### Sourcing Policy

The principles of responsible sourcing and procurement practices are incorporated into AmBank Group's 'Sourcing Policy', which aims to:

- Set appropriate governance and accountability delegation for sourcing implementation;
- Determine appropriate and comprehensive processes, including documentation requirements to manage outsourcing arrangements;
- Outline our employee's roles and responsibilities;
- Ensure the existence of a process to adequately gauge the impact of and prepare continuity planning for externalities arising from outsourcing activities; and
- Carry out supplier and/or vendor due diligence and assessment during onboarding process. We are committed to only onboard suppliers and vendors who fulfill our requirements.

## Responsible Banking

Our Sourcing Policy strictly adheres to BNM Guidelines and the Security Commission Malaysia's ("SC") Licensing Handbook. We undertake due diligence to ensure suppliers and vendors satisfy, and prove adherence to, relevant laws, regulatory requirements and policies including:

- (a) BNM Guidelines on Outsourcing of Banking Operations and Islamic Banking Operations;
- (b) BNM Guidelines on Outsourcing for Insurers;
- (c) BNM Guidelines on Management of IT Environment; and
- (d) SC Licensing Handbook on Outsourcing Arrangements by Capital Markets Services License Holders.

Consistent with our Sourcing Policy which now includes our 'Supplier Code of Conduct', we promote responsible and inclusive procurement practices and apply standards of integrity and good practices in managing ESG and ethical outcomes along our supply chain.

In 2018, we updated our Sourcing Policy to improve outsourcing management, administration of contracts and roles and responsibilities of relevant personnel. Additionally, we conducted periodic reviews and updated our contract stipulations, in line with relevant laws and regulatory requirements, including:

- (a) Cyber Security Clauses for it and Outsourcing Vendors;
- (b) Secrecy provisions under the Financial Services Acts 2013 and the Islamic Financial Services Act 2013; and
- (c) Companies Act 2016.

### Supplier Code of Conduct

AmBank Group recognises the role its supply chain plays in reducing its environmental footprint and has therefore incorporated ESG considerations in the sourcing of its goods and services. When procuring office goods and other supplies, AmBank Group places priority on selecting green and environmentally-friendly products and services (e.g. energy efficient, durable, use of biodegradable and/or less hazardous substances and goods, made from recyclable materials or recyclable, green-certified products).

Our 'Supplier Code of Conduct' contains requirements for Business Ethics, Governance and Compliance, and Procurement Sustainability – which form the foundation of our current and future procurement relationships. In ensuring conformance, our Group Procurement department provides suppliers and vendors with the latest 'Supplier Code of Conduct' and all suppliers and vendors, as well all their related subcontractors, are required to state their compliance as part of our standard supplier selection procedure.

### 1 SUPPLIER SCREENING AND ONBOARDING

Since January 2019, potential AmBank Group suppliers (and existing suppliers during contract renewal) are required to complete a questionnaire, as part of our "Responsible Sourcing and Green Procurement for Supplier's Onboarding Programme", which outlines key expectations with regard to business integrity and ethics, safety and social performance and environmental sustainability. Sections in the questionnaire are outlined as below:

- **Section 1: Business Integrity and Governance;** which requires the supplier to adopt a policy governing anti-bribery, extortion, corruption, fraud, money laundering and conduct relating to offering anything of value and inappropriate behaviour with an intention to influence decision-making.
- **Section 2: Safety and Social Performance;** which among others requires the supplier to have a written Safety Policy in place which complies with industry, national, and international standards and procedures to ensure that all employees are employed on free will and all forms of employment are free of forced labour, bonded labour, slavery, human trafficking and child labour.
- **Section 3: Environmental Sustainability;** which requires the supplier to promote the use of sustainable products (ie. recyclable, reusable, non-toxic, bio-degradable, made from 100% recycled materials) and practices in the delivery of the types of products or services to AmBank Group. For example, the use of environmentally-friendly products in janitorial services, refrigerants with lower ozone depleting potential and effective use of energy-efficient equipment.
- **Section 4: Product Performance Testing;** which among others require the supplier's products to meet AmBank Group's required performance and technical specifications.
- **Section 5: Resource Efficiency and Waste Reduction;** where applicable, requires a take-back programme by the supplier for reuse or recycling for the products supplied.
- **Section 6: Energy Efficiency;** where applicable, requires the products to have employ energy savings features during use and/or on standby.
- **Section 7: Environmental Hazardous Substance Management;** where a supplier is responsible to collect scheduled waste generated as a result of its activities (e.g. collecting and disposing used fluorescent lamps, disposal of empty paint cans after painting activities, disposal of e-wastes, etc.) from AmBank Group's premises, shall require the supplier to use a licensed waste collector or to be registered with the Department of Environment for the collection and disposal of scheduled and hazardous wastes.

## Responsible Banking

Each of our suppliers will be required to score a minimum of 40% under the 'Responsible Sourcing & Green Procurement' criteria for consideration to be included in AmBank Group's list of suppliers. Should the supplier meet other requirements set by Group Procurement, but failed to meet the minimum 'Responsible Sourcing and Green Procurement' requirement – and are within the 35% to 39% bracket, a "Supplier Improvement Plan" will be developed to assist the supplier to meet the 40% requirement within 12 months from the time of assessment.

A supplier that scores below 35% shall be categorised as "Not Meeting Requirements" and their application will not be considered, despite meeting all price, technical specifications and quality requirements.

During the trial run of the "Responsible Sourcing and Green Procurement for Supplier's Onboarding Programme" conducted between October 2018 and January 2019, responses were received from 85 existing vendors. Of these, 100% of our existing vendors were able to score the minimum 40% score. However, we noted that seven vendors experienced minor issues with non-compliance of environmental, safety, labour codes and other practices. These vendors have been included under our watch list to ensure the minor issues are resolved.

### eProcurement Portal

By digitalising our procurement practices, we increased our processing efficiency, cost savings and enhanced the transparency of our operations. To-date, AmBank Group's Request for Information ("RFI"), Request for Quotation ("RFQ"), Request for Proposal ("RFP") and Bidding processes are fully conducted online. Our purchase orders are issued online and suppliers are able to upload their invoices directly to our system for payment. We also use an eContracting module to better manage our contractual commitments and supplier and vendor deliverables.

### Sustainable Supply and Conservation of Resources

In keeping with our digitalisation and green efforts, our 'Notice of Annual General Meeting' to shareholders beginning this financial year shall be delivered in the form of a post card – without the accompanying CD-ROM and abridged copy of our report. In doing so, we have made the necessary amendments to our Company Constitution to reflect this change in our stakeholder engagement practice. We will also convert contents in the printed copy of our Integrated Report into digital version, which is available on our Group website.



> For further information on AmBank Group's Integrated Annual Report FY2019, please log on to: <https://ambankgroup.com/eng/InvestorRelations/AnnualReport/Pages/2019.aspx>

### Social Procurement

We adopted the principles of social procurement by purchasing from socially-conscious enterprises, namely 'The Silent Teddies Bakery' and 'The Picha Project'. The former is a bakery run by the deaf and mute and the latter is a catering services company that empowers marginalised segments of society to earn a living by distributing home-cooked meals prepared by them. Besides

procuring festive cookies from both social entities for our Hari Raya Aidilfitri and Chinese New Year celebrations as gifts, we also purchase meals from 'The Picha Project' for in-house meetings and events.

### Supporting Local Suppliers

We believe in continuing to add value to the communities in which we operate. We are committed to contribute to our local economy by sourcing our materials and services from local suppliers, in our bid to support local employment and spur economic growth in Malaysia. By purchasing from local suppliers, we also lower our operating costs and minimise our carbon footprint on logistics. Local suppliers made up 94% of our active suppliers in FY2019 and constituted 86% of our total supplier spending during the financial year.

### OSH Compliance on Procured Services Involving Human Labour

Services delivered by our cleaning services provider is guided by AmBank Group's 'Operations OSH Contractor Compliance Guidelines', where it is mandatory that all new contractors undergo the necessary OSH induction and comply with relevant OSH guidelines in carrying out their work, in relation to:

- (a) General Safety Rules and Procedures;
- (b) Use of Personal Protective Equipment;
- (c) Tools, Machines and Fire Safety;
- (d) Working at Height;
- (e) Handling of Flammable or Explosive Materials, Chemicals and Oil; and
- (f) Fire Safety, Emergency and Accident Response.

### RESPONSIBLE MARKETING, PRODUCT AND SERVICE DESIGN

AmBank Group's business ethics and responsible conduct extends to how we market our products and services to our customers. Ethical marketing, including responsible product and service design, forms the foundation of our communication efforts which focus on building trust and confidence, and enhance our reputation, while continuously innovating solutions to help individuals and businesses in Malaysia grow and win together.

### Communication Governance on Products and Services

We take the design and communication of our product information seriously and strive to be clear and concise in our messaging to our customers and employees. We have a robust branding and advertising framework, which guides our promotional efforts for brand differentiation and ethical product elaboration, as well as AmBank Group's corporate branding and marketing campaigns.

Our marketing communication initiatives undergo extensive scrutiny based on our 'Campaign Marketing Review Checklist', in addition to ensuring strict compliance with regulatory guidelines, as follows:

- (a) BNM Guidelines on Product Transparency and Disclosure; and
- (b) AmBank Group Shariah Guidelines on Marketing and Promotional Materials.

## Responsible Banking

An accountability and governance process govern the development of our products and services by the respective lines of business to ensure all regulatory requirements, ethical marketing, information transparency and AmBank Group's brand values are intact. We also adopt an integrated approach that considers ESG impacts of the products and services that we introduce.

The Group's Product Approval and Management Policy articulates the overarching principles and minimum requirements for the management of AmBank Group's products throughout the product lifecycle, balancing the need for product governance and safety with commercial considerations within the Group's risk appetite. The Group Product Forum, a delegated sub committee of the Group Management Committee, has oversight to ensure adherence to the policy by the product owners.

### Social Media Marketing and Corporate Website

AmBank Group's primary modes of customer engagement includes through our social media channels, which encompass Facebook, Instagram, Twitter, LinkedIn and our corporate webpage – [ambankgroup.com](http://ambankgroup.com). The future of banking is digital and social media will play an important role in shaping the banks of the future.

Leveraging the power of social media as an effective medium of communication and engagement, we strive to give our customers a voice to help us understand their needs better, as we endeavour to provide the necessary support in a faster and more efficient way.

Social Media Networks	TARGET (friends and followers)			ACTUAL (friends and followers)		
	FY2019	FY2018	FY2017	FY2019	FY2018	FY2017
Facebook (AmBankMalaysia)	165,000	150,000	138,000	154,203	148,396	128,524
Instagram (@AmBankMY)	3,000	2,500	2,000	4,492	3,163	2,007
Twitter (@AmBankMY)	2,500	300	100	3,446	453	189
LinkedIn (AmBank Group)	30,500	18,150	7,750	40,599	28,045	16,500

### 2 SOCIAL MEDIA

We continue to be committed to social media ethics and etiquette, while ensuring information shared on our products and services are accurate at the time of release, easily understandable, concise, genuine, compliant and mitigates potential reputational risk or damage to the organisation. Our Social Media Guidelines and relevant content checklist ensures all outgoing collaterals are carefully vetted through appropriate processes prior to publication.

Our Social Media Framework guides our brand voice and establishes a polite and respectful reply protocol for our Contact Centre team, in responding to customers' inquiries on social media. Our Contact Centre web team abides by an internal service benchmark requiring all customer complaints or suggestions to be responded to within four hours. The maximum tolerable timeframe is 12 hours. This has been identified as a key operational and reputational risk in our Top 4 transformation journey.

Aside from Facebook, Instagram, Twitter and LinkedIn, our customers and the community can also find us on popular forums, blogs, social messaging and blogs, as follows:

- (a) Video and photo sharing websites such as Flickr and YouTube;
- (b) Blogs hosted by corporates, individuals and media outlets in Blogspot, Wordpress, as well as the comment section in blog sites;
- (c) Wikis and open-source online content collaborations such as Wikipedia, Dropbox and Google Docs;
- (d) Forums and discussion groups such as Lowyat.Net and Cari.com.my;
- (e) Geo-spatial tagging such as Foursquare;
- (f) Chat messaging applications such as WhatsApp, Line, WeChat and Short Messaging Service; and
- (g) Other emerging electronic and/or digital applications.

Our open and honest social media communication approach fared well in FY2019, garnering strong engagement and followers. For example, our Facebook friends increased by 8.7% to almost 10% and our new LinkedIn connections went up by 45% to 40,599.



## Responsible Banking

### TYPE OF SOCIAL MEDIA AND MARKETING ACTIVITIES

#### Social Media and Video Updates

##### 1 April 2018

Launched AmBank Credit Card campaign – Win A Porsche Macan. During the event, we recorded a video featuring Dato' Sulaiman Mohd Tahir, our Group CEO, driving the Porsche Macan. We also launched the all-new AmOnline to the public. In conjunction with the launch, we ran a 4.28% p.a. fixed deposit campaign on AmOnline. On the health front, we launched AmBank Group's 'Health & Wellness Campaign' for our employees. We encouraged our staff to start taking the stairs and they will be rewarded. Meanwhile, we were awarded 'Outstanding Contribution Bank to JomPAY' and 'Outstanding Contribution to MyDebit' at the Malaysian e-Payments Excellence Awards 2018.

##### 2 May 2018

Winners of the AmBank BizRACE were unveiled at a glamorous dinner event at Kuala Lumpur. We launched the 'AmBank WeChat Tipi Tap Raya' campaign! The biggest campaign since we partnered with WeChat, the interactive campaign where members of the public played a game to "tap" offers. We also launched a 'Win Holiday Campaign' for our AmBank credit card customers.

##### 3 June 2018

It is Hari Raya Aidilfitri month. We published a Hari Raya greeting video featuring Tan Sri Azman Hashim, our Group Chairman, Dato' Sulaiman Mohd Tahir, our Group CEO and other senior management members. Organised by our sports club, Kelab AmBank Group, we took AmBankers to Terengganu for the second 'Candat Sotong' event. On AmOnline, we continued to run FD promo and unveiled free instant transfer fees for all AmBank customers for any amount.

##### 4 July 2018

We organised the AmBank Group Raya Open House for customers and guests. Our sports club, Kelab AmBank Group, organised a Hari Raya Open House for our staff and students from S.K. Bangsar, AmBank's adopted school. We also covered the AmOnline's Win a MINI prize giving event where we gave away the brand new car to Mr Francis Ung! The video interview with Mr Ung saw over 2,500 views and 28 shares. In the same month, Phase 2 of the 'AmAssurance on Tour' roadshow was launched.

##### 5 August 2018

The official launch of Azman Hashim International Business School ("AHIBS") was covered LIVE on Universiti Teknologi Malaysia's Facebook page. AmBank BizCLUB's CEO Chats featured Tan Sri Azman Hashim, our chairman where he gave advice on entrepreneurship and business to those in attendance. The event was covered on social media. In the same month and our Transaction Banking team ran a series of customer engagement events where we provided insights, advice and mingled with our customers. We also launched AmMoneyLine personal financing where we provided cash rebates, no early settlement fees and a free travel luggage for our customers.

##### 6 September 2018

AmBank Group garnered the 'Digital Transformation' award at the Red Hat Innovation Awards 2018. We launched a remittance campaign where customers stood a chance to win RM50 petrol gift cards.

##### 7 October 2018

We launched a rebranded AmEquities, formerly known as AmeSecurities. The launch campaign, themed "Start small. Start trading" focused on targeting millennials who are interested in trading. At the end of October 2018, we launched AMY™, the first Virtual Assistant on customer experience, to the media and public. The event was LIVE on our Facebook channel and garnered over 3,300 views, 39 shares and 105 likes. AMY™ is a permanent feature in the AmOnline mobile app on iOS and Android platforms.

##### 8 November 2018

We hosted and organised a post-budget talk – "Budget 2019 - Doing Business in the New Malaysia" where YB Tony Pua and other respected leaders joined the talk. We also launched the AmBank BizRACE in Kuala Lumpur. During the event, we ran an 'Up, Close & Personal' session with Tan Sri Azman Hashim, our Group Chairman. Meanwhile, we sponsored the MRCA Charity Run 2018, chalked up awareness on AMY™ and AmOnline, and ran a teaser campaign to give away VIP passes to the Big Bad Wolf book sale, which garnered massive response with over 250 shares on Facebook.

##### 9 December 2018

AmBank sponsored the Big Bad Wolf popular book sale and provided priority lanes for our customers and discount vouchers. We covered the launch event at the MIECC, The Mines. The month also saw the 13<sup>th</sup> AmBank Group SportExcel International Junior Golf Championship. It was AmBank Group's 13<sup>th</sup> year being Title Sponsor for the prestigious sporting event. Meanwhile, we continued to run awareness campaigns, especially #PayWinCelebrate, AmOnline and DuitNow, which was launched to the public on 8 December 2018.

##### 10 January 2019

AmBank and Credit Guarantee Corporation ("CGC") formed a strategic collaboration with Proton to provide financing access via Portfolio Guarantee worth RM100 million, launched AmOnline – only FD & Term Deposit-i 4.28%p.a. promotion and increased awareness on AmBank Cards' 'Level Up Your Lifestyle' campaign where customers stood a chance to win brand a new Mercedes-Benz A-Class.

##### 11 February 2019

AmBank Group won the 'Best SME Bank Award' for Malaysia by Global Banking & Finance Review. Global Banking & Finance Review is a leading United Kingdom-based financial portal and print magazine offering news, analysis, opinion, reviews, interviews and videos from the world of banking, finance, business, trading, technology, investing, brokerage, foreign exchange, tax and legal, Islamic finance, as well as asset and wealth management.

##### 12 March 2019

AmBank Group won the '2018 National OSH Excellence Award' for the financial institution category at the National Occupational Safety and Health ("NOSH") Excellence Awards 2018 presentation ceremony, which was held at the Mövenpick Hotel and Convention Centre KLIA in Sepang, Selangor.

## Responsible Banking

### TYPE OF SOCIAL MEDIA AND MARKETING ACTIVITIES

#### AmBank Group Corporate Website

All activities on our one-stop corporate website ([ambankgroup.com](http://ambankgroup.com)) abides by AmBank Group's Corporate Website Management Framework, which governs and provides our web content team with the relevant approval and review processes prior to publication. Our Group Corporate Communications and Marketing team ensures that all contents follow AmBank Group's brand guidelines and is compliant with our Corporate Website Management Framework.

Work is underway to continuously upgrade and improve the functionality and aesthetics of our corporate website to remain relevant with our young millennial audience.

#### Branding

Strong branding is critical to our success in today's challenging and competitive banking environment. For AmBank Group, our brand is not just our logo, slogan, or how hard we market and advertise our products and services. For us, our brand is about how we stay true to our identity – our personality, our values and our promise.

Our branding building efforts, which strive to create 'stickiness' in our audience's mind focuses on delivering AmBank Group as a memorable brand that relates to our customers' success, captures strong value and likeable in our Malaysian context.

AmBank Group's branding strategy, encompassing our branding, communications and marketing activities are governed by our Brand Governance to ensure a consistent brand message across our lines of business. The unified brand messaging ensures that all AmBankers understand and adhere to established brand practices, both internally and externally. While safeguarding our brand from unethical use, our Brand Governance ensures that all marketing communications are synergistic, relevant, purposeful and socially responsible.

In maintaining compliance, our Brand Council leads the enforcement of our Brand Governance. The council consists of representatives from varied functional teams and business units as brand stakeholders to drive robust brand enhancement initiatives that upholds customers' trust and confidence in AmBank Group.

Concurrently, the Brand Council Manifesto expedites the Group's decision-making approach in relation to branding initiatives and affirms the Brand Council's ownership and accountability to the success of the AmBank Group brand.

## Employer of Choice

“Growing and Winning Together with AmBankers”



## EMPLOYER OF CHOICE

We recognise the need to maintain an engaging and inclusive workplace that allows our people to achieve their aspirations.



## Employer of Choice

The banking environment continues to undergo profound changes. Shifts in the expectations of our customers, stakeholders and employees, the emergence of new technologies and changing regulatory frameworks are transforming our business lines and the skills required to provide banking services.

At AmBank Group we believe that to deliver a purpose and values-led transformation for the Group, we need to maintain an engaging and inclusive workplace that empowers AmBankers to achieve their aspirations with the appropriate support.

Our focus as an “Employer of Choice”, therefore, is to:

- Create strong alignment of culture and conduct;
- Support a vibrant, diverse and inclusive workforce;
- Improve employee wellbeing and engagement; and
- Provide targeted professional development.

### CREATING A STRONG CULTURE AND CONDUCT ALIGNMENT

AmBank Group’s corporate culture, through the decades, has evolved into a deep, relationship-centric model, focused on quality service and offerings.

This year, we engaged our workforce and our leadership team to review, shape and translate our culture into bite-sized pragmatic day-to-day practices – to convey what it means to each individual AmBanker and the critical role they play in reinforcing our corporate culture. Our culture integrates our purpose, values, Code of Conduct (“CoC”) and Code of Ethics (“CoE”) to ensure we are continuously aligned, improving and adapting for our customers.



We took steps to support our culture and conduct review on outcome and alignment, with a focus on increasing workplace and enterprise collaboration, rewarding proactive people who lead customer first practices and improving customer satisfaction through respectful and ethical services.

We also encouraged innovation and continued to develop key capabilities essential for our digital transformation. Our progress this year includes:

- Co-creation of interventions and solutions for an improved workplace with the use of technology and data (Culture Alignment Survey), as well as high-touch, open and authentic Focus Group Discussions (“FGDs”), and Leader-Skip Level sessions across AmBank Group’s multi-generational and multi-disciplinary workforce. A total of 71 FGDs and Leader-Skip Level sessions were carried out in FY2019;
- Strengthening workplace accountability and consequence management to ensure that employees are held accountable when things go wrong with proportionate consequences consistently applied. This includes improving our performance benchmarking and monitoring tools and enhancing information gathering and consequence matrix which our leaders, the independent Group Disciplinary Committee and the Audit and Examinational Committee have access to, to make informed decisions on employee performance and remuneration (including deferred remuneration, claw backs and forfeiture);
- Introducing a Board-approved market competitive pay-for-performance framework that rewards and balances performance with appropriate risk taking and long term sustainability;
- On-going assessment of employees’ awareness and adherence to AmBank Group’s culture, values, CoC, and compliance requirements; and



## Employer of Choice

- Launching our “Digital Garage” to empower and nurture innovative ideas, encourage capability development, and foster rapid learning through project and activity reviews to evolve our approach to continuously deliver better outcomes.

### CODE OF CONDUCT AND CODE OF ETHICS

AmBank Group’s CoC and CoE set the expected standard of behaviour, which is closely linked to our values. Our CoC and CoE requires all employees and contractors to act with honesty and integrity and to comply with all laws, as well as all the Group’s policies and procedures in carrying out their responsibilities.

The CoC and CoE is supported by a suite of Guidelines that are reviewed regularly to ensure they reflect applicable changes in law, or otherwise remain fit for purpose. We also expect AmBank Group’s partners (including suppliers, service providers and other third parties) to adopt and maintain similar conduct and ethics principles to those outlined in the CoC, CoE and supporting Guidelines.

All AmBankers are required to complete the CoC and CoE mandatory training courses within one month after commencement of work, followed by annual refreshers.

The CoC and CoE training courses reinforce the importance of AmBank Group’s values and seeks a declaration of compliance with the CoC. By completing the courses, participants confirm they understand the CoC’s principles and have complied with the principles over the past 12 months. In addition to the CoC and CoE, all employees are required to complete a mandatory training on Compliance, which covers among others, Anti-Money Laundering, Know Your Customer and Operational Risk.

In FY2019, we introduced email and supervisor reminders in addition to desktop wallpapers, resulting in 100% of our employees completing their training in a timely manner.

We also made Compliance a compulsory key result indicator in our Performance Management with a Performance Assessment Guide made available to all AmBankers. The guide clearly articulates the impact to overall performance outcome and remuneration when an employee’s behaviour does not meet expectations. Where there is evidence that an individual may have breached our CoC, CoE, or other relating Guidelines, and where such allegations are substantiated upon investigation, appropriate disciplinary action will be taken. This includes formal warnings, dismissal and where relevant for our senior employees, bonuses will be reduced.

### SUPPORTING A VIBRANT, DIVERSE AND INCLUSIVE WORKFORCE

As at March 2019, AmBank Group provides employment to a total workforce of over nine thousand employees. The composition of employees by employment status and gender are as follows:

BREAKDOWN OF TEMPORARY AND PERMANENT STAFF*				
Staff Status (As at 31 March)	FY2019		FY2018	
	Female	Male	Female	Male
Temporary	1%	1%	1%	1%
Permanent	61%	37%	60%	38%
Subtotal	62%	38%	61%	39%
<b>Total</b>	<b>100%</b>		<b>100%</b>	

\* Note: Comprise only employees (inclusive of AmMetLife and AmMetlife Takaful), who are employed as at 31 March 2019 and 31 March 2018

We believe in the inherent strength of a vibrant, diverse and inclusive workforce where the backgrounds, perspectives and life experiences of our people help us forge strong connections with our customers, to innovate and make better decisions for our business. Workforce diversity is taken into consideration across AmBank Group, including when we are recruiting new staff and promoting current employees.

At AmBank Group, we support a workforce which reflects the diversity of the communities in which we live and operate. Our hiring, reward, recognition and retention processes recognise diversity in its broadest sense throughout the entire organisation, including one’s gender, gender expression and identity, sexual orientation, age, caring responsibilities, disability, family and relationship status, cultural identity, ethnicity, religious beliefs, education and socio-economic background.

We have a shared responsibility to foster a work environment that promotes equal opportunities and mitigates discrimination. This is achieved through the following actions:

- Valuing individual abilities, such as language skills and international experience that may help to broaden our overall market knowledge and business connections;
- Identifying and addressing any unconscious bias in recruitment, retention and promotion that may be preventing any particular group of people from joining or continuing to serve the Group;
- Enforcing human rights, employees’ right for protection and zero tolerance for discrimination through AmBank Group’s CoC, CoE, Group Disciplinary Committee and Whistleblower Policy;
- Being aware and appreciate different cultural practices and special needs of employees and making the necessary workplace adjustments to support such practices and needs where appropriate;
- Catering for individualised needs via flexible employee benefits and workplace policies; and
- Observing and celebrating Malaysia’s unique multicultural and multi-religious festivities across AmBank Group.

## Employer of Choice

### GENDER EQUALITY

Women in leadership remains our focus this year to improve gender equity at the most senior and influential levels of the organisation. We have a 29% female representation at our Board and four women as members of our Top Management ("C-Suites") – the Managing Director for Wholesale Banking, Managing Director for Retail Banking, Group Chief Compliance Office and Group Chief Human Resources Officer.

We are fully committed to maintaining a balanced gender composition in executive and managerial positions and we continue to make systematic efforts to attract best-suited individuals to fill gaps within the business and ensure adequate succession planning, internal development and progression are in place to achieve a well-balanced management and executive team that delivers value-added ideas and innovation.

To-date, the majority of employees in AmBank Group are women with 64% of promotees being women this year.



**MEMBERS OF THE  
BOARD OF DIRECTORS  
BY GENDER RATIO**



**5 Males**

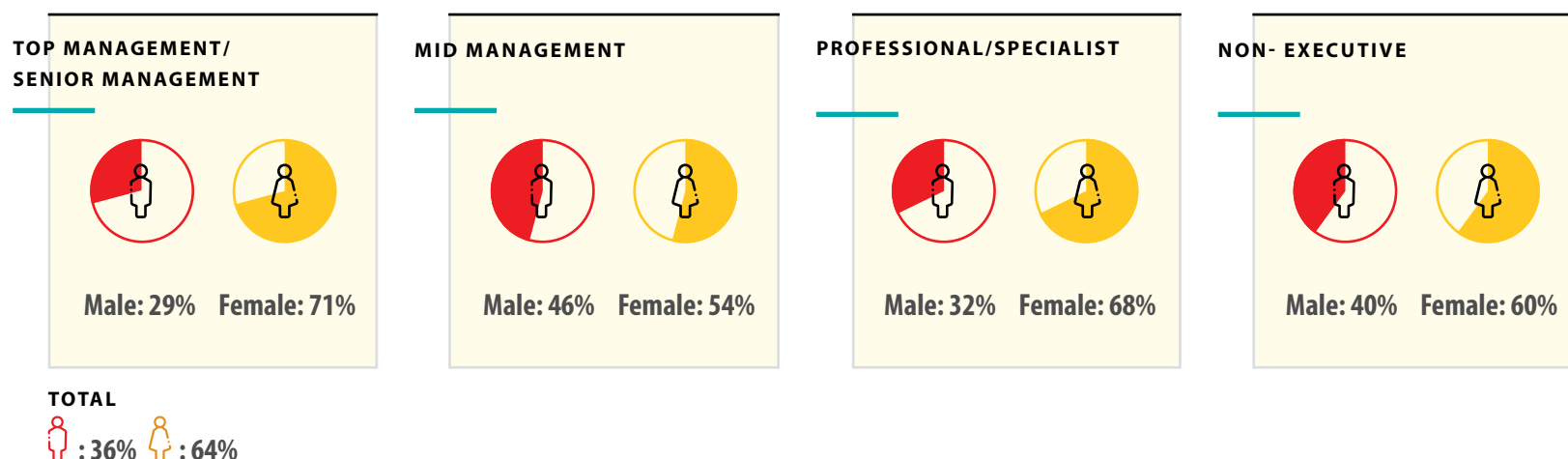


**2 Females**

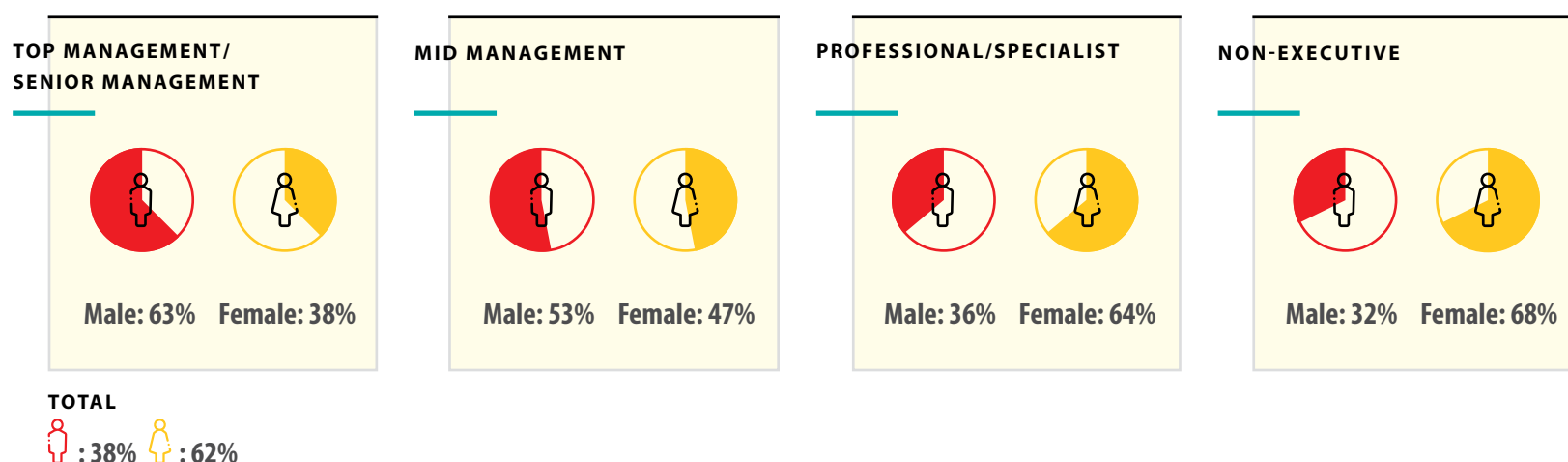


**7 TOTAL**

### INTERNAL PROMOTION BY GENDER & EMPLOYEE LEVEL (WORKFORCE CATEGORY)



### EMPLOYEE DISTRIBUTION BY GENDER & EMPLOYEE LEVEL (WORKFORCE CATEGORY)



## Employer of Choice

### Gender Pay Equity

AmBank Group recognises that in order to attract, retain and motivate the best talent, we need to measure and reward our talents' performance. We also need to ensure we have a considered and equitable approach to how we determine remuneration that aligns to local financial services industry's practices. As such, the Board approved a performance and remuneration framework that is aligned with Bank Negara Malaysia's Corporate Governance stipulations and is focused on addressing two key objectives:

1. To attract, recognise, motivate and retain the right employees; and
2. To align the interests of AmBankers with our shareholders through equity ownership to ensure long term performance sustainability and appropriate levels of risk taking.

In guiding the performance of our people and business, each AmBanker is assessed in accordance with a Performance Management Plan, which aligns achievements with stretch goals to enable them to deliver, develop and grow.

We also dedicate significant focus on ensuring equal pay for work of equal value to compete for talents within the employment market at large. Hence, we strive to streamline our remuneration package by:

- Participating in independent wage and employee benefit surveys annually by WillisTowersWatson, McLagan, and Mercer;
- Conducting regular pay and employee benefit reviews across similar roles within the industry (to ensure market pay equity) and within AmBank Group as a whole (to ensure internal pay equity);
- Setting the right variable reward targets for performance contribution and alignment with organisation objectives in a fair and transparent manner;
- Ensuring annual remuneration recommendations across all roles are performance-driven with each AmBanker living up to the Group's values; and
- Cross-examining performance outcomes across the Group each year to eliminate assessment bias.

AmBank Group have voluntarily reported on our gender pay gap for several years as we work to actively address real barriers to equal pay among our male and female employees. While there appears to be a pay gap in the average salaries of male and female employees across all reported entities within the Group and to ensure that our disclosures are transparent, meaningful, and focused on areas that are of most relevance, we believe it is important to recognise:

1. The interdependencies at play when it comes to gender equality;
2. Factors that influence an individual's remuneration package such as their unique skills, experience, qualifications and performance; and
3. Methodologies used in reporting gender pay equity.

AVERAGE MONTHLY BASIC SALARY FOR FEMALE VS MALE EMPLOYEES*										
Company Name	2014		2015		2016		2017		2018	
	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female
	Average Basic Salary (RM)									
AmBank (M) Berhad	6,002	4,631	6,163	4,763	6,224	5,040	6,567	5,338	6,714	5,360
AmInvestment Bank Berhad	9,971	7,426	9,793	8,098	9,698	8,320	9,721	8,741	10,016	8,103
AmBank Islamic Berhad	8,608	6,526	11,419	6,781	11,988	7,032	13,234	7,304	14,430	8,356
AmGeneral Insurance Berhad	5,077	4,003	5,454	4,345	6,093	4,589	6,380	4,832	6,213	4,655

\* Figures reported are as per calendar year basis

## Employer of Choice

Using the "Average Basic Salary" methodology as reported above, a lower representation of women in senior and high-paying roles within the Group's entities is discernible. However, the "Like-for-Like" methodology, which compares both genders' pay in similar hierarchy levels, suggests disparity of a lesser extent between male and female employees.

## EMPLOYEE REMUNERATION BY GENDER AND EMPLOYMENT LEVEL IN FY2019



## TOTAL CASH



Male: 67% Female: 33%

## TOTAL VARIABLE INCENTIVES



Male: 66% Female: 34%

## TOTAL COMPENSATION



Male: 67% Female: 33%



## TOTAL CASH



Male: 55% Female: 45%

## TOTAL VARIABLE INCENTIVES



Male: 55% Female: 45%

## TOTAL COMPENSATION



Male: 55% Female: 45%



## TOTAL CASH



Male: 38% Female: 62%

## TOTAL VARIABLE INCENTIVES



Male: 41% Female: 59%

## TOTAL COMPENSATION



Male: 38% Female: 62%



## TOTAL CASH



Male: 30% Female: 70%

## TOTAL VARIABLE INCENTIVES



Male: 29% Female: 71%

## TOTAL COMPENSATION



Male: 30% Female: 70%

**ALL  
EMPLOYEES**

## TOTAL CASH

: 45% : 55%

## TOTAL VARIABLE INCENTIVES

: 48% : 52%

## TOTAL COMPENSATION

: 45% : 55%



## Employer of Choice

This two-pronged pay assessment approach allows us to better understand and evaluate the root causes of our gender pay gap – where the primary drivers of AmBank Group's gender pay gap comprise the level of representation of women in leadership roles and specific (niche) job functions that yield higher salaries. For example, when we review our non-management employee category, the average pay for women is higher than that of men on a "Like-For-Like" basis, whereas at the Management level the reverse holds true.

Committed to ensuring that there are no conscious or unconscious bias in our pay decisions, we are focused on initiatives to close the gender pay gap including the removal of systemic bias from our processes, such as our performance and remuneration review.

We also provide enhanced support for our line managers to make fair and equitable remuneration decisions. This includes specific guidance for line managers during performance and remuneration reviews on employees who are absent on, or recently returned from parental, sabbatical, unpaid, or prolonged sick leave to ensure their remuneration remains aligned with their overall performance and productivity, and market pay rates.

### Age Distribution and Seniority

Gender diversity goes beyond rank at AmBank Group, where roles and functions – in our lines of business across age groups and seniority – have a fair representation of both genders, while ensuring all requisite work criteria are met.

Being a banking and financial services group that has a relatively balanced employee distribution by age and seniority, with 10 years being the average length of tenure, we firmly believe that all of our employees are valuable to us and they bring a range of perspectives and skills to the organisation.

AGE DISTRIBUTION BY GENDER		
Age	Female	Male
< 20 years old	86%	14%
20-25 years old	63%	37%
26-30 years old	61%	39%
31-35 years old	65%	35%
36-40 years old	67%	33%
41-45 years old	63%	37%
46-50 years old	61%	39%
> 50 years old	58%	42%
<b>Total</b>	<b>62%</b>	<b>38%</b>

SENIORITY YEARS OF SERVICE ("YOS") BY GENDER		
Year of Service	Female	Male
Less 2 years	56%	44%
2-5 years	61%	39%
6-10 years	67%	33%
11-15 years	70%	30%
16-20 years	59%	41%
> 20 years	64%	36%
<b>Total</b>	<b>62%</b>	<b>38%</b>

## Employer of Choice

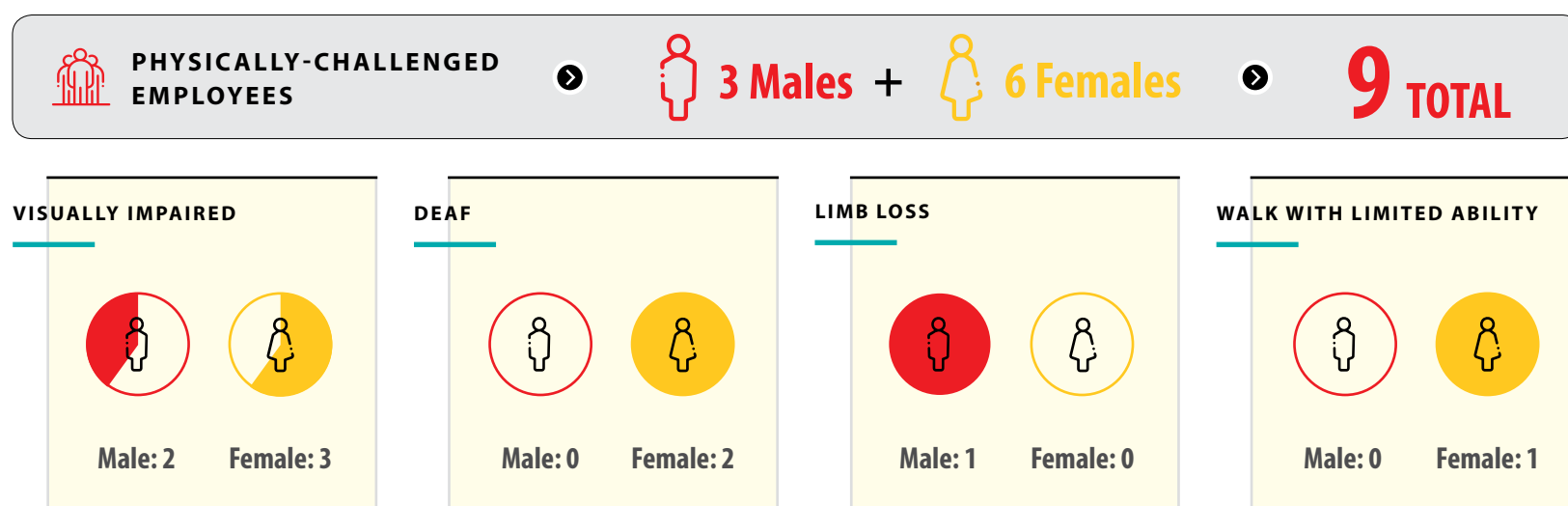
### VULNERABLE EMPLOYMENT GROUPS

When we recruit for a role, a candidate is deemed best-suited based on the required qualifications, knowledge, work and life experience, with the right behavioral competencies that are aligned to AmBank Group's Culture and Values. Guided by these criteria and our diversity and inclusion mindset, we continuously promote the participation of under-represented groups in our workforce.

We provide employment opportunities to individuals who otherwise may find it challenging to secure permanent employment due to physical limitation or impairment. AmBank Group is an equal opportunity employer and we welcome and include employees from diverse backgrounds and physical conditions, thus helping to facilitate their social and economic participation. For example, we:

- Consider the gender and geographical representation of employees in our succession plans to ensure a broad representation of the population in which we operate;
- Regularly monitor the representation and engagement of our workforce in terms of age, cultural and ethnic background, physical capacity, gender and sexual orientation; and
- Utilise flexible work arrangements, and/or ensure the provision of workplace facilities and relevant support to enable them to perform at their best.

Our diverse, open and inclusive work environment provides employment opportunities for loyal, involved and committed employees who contribute to the shared success of the Group. This financial year, we continue to employ nine individuals with varied physical disabilities within the Group. We also reskilled and provided the necessary workplace support and guidance to 46 unskilled individuals via our RB Cares programme.



### CULTURAL AND ETHNIC INCLUSION

Being a Malaysian bank that supports a multi-cultural and multi-ethnic workforce, AmBank Group is committed to ensuring our workplace reflects the diverse cultural composition of our community. As such we are mindful that:

- All employee-related policies, frameworks and practices are removed from systemic biasness, including due to race or religion;
- Line managers are equipped to access each AmBanker's performance, development and progression opportunity and make pay decisions based on facts and merit; and
- We pay close attention to ensuring the cultural practices, celebrations and festivities of all ethnicities are equally represented by the Group, both internally and externally.

## Employer of Choice

### MULTI-ETHNIC EMPLOYEE COMPOSITION

Ethnicity	Female	Male
Malay	30%	18%
Chinese	25%	15%
Indian	5%	4%
Others	2%	1%

As such, in FY2019 we:

- Hosted 10 events which celebrated major cultural festivities, as we drive awareness, education and understanding on cultural diversity;
- Created new/additional communal prayer facilities in our primary office buildings and business locations; and
- Introduced Hajj pilgrimage leave for our Muslim employees.

### PROMOTING A FLEXIBLE AND CROSS-GENERATIONAL WORK ENVIRONMENT

With more than half of our employees indicated that they would like the flexibility needed to accommodate priorities at work, home and in the community, AmBank Group had introduced a flexible work policy in January 2019, allowing AmBankers the freedom to tailor their work hours. Our new flexible work policy provides a formal framework for employees to discuss their need for flexible work arrangements with their respective line managers and provides a sense of comfort that the Group is supportive of workplace flexibility which increases productivity, promotes work-life balance and helps keep talented people on board.

### EMPLOYEE BY GENERATION (%)

Generation	Female	Male
Baby Boomers (1946 - 1964)	2%	3%
Generation X (1965 - 1980)	28%	17%
Generation Y (1981 - 1996)	32%	18%
<b>Total</b>	<b>62%</b>	<b>38%</b>

Additionally, we recognise that our workforce comprises of Baby Boomers, Generation X and Generation Y with different needs. As a responsible employer, we have designed various employee initiatives to deliver our employer value proposition in a meaningful way, centred around our digital culture transformation.

#### INITIATIVES LAUNCHED IN FY2019 INCLUDE:

##### DRESS-DOWN ATTIRE

Business casual attire for all AmBankers from Monday to Friday. Discretion is provided to AmBankers whose roles are customer-facing and/or when attending formal meetings (external or internal).

##### RECREATIONAL BREAK-OUT SPACES

Generous spaces to 'chill' with facilities that encourage AmBankers to take short breaks and participate in social and networking activities. This helps to promote self-care and an increased sense of wellbeing in a fast-paced, performance-driven work environment.

##### COLLABORATIVE WORKSPACE

Circa 40% of AmBankers have adopted open work environment with ergonomic seating, mobile connectivity and 'hot desk-ing' to foster better workplace collaboration, teamwork and relationship building.

##### INNOVATION LAB

Launched two pilot programmes this financial year to promote innovation and out-of-the-box ideas around our customers, employees and AmBank Group's strategy.

##### REMOTE INTERNET CONNECTIVITY

We stepped-up and increased our provision of remote Internet connectivity and wireless mobility to support workplace flexibility.

##### DIGITAL GARAGE AND AGILE TEAM

Developed two digital garages and formed agile work teams to support product and service innovation for AmBank Group's Retail Banking, Business Banking and Wholesale Banking customers, while strengthening the Group's digital culture and capability.

## Employer of Choice

### IMPROVING EMPLOYEE WELLBEING AND ENGAGEMENT

In AmBank Group, employee wellbeing extends beyond health and wellness or engagement. It includes freedom of association, fair and equitable treatment, a non-discriminatory culture, protection from whistleblowing and a safe and secure work environment.

#### Employee Wellbeing

AmBank Group's employee wellbeing vision is to have all employees well at the workplace by creating a healthy environment where they can perform, are resilient in times of change, feel engaged and are productive in their roles.

We offer a range of tools, resources, services and programmes to help our employees manage their physical health and mental wellbeing. These include a strong focus on early intervention for physical or psychological malaise and/or injury, through a number of wellness initiatives and flexible and convenient platforms that empowers AmBankers to take charge of their lives.

Some of the initiatives introduced in FY2019 include:

- **Revised Compulsory Leave and Leave Policy** – To facilitate our employees to take adequate time off from work without the need to accumulate earned vacation time.
- **Mobile Doctor and Prescription** – Extended 24/7 general practitioner medical consultation and free prescription delivery for AmBankers and eligible family members. Discounts are extended to non-covered prescriptions, over-the-counter drugs and supplements.
- **Flexible Benefit enhancement with Lifestyle and Wellness Market Place** – Enhancement to our four years running flexible benefit programme with the introduction of a marketplace that offers discounted lifestyle and wellness products available for purchase by AmBankers.
- **Wellness Campaign** – A series of healthy living activities held over a period of two months, with complimentary health screening and diagnosis, bite-sized health talks tailored to AmBankers' medical history, face-to-face training on mental health awareness and support (includes stress management and stress-coping skills), nutrition campaign with discounted organic and superfood products, preferred Employee Screening Programme pricing for AmBankers' family members and company-paid health checks.
- **AmGames** – A month of sporting activities and tele-matches leading up to a three-day AmGames involving more than 1,500 AmBankers.
- **Financial wellbeing** – Supports the financial wellbeing of AmBankers via personalised financial planning and advice, "0%" or preferential interest/financing rate as well as a range of enterprise discounts for AmBankers as part of their employment benefits.

#### Employee Engagement

Engaging our people starts with listening to their feedback. At the core of our culture is open and transparent communication and easy access to Senior Management, where various feedback channels are constantly available for employees to communicate and provide suggestions – not only to improve the workplace, but also to innovate our business practices.

These channels include SpeakUp! (108 employees contributed their thoughts in FY2019 with 19% related to workplace improvements and 81% relating to business or product betterment), the Group Chief Executive Officer's dedicated email 'Talk to DSMT', as well as our 24/7 Whistleblower channel.

#### INTERNAL COMMUNICATIONS AND FEEDBACK CHANNELS (SPEAK UP, TOWNHALL, ETC)



Suggestions for better workplace and business practices:

**19%**

Suggestions on product and service improvement ideas:

**81%**

Real-time feedback via mobile app such as 'Sli.do' continues to be featured in all townhall activities within the Group to encourage employees to voice their opinions and concerns.

Recognising the need to break down hierarchies, and give our employees direct access to leaders and other teams across the organisation, countless of face-to-face employee engagement sessions were organised nationwide with the Group Chairman, the Group Chief Executive Officer and Senior Management, comprising townhalls, skip-level lunches, branch network tours and talent reward and recognition events.

Our annual employee engagement survey, conducted by Gallup Organisation, was another way our employees tell us how they feel about working with us. For FY2019, our overall employee engagement score was 70.6%, a marked improvement from FY2018 score.

#### EMPLOYEE ENGAGEMENT SCORE: FEEDBACK



##### Where we did well

##### Sense of Belonging

Collaboration and a caring work place

##### Empowerment and Growth Opportunities

Having the freedom to express views and opportunity to learn and grow

##### Mission and Purpose

How leaders help connect, communicate and lead our purpose and vision



##### Where we can improve

##### Enablement

Making it easy to get the job done and having the right tools to succeed

##### Recognition

Appreciation and timely performance feedback



## Employer of Choice

The result of our annual employee engagement survey was a culmination of three Senior Leadership Strategy Sessions, 12 Teambuilding Offsites and localised action plans implemented by appointed Employee Engagement Champions and sponsored by the respective businesses' Senior Leadership teams. This was supplemented by Group-wide engagement initiatives led by the Group Chairman, Group Chief Executive Officer and AmBank's Sports Club.

Our improved employee engagement score for FY2019 translates to the following tangible business impacts:

### HIGH PERFORMER RETENTION

Total High Performer  
Retention Rate

**95%**



**TOP MANAGEMENT/  
SENIOR MANAGEMENT**

**97%**



**MID MANAGEMENT**

**95%**



**PROFESSIONAL/SPECIALIST**

**94%**



**NON-EXECUTIVE**

**98%**

### TURNOVER RATE BY LEVEL

Voluntary  
TurnOver

**17%**

Involuntary  
Turnover

**7%**



**TOP MANAGEMENT/SENIOR  
MANAGEMENT**

Voluntary  
Turnover

**11%**

Involuntary  
Turnover

**3%**



**MID MANAGEMENT**

Voluntary  
TurnOver

**15%**

Involuntary  
TurnOver

**3%**



**PROFESSIONAL/SPECIALIST**

Voluntary  
TurnOver

**21%**

Involuntary  
TurnOver

**8%**



**NON-EXECUTIVE**

Voluntary  
TurnOver

**4%**

Involuntary  
TurnOver

**7%**

### HIRING SOURCE

Total  
Hiring Source

**100%**



**REFERRAL-EXTERNAL**

**12%**



**REFERRAL-INTERNAL**

**25%**



**UNSOLICITED**

**24%**



**OTHERS**

**39%**

### HIGH PERFORMER RETENTION RATE BY WORKFORCE CATEGORY

Workforce Category	Female	Male	Overall
Top Management/Senior Management	100%	95%	97%
Mid Management	95%	95%	95%
Professional/Specialist	94%	94%	94%
Non-Executive	98%	97%	98%
<b>Total</b>	<b>95%</b>	<b>94%</b>	<b>95%</b>

### OVERALL TURNOVER RATE BY WORKFORCE CATEGORY

Workforce Category	Female		Male		Overall	
	Voluntary	Involuntary	Voluntary	Involuntary	Voluntary	Involuntary
Top Management/Senior Management	0%	0%	18%	5%	11%	3%
Mid Management	15%	3%	15%	3%	15%	3%
Professional/Specialist	19%	7%	24%	10%	21%	8%
Non-Executive	3%	6%	4%	9%	4%	7%
<b>Total</b>	<b>16%</b>	<b>7%</b>	<b>20%</b>	<b>9%</b>	<b>17%</b>	<b>7%</b>

## Employer of Choice

### HUMAN RIGHTS, FREEDOM OF ASSOCIATION, AND ZERO DISCRIMINATION

AmBank Group recognises the spirit of the International Labour Organisation conventions with respect to Human Rights and the need for its protection, by freely allowing individual freedom of association as enshrined in the various labour laws of the country.

#### The Right to Freedom of Association

AmBank Group's human capital practices fully complies with Malaysia's labour laws, including the Trade Union Act 1959. In line with our compliance, we have granted recognition to the following in-house and National Labour Unions to represent various AmBank Group employees within their respective scope of representation, as approved by the Registrar of Trade Unions:


- **Kesatuan Pekerja-Perkerja AmBank (M) Berhad ("KEPPA")** – an in-house union that represents all AmBank non-executives (clerical and non-clerical) in Peninsular Malaysia.
- **Kesatuan Eksekutif AmBank (M) Berhad** – an in-house union that represents all AmBank executives (Grade EX1, SE2 and SE1).
- **Sarawak Bank Employees' Union** – a national union that represents all non-executives (clerical and non-clerical) under the employment of banks operating in the state of Sarawak.
- **Sabah Bank Employees' Union** – a national union that represents all non-executives (clerical and non-clerical) under the employment of banks operating in the state of Sabah.
- **Association of Bank Officers, Peninsular Malaysia ("ABOM")** – a national union that represents all executives (Grade E and EX2) under the employment of banks operating in Peninsular Malaysia.

#### Collective Bargaining Agreements

AmBank Group is engaged in three active Collective Agreements ("CAs") covering our non-executives (clerical and non-clerical) through KEPPA, the Sabah Bank Employees' Union, and the Sarawak Bank Employees' Union.

In the case of ABOM the case was heard at the Industrial Court and is still on-going. In the case of our In-House Executive Union, which represents employees under the Grades EX1, SE2 and SE1, the Management has yet to receive a Collective Agreement proposal from the union. We shall begin negotiations with the executive union upon receiving their proposal.

In FY2019, a total of 12% of our total employees are covered by collective bargaining agreements, compared with 12.3% in FY2018.

 <b>TOTAL STAFF UNDER CAs</b> <b>(% VS TOTAL POPULATION)</b>	
<b>FY2019</b>	<b>FY2018</b>
<b>12%</b>	<b>12.3%</b>

#### Compliance with Malaysian Laws on Working Hours and Overtime

Our established human resources practices are in full compliance with the requirements and stipulations stated under the Employment Act 1955. In keeping with our compliance, no employee is allowed to work excessive hours beyond those required under the law.

Overtime work is only permitted as and when required based on operational needs. In general, AmBank Group is adequately staffed to carry out the work required, and the need for overtime hours does not arise on a frequent basis. Notwithstanding the aforesaid, the existing CAs provide the relevant provision/protection for staff who clock overtime hours.

#### Compliance with Minimum Wage

The basic salaries of all AmBank Group employees were already set above the minimum wage requirement, prior to the country-wide implementation of the present minimum wage requirement, as announced by the Malaysian Government during Budget 2019. The minimum starting salary is periodically reviewed by the Management and through CA negotiations. Additionally, AmBank Group's non-executive employees' basic salaries are supplemented by Cost-Of-Living Adjustment ("COLA") allowance, with the relevant terms as stipulated in the respective CAs.

Furthermore, the Group does not tolerate any form of discrimination. The Group has robust independent processes – including a disciplinary committee to review cases that are raised directly. Our whistleblower channels are accessible round-the-clock. Here, employees may raise their grievances directly to the Top Management through the appointed ombudsperson. Whistleblower's identity and personal details are protected and each complaint will be treated with the strictest confidence.

## Employer of Choice

### ENSURING A CONDUCTIVE, SAFE AND HEALTHY WORKPLACE

We place significant value on the principle of 'Prevention is better than cure' in our approach towards workplace safety. AmBank Group has put in place a comprehensive Occupational Safety and Health ("OSH") Management System. Regular health and relationship-building activities are organised by the Group to promote employee wellbeing, which contributes towards the Group's performance and competitiveness.

#### Occupational Safety and Health ("OSH") Management System

AmBank Group believes that safe and healthy employees are productive employees who lead more rewarding lives, both inside and outside the office. We invest substantial attention and focus on OSH matters and ensuring the safety, health and welfare of all our employees is our priority.

All members of our OSH committees are equipped with the competencies and knowledge to identify potential OSH risks and implement controls to minimise the occurrence of OSH incidents. In addition to setting measurable objectives and targets through strategic and operational safety and health plans, we conduct OSH inspection audits, which involve yearly site inspections at AmBank Group premises across Malaysia.

#### Lost Time Injury Frequency Rate

As a result of careful implementation of our OSH Management Plan, we successfully maintained a zero fatality track record in FY2019 and reduced our 'Lost Time Injury Incident Rate' and 'Lost Time Injury Frequency Rate' to 1.44 and 0.58, respectively.

We have also increased our safety and health training programmes to six programmes during the year with 156 AmBankers trained with the right skills in safety and health. Going forward, demonstrable efforts are underway to increase the number of AmBankers who are equipped with such skills.

Occupational Safety and Health Indicator	FY2019*	FY2018	FY2017	FY2016	FY2015
Accident with Fatality	0	0	0	0	0
Accident with Lost Workdays	14	21	18	17	8
Total of Lost Workdays	469	1,279	807.5	461	101
Accident without Lost Workdays	1	0	0	0	0
Total Numbers of Accidents	15	21	18	17	8
Fatality Rate	0	0	0	0	0
Lost Time Injury Frequency Rate ("LTIFR")	0.58	0.74	0.64	0.59	0.27
Lost Time Injury Incident Rate ("LTIIR")	1.44	1.84	1.6	1.48	0.68
Numbers of Safety & Health Training Programmes	6	4	5	4	3
Numbers of Employees Trained in Safety and Health	156	210	409	418	162

\* Covers the period from 1 Jan 2018 – 31 Dec 2018, as per the Department of Occupational Safety & Health's (DOSH) calendar year for yearly incident reporting through JKPP Form 8

## Employer of Choice

Throughout FY2019, AmBank Group invested approximately RM250,000 in safety and health related training programmes.

### 1. Basic Fire Fighting & Emergency Response



**Date:** 16-17 August 2018  
**Target Audience:** Northern Region  
**Attendees:** 30



**Date:** 26-27 November 2018  
**Target Audience:** Southern Region  
**Attendees:** 22



**Date:** 26-27 February 2019  
**Target Audience:** Central Region  
**Attendees:** 28

### 2. ISO 45001:2018 Certification Training



**Date:** 21 June 2018  
**Target Audience:** Central Region (OSH Committee and invitees)  
**Attendees:** 19

### 3. Safety and Health Committee Roles and Responsibility



**Date:** 11-12 July 2018  
**Target Audience:** New and refresher OSH Committee  
**Attendees:** 32

### 4. Permit To Work ("PTW") Training for Contractors



**Date:** 1-2 August 2018  
**Target Audience:** Central Region – Project Manager and/or Business Unit's Person-In-Charge  
**Attendees:** 25

## OSH Activities

### 1. OSH E-Learning

As at 31 March 2019, 98% of AmBankers have completed the mandatory Safety and Health module in our Workplace e-learning portal.

### 2. Regional (Branch) OSH Inspection Audit

All planned OSH inspection on branches in all 12 retail banking regions have been carried-out and the outcomes and relevant OSH risk mitigation recommendations were tabled to the respective OSH Committees, including the Group OSH Committee.



## Employer of Choice

### ENSURING A CONDUCTIVE, SAFE AND HEALTHY WORKPLACE

#### FY2019 Regional (Branch) OSH Inspection Audit

No.	Region	FY2019 Branch Visit	FY2019 OSH IA Date	OSH Fire Rescue & ERT Training Date	FY2018 Branch Visit	FY2018 OSH IA Date
1	Northern Region 1 - NR1 + Kedah + Perlis	1. Balik Pulau 2. Bukit Mertajam 3. Jitra	15 August 2018 14 August 2018 13 August 2018	16 & 17 August 2018	1. Pulau Tikus 2. Gelugor 3. Sungai Bakap	18 July 2017 19 July 2017 20 July 2017
2	Northern Region 2 - NR2 + Perak	1. Batu Gajah 2. Silibin 3. Kuala Kangsar	12 November 2018 13 November 2018 14 November 2018		1. Bercham 2. Menglembu 3. Kampar	25 July 2017 26 July 2017 27 July 2017
3	Southern Region 1	1. Johor Jaya 2. Kota Tinggi 3. BP Jalan Rugayah	26 November 2018 27 November 2018 28 November 2018		1. BP Jalan Rahmat 2. Pontian 3. JB Melodies	15 August 2017 16 August 2017 17 August 2017
4	Southern Region 2	1. Tangkak 2. Jasin 3. Ayer Keroh	7 November 2018 8 November 2018 9 November 2018	26 & 27 November 2018	1. Port Dickson 2. Bandar Utama Cheng 3. Muar	22 August 2017 23 August 2017 24 August 2017
5	Southern Region 3	1. Semenyih 2. Nilai 3. Rasah	11 January 2019 12 January 2019 13 January 2019		1. Balakong 2. Bandar Mahkota Cheras 3. Seremban Jdify	12 September 2017 13 September 2017 14 September 2017
6	Sabah Region	1. Bandar Pasaraya 2. Tawau 3. KK Plaza Shell	11 December 2018 12 December 2018 13 December 2018	To be conducted on 2 & 3 September 2019	1. Keningau 2. Kudat 3. Lahad Datu	3 October 2017 4 October 2017 5 October 2017
7	Sarawak Region (RD's request for 2 <sup>nd</sup> week)	1. Serian 2. Sibu JTO 3. Miri Boulevard	8 October 2018 9 October 2018 10 October 2018	To be conducted on 20 & 21 November 2019	1. Miri BJC 2. Bau 3. Kuching Tabuan Jaya	24 October 2017 25 October 2017 26 October 2017
8	East Coast Region	1. Pasir Mas 2. Dungun 3. Kuala Terengganu	26 January 2019 27 January 2019 28 January 2019	To be conducted on 14 & 20 August 2019	1. Jerteh 2. Triang 3. Jerantut	14 November 2017 15 November 2017 16 November 2017
9	Central Region 1	1. YKS 2. Menara Dion 3. Jalan Klang Lama	Done 11 October 2018 12 October 2018	26 & 27 February 2019	1. Puchong Kinrara 2. Bandar Sri Permaisuri 3. OUG	14 June 2017 15 June 2017 16 June 2017
10	Central Region 2	1. Taman Tun Dr Ismail 2. Kelana Jaya 3. Subang Jaya	16 October 2018 17 October 2018 18 October 2018		1. PJ New Town 2. Solaris Mont Kiara 3. USJ Taipan	20 June 2017 21 June 2017 22 June 2017
11	Central Region 3	1. Port Klang Palmbase 2. Kota Kemuning 3. Banting	4 December 2018 5 December 2018 6 December 2018		1. Shah Alam 13 2. Bukit Tinggi Klang 3. Bandar Puteri Klang	4 July 2017 5 July 2017 6 July 2017
12	Central Region 4	1. Wangsa Maju 2. Kepong Baru 3. Selayang	11 December 2018 12 December 2018 13 December 2018		1. Rawang Country Homes 088 2. Bandar Baru Rawang 132 3. Ampang Point 075	11 July 2017 12 July 2017 13 July 2017

### 3. Group OSH Committee Meeting

Chaired by the Chief Executive Officer ("CEO") of AmBank Islamic Berhad, Encik Eghwan Mokhzanee, a total of four meetings were held in 2018.

**First meeting was held on  
2 April 2018**

**Second meeting was held on  
3 July 2018**

**Third meeting was held on  
25 September 2018**

**Fourth meeting was held on  
21 December 2018**

## Employer of Choice

### 4. Group OSH Committee Courtesy Visit to Petronas Twin Tower in KLCC

A visit by AmBank Group OSH Committee to Petroliaam Nasional Berhad ("PETRONAS")'s headquarters at the Petronas Twin Tower was held on 12 March 2018, as part of knowledge sharing on OSH best practices.

### 5. Group-wide OSH Communication

- Monthly OSH Bulletins were published in the AmBank Group OSH Portal available to all employees within AmBank's internal intranet, 'Am Connected'
- Carried out the biannual 'OSH Feedback Solicitation' initiative, the formal process where OSH-related feedback from employees are sought
- Published periodic OSH memos, prohibitions and updates within 'Am Connected'
- OSH incident investigation, inspection and briefing updates published in AmBank Group OSH Portal

### OSH Projects and Special Events

1. AmBank Group organised its third annual **OSH Seminar** on 3 July 2018 at Bangunan AmBank Group, which saw an attendance of 230 participants. Invited guests included speakers from the Department of Occupational Safety and Health ("DOSH"), PETRONAS and our OSH consultant. OSH Awards were presented to AmBank buildings and branches that exhibited best OSH practices.
2. To drive OSH awareness and inculcate wellness practices throughout AmBank, two OSH Health & Wellness Campaigns were conducted at Bangunan AmBank Group from 16 April to 11 May 2018 and at Menara AmBank from 6 August to 10 August 2018.

Among the activities carried out during the campaigns for the health benefit of AmBankers included health screening, safety and health products booth display, health talks and the Staircase Challenge Campaign.

- Other than on-ground activities, AmBank Group continued to invest in the wellbeing of our employees through comprehensive healthcare coverage and the provision of gym facilities in our main office buildings, health club memberships and health-oriented initiatives by our Kelab AmBank Group ("KAG"). Wellness programmes which were introduced in 2017 continued to be implemented to ensure all our employees receive the best possible attention and resources needed to keep their health at optimal condition:
  - i. AmBank Group Fat Loss Programme;
  - ii. Executive Screening Campaign; and
  - iii. AmBank Group Flexible Benefits Programme where employees may opt for gym memberships of their choice and alternative healing treatments like Ayurveda treatment, as part of their entitled benefits.



Staircase Challenge Campaign



Health and Wellness Campaign 2018

## Employer of Choice

### ENSURING A CONDUCTIVE, SAFE AND HEALTHY WORKPLACE

- KAG is AmBank Group's sports and recreation club for all AmBankers. The club provides a wide range of sports and social capital activities, as well as competitive challenge events to cultivate a balanced and healthy working environment in the Group. Below is the list of activities carried out by KAG in FY2019:

No.	KAG Activities and Programmes	Date
1	Northern Region KAG Chinese New Year Dinner 2018	9 Mar 2018
2	KAG 37 <sup>th</sup> Annual Grand Meeting (AGM)	29 Mar 2018
3	Southern Region KAG Dinner 2018	10 April 2018
4	Karnival Candat Sotong 2018 (first session)	29 June 2018
5	Karnival Candat Sotong 2018 (second session)	1 July 2018
6	Central Region Raya Open House 2018 in Kuala Lumpur	11 July 2018
7	East Coast Region Raya Open House 2018 in Kuantan, Pahang	20 July 2018
8	AmGames 2018	10-11 Aug 2018
9	KAG participated in #AnakAnakMalaysiaWalk by Star Media Group	2 Sep 2018
10	KAG Penalty League	30 Sep 2018
11	KAG participated in 2018 Mind Run & Carnival	3 Oct 2018
12	KAG Bowling Tournament 2018	13-14 Oct 2018
13	KAG participated in ScamBuster Run 2018	14 Oct 2018
14	Staff Engagement Dinner for Northern Region and CX Launch (Ipoh, Perak) in conjunction with Deepavali Celebration	19 Oct 2018
15	Staff Engagement Dinner for Southern Region and CX Launch (Melaka) in conjunction with Deepavali Celebration	26 Oct 2018
16	KAG Treasure Hunt 1	10 Nov 2018
17	KAG participated in Danajamin Mighty Run 2018	24 Nov 2018
18	KAG Treasure Hunt 2	1 Dec 2018
19	Staff Engagement Dinner for Sabah Region (Kota Kinabalu, Sabah) in conjunction with Christmas Celebration	7 Dec 2018
20	Staff Engagement Dinner for Sarawak Region and CX Launch (Kuching, Sarawak) in conjunction with Christmas Celebration	14 Dec 2018
21	Staff Engagement Dinner for Northern Region and CX Launch (Alor Setar, Kedah) in conjunction with New Year Celebration	11 Jan 2019
22	KAG Food Hunt 2018	19 Jan 2019
23	Zumba and Yoga	Weekly classes

- The **Occupational Safety and Health of the Group's premises were audited by DOSH in FY2019**. Satisfactory safety and health ratings were accorded to all branches which were audited.

No.	Branch	Region	Date Audit	Grade	%
1	Serian Branch	Sarawak	20/2/18	A	86.10
2	Ipoh Greentown	NR 2	21/6/18	B	79.60
3	Yap Kwan Seng	CR 1	5/7/18	A	97.00
4	Jasin	SR 2	28/6/18	A	80.10
5	Jalan Ipoh BY3	CR 3	18/7/18	A	97.00
6	Solaris Mont Kiara	CR2	19/7/18	A	93.96
7	Taman Connaught	CR 3	26/7/18	A	93.96
8	Taman Maluri	CR 3	16/8/18	A	94.94
9	Jalan Raja Chulan	CR 1	15/8/18	A	92.03
10	Bandar Sri Pemasuri	CR 3	14/8/18	A	94.94
11	Jalan Sultan Ismail Kuala Terengganu	EC	8/10/18	B	83.63
12	Medan Pasar, KL	CR 1	8/11/18	B	81.57
13	Jalan Sagunting, KK	Sabah	12/11/18	B	81.33
14	OUG KL	CR 3	14/11/18	A	98.97
15	Kepong Baru, KL	CR 3	15/11/18	A	98.97
16	Plaza Shell, KK	Sabah	26/3/19	A	90.12

- In 2018, **AmBank Group became the first financial institution in Malaysia to be certified with the latest internationally recognised OSH standard – the ISO 45001:2018 certification (OSH Management System)**. The prestigious ISO 45001:2018 certification was awarded by the National Institute of Occupational Safety & Health Sdn Bhd.



The globally-benchmarked ISO 45001:2018 aims to help organisations achieve the intended purpose of its OSH Management System. Consistent with AmBank Group's OSH Policy, the objectives of our OSH Management System include:

- Continuous improvement of OSH performance throughout the organisation;
- Fulfillment of legal OSH requirements and other requirements related to OSH; and
- Achievement of AmBank Group's OSH targets and objectives.

## Employer of Choice

An ISO 45001:2018 Certification Ceremony was held on 9 November 2018 at Bangunan AmBank Group. The event was officiated by the Chairman of AmBank Group Tan Sri Azman Hashim, who received the certificate from Tan Sri Lee Lam Thye, the Chairman of the National Institute of Occupational Safety & Health ("NIOSH"), in the presence of the CEO of AmBank Islamic, Encik Eghwan Mokhzanee, who is also the Group OSH Chairman, as well as members of the Senior Management and AmBank Group OSH building committee members.



5. AmBank Group was recognised for excellence in our OSH practices by winning the **2018 National Occupational Safety & Health ("OSH") Excellent Award ("NCOSH")**, under the Financial Institution category. The award was presented by the Deputy Prime Minister of Malaysia and was witnessed by Minister of Human Resources. The details of the award presentation ceremony are as follows:



**Date:** 27<sup>th</sup> February 2019

**Venue:** Movenpick Hotel & Convention Centre KLIA, Jalan Masjid KLIA, Sepang, Selangor.

**Time:** 7.00pm – 10.30pm

6. To reinforce our first-aid readiness and ensure our employees are prepared in the event of a sudden cardiac arrest ("SCA") in the office, we **installed seven units of Automated External Defibrillator ("AED") at AmBank Group buildings** during FY2019.

### What is an AED?

An AED is a portable electronic device that automatically diagnoses the life-threatening cardiac arrhythmias of ventricular fibrillation and pulseless ventricular tachycardia and is able to treat them through defibrillation, the application of electricity which stops the arrhythmia, allowing the heart to re-establish an effective rhythm.

Studies show that the survival rate of SCA outside the hospital is below 10%, whilst with an AED, the chances of survival are increased significantly. SCA victims need to be defibrillated within the first two to three minutes for an effective survival rate following a cardiac attack.

With simple audio and visual commands, AEDs are designed to be simple to use for the layperson and the use of AEDs is taught in many first aid, certified first responder and basic life support ("BLS") level cardiopulmonary resuscitation ("CPR") classes.

AEDs are installed at the following locations:

No.	AmBank Group Buildings	No. of AED units	AED Installation Area
1	Menara AmBank	2	Control Room Area & Gymnasium (Level 11)
2	Bangunan AmBank Group	2	Control Room Area & Gymnasium (Level 7)
3	Damansara Fairway 3	1	Guard Counter Main Lobby
4	Wisma AmFirst Kelana Jaya	1	Guard Counter Main Lobby
5	MBF Office	1	Reception Area (Level 2)

### Future OSH Initiatives

As part of continuous OSH improvement, we plan to organise targeted OSH activities in the coming years and implement effective OSH programmes and events that will help further raise OSH awareness and competency among our employees. Among the future initiatives in our planning include:

- AmBank OSH Committee Team Building Events
- First Aid, CPR, and AED Training (target seven sessions)
- OSH Day for all AmBank Group buildings



Employer of Choice

PROVIDING PROFESSIONAL DEVELOPMENT

We believe in investing in the growth of our people. AmBank Group achieves this by equipping our employees with not only job-ready technical competencies, but also transferable skills and nurturing a continuous learning mindset that will enable them to access a range of career options across the Group, with our partners and beyond.

In recognising that we operate in an increasingly digital savvy and disrupted business environment, we strive to offer our employees a range of formal and informal ways from which to learn, develop and grow. These include:

- Knowledge, skills and competency-based training (classroom/online);
- Bite-sized digital learning;
- Coaching and mentoring;
- Tertiary education for core banking disciplines;
- Industry accreditation and continuing professional development;
- Technical/tool/platform certifications;
- Projects/secondments/assignments and other ‘on-the-job’ experiences;
- Peer-to-peer coaching;
- Social collaborations and knowledge sharing; and
- Library for online research, tools and articles.

We employ learning technologies to deliver relevant learning at point of need and develop programmes in partnership with leading institutions that focus on building strategic capabilities in the areas of Leadership, Customer Focus, Data, Digital, Go-To Market, Innovation, Process Optimisation and Technology.

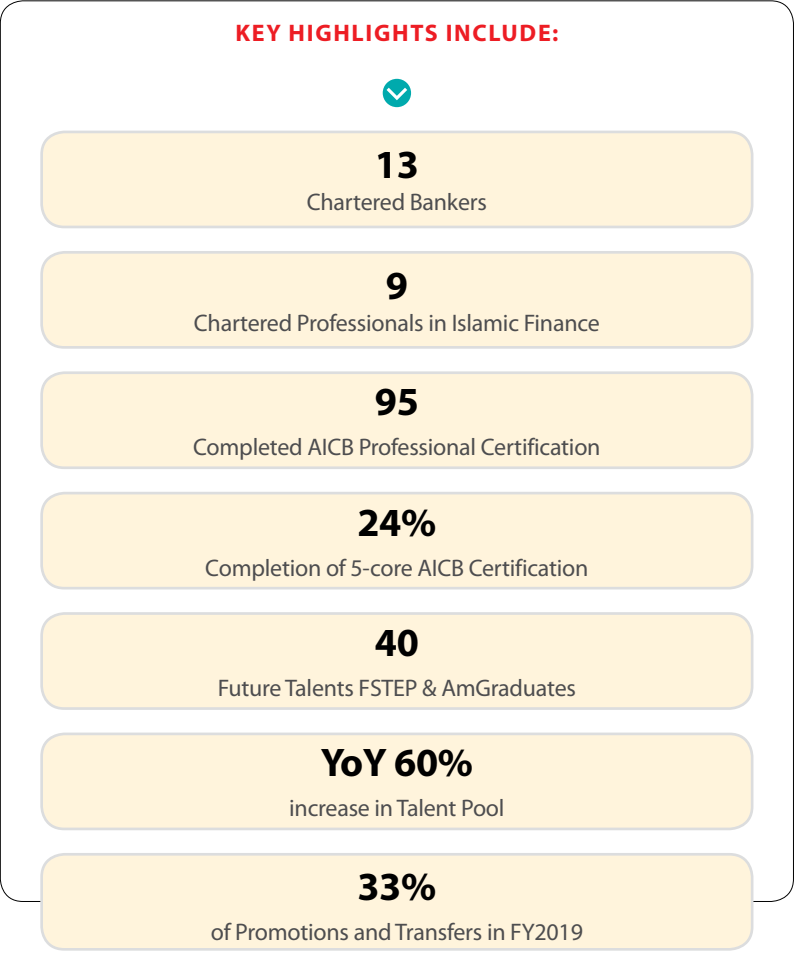


AmBank Group's Leadership programmes

Capability Development

In 2018, with learning made easier and more accessible, a total of 576,753 training hours were provided across the Group with RM23.9 million spent. This translates to an average of 55 hours of training per employee during the year of which an average 54 hours of training per female employee and 56 hours of training per male employee.

KEY HIGHLIGHTS INCLUDE:



AVERAGE TRAINING HOURS PER EMPLOYEE BY GENDER AND WORKFORCE CATEGORY\*

Workforce Category	Female	Male	Average per employee
Top Management/Senior Management	76	70	72
Mid Management	63	63	63
Professional/Specialist	54	55	54
Non-Executive	39	36	38
Total	54	56	55

\* Note: All data related to the training programmes are reported on calendar year basis ie. 1 January 2018 until 31 December 2018. Figures include employees who were actively employed, resigned and transferred

## Employer of Choice

**TOTAL TRAINING COST (TRAINING FEES ONLY) BY GENDER\***

Workforce Category	Female	Male
Top Management/Senior Management	278,874	469,137
Mid Management	4,424,050	3,797,014
Professional/Specialist	7,074,916	4,050,970
Non-Executive	2,555,531	1,230,346
<b>Total</b>	<b>14,333,370</b>	<b>9,547,467</b>

**NO. OF PARTICIPANTS BY COMPANY (NOT UNIQUE)\***

Workforce Category	AmBank (M) Bhd	AmBank Islamic Bhd	AmInvestment Bank Bhd	Total
Top Management/Senior Management	2,878	126	546	3,550
Mid Management	40,339	595	2,389	43,323
Professional/Specialist	56,335	365	1,272	57,972
Non-Executive	12,483	-	362	12,845
<b>Total</b>	<b>112,035</b>	<b>1,086</b>	<b>4,569</b>	<b>117,690</b>

**TOTAL TRAINING HOURS BY COMPANY\***

Workforce Category	AmBank (M) Bhd	AmBank Islamic Bhd	AmInvestment Bank Bhd	Total
Top Management/Senior Management	16,986	852	3,357	21,194
Mid Management	206,209	3,600	12,676	222,485
Professional/Specialist	259,816	2,273	6,570	268,659
Non-Executive	62,606	-	1,809	64,415
<b>Total</b>	<b>545,617</b>	<b>6,725</b>	<b>24,412</b>	<b>576,753</b>

**NO. OF PARTICIPANTS BY TRAINING TYPE (NOT UNIQUE)\***

Workforce Category	Leadership	Compliance	Certification	Total
Top Management/Senior Management	260	415	2,875	3,550
Mid Management	1,533	2,585	39,205	43,323
Professional/Specialist	674	2,532	54,766	57,972
Non-Executive	3	292	12,550	12,845
<b>Total</b>	<b>2,470</b>	<b>5,824</b>	<b>109,396</b>	<b>117,690</b>

\* Note: All data related to the training programmes are reported on calendar year basis ie. 1 January 2018 until 31 December 2018. Figures include employees who were actively employed, resigned and transferred

## Employer of Choice

### PROVIDING PROFESSIONAL DEVELOPMENT

#### TOTAL TRAINING COST BY TRAINING TYPE (RM)\*

Workforce Category	Leadership	Compliance	Certification	Total
Top Management/Senior Management	3,299,924	318,806	1,245,201	4,863,931
Mid Management	2,128,502	1,771,225	6,149,712	10,049,438
Professional/Specialist	362,089	1,405,423	5,344,054	7,111,566
Non-Executive	4,441	228,173	1,623,289	1,855,903
<b>Total</b>	<b>5,794,955</b>	<b>3,723,626</b>	<b>14,362,255</b>	<b>23,880,837</b>

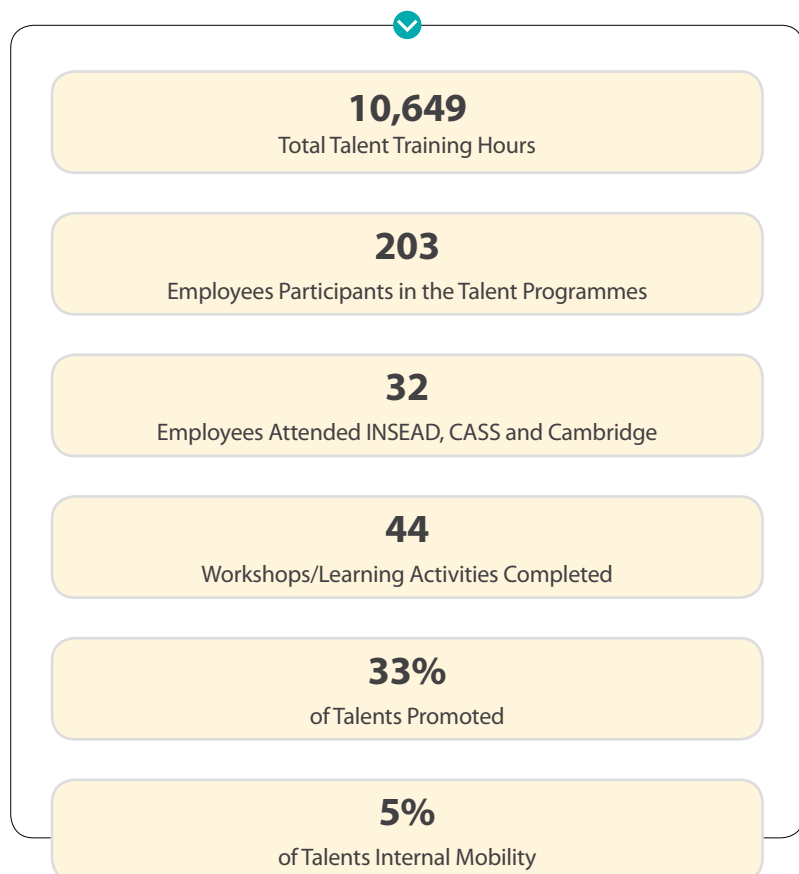
\* Note: All data related to the training programmes are reported on calendar year basis ie. 1 January 2018 until 31 December 2018. Figures include employees who were actively employed, resigned and transferred

#### Leadership Development and Succession Planning

AmBank Group supports and encourages our employees to perform at their best and to reach their full potential. Through a range of targeted programmes and focused learning, we aim to differentiate AmBank Group as having the best talents in the Malaysian financial services industry and to accelerate the development of our talented individuals through world-class learning.

To this end, we continued our outstanding talent management programmes that accelerate the development of high potentials, equipping them with critical business skills and the exposure needed to support and lead our goals. Our targeted talent programmes covering the junior, mid- to senior-management levels are designed using best-in-class learning approaches from reputable training partners, business schools and management institutes with regional and global presence and proven track records.

In FY2019, more than 200 employees took part in various talent accelerator programmes aimed at honing their capabilities, leadership skills and personal potential to fast-track their career progression into more senior roles.



▶ Pertiwi Soup Kitchen Programme

Aimed at developing holistic leaders with empathy, our potential leaders are expected to not only sustain the mentoring culture in AmBank Group, but lead Sustainability, Value Based Intermediary and Corporate Social Responsibility ("CSR") projects. Project implementation scope ranges from fundraising to project immersion with our partners.

For FY2019, non-governmental organisations such as Pertiwi Soup Kitchen and Projek Ihsan partnered with our junior-level AmGraduates in their CSR projects.

## Employer of Choice

## Leadership Development and Succession Planning (Cont'd)

AmGraduate	FY2019
Number of Training Hours	2,016
Number of Employees Undergo Programmes	18
Number of Workshops/Learning Activities Completed	8

Through a systematic and consistent approach guided by our internal Talent and Succession Management Policy, we identified and monitored key positions held by our mission-critical talents and put the relevant succession plans in place.

As at 31 March 2019, 100% of crucial positions have identified successors. Notable internal successions for key positions by AmBank Group's existing talent pool includes the Group Chief Internal Auditor, Group Chief Human Resource Officer and the Chief Executive Officer of AmInvestment Bank.

MCP and Successor	FY2019	FY2018
Total Mission Critical Position ("MCP")	13	13
Total Successors	50	77
MCP: Successor Ratio	1 MCP: 3.9	1 MCP: 5.9

## EMPLOYER BRANDING

Our increased presence and visibility on social media platforms have led to positive outcomes for our employer branding, particularly in providing easier access to careers and employment insights for potential employees.

In FY2019, AmBank garnered a total of 40,599 LinkedIn followers, utilised three major online recruitment platforms and participated in career roadshows locally and abroad to attract our employees and future leaders.

The results were strongly encouraging with 30% of new employees recruited by our Talent Acquisition team via career fairs and digital employment platforms.

Partnerships with renowned tertiary education institutions and professional bodies in the country and on-campus career counselling sessions further cemented AmBank Group's commitment to building our human capital pipeline amongst Malaysian graduates.

Our on-going employer branding initiatives and AmBank Group's employee value proposition culminated in various recognitions and awards won by the Group during the financial year:

**TALENT ATTRACTION**  
 (LinkedIn, Online Platform)


LinkedIn followers:  
**40,599**

Hiring from Online Platforms and Jobs Fairs:  
**30%**

**TALENT PARTNERSHIPS WITH ESTABLISHED  
 UNIVERSITIES AND PROFESSIONAL BODIES**


- Universiti Malaya
- UniRazak
- International Islamic University Malaysia (IIUM)
- Universiti Teknologi MARA (UiTM)
- Sunway University
- HELP University
- INTI University
- TalentCorp
- Institute of Chartered Accountants in England and Wales (ICAEW)



**Malaysia Best Employer  
 Brand Awards 2018**  
 (3<sup>rd</sup> Consecutive Year)



**TOP 75**  
 Most Attractive Companies to Work for 2018



**Malaysia's 100 Leading  
 Graduate Employers**



**Graduate Recruitment and  
 Development**



## Positive Societal Impact

# “Enhancing the Wellbeing of Our Society and Environment”



## POSITIVE SOCIETAL IMPACT

We contribute to a more sustainable future by considering carefully our business decisions, the environmental impacts of our activities and how we interact with our wider communities.

### ENVIRONMENTALLY AND SOCIALLY RESPONSIBLE INVESTMENT (“SRI”)

The global demand for socially responsible and ethical investments continues to present opportunities, particularly for Islamic Finance to generate positive and sustainable impacts for the economy, community and environment in addition to financial returns to stakeholders.

As part of the Malaysian government’s initiatives to spur green investment and the ecosystem in the country, the Malaysian government is coming up with a green financing roadmap by 3Q2019, to create business opportunities for local industry players as well as to propel Malaysia to become the green financing hub in the region. In the recent Budget 2019, RM2.0 billion has been allocated for the Green Technology Financing scheme to incentivise investments in green technology. The Malaysian government is also envisioned to achieve a 20% Renewable Energy (excluding hydro) contribution to the nation’s electricity generation mix by 2025 from the current level of 2%.

The Securities Commission of Malaysia (“SC”) launched the Socially Responsible Investments (“SRI”) framework in 2014 to finance sustainable and responsible investment initiatives. In December 2017, SC introduced SRI Funds Guidelines to facilitate and encourage greater growth of SRI Funds in Malaysia.

In November 2017, the ASEAN Capital Markets Forum (“ACMF”) introduced the ASEAN Green Bond Standards (“ASEAN GBS”) to drive sustainable investments in ASEAN countries and support the growth of sustainable financing. The ASEAN GBS is also aligned with the Green Bond Principles (“GBP”) which was introduced earlier by the International Capital Market Association (“ICMA”) in January 2014.

In line with the initiatives of the SC and Malaysian government, SRI or Green Bonds/Sukuk is one area of our focus, especially for the Capital Markets Group within AmInvestment Bank and we are committed to provide innovative products and to support our clients who embark on green or sustainable projects.

In terms of market leadership, AmInvestment Bank has been involved in almost all of RAM Consultancy Services Sdn Bhd’s second opinion GBP reports to date.



## Positive Societal Impact

### COMMUNITY INVESTMENTS AND DEVELOPMENT

In today's socially and environmentally conscious society, the banking and financial sector plays a larger role than just being an intermediary in the economy.

We are enablers of economic growth and have the power to influence environmental and social outcomes.

AmBank Group is a strong advocate of sustainable economic growth and prosperity, built on the foundation of trust, integrity and transparency. Since our inception over four decades ago, we have stayed true to our spirit of togetherness, relationship-building, and impacting positive imprints in the community through our thoughtful social and environmental investments and innovative green practices.

Among the key efforts which fall under our 'Positive Societal Impact' sustainability pillar includes:

- Societal and environmental philanthropy; and
- Building social equity and improving societal wellbeing.

### SOCIETAL AND ENVIRONMENTAL PHILANTHROPY

AmBank Group takes a leading role in reaching out to the society as it continues to be a caring, connected and committed partner in addressing a wide range of issues pertaining to the development of sustainable communities. The community investment programme will enable us to connect with local communities and help them build a sustainable future.

The Group believes in giving back to the community in which we operate. Our community investments aim to improve living standards and enabling social mobility. These goals are carried out through a number of programmes to engage various segments of the less fortunate including single mothers, orphans, the hardcore poor, the homeless, the physically challenged and senior citizens of Malaysia.

#### Celebrating Festive Togetherness

- (a) Kelab AmBank Group ("KAG") invited 100 children from Sekolah Kebangsaan Desa Tasik for Hari Raya shopping on 25 May 2018 and hosted a '*Majlis Berbuka Puasa Kumpulan AmBank Bersama Tan Sri Azman Hashim*' on 30 May 2018.

The school is one of our adopted schools under the School Adoption Programme, assigned by Bank Negara Malaysia. In the spirit of Ramadan, AmBank Group organised this annual charity event to bring festive cheer to the children. 100 children aged between seven and 12 years old, were ushered to Mydin Wholesale Hypermarket in USJ, Subang Jaya, to shop for their new *baju Melayu* and *baju kurung* (traditional Malay attire).

The buka puasa (breaking of fast) with AmBank Group Chairman Tan Sri Azman Hashim, together with members of the Senior Management and other AmBankers was held at Dewan Perdana Felda, Kuala Lumpur.

- (b) We celebrated Deepavali, the biggest and the brightest of all Hindu festivals, with 85 students from Sekolah Jenis Kebangsaan Ladang Diamond Jubilee in Jasin, Malacca. The '**AmBank Group Deepavali Charity Programme**' in southern peninsular region brought joy and smiles to the recipients as they were presented with cash contribution and school necessities such as school uniform, school shoes, school bags and stationeries.

- (c) For the Sabah region, we organised the '**AmBank Group Christmas Charity Programme**' for 45 mentally and physically challenged children among the underprivileged residents of Bukit Harapan Therapy Community in Menggatal, Sabah. During the event, we presented a new television set and educational DVDs to the charity home for edutainment and provided school necessities for the school-going children.

- (d) In Sarawak, we held the '**AmBank Group Christmas Charity Programme**' with the Salvation Army Children's Home and Salvation Army Boy's Home in Kuching, Sarawak. Besides, contributing school supplies, the Group took the opportunity to replace faulty electrical appliances such as ceiling fan, standing fan, water heaters and refrigerator to improve the residents' living standards.

#### Extending a Helping Hand to Vulnerable and Lower-Income Groups

Our '**AmKasih Urban Hard-Core Food Aid Programme**' serves as an outreach platform to the community to provide food aid through monthly allowance to help offset the cost of daily food items.

AmBank Group identifies poor and needy families with the help of local non-governmental organisations under the town council and credits RM100 monthly into the recipients' account through their national identification card ("MyKad") for a period of two years. Primary recipients of the monthly food aid were single mothers or housewives in the family, who are able to draw the allowance by using their MyKad at participating retailers.

Going forward, a series of programmes will be carried out to improve needy families' finances, such as initiatives focusing on women empowerment, entrepreneurship, financial literacy and personal motivation. Additionally, we endeavour to provide free tuition and English proficiency classes for underprivileged young children to elevate their education standards.

#### Preserving Eco-Diversity

AmBank Group organised its annual 'Zoo Negara Corporate Social Responsibility Programme', themed 'Grow, Green and Glow' on 7 April 2018, where activities such as landscaping, cleaning, and painting took place, as part of our support towards biodiversity and the environment.

Participated by AmBank Group Chairman, Group Chief Executive Officer and other members of Senior Management, more than 150 AmBankers planted 800 shrubs to green the surroundings, washed animal enclosures and painted road curbs to improve road safety at the zoo.

The AmGroup Foundation has been supporting Zoo Negara for the last 26 years, contributing to various initiatives, together with an annual sponsorship of RM40,000.00 for the upkeep of its dromedary camels.

For FY2019, we increased our sponsorship amount to RM50,000. We were proud to be given the privilege to name three of the camels in the zoo and we decided to name them: AmY, AmAN and AmANAH. Our AmBank Group Chairman Tan Sri Azman Hashim is a life member of Zoo Negara.

## Positive Societal Impact

### Promoting Sports and Sportsmanship

Health is the cornerstone of a productive and happy community. AmBank Group encourages our employees to engage in regular exercise within and outside the office to improve quality of life and reduce health risks associated with a sedentary lifestyle. In supporting national sports development and providing opportunities for AmBankers to 'sweat it out', we partake and sponsor events related to physical activity and/or exercise as means to strengthen employee interaction within the AmBank Group family, cultivate leadership qualities and improve the wellbeing of Malaysian youths.

- (a) Four AmBankers from AmInvestment Bank Berhad participated in 'The Bursa Bull Charge 2018' – Malaysia's premier capital market charity run on 27 September 2018, organised by Bursa Malaysia Berhad as a means to raise awareness and promote inclusiveness, financial literacy and social entrepreneurship, and at the same time contribute towards the betterment of underprivileged communities, in line with the United Nations' 2030 Sustainable Development Agenda. Dubbed 'the day the capital markets run for others', the funds raised from the run were distributed to 30 beneficiaries representing a range of different vulnerable and under-represented segments of society including the disabled, youth, the underprivileged and single mothers.
- (b) The 'AmBank Group-SportExcel International Junior Golf Championships 2018', which took place from 4 to 6 December 2018 at the Glenmarie Golf & Country Club in Shah Alam, Selangor, entered its 13<sup>th</sup> year with more than 10 participating countries, including top-tier junior golf talents in the region. The annual tournament serves as an excellent platform to promote golf among Malaysian youths and showcase the sportsmanship of some of the best golf juniors in the Asia Pacific. Through this golf tournament, golf juniors gain access to also compete in other international championships. The AmBank Group-SportExcel International Junior Golf Championships is part of the Asia Pacific Junior Golf Association ("APJGA") series.
- (c) AmBank Group contributed RM5,000.00 to the Olympic Council of Malaysia to support the Malaysian contingent under Persatuan Hoki Veteran Sultan Ahmad Shah ("SAS"), where young Malaysians played under the flagship of the Malaysian Hockey Confederation in the '2018 EXIN Masters World Cup' held at Club Egara in Spain.

### BUILDING SOCIAL EQUITY AND IMPROVING SOCIETAL WELLBEING

In addition to the climate change actions and responsible economic development, advancing sustainable communities constitute AmBank Group's social justice measures to deliver a more livable, socially mobile, and viable society today and for generations to come. A number of projects and contributions were made during the financial year, where we endeavoured to better the lives of the less fortunate and acknowledge contributors who play a role in advancing social equity in Malaysia and other parts of the world.

- 1 Through the 'Mahathir Science Award' administered by the Mahathir Science Award Foundation, AmBank Group is a strategic partner committed to an annual contribution of RM100,000.00 for five years to support and recognise exceptional achievements made by scientists and/or institutions worldwide for contributions, breakthroughs and innovations in tropical research that improve societal wellbeing.

- 2 About 107 financial institutions and industry associations in the country, including AmBank Group, collectively formed the 'Financial Industry Collective Outreach (FINCO)', which is the industry's vehicle to implement community outreach initiatives nationwide. It is aimed at providing underprivileged children and youth with educational tools and inspiration to achieve their life goals and build a better future. The initiative is conducted through series of programmes that positively impact livelihoods and raise the standards of education. FINCO has two flagship programmes which are FINCO Reads and FINCO Mentor, of which AmBank Group has been an active participant.
- 3 Being a firm believer in giving a second chance, AmBank Group contributed RM50,000.00 to the Home Ministry (KDN) for the establishment of 'Yayasan Koreksional Malaysia' under the Malaysian Prison Department to inculcate literacy among Malaysian prisoners. The foundation aims to assist the department in implementing a holistic rehabilitation and development programme that will be of benefit to prisoners when they step out from jail.
- 4 The 'Kelab AmBank Group Blood Donation Drive 2018' was carried out at AmBank Group's five main office buildings in the Klang Valley – Menara AmBank, Wisma AmBank, Menara Shell, Menara MBF and Tropicana Fairway 3. We also extended the blood donation drive to our branches in Melaka, Ipoh, Perak; and Kota Kinabalu, Sabah. The programme aimed to raise awareness amongst AmBankers on the importance of blood donation in saving lives, while highlighting the need to replenish blood supply at the National Blood Centre. An impressive 354 donors donated their blood selflessly during the campaign.
- 5 We donated RM10,000.00 and supported 'Yayasan Sultanah Bahiyah' for their noble initiative in helping the underprivileged community celebrate Ramadhan and Hari Raya Aidilfitri during 2018.
- 6 We also contributed RM1,000.00 to 'Persatuan Pemulihan Orang-Orang Cacat Selangor & Wilayah Persekutuan' to support the association, which provides rehabilitation support and shelter for the physically challenged.



Health and Wellness Campaign 2018

## Positive Societal Impact

### ENERGY, WATER AND WASTE MANAGEMENT

To ensure sustainability and positive long-term value creation, we measure and aim to reduce our impacts by implementing environmental initiatives that are valued by our customers and our employees and beneficial to our bottom line.

We continue to evolve our practices in this area and shall actively identify measures and put in place guidelines and processes to make improvement in our energy and waste management.

#### Climate Change Actions

Limiting global warming to well below the targeted 2°C above pre-industrial levels, or even limiting further temperature increase to below 1.5°C as targeted under the Paris Agreement, requires an urgent and fundamental change in crucial areas within the economy and society. This includes generating renewable energy, increasing energy efficiency, sustainable resource consumption and smart mobility.

AmBank Group has adopted steps to reduce one of the key causes of global warming – greenhouse gas (“GHG”) emissions.

#### Mitigating Greenhouse Gas (“GHG”) Emissions

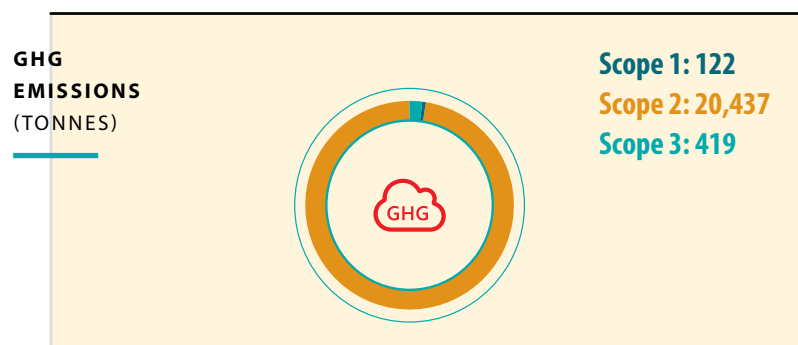
AmBank Group’s Environmental Policy was established in April 2019 to formalise our commitment to meet all environmental laws, regulations, related policies, and set the guiding principles for our Environmental Management System (“EMS”).

The year 2019 marks the first year where AmBank Group starts aligning its GHG emissions accounting and reporting with the GHG Protocol and IPCC (Intergovernmental Panel on Climate Change) Guidelines. Beginning from FY2019, our GHG emissions disclosure shall be systematically documented in terms of scopes (Scope 1, Scope 2 and Scope 3). This represents an enhanced GHG emission reporting compared with only Scope 1 reporting in FY2018. Additionally, the reporting period shall also be changed from calendar year to financial year to align with our financial reporting period.

➤ **Total GHG emission for FY2019**  
= 20,978 tCO<sub>2</sub>e

The total GHG Emissions for FY2019 is 20,978 tonnes and was largely contributed by Scope 2 emission due to electricity consumption.

Throughout the financial year, we have continued to retrofit our buildings with more energy-efficient equipment and system. We also optimised our vehicle fleet and started using more energy-efficient vehicle to mitigate carbon emissions from petrol consumption.

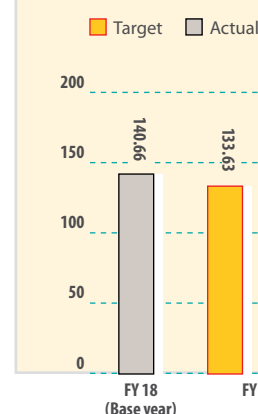


#### SCOPE 1 (DIRECT EMISSIONS AS A RESULT OF PETROL AND DIESEL CONSUMPTION FROM COMPANY-OWNED VEHICLES)

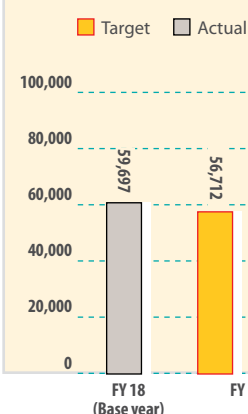
➤ **Scope 1 GHG emission**  
= 122.03 tCO<sub>2</sub>e\*

\* Source for Scope 1 GHG emissions factors: Annex C; pg C7 of MyCarbon GHG Reporting Guidelines

#### GHG EMISSION FROM PETROL CONSUMPTION (TONNES)



#### PETROL CONSUMPTION PER YEAR (LITRES)



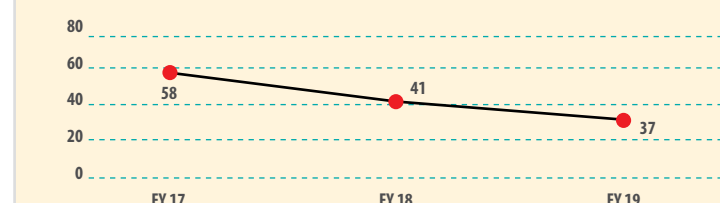
The Group has set a target to reduce our carbon emissions from petrol consumption over the next five years by 5% every year with FY2018 as the base year.

We have successfully lowered our carbon emissions from petrol consumption to 122.03 tonnes in FY2019 (FY2018: 140.66 tonnes), exceeding the target set for the year at 133.63 tonnes by 8%. The Group’s total petrol consumption has also reduced from approximately 60,000 litres per annum to 54,000 litres. This was achieved through the following initiatives:

#### (a) Vehicle Fleet Rationalisation

The Group continued to minimise its fleet of vehicles by disposing five motor vehicles in FY2019 and replaced one of our existing vehicles with a hybrid car. Total number of vehicles in use by the Group decreased from 41 to 37 during the year.

#### NUMBER OF COMPANY VEHICLES IN USE



## Positive Societal Impact

### (b) Shuttle Service

The Group provides shuttle service between Menara AmBank and Bangunan AmBank Group with total annual passenger capacity of 8,835 in FY2019. The carbon dioxide generated by the shuttle service was 6.21 tonnes.

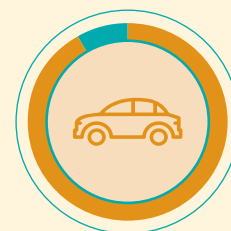
### (c) Energy Efficient Vehicles

To sustainably reduce our carbon footprint, we began to procure hybrid cars as a more fuel efficient and environmentally friendly alternative to conventional cars. As at end-FY2019, three out of 37 company vehicles were hybrid and contributed 17% of the total carbon emissions produced from petrol consumption for the year at 21.13 tonnes.

The number of hybrid vehicles in use by the Group is expected to grow over time, consistent with the aim of our Group Environmental Policy.

#### VEHICLE COMPOSITION IN FY2019

Hybrid: 3  
Non-hybrid: 34



#### SCOPE 2 (INDIRECT EMISSIONS AS A RESULT OF ELECTRICITY CONSUMPTION)

##### ➤ Scope 2 GHG emission

= 20,437 tCO<sub>2</sub>e\*

\* Source for Scope 2 GHG emissions factors: GreenTech Malaysia's Study on Grid Connected Electricity Baselines in Malaysia (Year 2014), pg 7 of 43

AmBank Group is currently operating from seven office buildings and 170 branches throughout Malaysia. The Group had vacated Wisma AmBank in Jalan Pudu since April 2019 and had terminated its lease in Menara Dion since September 2018, as part of our initiative to improve business efficiency by maximising available space within our own buildings.

We have set a target to reduce our indirect carbon emissions from electricity consumption over the next five years by 30% for main buildings and 20% for branches over the next five years with FY2019 as the base year.

Total electricity consumption from our office buildings and branches for FY2019 was approximately 10,029,000 kWh and 19,681,000 kWh, respectively. The carbon emissions breakdown for each office building and AmBank branches, as well as AmBank Group's entities in FY2019 are as follows:

Building	Building Code	RM('000)	kWh('000)	kWh/m <sup>2</sup>	kWh/FTE	tCO <sub>2</sub> e
Menara AmBank, Jalan Yap Kwan Seng	MAB	947	1,860	65	945	1,290
Bangunan AmBank Group, Jalan Raja Chulan	BAG	837	1,645	60	843	1,141
Menara MBF, Jalan Sultan Ismail	MBF	251	493	38	1,188	342
Plaza See Hoy Chan, Jalan Raja Chulan	PSC	105	207	56	1,255	144
Damansara Fairway 3, Persiaran Tropicana	DF3	2,037	4,001	247	13,610	2,777
Wisma AmFirst, Kelana Jaya	WAF	84	164	20	204	114
Plaza Damansara, Jalan Medan Setia	PD	75	146	117	2,122	102
<b>Subtotal</b>		<b>4,336</b>	<b>8,516</b>	<b>87</b>	<b>1,503</b>	<b>5,910</b>
Wisma AmBank, Jalan Pudu	WAB	645	1,267	260	3,290	879
Menara Dion, Jalan Sultan Ismail	MD	123	242	43	624	168
Wisma Kim Sean, Jalan Punchak	WKS	2	4	7	-	3
<b>Subtotal</b>		<b>770</b>	<b>1,513</b>	<b>137</b>	<b>1,959</b>	<b>1,050</b>
<b>Total</b>		<b>5,106</b>	<b>10,029</b>	<b>92</b>	<b>1,557</b>	<b>6,960</b>

Branches	RM('000)	kWh('000)	kWh/m <sup>2</sup>	kWh/FTE	tCO <sub>2</sub> e
Peninsular Malaysia	7,864	15,449	135	9,891	10,722
Sabah	490	1,240	141	8,917	664
Sarawak	897	2,992	184	9,378	2,091
<b>Subtotal</b>	<b>9,251</b>	<b>19,681</b>	<b>141</b>	<b>9,743</b>	<b>13,477</b>

No.	Entities	RM('000)	kWh('000)	tCO <sub>2</sub> e
1	AmBank	13,536	28,007	19,255
2	AmBank Islamic	22	43	30
3	AmInvestment Bank	712	1,490	1,035
4	AmFunds Management	82	160	111
5	AmIslamic Funds Management	4	9	6
<b>Total</b>		<b>14,356</b>	<b>29,709</b>	<b>20,437</b>



## Positive Societal Impact

The Group is committed to reduce our indirect GHG emissions from electricity consumption by implementing the following initiatives:

(a) Energy Efficiency Initiative ("EEI") at Office Buildings

EEI efforts by AmBank Group involve energy saving measures for replacement of fluorescent light bulbs to LED lights and air-conditioning system improvement.

• LED Lights Replacement

After the successful replacement of LED lights in Menara AmBank's ("MAB") Levels 22, 23, 25 and 45, we are implementing the same initiative to the remaining floors in MAB, Bangunan AmBank Group ("BAG"), Wisma AmFirst ("WAF") and Damansara Fairway 3 ("DF3") to be completed by year 2021. This is in accordance with our five-year Energy Efficiency Plan.

For AmBank Group's branches, we are conducting proof of concept ("POC") for two branches at PJ New Town in Petaling Jaya, Selangor, and Taman Maluri in Kuala Lumpur. Continuous monitoring is being carried out for the POC project on energy saving feasibility. If the results are feasible, the LED lights replacement initiative shall be implemented at all remaining AmBank branches in phases.

• Air-Conditioning System

We are also conducting POC for two branches at PJ New Town in Petaling Jaya, Selangor and Taman Maluri in Kuala Lumpur, where we are improving electricity consumption by installing an air conditioning intelligent system that detects room temperatures and cooling coil temperatures to improve the system's efficiency and minimise energy wastage.

If the results are feasible, the air-conditioning system improvement initiative shall be implemented at all remaining AmBank branches in phases.

As reported in FY2018, we achieved 27% reduction in an electricity consumption savings initiative for MAB and BAG. Following the completion of the initiative, on-going efforts were implemented in FY2019 to maintain the electricity reduction results achieved.

### AmBank Group Five-Year Energy Efficiency Plan

FY	Main Office Buildings	Number of Branches	Savings Target (RM)	Savings Target (kWh)	Savings Target (tCO <sub>2</sub> e)	Actual Savings (RM)	Actual Savings (kWh)	Actual Savings (tCO <sub>2</sub> e)
2019	Menara AmBank (Levels 22,23,25 and 45)	-	411,715	808,870	561	425,780	836,503	581
2020	Wisma AmFirst and Damansara Fairway 3, Persiaran Tropicana	42	1,098,682	2,233,811	1,541	-	-	-
2021	Menara AmBank (the remaining floors) and Bangunan AmBank Group	43	997,645	2,035,309	1,403	-	-	-
2022	-	43	462,542	984,026	674	-	-	-
2023	-	42	462,542	984,026	674	-	-	-

(b) Earth Hour 2019 Campaign

In raising awareness among our employees, we participated in the global Earth Hour 2019 Campaign on 30 March 2019 by switching off our main buildings' lights for an hour. This campaign is part of the Group's environmental initiative to demonstrate the Group's commitment and efforts in addressing global climate change and sustainability.

A list of our offices that participated in the Earth Hour 2019 campaign comprised of the following:

No	AmBank Group Buildings
1	Bangunan AmBank Group, Jalan Raja Chulan
2	Menara AmBank, Jalan Yap Kwan Seng
3	Wisma AmBank, Jalan Pudu
4	Wisma AmFirst, Kelana Jaya
5	Damansara Fairway 3, Persiaran Tropicana
6	Bangunan AmBank Group, Jalan Hj. Taha

(c) Clean Energy

We are commissioning a study on the installation of solar photovoltaic panels at one of our main office buildings – Damansara Fairway 3, Persiaran Tropicana – as part of the Group's initiatives to support the use of renewable energy at our premises.



## Positive Societal Impact

### SCOPE 3 (INDIRECT EMISSIONS AS A RESULT OF EMPLOYEE TRAVEL AND COMMUTING IE. BUSINESS AIR TRAVEL – NOT INCLUDED IN SCOPE 2)

➤ Scope 3 GHG emission  
= 419 tCO<sub>2</sub>e

FY2019 marks the first year where AmBank Group reports our business air travel related emissions. The Group has worked with its appointed travel agent to track our air travel bookings in the present financial year and used the International Civil Aviation Organisation's 'Carbon Emissions Calculator' to quantify our carbon emissions from business air travel.

The following entities are included in our scope and the total carbon emissions from each entity are as follows:

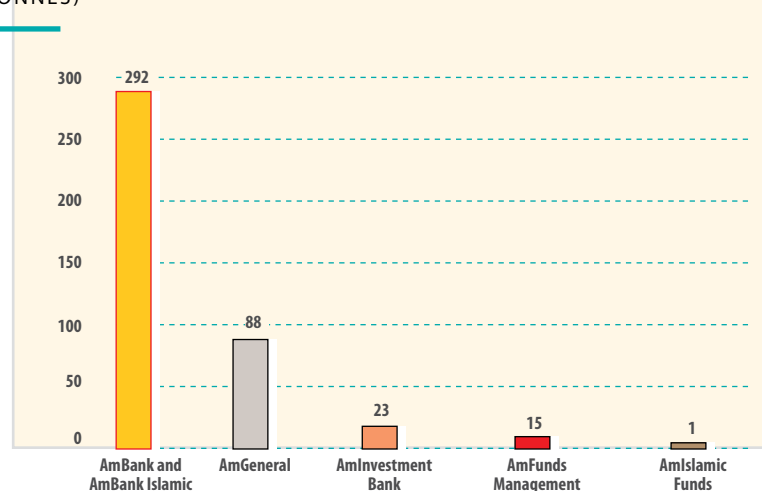
AmBank Group Entities	tCO <sub>2</sub> e (FY2019)
AmBank and AmBank Islamic	292
AmGeneral	88
AmInvestment Bank	23
AmFunds Management	15
AmIslamic Funds Management	1
<b>Total</b>	<b>419</b>

Moving forward, the Group will work towards reducing our indirect carbon emissions from business air travel. This will be achieved by implementing measures to manage our need for commuting by air and employing technology as a means for greater connectivity and to increase our work productivity.

We will encourage AmBankers to utilise conference call and video call facilities wherever possible, rather than travelling by air. Consequently, our travelling policy and budget will also be reviewed to reduce GHG emissions from business air travel.

### SCOPE 3 CO<sub>2</sub>e (TONNES)

**Total: 419**



## Resource Conservation and Waste Management

Activities carried out in our office buildings and branches generate waste, which are paper, metal and plastic-based. Most of the solid wastes generated will be recycled given that proper waste segregation bins are installed at two of our main premises. Here are some of the waste management initiatives that were introduced and its related achievements:

### Paperless Environment

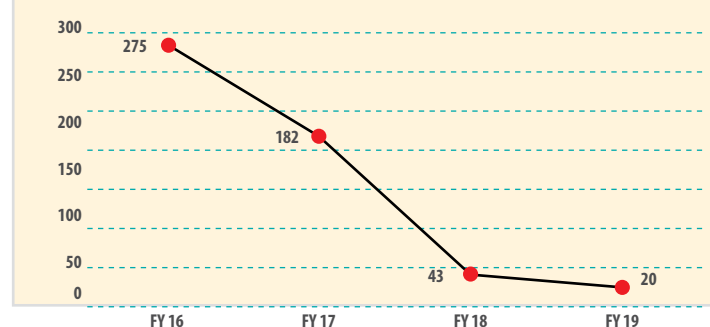
#### (a) e-FD and Term Deposit Receipts and Passbook-less Transactions

In our journey to become a paperless bank, we have continued to encourage our customers to opt for electronic receipts for their Fixed Deposits ("FDs") and Term Deposits, as well as ATMs and AmOnline transactions in place of passbooks.

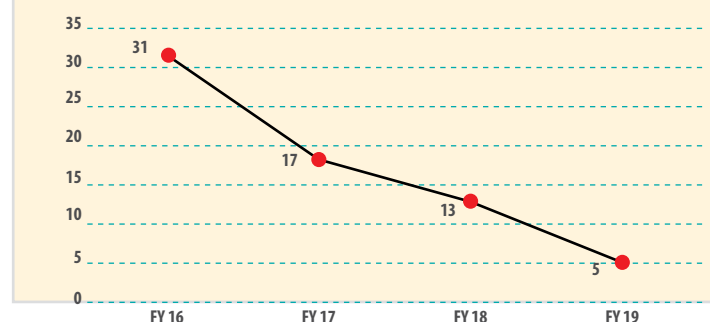
As a result, the number of receipts issued for FDs and Term Deposits has decreased tremendously by 65% to 4,590 pads (FY2018: 13,085) in FY2019.

Similarly, the number of savings passbooks issued by AmBank has also decreased significantly by 52% to 20,340 books (FY2018: 42,660) in FY2019.

#### PAPERLESS BANKING (SAVINGS & PASSBOOK) ('000)



#### PAPERLESS BANKING (FD & TERM DEPOSIT RECEIPTS) ('000)



#### (b) Minimise Paper Consumption

Adopting e-statements and communicating with our customers via email has further reduced our paper consumption, and consequently lowered the amount of paper waste generated throughout the year. The Group successfully reduced our consumption of A3 and A4-sized paper usage from 72 million sheets to 60 million sheets in FY2019, exceeding our reduction target by 7% (equivalent to a savings of 5 million sheets).

## Positive Societal Impact

This was mainly contributed by the use of multi-functional printers in our offices:

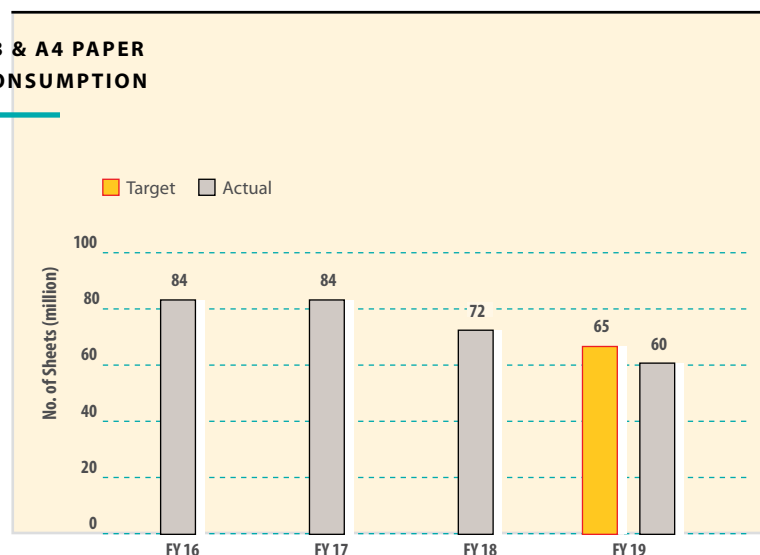
- Multi-Functional Printers

We began to replace our legacy printers throughout our office nationwide with multi-function printers and introduced a standard printing operations manual to manage the use of printers and promote environmental consciousness among our employees.

The operations manual, among others, include practical paper-saving measures such as double-sided printing, sharing of documents in softcopy (rather than hardcopy), a dedicated recycled paper tray, reminders to evaluate the need for paper printing, proofread and preview documents to be printed to avoid re-printing, and storing documents electronically (instead of keeping hardcopy printouts).

A total of 219 units and 635 units of printers will be replaced in our main office buildings and branches, respectively, and this will be carried out in stages. Printer replacement commenced at our Bangunan AmBank Group at Jalan Raja Chulan in March 2019 and is targeted to be completed by end-May 2019. Replacement of printers at AmBank branches will be implemented as and when the current printers are due for replacement.

### A3 & A4 PAPER CONSUMPTION



### Recycling Bins

We encourage our office cleaners to carry out waste segregation at source to isolate recyclables prior to sending wastes for disposal. This will not only reduce the amount of wastes sent to the landfills but will also help to reduce transportation costs related to waste collection and disposal.

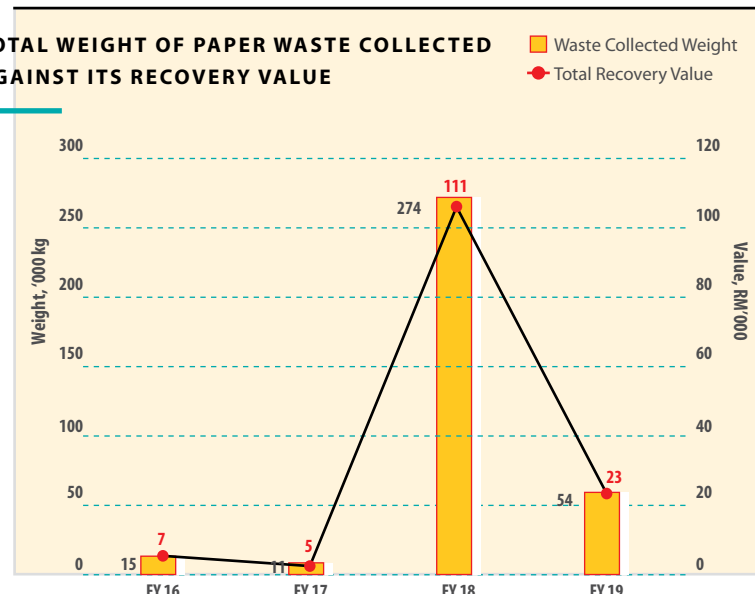
To encourage our employees and members of the public to adopt the habit of recycling, we provide colour-coded recycling bins at the lobby of Menara AmBank and were also placed at Bangunan AmBank Group's lobby beginning April 2019.

### Paper Recycling

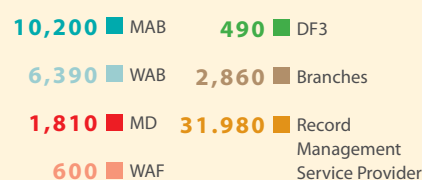
'Green Bins' are currently being placed at certain floors in Menara AmBank and Wisma AmFirst to collect used paper for recycling. The Group is planning to place 'Green Bins' in every floor in Menara AmBank and Bangunan AmBank Group in stages beginning FY2020.

The paper waste collected will be disposed by a licensed third-party vendor who will ensure that all documents are shredded under close security supervision to ensure data confidentiality and integrity is preserved at all times. The majority of the paper waste collected in FY2019 comprised documents and records that were more than seven years old and were due for destruction. The documents and records were collected from our Record Management service providers. The high amount of paper waste collected in FY2018 at 274,490 kg also comprised primarily old records and documents that had past the seven-year retention period.

### TOTAL WEIGHT OF PAPER WASTE COLLECTED AGAINST ITS RECOVERY VALUE



### BREAKDOWN OF PAPER WASTE COLLECTED FROM AmBank Group's BUILDINGS AND THIRD PARTY SERVICE PROVIDER (KG)



## Positive Societal Impact

### 'AmBank Group "Go Green" Campaign" 2019

During FY2019, the Group Strategic Transformation Office initiated AmBank Group's 'Go Green Campaign' to intensify our collective environmental behaviour and mindset, while instilling a resource-conscious culture among AmBankers. To drive the Group's commitment towards sustainability, we have set a RM2 million annual savings target to benchmark the effectiveness of our Group-wide green efforts. Total savings achieved in FY2019 exceeded our target at RM2,831,712.

We are focusing our resource conservation efforts on the following four focus areas:

- (a) **Go Virtual** – print less or go virtual where paper usage is not required, prioritise virtual archiving over hard copies

- (b) **Carbon Footprint** – use conference call to supplement meetings, car pool where possible, use email instead of courier for internal correspondence  
 (c) **Sundry and Stationery Supplies** – managing sundry and stationery orders to minimise wastage, recycle where possible  
 (d) **Electricity and Utilities** – switch off when not in use

Organised in partnership with the Group Finance Department, billing figures for each category were reflected in the respective departments' monthly operational expenditure reports to enable accurate tracking. Top monthly achievers are highlighted in our intranet 'Am Connected'.

Savings achieved during the financial year are as follows:

Electricity						
Electricity Bills (Aggregate TNB billings)						
FY2018		FY2019		Total Savings		
Offices	Branches	Offices	Branches	Offices	Branches	Offices and Branches
RM 5,313,508	RM 8,408,136	RM 4,370,218	RM 7,635,201	RM 943,291	RM 772,935	RM 1,716,226

#### Savings Initiatives

- Consolidate electricity consumption of our Data Centre by reducing its cooling requirement and optimising the use of lightings.
- Turn off branch signage and air-conditioning, as well as lightings at the Electronic Banking Centre (Automated Teller Machines and Cash and Cheque Deposit Machines area) from 12.00am - 6.00am.
- Switching to energy-saving LED lighting.

Sundry Supply		
Refreshment & Pantry Supplies (Offices & Klang Valley Branches only)		
FY2018	FY2019	Total Savings
RM 325,228	RM 150,829	RM 174,399

#### Savings Initiatives

- Reorganise the sundry ordering process from centralised to individual departments, reduced the consumption of condensed milk, tea, coffee, sugar, etc.
- Installation of water dispenser in the common pantry to replace bottled drinking water.

Printing							
Meter Reading (Vendor Billing)							
	FY2018		FY2019		Savings		
Print Type	Black & White	Color	Black & White	Color	BW	Color	Black & White + Color
Volume	86,795,975	1,290,786	69,323,021	842,007	17,472,954	448,779	17,921,733
Value	RM 3,471,839	RM 516,314	RM 2,772,921	RM 336,803	RM 698,918	RM 179,512	RM 878,430

#### Savings Initiatives

- Practice double sided printing and minimise colour printing.
- Promote and encourage the use of PDF softcopy for individual safekeeping and reference to replace hardcopy print before attending discussions and meetings.
- Process improvement to reduce the need for printing under centralised loan processing and optimise front office branch operations.

Stationery					
Ink Cartridge and Ink Toner (ARIBA – Offices and Klang Valley Branches Only)			Office Stationery (ARIBA – Offices and Klang Valley Branches)		
FY2018	FY2019	Total Savings	FY2018	FY2019	Total Savings
RM 592,568	RM 566,884	RM 25,684	RM 234,829	RM 197,856	RM 36,974

#### Savings Initiatives

- Proper safekeeping of stationeries so as not to expose stationaries that can be dried up to minimise wastages.
- Use existing technology solutions to reduce wastages e.g. virtual archiving instead of hard copy files, whilst maintaining the high level of compliance.
- Recycle used stationeries where possible, such as envelopes and one-sided printouts.
- Utilise stationery supplies optimally before re-ordering.

# GRI Content Index

GRI Standard	Disclosure	Page Number (or Link)	Omission (Parts omitted, reason omitted and explanation)	External Assurance Indicate if the Standard Disclosure has been externally assured  If yes, include the page reference for the External Assurance Statement in the report.
<b>GRI 101: Foundation 2016</b>				
<b>General Disclosures</b>				
<b>GRI 102: General Disclosures 2016</b>	102-1 Name of organisation	AMMB Holdings Berhad	-	
	102-2 Activities, brands, products and services	4,7	-	
	102-3 Location of headquarters	9	-	
	102-4 Location of operations	5	-	
	102-5 Ownership and legal form	6	-	
	102-6 Markets served	5	-	
	102-7 Scale of the organisation	2,4	-	
	102-8 Information on employees and other workers	104	-	
	102-9 Supply chain	98	-	
	102-10 Significant changes to the organisation and its supply chain	-	No significant changes in the organisation and supply chain	
	102-11 Precautionary Principle or approach	We support a precautionary approach to environmental risks and impacts	-	
	102-12 External initiatives	65	-	
	102-13 Membership of associations	76	-	
	102-14 Statement from senior decision-maker	11	-	
	102-16 Principles, standards, and norms of behaviour	103,181	-	
	102-18 Governance structure	76	-	
	102-40 List of stakeholder groups	80,191	-	
	102-41 Collective bargaining agreements	113	-	
	102-42 Identifying and selecting stakeholders	80,191	-	
	102-43 Approach to stakeholder engagement	80	-	
	102-44 Key topics and concerns raised	81	-	
	102-45 Entities included in the consolidated financial statements	Refer to AmBank Group's Financial Report 2019	-	
	102-46 Defining report content and topic Boundaries	About This Report, 76,81	-	
	102-47 List of material topics	81	-	
	102-48 Restatements of information	The Standard Disclosure or part of the Standard Disclosure is not applicable	There are no restatements of information in this report	
	102-49 Changes in reporting	81	-	
	102-50 Reporting period	This report covers the financial year 1 April 2018 to 31 March 2019, unless otherwise specified.	-	
	102-51 Date of most recent report	The most recent Sustainability Statement was included in the FY2018 Annual Report, dated 29 June 2018	-	
	102-52 Reporting cycle	Annual reporting cycle, as per financial year	-	
	102-53 Contact point for questions regarding the report	About This Report	-	
	102-54 Claims of reporting in accordance with the GRI Standards	About This Report	-	
	102-55 GRI content index	133-135	-	
	102-56 External assurance	136-140	-	

## GRI Content Index

GRI Standard	Disclosure	Page Number (or Link)	Omission (Parts omitted, reason omitted and explanation)	External Assurance Indicate if the Standard Disclosure has been externally assured  If yes, include the page reference for the External Assurance Statement in the report.
<b>Material Topics</b>				
<b>Data Security, It Infrastructure and Digital Transformation</b>				
<b>GRI 103: Management Approach 2016</b>	103-1 Explanation of the material topic and its Boundary 103-2 The management approach and its components 103-3 Evaluation of the management approach	89-96	-	
<b>Non-GRI Indicator</b>	Transaction volume on internet banking platform	90	-	
<b>Customer Satisfaction</b>				
<b>GRI 103: Management Approach 2016</b>	103-1 Explanation of the material topic and its Boundary 103-2 The management approach and its components 103-3 Evaluation of the management approach	47, 51, 55-57, 60, 64	-	
<b>Non-GRI Indicator</b>	Customer satisfaction rate	57	-	
<b>Ethics, Governance and Compliance</b>				
<b>GRI 103: Management Approach 2016</b>	103-1 Explanation of the material topic and its Boundary 103-2 The management approach and its components 103-3 Evaluation of the management approach	84-88, 183	-	
<b>GRI 205 Anti-Corruption 2016</b>	205-2 Communication and training about anti-corruption policies and procedures	86-87	-	
<b>Conducive and Inclusive Workplace and Human Capital Development</b>				
<b>GRI 103: Management Approach 2016</b>	103-1 Explanation of the material topic and its Boundary 103-2 The management approach and its components 103-3 Evaluation of the management approach	103-111, 113, 114-119 120-123	-	
<b>GRI 405 Diversity &amp; Inclusion 2016</b>	405-1 Diversity of governance bodies and employees	104, 110	-	
<b>GRI 405 Diversity &amp; Inclusion 2016</b>	405-2 Ratio of basic salary and remuneration of women to men	106-107	-	
<b>GRI 405 Employment 2016</b>	401-1 New employee hires and employee turnover	112	-	
<b>GRI 404 Training &amp; Education 2016</b>	404-1 Average hours of training per year per employee	120	-	
<b>GRI 403 Occupational Health &amp; Safety 2018</b>	403-5 Worker training on occupational health and safety	114-115	-	
<b>GRI 403 Occupational Health &amp; Safety 2018</b>	403-9 Work-related injuries	114	-	
<b>Financial Inclusive and Responsible Lending (Includes VBI)</b>				
<b>GRI 103: Management Approach 2016</b>	103-1 Explanation of the material topic and its Boundary 103-2 The management approach and its components 103-3 Evaluation of the management approach	65, 67	We plan to include a non-GRI disclosure related to this material topic in the next report	
<b>Responsible marketing &amp; product service design</b>				
<b>GRI 103: Management Approach 2016</b>	103-1 Explanation of the material topic and its Boundary 103-2 The management approach and its components 103-3 Evaluation of the management approach	98-101	-	
<b>Responsible Sourcing and Procurement</b>				
<b>GRI 103: Management Approach 2016</b>	103-1 Explanation of the material topic and its Boundary 103-2 The management approach and its components 103-3 Evaluation of the management approach	96-98	-	
<b>GRI 308: Supplier Environmental Assessment 2016</b>	308-1 New suppliers that were screened using environmental criteria	Pg 98-All of our suppliers were screened on the environmental criteria of our Responsible Sourcing and Green Procurement requirements	-	
<b>GRI 414: Supplier Social Assessment 2017</b>	414-1 New suppliers that were screened using social criteria	Pg 98-All of our suppliers were screened on the social criteria of our Responsible Sourcing and Green Procurement requirements	-	



## GRI Content Index

GRI Standard	Disclosure	Page Number (or Link)	Omission (Parts omitted, reason omitted and explanation)	External Assurance Indicate if the Standard Disclosure has been externally assured  If yes, include the page reference for the External Assurance Statement in the report.
<b>Environmentally and Socially Responsible Investment</b>				
<b>GRI 103: Management Approach 2016</b>	103-1 Explanation of the material topic and its Boundary 103-2 The management approach and its components 103-3 Evaluation of the management approach	51-52, 63-64, 124-126	-	
<b>Community Investment and Development</b>				
<b>GRI 103: Management Approach 2016</b>	103-1 Explanation of the material topic and its Boundary 103-2 The management approach and its components 103-3 Evaluation of the management approach	124-126	-	
<b>GRI 413 Local Community</b>	413-1 Operations with local community engagement, impact assessments, and development programmes	124-126	-	
<b>Energy, Water and Waste Management</b>				
<b>GRI 103: Management Approach 2016</b>	103-1 Explanation of the material topic and its Boundary 103-2 The management approach and its components 103-3 Evaluation of the management approach	127-132	-	
<b>GRI 305: Emissions 2016</b>	305-1 Direct (Scope 1) GHG emissions	127	-	
	305-2 Energy indirect (Scope 2) GHG emissions	128	-	
	305-3 Other indirect (Scope 3) GHG emissions	130	-	
<b>Non-GRI Indicators</b>	Weight of paper waste collected	131	-	

# Independent Assurance Statement



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 Tel : 603-5544 6400 Fax : 603-5544 6810  
 www.sirim-qas.com.my



## INDEPENDENT ASSURANCE STATEMENT (PARTIAL)

### Scope and Objective

SIRIM QAS International Sdn. Bhd., a third party Conformity Assessment Body in Malaysia, with extensive expertise and experience in the provision of sustainability-related assurance services, was engaged by AMMB Holdings Berhad (hereafter referred to as AmBank Group) to perform an independent verification and provide partial assurance of AmBank Group Sustainability Statement 2019. The main objective of verification process is to provide assurance to AmBank Group and its stakeholders of the accuracy and reliability of the selected information presented in the Sustainability Statement. This was confirmed through checking and verifying claims made in the statement. The verification audit by SIRIM QAS International covered only sustainability-related activities selected by AmBank Group which had been included in AmBank Group Sustainability Statement of the Integrated Annual Report 2019.

The management of AmBank Group was responsible for the preparation of the Sustainability Statement. The objectivity and impartiality of this verification statement is assured as no member of the verification team and no other employee of SIRIM QAS International was involved in the preparation of any part of the AmBank Group Integrated Annual Report 2019.

### Verification team

The verification team from SIRIM QAS International consisted of:

- 1) Ms. Aernida Abdul Kadir : Team Leader
- 2) Mr. Shaiful Azmir A. Rahman : Team Member



## Independent Assurance Statement

**Methodology**

The verification process was carried out by SIRIM QAS International in May 2019. It covers the selected sustainability-related activities as follows:

No.	Topic	Page no. Sustainability Statement of Integrated Annual Report 2019
1	Corporate Governance: i) Sustainability Statement Scope ii) Sustainability Governance iii) Stakeholder Engagement	 76 76 80
2	Materiality: i) Materiality Assessment ii) Material Sustainability Matters	 81 82
3	Responsible Sourcing and Procurement: i) Supplier Code of Conduct ii) Supplier Screening and On-Boarding iii) Supporting Local Suppliers	 97 97 98
4	Ensuring a Conducive, Safe and Healthy Workplace: i) Occupational Safety and Health (OSH) Management System ii) Lost Time Injury Frequency Rate iii) Safety and Health Training iv) OSH Activities v) OSH Projects and Special Events vi) Future OSH Initiatives	 114 114 115 115 117 119
5	Energy, Water and Waste Management: i) Climate Change Actions ii) Mitigating Greenhouse Gas (GHG) Emissions iii) Resource Conservation and Waste Management	 127 127 130

## Independent Assurance Statement

The verification involved the following activities:

- Reviewing and verifying the accuracy of data collected from various sources and that are presented in the report;
- Reviewing of internal and external documentation and displays such as awards, press releases, media publications, internal newsletters, internal systems, etc.;
- Interviewing of key personnel responsible for collating information and writing various parts of the report in order to substantiate the veracity of the claims;
- Evaluating the adequacy of the Sustainability Statement of AmBank Group and its overall presentation against the GRI Standards.

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 data and statements contained in the report. The report was subsequently reviewed and revised by AmBank Group in response to the findings of the verification team. It can be confirmed that the changes incorporated into the final version of the report satisfactorily addressed the issues that had been raised.

The verification process was subjected to the following limitations:

- The scope of work did not involve verification of information reported in the AmBank Group Integrated Annual Report 2018 and 2019;
- The verification was designed to provide limited assurance irrespective of the organization's ability to achieve its objectives, targets or expectations on sustainability-related issues;
- The corporate office in Bangunan AmBank Group (Jalan Raja Chulan) and Menara AmBank (Jalan Yap Kwan Seng) were visited as part of this assurance engagement. The verification process did not include physical inspections of any of AmBank's operating assets; and
- The verification team did not review any contractor or third party data.



## Independent Assurance Statement

### Materiality

Since 2017, AmBank has strengthened its materiality determination process to enable better disclosure on the level of impact of each material issue along with the value chain. Important material sustainability matters were prioritized to further improve business operations and drive sustainable progress in the society.

In 2019, AmBank Group has conducted the Sustainability Stakeholder Engagement Survey to further reflect the changes in stakeholders' perception against established benchmark from the previous survey. AmBank Group has maintained the identified ten material sustainability matters which has been classified into three themes; Responsible Banking, Employer of Choice and Positive Societal Impact and the survey was distributed to significant stakeholder groups such as Investors and Shareholders, Clients, Suppliers, AmBank Group Directors, members of Senior Management and last but not least, the AmBankers. Accordingly, the result of the materiality assessment has been presented in page 81 and 82, Sustainability Statement of the Integrated Annual Report 2019. Moreover, the material sustainability matters were mapped into relevant Sustainability Development Goals (SDGs) applicable to AmBank Group.

### Greenhouse Gases (GHG) emissions and Carbon footprint

For 2019, AmBank Group has further enhanced the scope of GHG identification and quantification by systematically reporting the GHG emissions through Scope 1 – Direct Emission, Scope 2 – Indirect Emission and Scope 3 – Other Indirect Emission. The identification and quantification process has been carried out for the whole AmBank Group in accordance with the requirements of ISO 14064-1:2018 with the following coverage:

- The Scope 1 emissions from fuel consumption by company-owned vehicles;
- The Scope 2 emissions resulting from electricity consumption by the Group;
- The Scope 3 covers air travelling. The air travelling for Scope 3 has been based on the information provided by AmBank Group's appointed travel agent.

The total computation of the GHG emission for AmBank Group has been prepared internally. The verification was carried out by the use of ISO 14064-3:2006 standard requirements. Based on reviewed information, the following was verified:



## Independent Assurance Statement

Greenhouse gas emissions (tCO <sub>2</sub> e)		
Scope 1	Scope 2	Scope 3
122	20,437	419

### Conclusion

Based on the selected topics and information provided during the verification process, the following represents SIRIM QAS International's opinion:

- The level of accuracy of relevant data included in the AmBank Group Sustainability Statement 2019 is fair and acceptable;
- The Sustainability Statement was prepared according to the GRI Standards requirements. The selected content and quality were well established. The level of sustainability performance information in the statement was found to be acceptable;
- The information has been presented in an appropriate manner;
- The personnel responsible were able to reliably demonstrate the origin(s) and interpretation of data contained in the statement;
- AmBank Group has satisfactorily addressed, in the final version of the report, all issues that had been raised during the verification audit.

Prepared by:

  
**AERNIDA ABDUL KADIR**  
 Verification Team Leader  
 Management System Certification  
 Department  
 SIRIM QAS International Sdn. Bhd.

Date : 29 May 2019

Approved by:

  
**MOHD HAMIM BIN IMAM MUSTAIN**  
 Senior General Manager  
 Management System Certification  
 Department  
 SIRIM QAS International Sdn. Bhd.

Date : 29 May 2019

# Governance Overview Statement

In this section of our Annual Report we detailed how our Board of Directors ("Board") operates and explained the responsibilities we have as Directors. We further described our varying Board Committees and how they have operated to create value. We describe our efforts in generating meaningful relationships with stakeholders and ensure the integrity of all that we do.

Our Board provide leadership and strategic guidance to safeguard stakeholder value creation within a framework of prudent and effective controls. This makes it possible to assess and manage risk to ensure long-term sustainable development and growth. The Board has ultimate accountability and responsibility for the performance and affairs of the Company and ensures that the Group adheres to high standards of ethical behaviour, including the Group's employees, shareholders, regulators, clients, suppliers, the environment and the communities in which it operates.

## FRAMEWORKS APPLIED

<p><b>1</b></p> <p><b>Bursa Malaysia Securities Berhad ("Bursa Securities") Main Market Listing Requirements ("MMLR")</b></p>	<p><b>2</b></p> <p><b>Securities Commission ("SC") Malaysian Code on Corporate Governance ("MCCG") 2017</b></p>	<p><b>3</b></p> <p><b>Bank Negara Malaysia ("BNM") Policy Document on Corporate Governance</b></p>
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> The Governance Overview Statement is to be read in conjunction with the Corporate Governance Report 2019, which is available online at [ambankgroup.com](http://ambankgroup.com)



PRINCIPLE  
**A**

### BOARD LEADERSHIP & EFFECTIVENESS

This section provides an overview of the Board and how it and its Committees interlink. Details of the type of activity considered by the Board and also some of the core responsibilities for certain Directors are also explained.

In the Group Nomination and Remuneration Report, we reflect the elements of how the Board is made up, how we plan to ensure success in the future and how do we make sure on an annual basis that we are being held accountable to each other as Board members and also to our stakeholders.

### ITS IMPORTANCE

An effective board does not place itself in a comfortable setting and it does not remain static. A dynamic board should constantly evolve in response to the environment in which it operates. Challenge as well as teamwork are essential features of the board. Diversity in board composition is an important driver of a board's effectiveness, creating a breadth of perspective among directors.

PRINCIPLE  
**B**

### EFFECTIVE AUDIT & RISK MANAGEMENT

This section describes the work of the Audit and Examination Committee and Risk Management Committee and offers explanations on the numbers of new auditing and governance requirements.

It provides a narrative on how the Risk Management Committee helps the Group drive the implementation of risk frameworks, processes and the Group's risk appetite and internal control.

### ITS IMPORTANCE

From a risk perspective, diligent measured risk management structures and framework help to address risks and strategy. This includes overall management of all risks covering market risk management, credit and operational risk management.

PRINCIPLE  
**C**

### INTEGRITY IN CORPORATE REPORTING & MEANINGFUL RELATIONSHIP WITH STAKEHOLDERS

This section provides an overview of how we communicate with stakeholders concerns and expectations.

### ITS IMPORTANCE

An understanding of the importance of maintaining and fostering good meaningful relationship with our stakeholders plays a key role within our ecosystem. We recognise that stakeholders are affected in one way or another by our actions. In this regard, as stewards of the company, we take responsibility to improve our communication and relationship with our stakeholders.

Our Board Charter defines the roles, responsibilities and functions of the Board and Board Committees in accordance with the principles of good corporate governance. The Charter is reviewed periodically to ensure its adherence to the latest statutory and regulatory requirements, as well as the Group's operational and business direction. The Charter was updated in September 2017 and is available on the Company's corporate website at [ambankgroup.com](http://ambankgroup.com).

Governance Overview Statement

THE PROFILE



LIST OF  
BOARD MEMBERS

1

TAN SRI AZMAN HASHIM

Chairman  
Non-Independent Non-Executive Director

2

GRAHAM KENNEDY HODGES

Non-Independent Non-Executive Director

3

SOO KIM WAI

Non-Independent Non-Executive Director

4

VOON SENG CHUAN

Senior Independent Non-Executive Director

5

DATUK SHIREEN ANN  
ZAHARAH BINTI MUHIUDEEN

Independent Non-Executive Director

6

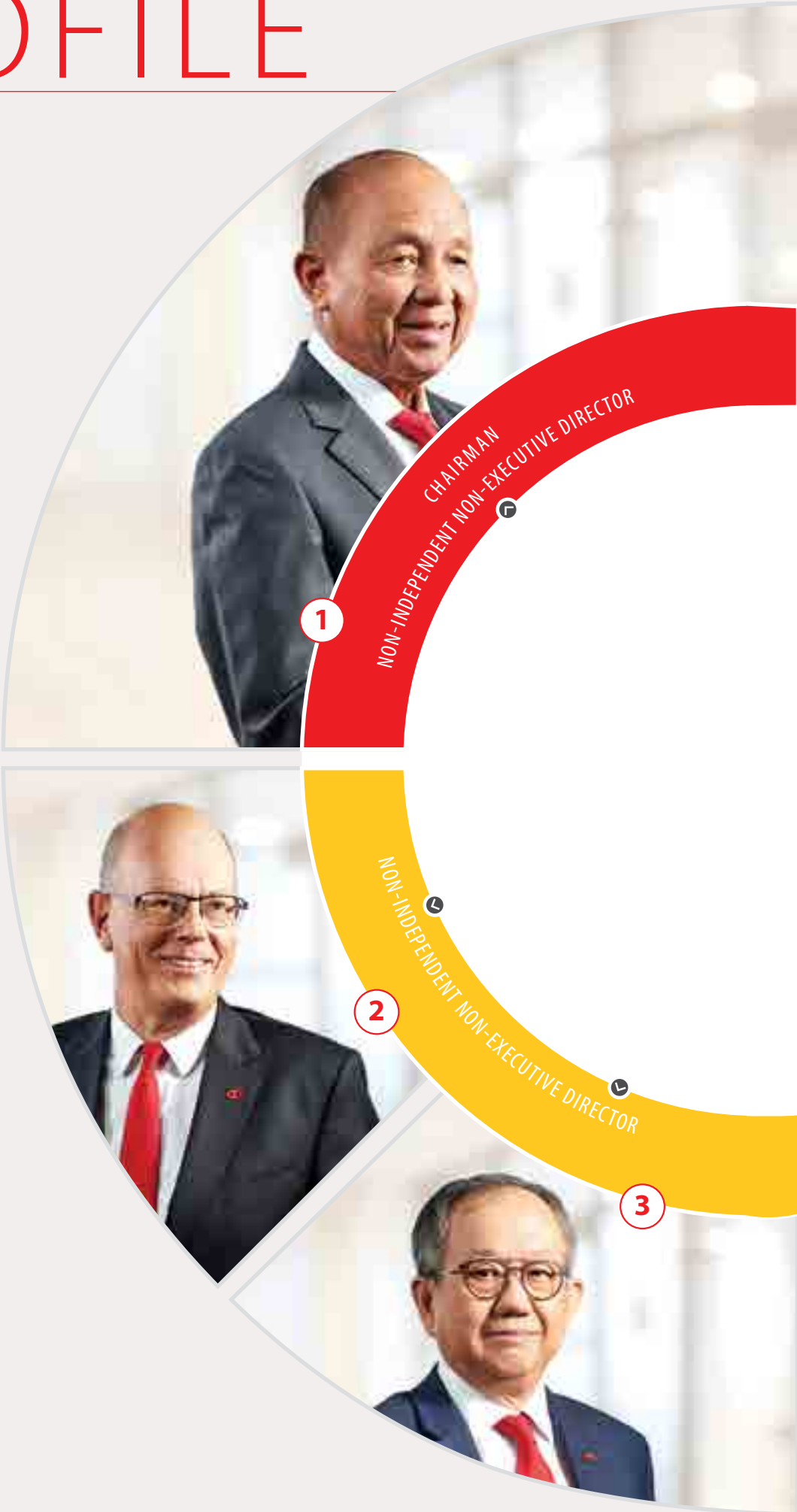
SEOW YOO LIN

Independent Non-Executive Director

7

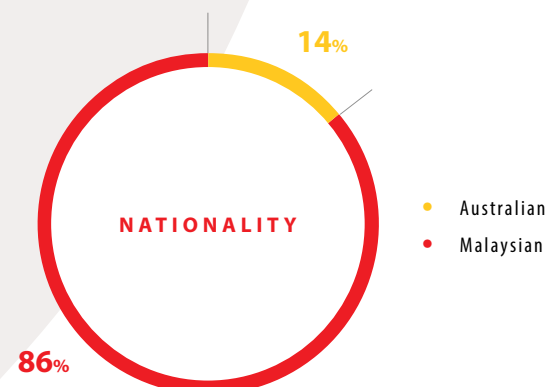
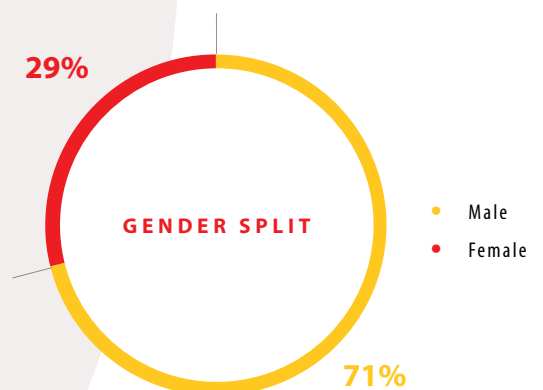
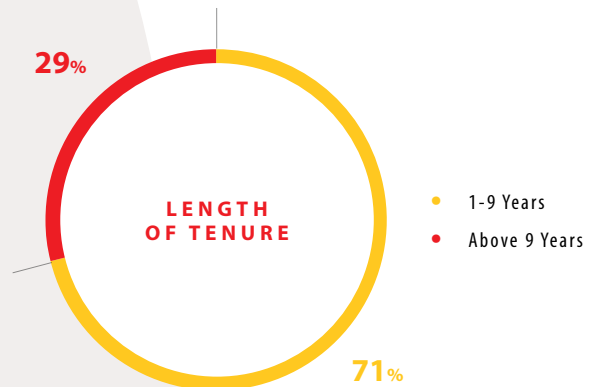
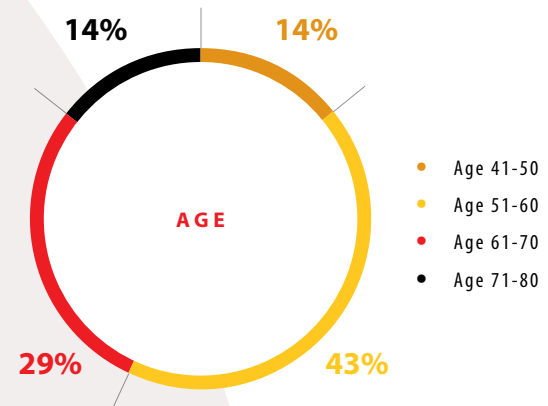
FARINA BINTI  
FARIKHULLAH KHAN

Independent Non-Executive Director



## Governance Overview Statement

# OF OUR BOARD



# A Committed Board

1

## TAN SRI AZMAN HASHIM

Chairman  
Non-Independent  
Non-Executive Director



80

Age



Gender



28 Years

Length of Tenure as Director

15 August 1991

Date of Appointment

### QUALIFICATION(S)



- Fellow Chartered Banker ("FCB")
- Chartered Accountant (FCPA)
- Fellow, Institute of Chartered Accountants
- Fellow, Institute of Chartered Secretaries and Administrators

### DIRECTORSHIP(S) IN LISTED ISSUERS



None

### EXPERIENCE



Tan Sri Azman Hashim has been in the banking industry since 1960 when he joined Bank Negara Malaysia. He practised as a Chartered Accountant in Azman Wong Salleh and Co. from 1964 to 1971. He was on the board of Malayan Banking Berhad from 1966 to 1980 and was its Executive Director from 1971 until 1980. He was the Executive Chairman of Kwong Yik Bank Berhad, a subsidiary of Malayan Banking Berhad, from 1980 until 1982 when he acquired AmInvestment Bank Berhad.

Tan Sri Azman is the Non-Independent Non-Executive Chairman of AmGeneral Holdings Berhad and AmInvestment Group Berhad, both of which are subsidiaries of the Company. He is also the Executive Chairman of Amcorp Group Berhad.

Tan Sri Azman is Chairman of the Asian Institute of Chartered Bankers, Asian Banking School Sdn Bhd, Malaysia South-South Corporation Berhad and Chairman Emeritus of Pacific Basin Economic Council ("PBEC"). He is also a Director of the Asian Institute of Finance Berhad and Chairman of its Executive Committee of Directors, Chairman of Malaysia Productivity Corporation (1998-2018) and the Malaysian Investment Banking Association (1982-2018).

He is the President of Malaysia South-South Association, Malaysia-Japan Economic Association, Malaysian Prison FRIENDS Club and a Member of the East Asia Business Council. He is also the Leader of the ASEAN Japanese Business Meeting (Malaysia Committee, Keizai Doyukai). He is the Pro-Chancellor of Open University of Malaysia and University Sabah Malaysia.

Tan Sri Azman is also involved in several charitable organisations as Chairman and Trustee of AmGroup Foundation and Perdana Leadership Foundation and Trustee for Yayasan Azman Hashim, Malaysian Liver Foundation, Yayasan Tuanku Najihah and Yayasan Canselor Open University Malaysia.

### DECLARATION



He does not have any conflict of interest or any family relationship with any other Director and/or major shareholders of the Company except as follows: Being a director and substantial shareholder of Amcorp Group Berhad, which in turn is a substantial shareholder of AMMB Holdings Berhad ("AMMB"), and being a director of Clear Goal Sdn Bhd, his family company which is deemed a substantial shareholder of AMMB by virtue of its interest in Amcorp Group Berhad.

He has not been convicted for any offences within the past five (5) years nor has he been imposed of any public sanction or penalty by any relevant regulatory bodies during the financial year ended 31 March 2019.



## A Committed Board

## ➤ QUALIFICATION(S)

- Bachelor of Economics (Hons), Monash University, Australia

## ➤ MEMBERSHIP OF BOARD COMMITTEES

- Member – Risk Management Committee
- Member – Group Nomination and Remuneration Committee

## ➤ DIRECTORSHIP(S) IN LISTED ISSUERS

None

## ➤ EXPERIENCE

Graham Kennedy Hodges was appointed the Deputy Chief Executive Officer of Australia and New Zealand Banking Group Limited ("ANZ") in May 2009, and had stepped down from the role effective May 2018. Prior to that, he was the Chief Executive Officer and a director of ANZ National Bank Limited responsible for the running of ANZ Group's New Zealand business.

Mr Hodges has held the position of Group Managing Director, Corporate and various other roles in Corporate and Business Banking. He joined ANZ in 1991 and was appointed Chief Economist in 1992, a post he held for three (3) years.

Before ANZ, Mr Hodges spent several years with the International Monetary Fund in Washington DC and nine (9) years in Commonwealth Treasury in Canberra.

Mr Hodges is an Independent Non-Executive Chairman of Regis Healthcare Limited, a healthcare company listed on the Australian Securities Exchange.

## ➤ DECLARATION

He does not have any conflict of interest or any family relationship with any other Director and/or major shareholders of the Company except as follows: He is a board representative of Australia and New Zealand Banking Group Limited, which is deemed a substantial shareholder of AMMB by virtue of its interest in ANZ Funds Pty Ltd, a substantial shareholder of AMMB.

He has not been convicted for any offences within the past five years nor has he been imposed of any public sanction or penalty by any relevant regulatory bodies during the financial year ended 31 March 2019.



2

**GRAHAM KENNEDY HODGES**

Non-Independent  
Non-Executive Director

64

Age



Gender



3 Years

Length of  
Tenure as Director

30 June 2016

Date of Appointment

## ➤ QUALIFICATION(S)

- Member, Malaysian Institute of Accountants
- Member, Malaysian Institute of Certified Public Accountants
- Fellow, Certified Practising Accountant, Australia
- Fellow, Association of Chartered Certified Accountants, United Kingdom

## ➤ MEMBERSHIP OF BOARD COMMITTEES

- Member – Group Nomination and Remuneration Committee
- Member – Group Information Technology Committee

## ➤ DIRECTORSHIP(S) IN LISTED ISSUERS

- Director, RCE Capital Berhad
- Director, Amcorp Properties Berhad

## ➤ EXPERIENCE

Soo Kim Wai is currently the Group Managing Director of Amcorp Group Berhad. He joined Amcorp Group Berhad in 1989 as Senior Manager, Finance, and has since held various positions before he was promoted to his current appointment. Prior to that, he was with Plantation Agencies Sdn Bhd from 1985 to 1989, and in the accounting profession for five (5) years with Deloitte KassimChan from 1980 to 1985.

Mr Soo sits on the board of some private limited companies and foreign companies. He is also a Board member of the British Malaysian Chamber of Commerce Berhad and serves as Non-Independent Non-Executive Chairman of AmREIT Managers Sdn Bhd, the Manager of AmFirst Real Estate Investment Trust. He is also the Non-Independent Non-Executive Chairman of AmREIT Holdings Sdn Bhd.

Mr Soo is also a Non-Independent Non-Executive Director of AmBank (M) Berhad, a wholly-owned subsidiary of the Company.

## ➤ DECLARATION

He does not have any conflict of interest or any family relationship with any other Director and/or major shareholders of the Company except as follows: He is the Group Managing Director of Amcorp Group Berhad, which is a substantial shareholder of AMMB.

He has not been convicted for any offences within the past five years nor has he been imposed of any public sanction or penalty by any relevant regulatory bodies during the financial year ended 31 March 2019.



3

**SOO KIM WAI**

Non-Independent  
Non-Executive Director

58

Age



Gender



16 Years

Length of  
Tenure as Director

4 October 2002

Date of Appointment

## A Committed Board

4



### VOON SENG CHUAN

Senior Independent  
Non-Executive Director

60

Age



Gender



4 Years

Length of  
Tenure as Director

18 June 2015

Date of Appointment

#### QUALIFICATION(S)

- Bachelor of Science (Honours) in Mathematics, University of Malaya

#### MEMBERSHIP OF BOARD COMMITTEES

- Chairman – Group Information Technology Committee
- Chairman – Group Nomination and Remuneration Committee
- Member – Audit and Examination Committee
- Member – Risk Management Committee

#### DIRECTORSHIP(S) IN LISTED ISSUERS

- Director, Mesiniaga Berhad

#### EXPERIENCE

Voon Seng Chuan has been part of the Information Technology ("IT") industry for about three decades. In April 2008, he joined the IBM Quarter Century Club reflecting his 25 years of service in IBM. He retired from IBM in March 2010.

In his 27 years of service with IBM, he held a number of roles delivering all aspects of IT products and services for clients in all industry segments in Malaysia and the Asia Pacific region. His last role in IBM prior to his retirement was Director for Mid-Market Segment in Asia Pacific.

From 2000 to 2006, Mr Voon was the Managing Director for IBM Malaysia and Brunei. Mr Voon responded to the Malaysian Government's call to transform the nation into an international shared services and outsourcing hub by leading IBM's investment in seven (7) regional centres/operations in Malaysia. In doing so, IBM is well positioned to transfer best practices and high-skilled expertise to the country. In 2013, Mr Voon was recognised with the "Outsourcing Leader of the Year" award by Outsourcing Malaysia. He was also a Council Member of PIKOM (National ICT Association of Malaysia) from 1994/1995 and 1999/2000.

Mr Voon is also an Independent Non-Executive Chairman of AmBank (M) Berhad, a wholly-owned subsidiary of the Company and an Independent Non-Executive Director of Silverlake Axis Ltd.

#### DECLARATION

He does not have any conflict of interest or any family relationship with any other Director and/or major shareholders of the Company.

He has not been convicted for any offences within the past five (5) years nor has he been imposed of any public sanction or penalty by any relevant regulatory bodies during the financial year ended 31 March 2019.

5



### DATUK SHIREEN ANN ZAHARAH BINTI MUHIDEEN

Independent  
Non-Executive Director

56

Age



Gender



3 Years

Length of  
Tenure as Director

30 June 2016

Date of Appointment

#### QUALIFICATION(S)

- Bachelor of Science in Business Administration, University of Southern California, United States
- Master of Business Administration, Loyola Marymount University, United States

#### MEMBERSHIP OF BOARD COMMITTEES

- Chairman – Risk Management Committee
- Member – Group Nomination and Remuneration Committee

#### DIRECTORSHIP(S) IN LISTED ISSUERS

- Chairman, Independent Non-Executive Director, Bursa Malaysia Berhad (Appointed on 1 March 2019)

Note:

The approved tenure of Datuk Shireen Muhiudeen by Bank Negara Malaysia will be expiring on 30 June 2019 and Datuk Shireen Muhiudeen has indicated that she will not be seeking for re-appointment to the Board of the Company.

#### EXPERIENCE

On 11 February 2019, Datuk Shireen Muhiudeen was selected to join the 16-member Economic Action Council, which is chaired by the Prime Minister of Malaysia, Tun Dr. Mahathir Mohamad. The Council's objective is to stimulate economic growth, ensure fair distribution of wealth and improve the wellbeing of the people.

She has stepped down as Managing Director of Corston-Smith following her appointment as Non-Executive Chairman of Bursa Malaysia (Kuala Lumpur Stock Exchange), effective 1 March 2019. This appointment is by the Minister of Finance of Malaysia.

Datuk Shireen founded Corston-Smith Asset Management in 2007 after 12 years with the Malaysian arm of global insurance giant AIG Investment Corporation.

In June 2011, she was named as one of the 25 most influential women in the Asia-Pacific region for asset management by Asian Investor and in March 2014, she was honoured by Forbes Asia as one of the 50 Asia's Power Businesswomen. In all, she has more than 31 years of focused fund management expertise and is an advocate for good governance, transparency, accountability, and greater representation of women in boardrooms.

#### DECLARATION

She does not have any conflict of interest or any family relationship with any other Director and/or major shareholders of the Company.

She has not been convicted for any offences within the past five years nor has she been imposed of any public sanction or penalty by any relevant regulatory bodies during the financial year ended 31 March 2019.

## A Committed Board

### QUALIFICATION(S)

- Certified Public Accountant
- Master of Business Administration, International Management Centre, Buckingham, United Kingdom
- Member, Malaysian Institute of Accountants
- Member, Malaysian Institute of Certified Public Accountants
- Member, Malaysian Institute of Management

### MEMBERSHIP OF BOARD COMMITTEES

- Chairman – Audit and Examination Committee
- Member – Group Information Technology Committee
- Member – Group Nomination and Remuneration Committee (Appointed on 27 November 2018)

### DIRECTORSHIP(S) IN LISTED ISSUERS

- Director, Southern Steel Berhad
- Director, Hume Industries Berhad

### EXPERIENCE

Seow Yoo Lin joined KPMG Malaysia in 1977 and qualified as a Certified Public Accountant in 1980. In 1983, he was seconded to KPMG United States to gain overseas experience, specialising in banking assignments. He returned in 1985 and was admitted as Partner in 1990.

He has been the audit partner on a wide range of companies including public listed companies and multinationals in banking and finance, manufacturing, trading and services. In addition, he held various leadership roles including those of Human Resource Partner, Partner in charge of Financial Services and a member of the KPMG Asia Pacific Board.

He was a member of Executive Committee of the Malaysian Institute of Certified Public Accountants from 2009 to 2011 and a Council member of the Malaysian Institute of Accountants from 2007 to 2011. He was the Managing Partner of KPMG Malaysia from 2007 to 2010. He retired from the firm in 2011.

Mr Seow is also an Independent Non-Executive Director of AmInvestment Bank Berhad, a wholly-owned subsidiary of the Company.

### DECLARATION

He does not have any conflict of interest or any family relationship with any other Director and/or major shareholders of the Company.

He has not been convicted for any offences within the past five years nor has he been imposed of any public sanction or penalty by any relevant regulatory bodies during the financial year ended 31 March 2019.



6

**SEOW YOO LIN**  
Independent  
Non-Executive Director

63  
Age

Gender



3 Years

Length of  
Tenure as Director

30 June 2016

Date of Appointment

### QUALIFICATION(S)

- Bachelor of Commerce in Accounting, University of New South Wales, Australia
- Fellow, Institute of Chartered Accountants, Australia
- Advanced Management Program, Harvard Business School, United States of America

### MEMBERSHIP OF BOARD COMMITTEES

- Member – Audit and Examination Committee
- Member – Group Nomination and Remuneration Committee

### DIRECTORSHIP(S) IN LISTED ISSUERS

- Director, Petronas Gas Berhad
- Director, KLCC Property Holdings Berhad
- Director, Icon Offshore Berhad

### EXPERIENCE

Farina binti Farikhullah Khan has over 20 years of working experience, predominantly in oil and gas industry. She started out her career in 1994 with Coopers & Lybrand, Australia as a Senior Associate for the Business Services unit for three (3) years.

In 1997, Farina returned to Malaysia to join Petrolia Nasional Berhad ("PETRONAS") in the Corporate Planning and Development Division where she started as an executive and in the ensuing years until 2005, she held various positions including Senior Manager (Strategy and Portfolio) in Group Strategic Planning of PETRONAS.

She subsequently assumed the position of Chief Financial Officer of PETRONAS Carigali Sdn. Bhd., one of the largest subsidiaries of PETRONAS with operations in over 20 countries, from 2006 to 2010. She then served as the Chief Financial Officer at PETRONAS Exploration and Production Business, the largest arm of PETRONAS Business, from mid-2010 until 2013, where the business included both PETRONAS Carigali Group of Companies as well as the Petroleum Management Unit of PETRONAS.

Prior to leaving PETRONAS Group at the end of 2015 to pursue her other interests, Puan Farina was the Chief Financial Officer of PETRONAS Chemical Group Berhad, the largest listed entity of PETRONAS, for two (2) years.

She is also an Independent Non-Executive Director of AmBank Islamic Berhad, a wholly-owned subsidiary of the Company and an Independent Non-Executive Director of KLCC REIT Management Sdn Bhd, the Manager of KLCC Real Estate Investment Trust.

### DECLARATION

She does not have any conflict of interest or any family relationship with any other Director and/or major shareholders of the Company.

She has not been convicted for any offences within the past five years nor has she been imposed of any public sanction or penalty by any relevant regulatory bodies during the financial year ended 31 March 2019.



7

**FARINA BINTI FARIKHULLAH KHAN**  
Independent  
Non-Executive Director

47  
Age

Gender



More than 1 Year

Length of  
Tenure as Director

8 August 2017

Date of Appointment

# Profile of Company Secretary



**KOID PHAIK GUNN**

Group Company Secretary

53

Age



Gender



9 Years

Length of  
Tenure as Secretary

9 March 2010

Date of Appointment

## ► QUALIFICATION(S)

- Fellow, Institute of Chartered Secretaries and Administrators ("ICSA")
- Bachelor of Law, University of London, United Kingdom

## ► DIRECTORSHIP(S) IN LISTED ISSUERS

None

## ► RESPONSIBILITIES

Koid Phaik Gunn is the Group Company Secretary of AmBank Group.

The Company Secretarial Department provides company secretarial services across AmBank Group, which includes banking and insurance entities, unit trusts and real estate investment trusts.

## ► EXPERIENCE

Koid Phaik Gunn has more than three decades of experience in corporate secretarial practice. Ms. Koid joined AmBank Group in 1993 as Company Secretary of AmSecurities Sdn Bhd, then the stockbroking arm of AmBank Group. In 2004, she moved to the Group Legal and Company Secretarial Department as Deputy Group Company Secretary. She has been the Group Company Secretary of AmBank Group since 2009. Prior to joining AmBank Group, Ms Koid was in company secretarial practice for nine (9) years.

## ► DECLARATION

She does not have any conflict of interest or any family relationship with any other Director and/or major shareholders of the Company.

She has not been convicted of any offences within the past five years nor has she been imposed of any public sanction or penalty by any relevant regulatory bodies during the financial year ended 31 March 2019.

# An Effective Leadership



1

## DATO' SULAIMAN BIN MOHD TAHIR

Group Chief Executive Officer  
AmBank Group

Chief Executive Officer  
AmBank (M) Berhad



23 November 2015

Date of Appointment

### ➤ QUALIFICATION(S)

- Bachelor of Accounting, RMIT University Australia
- Chartered Banker, Asian Institute of Chartered Banker

### ➤ RESPONSIBILITIES

Dato' Sulaiman bin Mohd Tahir, the Group Chief Executive Officer of AmBank Group, oversees the management of all businesses in the Group to ensure sustainable growth and long-term value creation for shareholders, customers, employees and other stakeholders of the Group.

Dato' Sulaiman helms AmBank Group's journey to become one of the top four banks in Malaysia by 2020 under the Group's Top 4 transformation agenda.

As a responsible employer with a workforce of more than 9,000 employees, the Group's diversified banking and financial services include Retail and Commercial Banking, Investment Banking, Islamic Banking, Corporate Banking, Transaction Banking, Global Markets, Life and General Insurance/Takaful Operations and Asset Management.

### ➤ EXPERIENCE

With a wealth of experience backed by more than three decades of spearheading growth in the Malaysian banking industry, Dato' Sulaiman has introduced a new paradigm at AmBank Group through transformational efforts premised on innovation. He is also a firm believer in building talent within the organisation and has institutionalized various talent development programmes in the Group such as LEAP (Leadership Enhancement and

Acceleration Programme), ELP (Emerging Leaders' Programme), BATMAN (Becoming a Talented Manager) and the AmGraduate programme.

Today, AmBank Group is an award-winning bank which delivers leading-edge banking solutions and enhanced customer experience as a result of its transformation.

Dato' Sulaiman started his career with an accounting firm, which later became PricewaterhouseCoopers, before joining the Bank of Commerce in 1987. Dato' Sulaiman has held various key positions in an ASEAN bank before joining AmBank Group.

### ➤ DIRECTORSHIP(S) IN LISTED ISSUERS

None

### ➤ DECLARATION

He does not have any conflict of interest or any family relationship with any other Director and/or major shareholders of the Company.

He has not been convicted of any offences within the past five years nor has he been imposed of any public sanction or penalty by any relevant regulatory bodies during the financial year ended 31 March 2019.



2

## JAMIE LING

Group Chief Financial Officer  
AmBank Group



1 June 2017

Date of Appointment

### ➤ QUALIFICATION(S)

- Bachelor of Arts (Honours) in Economics and Accounting, University of Newcastle Upon Tyne, United Kingdom
- Fellow, Institute of Chartered Accountants England and Wales, United Kingdom
- Member, Association of Chartered Certified Accountants
- Alumni, Executive Management Programmes of Templeton College, Oxford University, and INSEAD

### ➤ RESPONSIBILITIES

Jamie Ling, as the Group Chief Financial Officer, manages the full spectrum of AmBank Group's finance. He assumes the responsibility of overseeing the Group's financial strategy and implementation, as well as the Group's business strategy.

### ➤ EXPERIENCE

Jamie has garnered more than two decades of regional and international banking experience across Asia and Europe. His in-depth commercial and financial experience covers key roles held in treasury, finance, risk management, and sales in international banking institutions.

After being qualified as a Chartered Accountant in London, Jamie joined HSBC Bank's headquarters in London before moving into Standard Chartered Bank where he was responsible for leadership roles in Malaysia, the United Kingdom, and North East Asia. Jamie was the Regional Chief

Financial Officer of Standard Chartered Bank for Greater China and North East Asia, managing the finance function of offices in Hong Kong, Taiwan, China, South Korea, and Japan. He also served as a Board member and Finance Director of Standard Chartered (Hong Kong) Limited, where Hong Kong was the largest market of the group.

### ➤ DIRECTORSHIP(S) IN LISTED ISSUERS

None

### ➤ DECLARATION

He does not have any conflict of interest or any family relationship with any other Director and/or major shareholders of the Company.

He has not been convicted of any offences within the past five years nor has he been imposed of any public sanction or penalty by any relevant regulatory bodies during the financial year ended 31 March 2019.



## An Effective Leadership



3

### RAJA TEH MAIMUNAH RAJA ABDUL AZIZ

Managing Director  
Wholesale Banking, AmBank Group

51  
Age

Gender



7 February 2017  
Date of Appointment

#### ➤ QUALIFICATION(S)

- Bachelor of Laws LLB (Honours), University of East London, United Kingdom
- Honourary Doctor of Law, University of East London, United Kingdom
- Chartered Banker, Asian Institute of Chartered Banker
- Chartered Professional in Islamic Finance, Chartered Institute of Islamic Finance Professionals

#### ➤ CONCURRENT ROLES

- Advisor, Islamic Banking and Finance, World Islamic Economic Forum Foundation

#### ➤ RESPONSIBILITIES

Raja Teh Maimunah holds the crucial role of spearheading the Group's Wholesale Banking division, where she leads the Wholesale Banking Client Coverage teams, Group Treasury and Markets, Transaction Banking, Corporate Banking, and Credit Administration in achieving leading market positions for the Group's Top 4 engines.

#### ➤ EXPERIENCE

Raja Teh Maimunah carries more than 25 years' experience in the banking industry with previous roles covering investments, Islamic banking, and digital banking. Her expertise encompasses corporate and transaction banking,

equity and debt origination, equity sales, mergers and acquisitions, proprietary investments, initial and secondary public offerings, asset-based securitisation, debt restructuring, digital payment and collection solutions.

She began her career with KPMG Peat Marwick Consultants, before transitioning to the banking and finance industry. She was most recently the Managing Director and Chief Executive Officer of Hong Leong Islamic Bank, as well as the Chief Operating Officer of Digital Innovations & Transaction Banking of Hong Leong Bank Group. Some of the key roles she has held include Global Head, Islamic Markets of Bursa Malaysia Berhad; Chief Corporate Officer and Head, International Business, Corporate and Investment Banking, Kuwait Finance House (Malaysia); Senior Director, Bank Alkhair, Bahrain/Kuala Lumpur; Associate Director, CIMB Investment Bank; and Senior Vice President, Investment Banking, RHB Investment Bank.

#### ➤ DIRECTORSHIP(S) IN LISTED ISSUERS

None

#### ➤ DECLARATION

She does not have any conflict of interest or any family relationship with any other Director and/or major shareholders of the Company.

She has not been convicted of any offences within the past five years nor has she been imposed of any public sanction or penalty by any relevant regulatory bodies during the financial year ended 31 March 2019.



4

### SEOHAN SOO

Chief Executive Officer  
AmInvestment Bank Berhad

52  
Age

Gender



1 July 2018  
Date of Appointment

#### ➤ QUALIFICATION(S)

- Bachelor of Laws, University of Warwick, United Kingdom
- Master of Laws, University of Cambridge, United Kingdom
- Barrister-at-Laws of Lincoln's Inn, London, United Kingdom
- Advocate and Solicitor of the High Court of Malaya

#### ➤ RESPONSIBILITIES

As the Chief Executive Officer of AmInvestment Bank, Seohan is responsible for stewarding the investment bank's full range of integrated solutions and services, encompassing equities, corporate finance, debt and sukuk markets, as well as fund management, private banking, and broking services. Seohan plays a crucial role in realising the Group's Top 4 market leadership for its core growth engines, namely Debt Capital Markets and Corporate Finance.

#### ➤ EXPERIENCE

Seohan has more than 23 years of investment banking experience at both foreign and local investment banks. He has been instrumental in building AmBank's leadership in fixed income covering debt origination, structuring, distribution and treasury markets. Under his stewardship, the Capital Markets Group has been at the forefront of innovation in the bond and sukuk markets, spearheading major infrastructure development financing transactions such the MRT project, various power plants and tolled roads. AmInvestment Bank has been consistently ranked top three in the fixed income business and has garnered many awards conferred by, inter alia, The Asset, IFR Asia and RAM Ratings.

#### ➤ DIRECTORSHIP(S) IN LISTED ISSUERS

None

#### ➤ DECLARATION

He does not have any conflict of interest or any family relationship with any other Director and/or major shareholders of the Company.

He has not been convicted of any offences within the past five years nor has any public sanction or penalty been imposed against him by any relevant regulatory bodies during the financial year ended 31 March 2019.

## An Effective Leadership

### ➤ QUALIFICATION(S)

- Bachelor of Science (Honours), University of Malaya, Malaysia
- Certified Six Sigma Champion

### ➤ RESPONSIBILITIES

Jade Lee Gaik Suan oversees AmBank Group's Retail Banking division covering the operations, strategic growth, and development of 170 AmBank branches nationwide. Among the key focus of her portfolio include streamlining the efficiency and effectiveness of the Group's retail banking model, growing the Retail SME franchise, and introducing pioneering initiatives to enhance retail banking productivity and service improvements.

### ➤ EXPERIENCE

Jade Lee has comprehensive experience in the banking and financial services sector with more than three decades of hands-on work in wealth management, priority banking, retail product management, shared services, contact centre, credit cards, and sales management.

She was the Head, Regional Wealth Management and Segments at CIMB Bank, before joining AmBank Group, where she played a key role in driving the digitalisation of the bank's wealth solutions and financial planning services. She started her career with American Express Malaysia, before progressing

to lead teams and businesses in Standard Chartered Bank and RHB Bank. She was also instrumental in setting up a new shared services centre for Prudential Services Asia. She has in-depth and hands-on knowledge in growing businesses through product innovation and strategic expansion.

### ➤ DIRECTORSHIP(S) IN LISTED ISSUERS

None

### ➤ DECLARATION

She does not have any conflict of interest or any family relationship with any other Director and/or major shareholders of the Company.

She has not been convicted of any offences within the past five years nor has she been imposed of any public sanction or penalty by any relevant regulatory bodies during the financial year ended 31 March 2019.



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### JADE LEE GAIK SUAN

Managing Director  
Retail Banking, AmBank Group

62  
Age

Gender



1 December 2016

Date of Appointment

### ➤ QUALIFICATION(S)

- Bachelor of Science, Business Administration, St. Cloud State University, United States of America

### ➤ RESPONSIBILITIES

Christopher Yap Huey Wen steers AmBank Group's Business Banking division with core focus on growing the Small- and Medium-Sized Enterprises ("SMEs") and Commercial Banking segments. He takes charge of strategy development and execution to expand the Group's presence and market share in the entrepreneurial and SME sector through market-responsive products, business efficiency solutions, and service excellence.

### ➤ EXPERIENCE

Christopher Yap holds more than two decades of financial services experience, with a major portion spent on commercial and SME segments. He began his career in trade services with Citibank Malaysia and was the Head of SME Banking at Alliance Bank where he was instrumental in growing the bank's SME business to a 25% share of the bank's revenue. Together with his team, they won the Best SME Bank award in Asia Pacific 2015 by The Asian Banker.

### ➤ DIRECTORSHIP(S) IN LISTED ISSUERS

None

### ➤ DECLARATION

He does not have any conflict of interest or any family relationship with any other Director and/or major shareholders of the Company.

He has not been convicted of any offences within the past five years nor has he been imposed of any public sanction or penalty by any relevant regulatory bodies during the financial year ended 31 March 2019.



6

### CHRISTOPHER YAP HUEY WEN

Managing Director  
Business Banking, AmBank Group

46  
Age

Gender



2 February 2017

Date of Appointment

## An Effective Leadership



7

### EQHWAN MOKHZANEE MUHAMMAD

Chief Executive Officer  
AmBank Islamic Berhad

43  
Age

Gender



1 April 2015

Date of Appointment

#### ➤ QUALIFICATION(S)

- Bachelor of Economics (Hons), University of Cambridge, United Kingdom
- Master of Economics (Hons), University of Cambridge, United Kingdom
- Fellow, The Institute of Chartered Accountants in England and Wales ("ICAEW")
- Chartered Accountant, Malaysian Institute of Accountants ("MIA")
- Chartered Banker, Asian Institute of Chartered Bankers ("AICB")
- Chartered Professional in Islamic Finance, Chartered Institute of Islamic Finance ("CIIF")

#### ➤ OTHERS

- Member, Industry Advisory Panel of Azman Hashim International Business School, University Technology Malaysia ("UTM")
- Professor of Practice, The International Centre for Education in Islamic Finance ("INCEIF")

#### ➤ RESPONSIBILITIES

Eghwan manages and oversees AmBank Islamic and is also responsible to chart its strategic direction.

#### ➤ EXPERIENCE

Eghwan has more than 20 years of corporate and financial services experience. He started his career with PricewaterhouseCoopers in London before joining the corporate advisory practice of PricewaterhouseCoopers in Kuala Lumpur.

Prior to joining AmBank Islamic, Eghwan worked with local and foreign banks, and in the corporate sector, where he gained experience in inter alia business development, debt capital markets, corporate finance, corporate banking, financial advisory, real estate investment and international business. He has developed award-winning and innovative Islamic financial structures, and authored research papers on Islamic finance.

#### ➤ DIRECTORSHIP(S) IN LISTED ISSUERS

None

#### ➤ DECLARATION

He does not have any conflict of interest or any family relationship with any other Director and/or major shareholders of the Company.

He has not been convicted of any offences within the past five years nor has he been imposed of any public sanction or penalty by any relevant regulatory bodies during the financial year ended 31 March 2019.



8

### DATUK ISWARAAN SUPPIAH

Group Chief Operation Officer  
AmBank Group

55  
Age

Gender



2 February 2017

Date of Appointment

#### ➤ QUALIFICATION(S)

- Member, Malaysian Institute of Certified Public Accountants
- Member, Malaysian Institute of Accountants
- Member, Financial Planning Association of Malaysia

#### ➤ RESPONSIBILITIES

Datuk Iswaraan Suppiah is in charge of both Group Information Technology and Operation ("GIOD"); and the Digital Banking divisions, mandated to institutionalise digitalisation and information technology within the Group's operations. He oversees and ensures, among others, the effective rollout of the Group's digital blueprint, AmDigital.

#### ➤ EXPERIENCE

Datuk Iswaraan Suppiah has comprehensive experience in banking operations, equity, audit, and information services. His three-decade career began in audit with the accountancy firm Arthur Anderson, before joining the Bank of Commerce in 1991. He joined CIMB Securities subsequently in 1994 where he held various roles in operations, equity risk, strategic risk, and compliance. He became the Executive Director of Operations, prior to moving to the parent company, CIMB Merchant Bank, in 2000.

Datuk Iswaraan was appointed to Group Chief Information and Operations Officer for CIMB Group, where he managed the bank's digital transformation, information system and banking operations across all businesses and geographies. His core emphasis centred on digitalising the bank through strategic application of technology and innovation.

#### ➤ DIRECTORSHIP(S) IN LISTED ISSUERS

None

#### ➤ DECLARATION

He does not have any conflict of interest or any family relationship with any Director and/or major shareholders of the Company.

He has not been convicted of any offences within the past five years nor has he been imposed of any public sanction or penalty by any relevant regulatory bodies during the financial year ended 31 March 2019.

## An Effective Leadership

## ➤ QUALIFICATION(S)

- Bachelor of Management (Honours), University of Science, Malaysia

## ➤ RESPONSIBILITIES

Faradina binti Mohammad Ghouse is responsible for overseeing the Group's compliance function and ensuring enterprise-wide compliance with all internal and external policies, legal frameworks, and regulations. Her role includes effective management of compliance risk and reinforce on-going efforts to uphold the highest standards of integrity across AmBank Group's businesses.

## ➤ EXPERIENCE

Faradina's 24 years of experience in the banking and financial services industry covers the Malaysian, regional, and global financial institutions encompassing the areas of anti-money laundering ("AML") operations, audit, securities and funds services, and trade operations. She began her career as a dealer representative with a stockbroking firm before joining Citibank Malaysia as a management associate. She then took on the role of Account Manager for Citigroup Securities and Funds services and later promoted to Head of Operations for

Securities and Funds Services and Trade Operations at the bank. Following that, she assumed the role of Audit Manager for Citigroup's Asia Pacific Audit and Risk Review division based in Singapore and after that accepted the role as Head of Operations for Citigroup's Aml Transactions Monitoring Regional Operations Hub in Kuala Lumpur.

Before joining AmBank Group, she was appointed as Global Head of Transactions Monitoring, Standards and Training for Citigroup AML Transaction Monitoring Operations.

## ➤ DIRECTORSHIP(S) IN LISTED ISSUERS

None

## ➤ DECLARATION

She does not have any conflict of interest or any family relationship with any other Director and/or major shareholders of the Company.

She has not been convicted of any offences within the past five years nor has she been imposed of any public sanction or penalty by any relevant regulatory bodies during the financial year ended 31 March 2019.



9

**FARADINA BINTI  
MOHAMMAD GHOUSE**

Group Chief Compliance Officer  
AmBank Group

49

Age



Gender



15 March 2016

Date of Appointment

## ➤ QUALIFICATION(S)

- Master of Business and Finance, Rotterdam Erasmus University, Netherlands

## ➤ RESPONSIBILITIES

Jeroen Thijs is charged with strategising, monitoring, identifying, and enforcing the Group's risk management framework to safeguard the Group's financial, operational, market, and reputational integrity. He also plays the crucial role of supporting the Group's growth strategy and endeavours by ensuring sound risk practices and business outcomes are achieved.

## ➤ EXPERIENCE

Jeroen Thijs has worked across Asia and Europe in his over 27 years of experience in risk management, corporate banking, structured finance, and treasury functions. Having worked in Malaysia since 2009, he has garnered considerable exposure and insights into the Malaysian conventional and Islamic banking models and risk landscape.

Jeroen began his career as a credit analyst with Rabobank International in Singapore, before moving to senior roles with ABN AMRO Bank in Japan, Singapore, the Netherlands, and the United Kingdom. Prior to AmBank, he has held key roles in reputed banking institutions, including as Country Chief Risk Officer for OCBC Bank Malaysia and as Chief Risk Officer for Bank Islam Malaysia.

## ➤ DIRECTORSHIP(S) IN LISTED ISSUERS

None

## ➤ DECLARATION

He does not have any conflict of interest or any family relationship with any other Director and/or major shareholders of the Company.

He has not been convicted of any offences within the past five years nor has he been imposed of any public sanction or penalty by any relevant regulatory bodies during the financial year ended 31 March 2019.



10

**JEROEN THIJS**

Group Chief Risk Officer  
AmBank Group

52

Age



Gender



1 January 2017

Date of Appointment

## An Effective Leadership



11

### PENELOPE GAN

Group Chief Human Resource Officer  
AmBank Group

42

Age



Gender



1 March 2018

Date of Appointment

#### ➤ QUALIFICATION(S)

- Bachelor of Commerce, University of Melbourne, Australia

#### ➤ RESPONSIBILITIES

Penelope Gan holds the important role of strategising, developing, and implementing AmBank Group's human capital management to meet the organisation's overall business objectives and transformation milestones. Some of the key aspects which fall under her purview include succession planning, talent management, change management, organisational and performance management, manpower training and development, as well as compensation.

She provides strategic counsel and leadership on human capital issues and defines plans to enhance the bank's human capital performance to the executive management team, shareholders, and the Board of Directors.

#### ➤ EXPERIENCE

Penelope garnered more than two decades of experience covering the full spectrum of human resource function with a track record of leading organisational transformation and post-merger and acquisition (M&A) turnaround programmes.

She joined AmBank Group in October 2014 as the Head of Group Rewards and Performance Management to drive

market-competitive rewards and compensation practices. During this time, she introduced the myFlexBen programme, an enterprise benefits initiative based on corporate tie-ups. Her role expanded to Group Organisation Development in 2015 where she renewed the Group's talent and succession management with the introduction of Talent Councils and kickstarted accelerated talent development programmes, including BATMAN (Becoming a Talented Manager), ELP (Emerging Leaders' Programme), and LEAP (Leadership Enhancement and Acceleration Programme). Penelope is also one of the Group's identified talents, where she was appointed Deputy Group Chief Human Resource Officer in December 2016.

#### ➤ DIRECTORSHIP(S) IN LISTED ISSUERS

None

#### ➤ DECLARATION

She does not have any conflict of interest or any family relationship with any other Director and/or major shareholders of the Company.

She has not been convicted of any offences within the past five years nor has she been imposed of any public sanction or penalty by any relevant regulatory bodies during the financial year ended 31 March 2019.



12

### SHAMSUL BAHROM BIN MOHAMED IBRAHIM

Group Chief Internal Auditor  
AmBank Group

44

Age



Gender



25 September 2017

Date of Appointment

#### ➤ QUALIFICATION(S)

- Bachelor of Science (Honours) in Finance and Accounting, University of Salford, Manchester, United Kingdom
- Master of Business Administration, University of Strathclyde, Glasgow, Scotland
- Chartered Banker, Asian Institute of Chartered Bankers
- Certification for Bank Auditors ("CBA"), Asian Institute of Chartered Bankers
- Qualified Risk Auditor ("QRA"), Institute of Enterprise Risk Practitioners
- Member, Institute of Internal Auditors ("IIA"), Malaysia
- Member, Asian Institute of Chartered Bankers

#### ➤ RESPONSIBILITIES

Shamsul Bahrom bin Mohamed Ibrahim is tasked with providing insights into AmBank Group's overall governance and controls, and the corresponding compliance culture within its business operations. As the Group Chief Internal Auditor, Shamsul facilitates Board and Management oversight by ensuring the effectiveness of the systems of internal control, including compliance with relevant laws and regulations as well as recommending the required risk mitigation measures.

#### ➤ EXPERIENCE

Shamsul has over 20 years of internal auditing experience, having joined AmBank Group as an executive in 1999 and had rose through rank and file to lead the Group's Internal

Audit Division. Throughout the years, he has headed the audit teams for various business units within the Group. Prior to his current appointment, he was the Deputy Group Chief Internal Auditor and Portfolio Audit Head for Wholesale Banking, Markets, and Fund Management Division.

#### ➤ DIRECTORSHIP(S) IN LISTED ISSUERS

None

#### ➤ DECLARATION

He does not have any conflict of interest or any family relationship with any other Director and/or major shareholders of the Company.

He has not been convicted of any offences within the past five years nor has he been imposed of any public sanction or penalty by any relevant regulatory bodies during the financial year ended 31 March 2019.



## An Effective Leadership

### ➤ QUALIFICATION(S)

- Bachelor's Degree, Bachelor of Business Science, University of Cape Town
- Bachelor's Degree, Postgraduate Diploma in Accounting, University of Cape Town
- South African Institute of Chartered Accountants ("SAICA")

### ➤ RESPONSIBILITIES

Derek is responsible for delivering the strategic growth, direction, distribution, and performance of the general insurance business of AmBank Group.

### ➤ EXPERIENCE

Derek holds more than 17 years of experience in the insurance and financial sector with previous tenures in South Africa, the United States, the United Kingdom, Australia, and Malaysia. Before his appointment as the Chief Executive Officer of AmGeneral Insurance, his extensive and proven hands-on knowledge in the insurance industry landed him the role of leading a large-scale transformation programme within the claims operation of Insurance Australia Group's ("IAG") Direct Insurance Division in Australia.

Derek's notable prior positions include Chief Financial Officer of a joint venture within IAG and the Head of Short Tail Claims for Direct Insurance, IAG, a member of the General Insurance Association of Malaysia (PIAM) Management Committee, as well as Chairman of the Claims Sub-Committee for PIAM.

### ➤ DIRECTORSHIP(S) IN LISTED ISSUERS

None

### ➤ DECLARATION

He does not have any conflict of interest or any family relationship with any other Director and/or major shareholders of the Company.

He has not been convicted of any offences within the past five years nor has he been imposed of any public sanction or penalty by any relevant regulatory bodies during the financial year ended 31 March 2019.



13

### DEREK LLEWELLYN ROBERTS

Chief Executive Officer  
AmGeneral Insurance Berhad

47  
Age

Gender



17 September 2014

Date of Appointment

### ➤ QUALIFICATION(S)

- Bachelor of Arts in Political Science, Georgia State University, United States of America
- Master of Arts in International Relations, Georgia State University, United States of America

### ➤ RESPONSIBILITIES

Ramzi Albert Toubassy is responsible for shaping the transformational growth of the AmMetLife business in Malaysia to deliver sustainable profitability and shareholder return, while ensuring operational efficiency and product innovation in the highly competitive insurance industry in Malaysia.

### ➤ EXPERIENCE

Ramzi has wide-ranging expertise in the insurance industry with over 22 years of experience encompassing key roles in globally reputed insurance companies. He began his insurance career in 1996 with American International Group ("AIG"), before joining MetLife in 2012 and became the Head of Face-to-Face Distribution for the European, Middle Eastern, and African markets.

He also served in AIA for a period of eight years prior to joining MetLife, where he held key leadership roles including Deputy Chief Agency Officer in Hong Kong, Senior Assistant General Manager in Malaysia, Deputy General Manager and Director of Distribution in the Republic of Korea, and Chief Distribution Officer in Vietnam.

### ➤ DIRECTORSHIP(S) IN LISTED ISSUERS

None

### ➤ DECLARATION

He does not have any conflict of interest or any family relationship with any other Director and/or major shareholders of the Company.

He has not been convicted of any offences within the past five years nor has he been imposed of any public sanction or penalty by any relevant regulatory bodies during the financial year ended 31 March 2019.



14

### RAMZI ALBERT TOUBASSY

Chief Executive Officer  
AmMetLife Insurance Berhad

51  
Age

Gender



19 September 2014

Date of Appointment

## An Effective Leadership



15

### NOOR AZAM BIN MOHD YUSOF

Chief Executive Officer  
AmMetLife Takaful Berhad

48

Age



Gender



1 July 2017

Date of Appointment

#### ➤ QUALIFICATION(S)

- Master's in Business Administration, University of Technology MARA, Malaysia
- Bachelor of Science (Marketing), Northern Illinois University, United States of America

#### ➤ RESPONSIBILITIES

Noor Azam bin Mohd Yusof is tasked with formulating and implementing strategic growth plans to enhance the penetration and distribution of AmMetLife Takaful products in key Shariah-driven markets in Malaysia.

#### ➤ EXPERIENCE

Azam has accumulated more than two decades of experience in the Malaysian insurance and Takaful industry, encompassing senior leadership roles as an established Takaful operator. Prior to joining AmMetLife Takaful, he was the Head of Sales and Distribution for HSBC Amanah Takaful (M) Berhad where he spearheaded business development and the effective delivery of the company's sales and distribution strategy.

#### ➤ DIRECTORSHIP(S) IN LISTED ISSUERS

None

#### ➤ DECLARATION

He does not have any conflict of interest or any family relationship with any other Director and/or major shareholders of the Company.

He has not been convicted of any offences within the past five years nor has he been imposed of any public sanction or penalty by any relevant regulatory bodies during the financial year ended 31 March 2019.

**PRINCIPLE A**

# Leadership and Effectiveness

**BOARD CONDUCT**

The Board commits itself and its Directors to ethical, business and lawful conduct including proper use of authority and appropriate decorum when acting as Board members. Accordingly, all Directors shall apply ethical principles and standards of behaviour as set out in the Code of Conduct and Code of Ethics of the Group, and other applicable governance documentation approved by the Board setting out standards of ethical conduct and behaviour.

Both the Code of Conduct and Code of Ethics of the Group are available on the Company's corporate website at [ambankgroup.com](http://ambankgroup.com).

The Directors shall declare any conflict of interest they have in material transactions or material arrangements with the Company and shall not be present when the matter is being deliberated and decision being made at the Board and/or Board Committees meeting.

The Directors shall devote sufficient time to prepare for and attend Board and Board Committees meetings, and maintain a sound understanding of the business of the Company as well as relevant market and regulatory developments. This includes a commitment to on-going education.

Prior to accepting appointment(s) of directorship(s) in other companies, the Directors shall ensure that their appointment(s) in other companies are not in conflict with the Company's business and do not affect the discharge of their duties as Directors of the Company. The Directors shall notify the Chairman of the Board and the Company Secretary within 14 days of their new appointment(s) in other companies.

In addition to the above, all Directors of the Company have complied with the MMLR of Bursa Securities of not holding more than five directorships in listed issuers at any given time. This is to ensure the Directors do not have competing time commitments that may impair their ability to discharge their responsibilities effectively.

**ROLES AND COMPOSITION****CHAIRMAN****TAN SRI AZMAN HASHIM**

The Chairman is primarily responsible for the leadership of the Board and ensuring its effectiveness. He ensures the Board upholds and promotes the highest standards of corporate governance, setting the Board's agenda and encouraging open, constructive debate of all agenda items for effective decision-making. He also ensures that shareholders' views are communicated to the Board.

**SENIOR INDEPENDENT DIRECTOR****VOON SENG CHUAN**

The Senior Independent Director's role includes meeting regularly with the Chairman and the Group Chief Executive Officer to discuss specific issues, as well as being available to stakeholders generally and as an alternative communication channel. He also acts as a sounding board for the Chairman as well as an intermediary for other Directors.

**GROUP CHIEF EXECUTIVE OFFICER****DATO' SULAIMAN MOHD TAHIR**

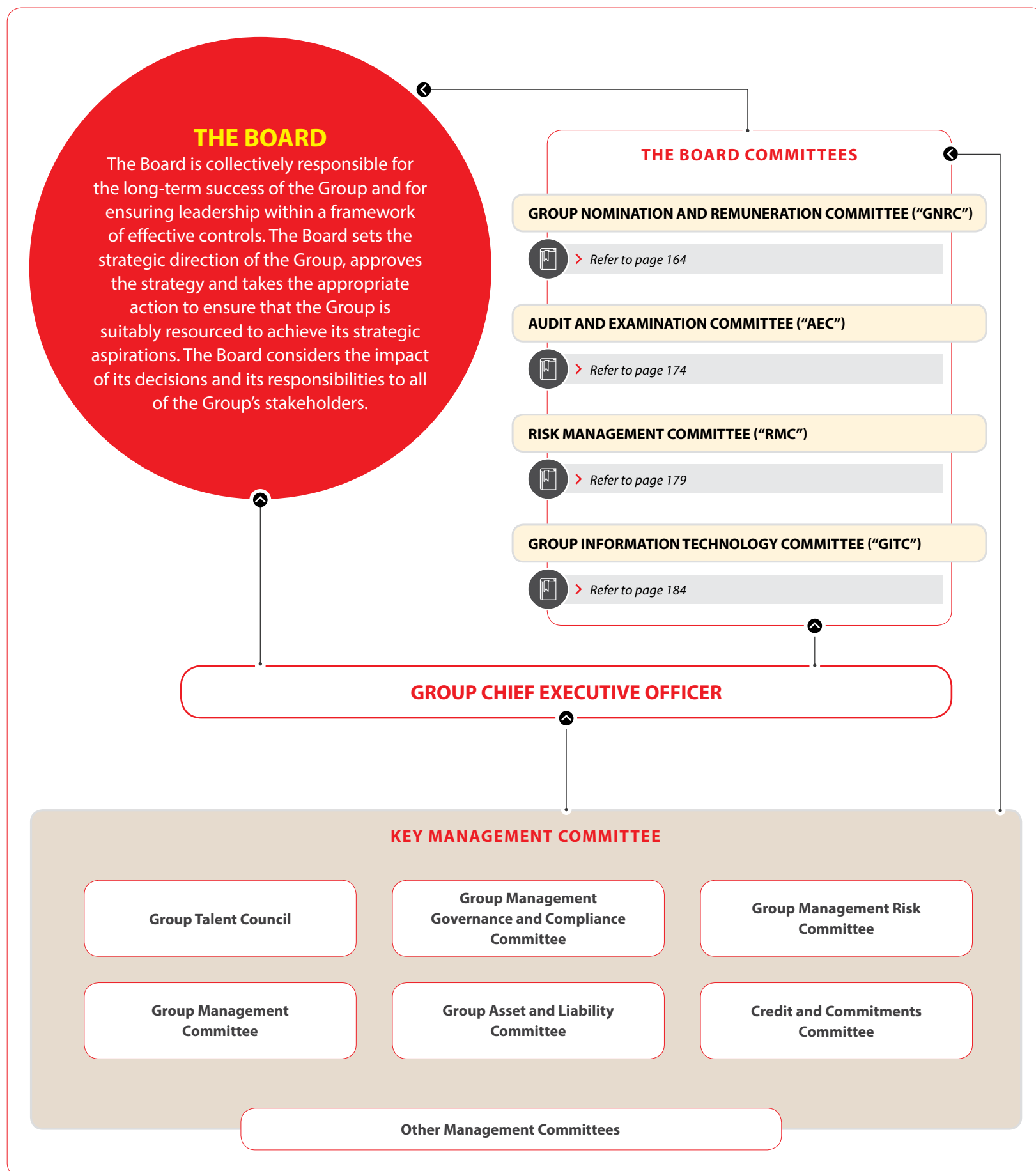
The Group Chief Executive Officer ("Group CEO") is responsible for the operational management of the business and for the development and implementation of the Group's strategy as agreed by the Board and Management. He is also the conduit between the Board and Management in ensuring the success of governance and management functions.

**BOARD COMMITTEE CHAIRMEN****VOON SENG CHUAN****DATUK SHIREEN ANN ZAHARAH BINTI MUHIUDEEN****SEOW YOO LIN**

The Board Committee Chairmen are responsible for leading the members of the Board Committees and ensuring their effectiveness. They set the Board Committees' agendas, in consultation with the Group Company Secretary and Management and report to the Board on committee proceedings.

**GROUP COMPANY SECRETARY****KOID PHAIK GUNN**

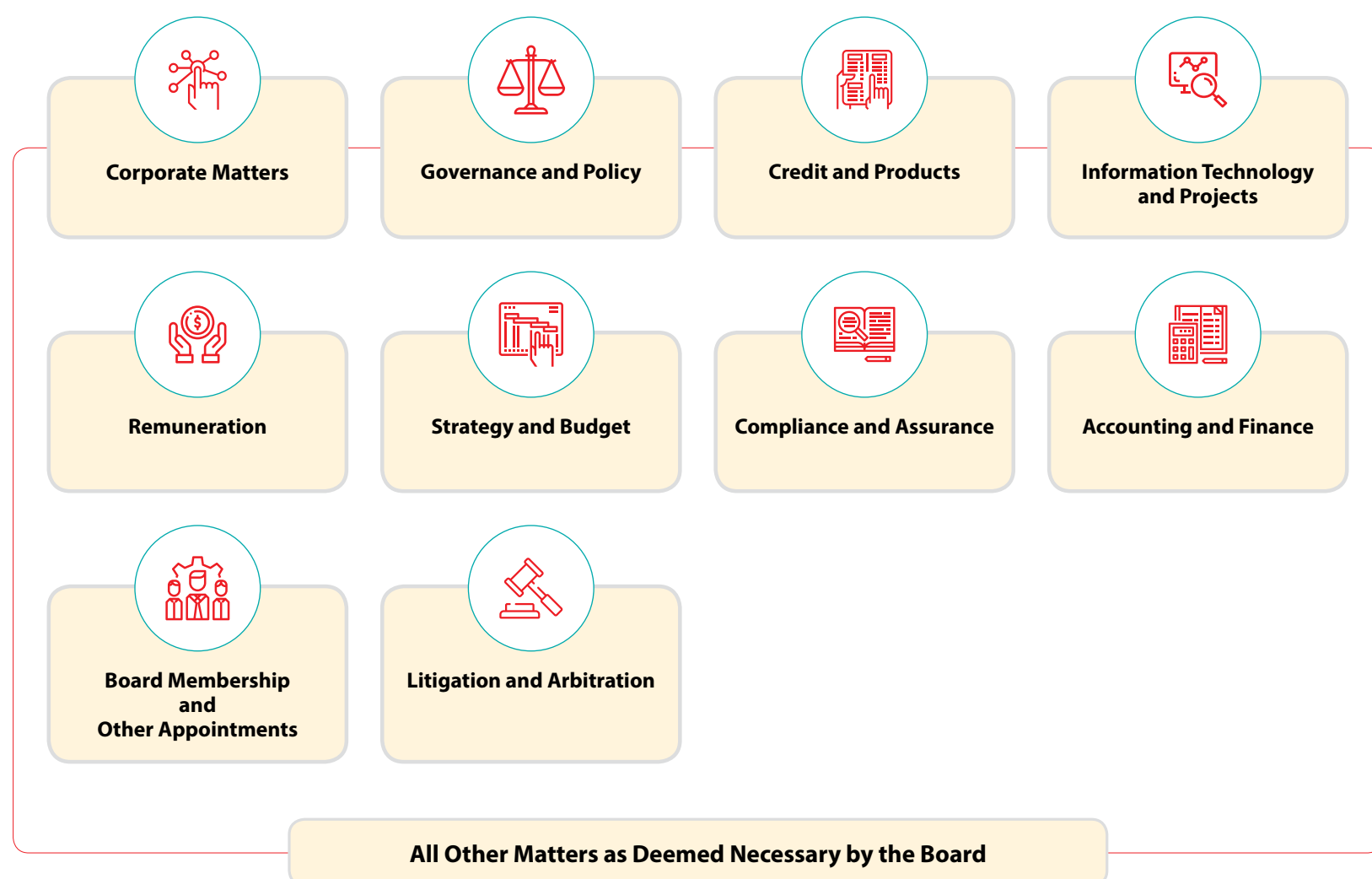
The Group Company Secretary acts as secretary to the Board and Board Committees, ensuring compliance with board procedures and advising on regulatory and governance matters. She is responsible, under the direction of the Chairmen of the Board and Board Committees, for ensuring the Board and Board Committees receive accurate, timely and clear information. The Group Company Secretary supports the Chairman of the Board in delivery of the corporate governance agenda and to facilitate, together with the Group Learning and Development Unit, director inductions and on-going trainings.

**PRINCIPLE A****Leadership and Effectiveness****BOARD AND BOARD COMMITTEE STRUCTURE**

**PRINCIPLE A****Leadership and Effectiveness****BOARD AND BOARD COMMITTEE STRUCTURE****Matters Reserved for the Decision of the Board**

The Board discharges some of its responsibilities directly and delegates certain responsibilities to its committees to assist in carrying out its function of ensuring independent oversight and stewardship. The Board also delegates authority for the operational management of the Group's business to the Group Chief Executive Officer for further delegation by him in respect of matters that are necessary for the effective day-to-day running and management of the business. The Board holds the Group Chief Executive Officer accountable in discharging his delegated responsibilities.

A clear Schedule of Matters Reserved for the Board and terms of references for each of the Board Committees are reviewed periodically against industry best practice and corporate governance provisions and guidance. Below are the matters reserved for the Board:





**PRINCIPLE A****Leadership and Effectiveness****Composition and Attendance**

The calendar of meetings of the Board and Board Committees are drawn up and distributed to the Board in the quarter preceding the beginning of the new calendar year. This is to enable the members of the Board to meet the time commitment for the meetings. The Board meets 10 times per year with additional meetings being convened whenever necessary, to facilitate the discharge of their responsibilities. The Group Chief Executive Officer and the Chief Executive Officers of the subsidiaries are invited to attend on matters relating to their sphere of responsibility. Furthermore, Senior Management may also be invited to attend Board meetings to provide presentations and detailed explanations on matters to be tabled.

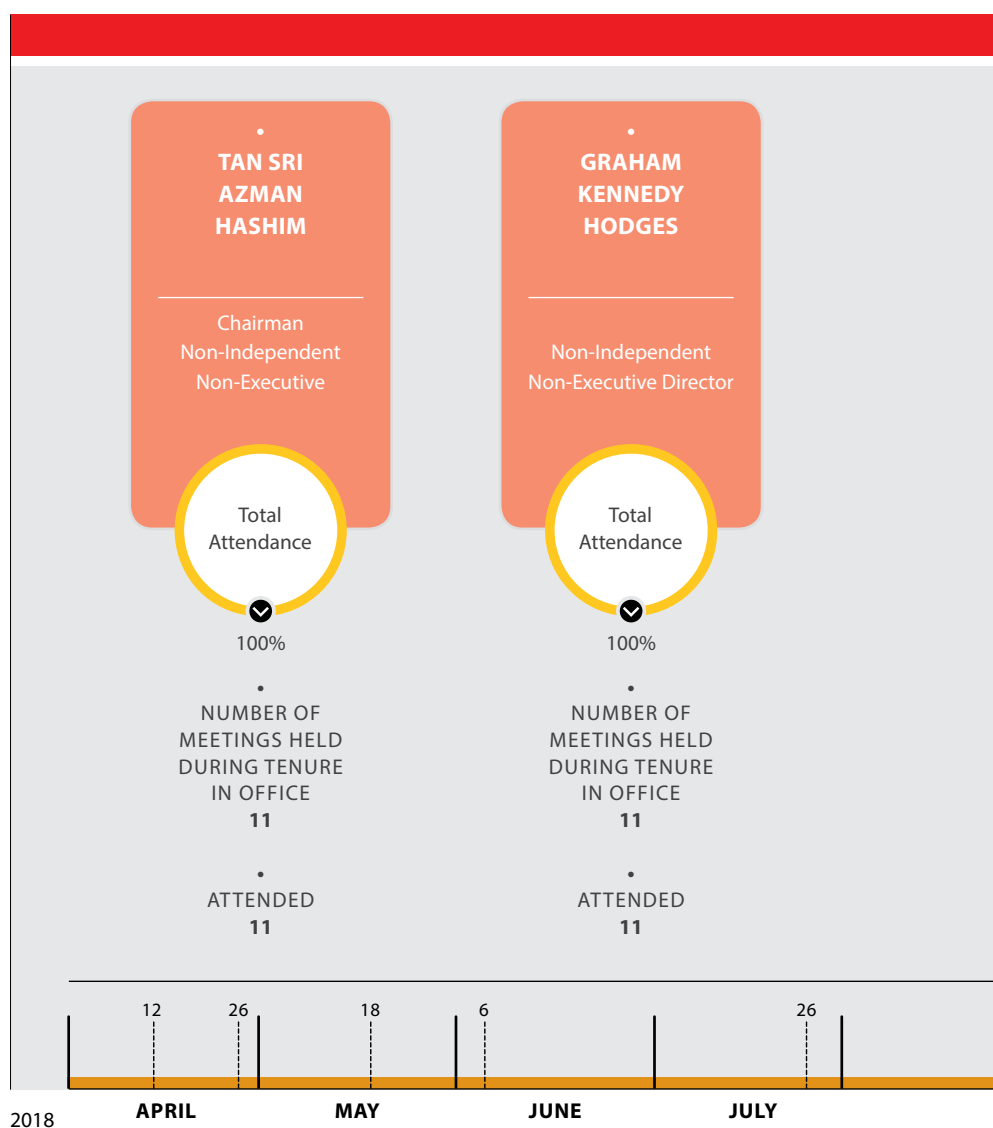
Directors are expected to attend at least 75% of total Board meetings in any applicable financial year and must not appoint another person to attend/participate in a board meeting on his or her behalf.

The quorum for Board meetings shall be a minimum of 50% of total Board members. During the financial year under review, there was at least 80% attendance of Board members at each of the Board meeting.

A meeting shall be conducted in person or via alternative means of attendance (i.e. telephone or video conference) as determined by the Board. Where permitted, alternative means of attendance must remain the exception rather than the norm. Directors are encouraged to attend the meeting in person.

The Board may from time to time and if deemed appropriate, consider and approve and/or recommend routine and administrative matters via circular resolution in writing.

The Directors' commitment to carry out their duties and responsibilities is affirmed by their attendance at the Board meetings held during the financial year ended 31 March 2019 ("FY2019") as set out below. A total of 11 Board meetings were held during FY2019:

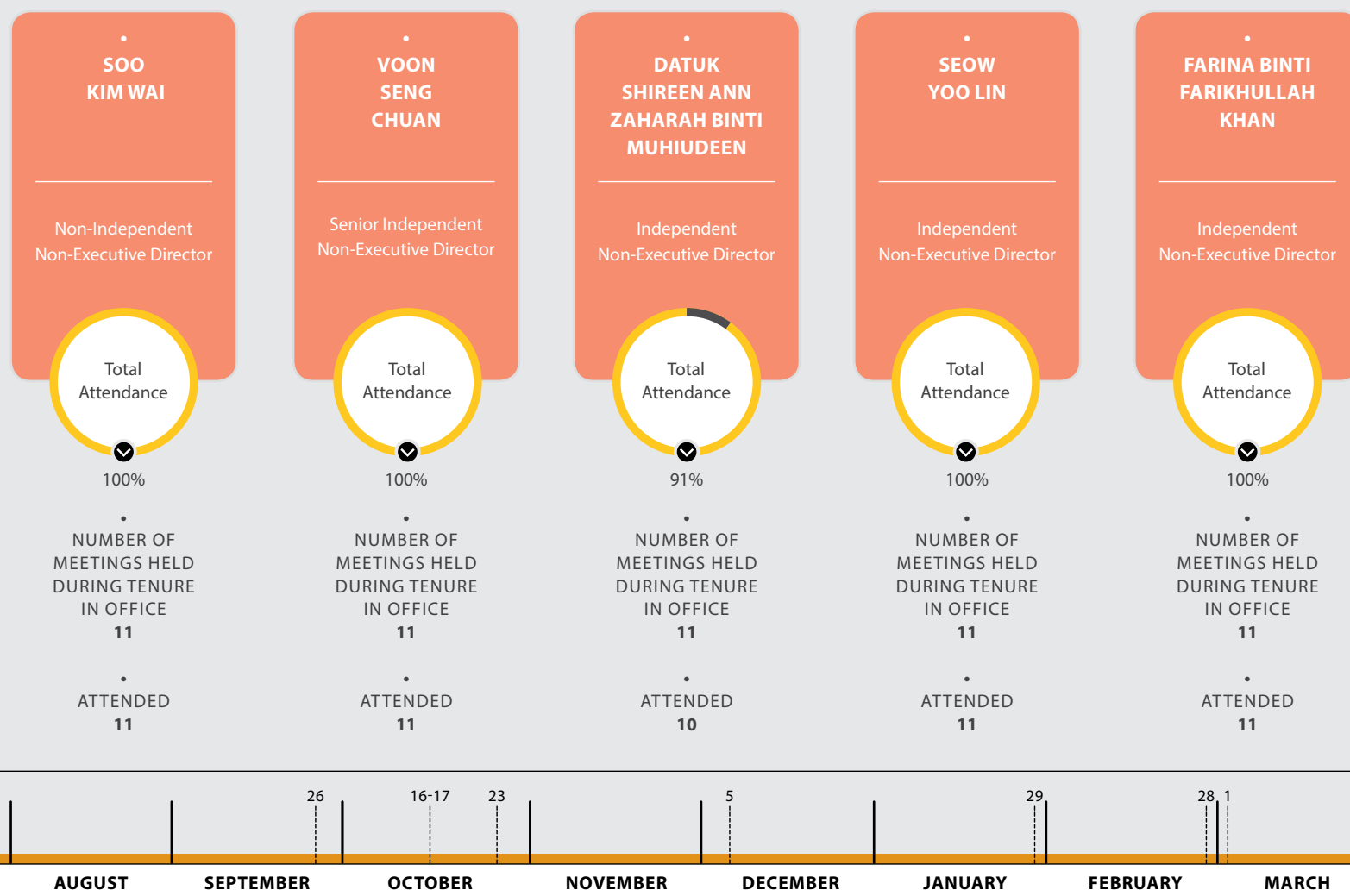
**Board Meeting Focus during FY2019**

Matters Reserved for the Board	Activity		
<b>Corporate Matters</b>	① Corporate Exercise i.e. Disposal of Non-Performing Loans		
<b>Strategy and Budget</b>	① Budget-Financial Year Ending 2020	③ Digital Budget	⑤ Market Views and Consensus Forecast
	② The Group Strategy and Plans	④ Sustainability Matters	
<b>Governance and Policy</b>	① No Gift Policy	⑤ Consecutive Leave Policy	⑩ Talent and Succession Management Policy
	② Revised Related Party Transaction Policy	⑥ Whistleblowing Protection Policy	⑪ Fit and Proper Criteria Policy
	③ Revised Terms of References of Board Committees	⑦ Talent and Succession Management Policy	⑫ Trading in AmBank Shares Policy
	④ Composite Risk Rating	⑧ Consolidated Risk Report	
<b>Compliance and Assurance</b>	① Direction of Compliance	④ Update on regulatory guidelines/requirements i.e. BNM Guidelines, Service tax implementation	⑤ Group Compliance Monitoring and Testing Plan
	② BNM Guidelines		
	③ Group Compliance Report		
<b>Accounting and Finance</b>	① Quarterly Financial Result	④ Internal Capital Adequacy Assessment Process	⑥ Net Stable Funding Ratio Plan
	② Audited Financial Statements	⑤ Dividends	⑦ Board Forum
	③ Capital Plan		

## PRINCIPLE A

## Leadership and Effectiveness

## BOARD OF DIRECTORS



Matters Reserved	Activity	
Information Technology and Projects	① Regulatory Reporting Enhancement Programme	② Progress of the Group Digital Roadmap
Board Membership and Other Appointments	① Appointment of Directors ② Change in Board Committees Composition ③ Appointment of Key Management Personnel	④ Summary Reports from Chairman of Board Committee ⑤ Board Effectiveness Evaluation
Remuneration	① Annual Salary Review ② Short-Term Incentive/Long-Term Incentive ③ Establishment of Scheme Share	④ Remuneration of Key Management Personnel ⑤ Remuneration Framework for Non-Executive Directors
Any Other Matters as Deemed Necessary by the Board	① Notification of Directorships ② Dealings by Principle Officers ③ Business Operations Matters	④ Letters from Regulators ⑤ Litigation and Arbitration ⑥ Amendments to the Constitution

**PRINCIPLE A****Leadership and Effectiveness****On-going Professional Development**

The Board recognises the importance of ensuring that Directors are continuously being developed to acquire or enhance the requisite knowledge and skills to discharge their duties effectively.

As part of the programme, new Directors are being briefed on their disclosure obligations as a Director, the Company's Board Charter, Code of Conduct, Code of Ethics, the Constitution of the Company, the Board Committees' Terms of Reference, Schedule of Matters Reserved for the Board etc.

Apart from the Mandatory Accreditation Programme ("MAP") and the Financial Institutions Directors' Education ("FIDE") Programme, both accredited by the ICLIF Leadership and Governance Centre ("ICLIF"), all Directors appointed to the Board, have also attended other relevant training programmes, talks, seminars, dialogue sessions and focus group sessions organised by the regulatory authorities, the FIDE Forum (an alumni association for Financial Institutions Directors) and professional bodies to further enhance their business acumen and professionalism in discharging their duties to the Group.

The Board, together with the Board members of the subsidiaries of AMMB also attend Strategy and Budget Meetings to have an in-depth understanding and continuous engagement with Management pertaining to the Group's strategic

direction. In addition, the Directors are constantly updated on information relating to the Group's development and industry development through discussion at Board meetings with Senior Management team.

The Board will ensure that a structured Director Learning and Education programme is in place for its members. This programme shall ensure members have access to appropriate continuing education programme and are kept up to date with current business, industry, regulatory and legislative developments and trends that will affect the Group's business operations.

The GNRC will review the training and development needs of the Director on an annual basis, taking into consideration the Group's strategy for the next several years and the current combined skills on the Board. The Directors would suggest trainings which they think the Board requires i.e. Board Technology day.

The Group Learning and Development Unit undertakes the role to coordinate, organise and manage Directors' learning and development requirements together with the Group Company Secretarial Department. The Directors of the Company had attended the following training programmes, talks, seminars, dialogue sessions and focus group sessions during FY2019:

Name of Directors	Month/Year	Course Title
Tan Sri Azman Hashim	April 2018	5 <sup>th</sup> BNM-FIDE Forum Annual Dialogue with the Deputy Governor of Bank Negara Malaysia, Datuk Shaik Abdul Rasheed Abdul Ghaffour
		Board Technology Day - Blockchain and The Impact to Financial Services by Mr Paul Sin (Deloitte)
		Board Technology Day - Defining The Digital Bank by Mr Daragh O'Bryen ("NSEL")
		Briefing on Direction on Compliance ("DOC")
	May 2018	Asian Institute of Chartered Bankers's Graduation Ceremony - Delivered Opening Address as Chairman, Asian Institute of Chartered Bankers
		Briefing on Capital Rules under Financial Holding Company
	June 2018	22 <sup>nd</sup> Malaysian Banking Summit - "Reimagining Banking in a Digital and Disruptive World" - Delivered Opening Address as Chairman, Asian Institute of Chartered Bankers
	July 2018	Malaysia Productivity Corporation ("MPC") Launching of Productivity Report 2017/2018 "Driving Productivity of the Nation" - Delivered Welcome Address as Chairman MPC
	September 2018	Board Technology Day - Digital Banking by Mr Chris Skinner
	November 2018	36 <sup>th</sup> JAMECA-MAJECA Joint Conference & Malaysia Business Forum - Delivered Opening Address as President of Malaysia Japan Economic Association
		Post Budget 2019 Talk, "Doing Business in the New Malaysia" - Delivered Opening Speech as Chairman, AmBank Group
		Malaysia Productivity Corporation ("MPC") Annual Productivity & Innovation Conference and Exposition ("APIC") 2018 - Delivered Closing Address as Chairman MPC
		FIDE Forum Dialogue with Senior Officials BNM
	December 2018	Basel Committee Banking Supervision ("BCBS") 239, Data Governance & Risk-Finance Alignment by PricewaterhouseCooper ("PwC")
	January 2019	43 <sup>rd</sup> Meeting of East Asia Business Council Meeting ("EACB") and related meetings representing Malaysia
Graham Kennedy Hodges	April 2018	Board Technology Day - Blockchain and The Impact to Financial Services by Mr Paul Sin (Deloitte)
		Board Technology Day - Defining The Digital Bank by Mr Daragh O'Bryen ("NSEL")
	May 2018	Briefing on Capital Rules under Financial Holding Company
Soo Kim Wai	September 2018	Board Technology Day - Digital Banking by Mr Chris Skinner
	April 2018	Board Technology Day - Blockchain and The Impact to Financial Services by Mr Paul Sin (Deloitte)
		Board Technology Day - Defining The Digital Bank by Mr Daragh O'Bryen ("NSEL")
	June 2018	In Conversation With Stephen Hagger - Malaysia's Politics and Landscape - Credit Suisse
	July 2018	Mid-Year Outlook 2018 - Bank of Singapore
		Creating and Preserving Your Wealth with Bank of Singapore - Bank of Singapore
	August 2018	Tax Workshop - Capital Statement - Deloitte/Inland Revenue Board/Amcorp Group Training Department
		Winner and Losers: Asian equities amidst trade tensions and tariffs - J.P.Morgan
	September 2018	Board Technology Day - Digital Banking by Mr Chris Skinner

## PRINCIPLE A

## Leadership and Effectiveness

Name of Directors	Month/Year	Course Title
Soo Kim Wai	October 2018	MIA International Accountants Conference 2018 - Malaysian Institute of Accountants
	November 2018	Grosvenor Asia Pacific Breakfast Seminar - Grosvenor
		Post Budget 2019 Review - Amcorp Group In-House Training by BDO
		BCBS 239, Data Governance & Risk-Finance Alignment by PwC
	January 2019	Dialogue with IRB - Special Voluntary Disclosure Programme - Deloitte
		JP Morgan Outlook 2019 - JP Morgan
		New Investment Alternatives - ACCA
	March 2019	Reading the Signs: The next financial crisis and potential impact on Asia - FIDE Forum
		Manager Spotlight Series: Deciphering the Digital Revolution - JP Morgan
Voon Seng Chuan	April 2018	Board Technology Day - Blockchain and The Impact to Financial Services by Mr Paul Sin (Deloitte)
		Board Technology Day - Defining The Digital Bank by Mr Daragh O'Bryen ("NSEL")
		Briefing on DOC
	May 2018	Briefing on impact of the post General Election 14
		Capital Rules under Financial Services Company
	July 2018	FIDE Forum - Blockchain in Financial Services Industry
		FIDE Elective Programme - Emerging Risks, the Future Board and Return on Compliance
	August 2018	FIDE Elective Programme - Anti-Money Laundering/Counter Financing of Terrorism
		FIDE Forum - IBM Think Malaysia
	September 2018	SAL DCTx Conference - Digital Banking
		Board Technology Day - Digital Banking by Mr Chris Skinner
	November 2018	Budget 2019 - Doing Business in the New Malaysia
		BNM-FIDE Forum Conversation with BNM Senior Officials
	December 2018	BCBS 239, Data Governance & Risk-Finance Alignment by PwC
		Cost of Funds by AmBank Management
	March 2019	FIDE Focus Group Discussion
		FIDE Forum - Reading the signs: The Next Financial Crisis and Its Potential Impact on Asia
		FIDE Forum - Digital Asset: Global Trends, Legal Requirements and Opportunities for FIs
		BNM Annual Report/Financial Stability and Payments Systems Report 2018
Datuk Shireen Ann Zaharah binti Muhiudeen	April 2018	Briefing on DOC
	May 2018	Briefing on Capital Rules under Financial Holding Company
	November 2018	Budget 2019 - Doing Business in the New Malaysia
Seow Yoo Lin	April 2018	Board Technology Day - Blockchain and The Impact to Financial Services by Mr Paul Sin (Deloitte)
		Board Technology Day - Defining The Digital Bank by Mr Daragh O'Bryen ("NSEL")
		Briefing on DOC
	May 2018	Briefing on Capital Rules under Financial Holding Company
	September 2018	Board Technology Day - Digital Banking by Mr Chris Skinner
	November 2018	2019 Budget: What You Need To Know: The Economy, Capital Market and You
		Induction: Board of Directors - AmInvestment Bank Berhad
	December 2018	BCBS 239, Data Governance & Risk-Finance Alignment by PwC
	January 2019	FIDE Workshop : Identify Your Next Board Talent
	March 2019	CMDP - Module 1: Directors as Gatekeepers of Market Participants
		CMDP - Module 2A: Business Challenges and Regulatory Expectations
		CMDP - Module 2B: Business Challenges and Regulatory Expectations
		CMDP - Module 3: Risk Oversight and Compliance - Action Plan for Board of Directors
		CMDP - Module 4: Current and Emerging Regulatory Issues in the Capital Market
Farina binti Farikhullah Khan	April 2018	Board Technology Day - Blockchain and The Impact to Financial Services by Mr Paul Sin (Deloitte)
		Board Technology Day - Defining The Digital Bank by Mr Daragh O'Bryen ("NSEL")
		Briefing on DOC
	May 2018	Briefing on Capital Rules under Financial Holding Company
	September 2018	Board Technology Day - Digital Banking by Mr Chris Skinner
	November 2018	Islamic Finance for Board of Directors Programme
		Budget 2019 - Doing Business in the New Malaysia
	December 2018	BCBS 239, Data Governance & Risk-Finance Alignment by PwC

## PRINCIPLE A

## Leadership and Effectiveness

## GROUP NOMINATION AND REMUNERATION REPORT

**VOON SENG CHUAN**

Chairman

The Group Nomination and Remuneration Committee ("GNRC" or "the Committee") is established as a committee of the Board at the holding company level. It is chaired by the Senior Independent Director and comprises entirely of Non-Executive Directors, a majority of whom are independent.

## COMPOSITION AND MEETING ATTENDANCE

A total of seven meetings of the Company's GNRC were held during FY2019 and details of the meeting attendance are set out below:

Name of Committee Members	Number of Meetings		
	Held During Tenure in Office	Attended	%
<b>Voon Seng Chuan</b> (Chairman) (Senior Independent Non-Executive Director)	7	7	100
<b>Graham Kennedy Hodges</b> (Non-Independent Non-Executive Director)	7	7	100
<b>Soo Kim Wai</b> (Non-Independent Non-Executive Director)	7	7	100
<b>Datuk Shireen Ann Zaharah binti Muhiudeen</b> (Independent Non-Executive Director)	7	7	100
<b>Farina binti Farikhullah Khan</b> (Independent Non-Executive Director)	7	7	100
<b>Seow Yoo Lin</b> (Independent Non-Executive Director) (Appointed as member on 27 November 2018)	3	3	100

Changes to the composition of the GNRC during the financial year under review were as follows:

**SEOW YOO LIN**

Independent Non-Executive Director

Appointed as member on 27 November 2018 to represent AmInvestment Bank Berhad.

## ROLES AND RESPONSIBILITIES OF GNRC

The Committee is responsible for the following responsibilities and such other function as may be requested by the Board:

- Regular review of the overall Board's composition (i.e. size, skills, experience, diversity, etc) and Board balance
- Assess the performance & effectiveness of individual and collective members of the Board and Board Committees
- Recommend appointment of Directors to the Board and Board Committees & annual review of mix of skills, experience and competencies of the Board
- Oversee the implementation of AMMB Executives' Share Scheme ("ESS") in accordance with the By-Laws of the ESS
- Assess the annual performance of key management personnel against balanced scorecard and recommend the short and long-term incentives and rewards to the Board
- Recommend a formal & transparent procedure for developing the remuneration policy for Directors, key management personnel and staff to the Board



> The GNRC's detailed roles and responsibilities are set out in its Term of Reference, which is available on the Company's corporate website at [ambankgroup.com](http://ambankgroup.com)



## PRINCIPLE A

## Leadership and Effectiveness

## SUMMARY OF KEY ACTIVITIES OF GNRC

Board Matters	Management Matters
<ol style="list-style-type: none"> <li>Board Effectiveness Evaluation ("BEE") for assessment year – assessed individual Directors, overall Board and its performance and effectiveness as a whole, and also reviewed the composition of the Board based on the required mix of skills, experience and other qualities of the Board;</li> <li>Search for potential Director candidates to fill vacancy in the Board of the Company, AmBank (M) Berhad, AmBank Islamic Berhad, AmInvestment Bank Berhad and other subsidiaries which do not have Nomination and Remuneration Committee. Thereafter, assessed the suitability of new Director candidates based on their professional qualifications, experience, integrity and the skill set required by the respective Board;</li> <li>Reviewed and assessed the performance of Directors who seek for re-appointment prior to the expiry of their tenure approved by BNM and re-election at the forthcoming Annual General Meeting ("AGM");</li> <li>Assessed Directors' training needs to ensure all Directors receive appropriate continuous training;</li> <li>Reviewed and recommended revisions to the allowances of Chairmen of all Board Committees and meeting allowances to reflect their increased level of responsibility and accountability;</li> <li>Reviewed its Terms of Reference to ensure all the mandatory requirements under the MMLR of Bursa Securities and other relevant statutory regulations, as well as other corporate governance best practices are met;</li> <li>Update on Board Gaps; and</li> <li>Reviewed Group Nomination and Remuneration Report.</li> </ol>	<ol style="list-style-type: none"> <li>Reviewed and assessed C-Suites Scorecards;</li> <li>Recommended annual salary review pool allocation for employees;</li> <li>Reviewed and recommended the proposed change to employee benefits;</li> <li>Reviewed and assessed the annual self-declaration of "Fit and Proper" criteria for Directors and key management personnel;</li> <li>Reviewed the Group's Talent Pool and C-Suite Succession;</li> <li>Recommended the appointment renewal of key management personnel together with their remuneration;</li> <li>Reviewed and recommended the establishment of a new ESS; and</li> <li>Reviewed half-yearly KPI performance of key management personnel.</li> </ol>

Minutes of all GNRC meetings were tabled to the Board for noting. In addition, the GNRC Chairman would also take the Board through the summary of key discussion and matters of significant concern discussed and highlighted at the GNRC meeting.

## BOARD KNOWLEDGE, SKILLS AND EXPERIENCE

## Performance Evaluation

The Group conducts an annual BEE exercise with the objective of assessing the performance of the Board as a whole, Board Committees and individual Directors.

The Board and Board Committees were evaluated based on the expectation that they are expected to perform their duties in a manner which should create and continue to build sustainable value for shareholders and in accordance with duties and obligations imposed upon them under the law and guidelines issued by the regulatory authorities.

The results of the BEE form part of the basis for evaluation by the GNRC for the appointment and re-appointment of Directors.

To ensure the integrity, independence and objectivity of the evaluation process, the Board continues with its practice of engaging an external facilitator for the BEE for Year of Assessment 2019.

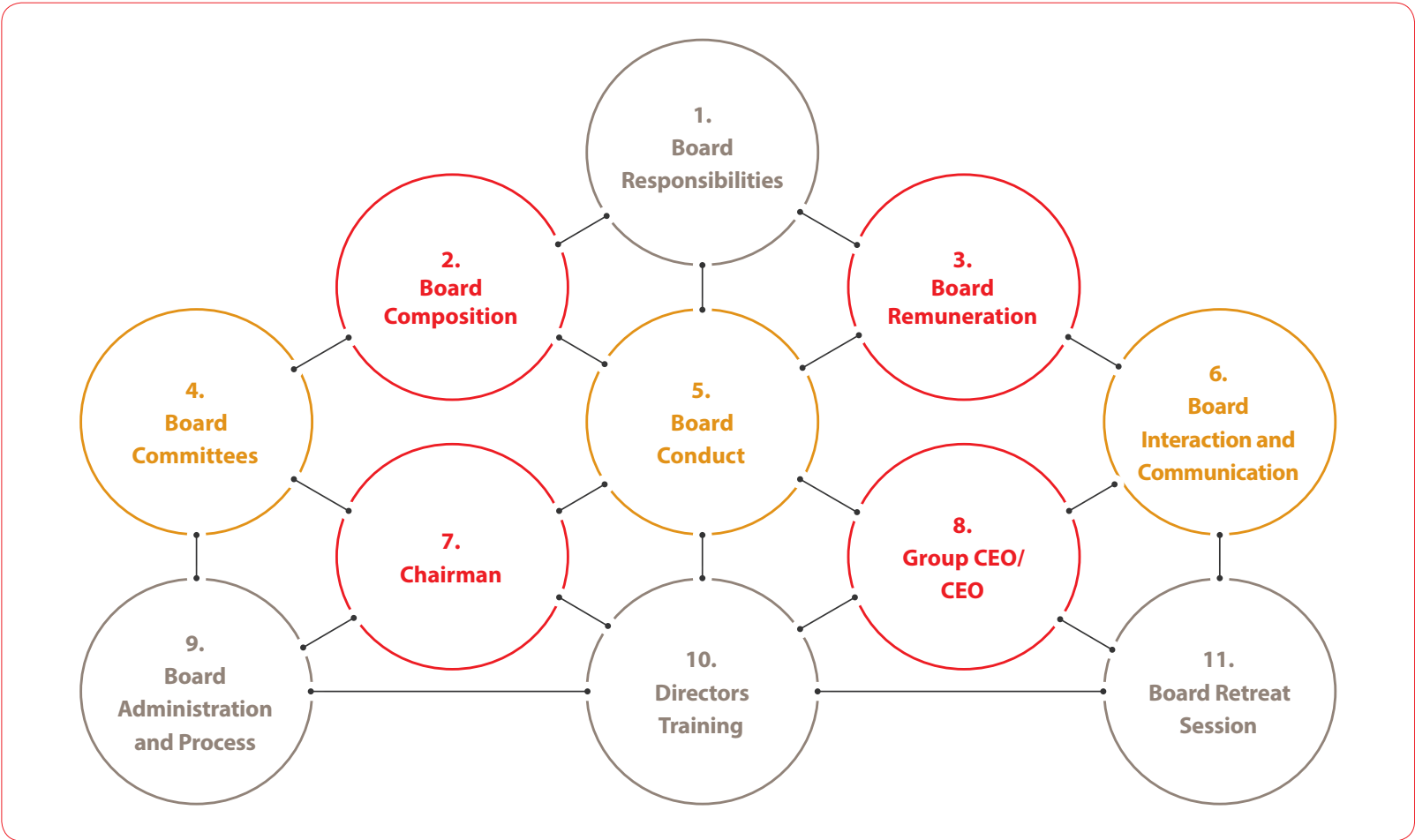
PRINCIPLE A

## Leadership and Effectiveness

GROUP NOMINATION AND REMUNERATION REPORT

Board and Board Committee Effectiveness

A robust and comprehensive assessment framework was used for the BEE exercise, encompassing the following areas:



Directors' Self and Peer Evaluation



The BEE exercise was a rigorous process involving a questionnaire based self-assessment exercise where Directors assessed the performance of the Board, Board Committees and individual Directors.

The assessment of individual Directors takes consideration of their contributions to the Board and their experience, competencies, integrity, commitment in meeting the requirements of the Group are assessed. This was followed by in-depth interviews with individual Directors and selected Senior Management to gain further insights and suggestions to enhance Board effectiveness.

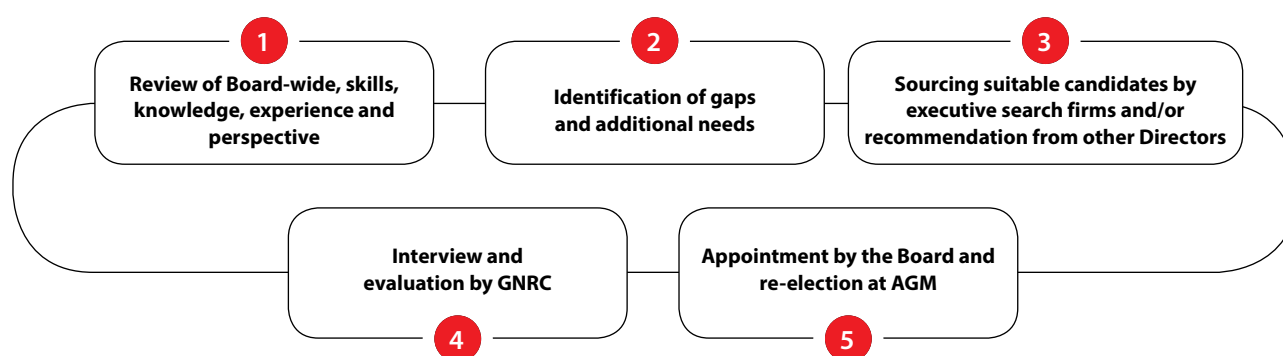
The results of the BEE exercise were presented to the GNRC in May 2019 and the Board in June 2019 to enable the Board to identify and put in place actions to address areas for improvement.

## PRINCIPLE A

## Leadership and Effectiveness

## SELECTION AND APPOINTMENT OF DIRECTORS

## Process on Selection of Directors



## Appointment of New Directors

The policies and procedures for new appointments are as follows:

## POLICIES

- a. The GNRC will establish the minimum requirements on the skills and core competencies of a Director based on the annual review of the required mix of skills, experience and core competencies within the Board as well as to ascertain the "Fit and Proper" criteria for each Director.
- b. When assessing a person to be nominated for election to the Board, the qualifications and skills to be considered by the GNRC, shall include, but are not limited to:
  - whether or not the person qualifies as a Director under applicable laws and regulations, including provisions of the MMLR of Bursa Securities;
  - whether or not the person meets the "Fit and Proper" criteria under BNM Guidelines;
  - whether or not the person is willing to serve as a Director and to commit the time necessary to perform the duties as a Director;
  - the contribution that the person can make to the Board and to the overall desired Board composition, taking into account the person's business experience, education and such other factors as the Board may consider relevant; and
  - the character and integrity of the person.
- c. The GNRC may identify Director candidate(s) using executive search firms and/or via recommendation from other Directors.

## PROCEDURES

- a. The GNRC will perform a preliminary assessment of potential candidate(s) based on referrals from executive search firms or other Directors and shortlist candidate(s) for interview.
- b. Once shortlisted, three members of the GNRC will interview the potential candidate(s) to assess the suitability in terms of technical expertise, experience and the behavioural and culture fit with the Board in addition to ascertain the candidates' interest, availability and terms of appointment.
- c. Upon completion of interview, the interview results and the interviewers' assessment of the candidate(s) will be tabled at the GNRC for further discussion and deliberation on the suitability of the candidate(s) for recommendation to the Board for appointment.
- d. Once potential Director candidate(s) are shortlisted for recommendation, the Company Secretary will conduct comprehensive reference checks, including checks on financial and character integrity, in line with regulatory requirements, on the candidate(s).
- e. Upon completion of reference checks, the GNRC will recommend the proposed candidate(s) to the Board of the respective entity.
- f. The Board will deliberate on the recommended candidate(s) and if deemed appropriate, will approve the appointment of the candidate(s).
- g. Upon approval by the Board, an application for the proposed appointment is submitted to BNM.
- h. Once approval from BNM is obtained, the candidate(s) has to complete the required statutory form.
- i. Upon appointment of the candidate(s), a letter of appointment shall be issued to the candidate(s).

PRINCIPLE A

## Leadership and Effectiveness

### GROUP NOMINATION AND REMUNERATION REPORT

#### Re-election and Re-appointment of Directors

The Company’s Constitution permits the Board to appoint a person to be a Director of the Company at any time, either to fill a casual vacancy or as an addition to the existing Directors, and in any case, the number of Directors shall not be less than three.

A candidate who is appointed as Director of the Company must seek re-election by shareholders at the next Annual General Meeting (“AGM”) following his/her appointment. The Constitution of the Company further provides the rotation of Directors whereby one third or more of the Directors are to retire at every AGM of the Company and that all Directors must retire at least once in three years and shall be eligible for re-election.

Directors who are due for re-election at the forthcoming AGM and who had given their written consent to be re-appointed, are as set out in the Notice of AGM.

Directors who are due for re-election/re-appointment are also subject to the following policies and procedures:

POLICIES	
<div><div>a. Retirement of Directors by rotation will follow the requirements as stipulated in the Constitution of the Company.</div><div>b. Tenure of directorship will follow the requirement as stipulated in the Company’s Board Charter and BNM Policy Document on Corporate Governance. Furthermore, the Group has in place a maximum tenure of nine years for all independent non-executive directors.</div></div>	
PROCEDURES	
<div><div><div>a. The GNRC will assess the performance and contribution of each Director to the Board and Board Committees based on the results of the annual BEE and individual Director’s self and peer assessment.</div><div>b. The GNRC will consider the current Directors in the same manner as other candidates, taking into consideration the Director’s performance during his or her term, including consideration of the following factors:<div><div>• Compliance with governing legislation, regulations or guidelines, particularly conflict of interest, confidentiality, “Fit and Proper” criteria and duty of care provisions; and</div></div></div><div><div>c. Based on the assessment results, the GNRC will recommend the Directors seeking re-appointment/re-election to the Board, who will then recommend to the shareholders for approval at the AGM.</div><div>d. For Directors seeking re-appointment pursuant to BNM-approved tenure, an application for the proposed re-appointment will be submitted to BNM for approval, upon approval by the Board.</div></div></div><div><div>• Whether or not an independent Director still qualifies as “independent” under applicable laws and regulations, including provisions of the MMLR of Bursa Securities.</div></div></div>	

#### Succession Planning

The Group has established programmes to identify employees with potential and nurture them through career development opportunities for Senior Management positions. The development programme is closely monitored and managed by the Group Talent Council (“GTC”) comprising members of the Senior Management team within the Group. The GTC administers various programmes in accordance with the Board-approved Talent and Succession Management (“TSM”) Policy and terms of reference.

During the year, the GNRC was entrusted by the Board to review the succession planning policy and process and the talent pipeline for Senior Management positions. The GNRC guides Management in refining the accelerated development approach to create a robust pool of qualified banking experts and supporting professionals. This includes pairing identified individuals with mentors and executive coaches, creating cross-functional training and exposure and formal learning and assignments.

**PRINCIPLE A****Leadership and Effectiveness**

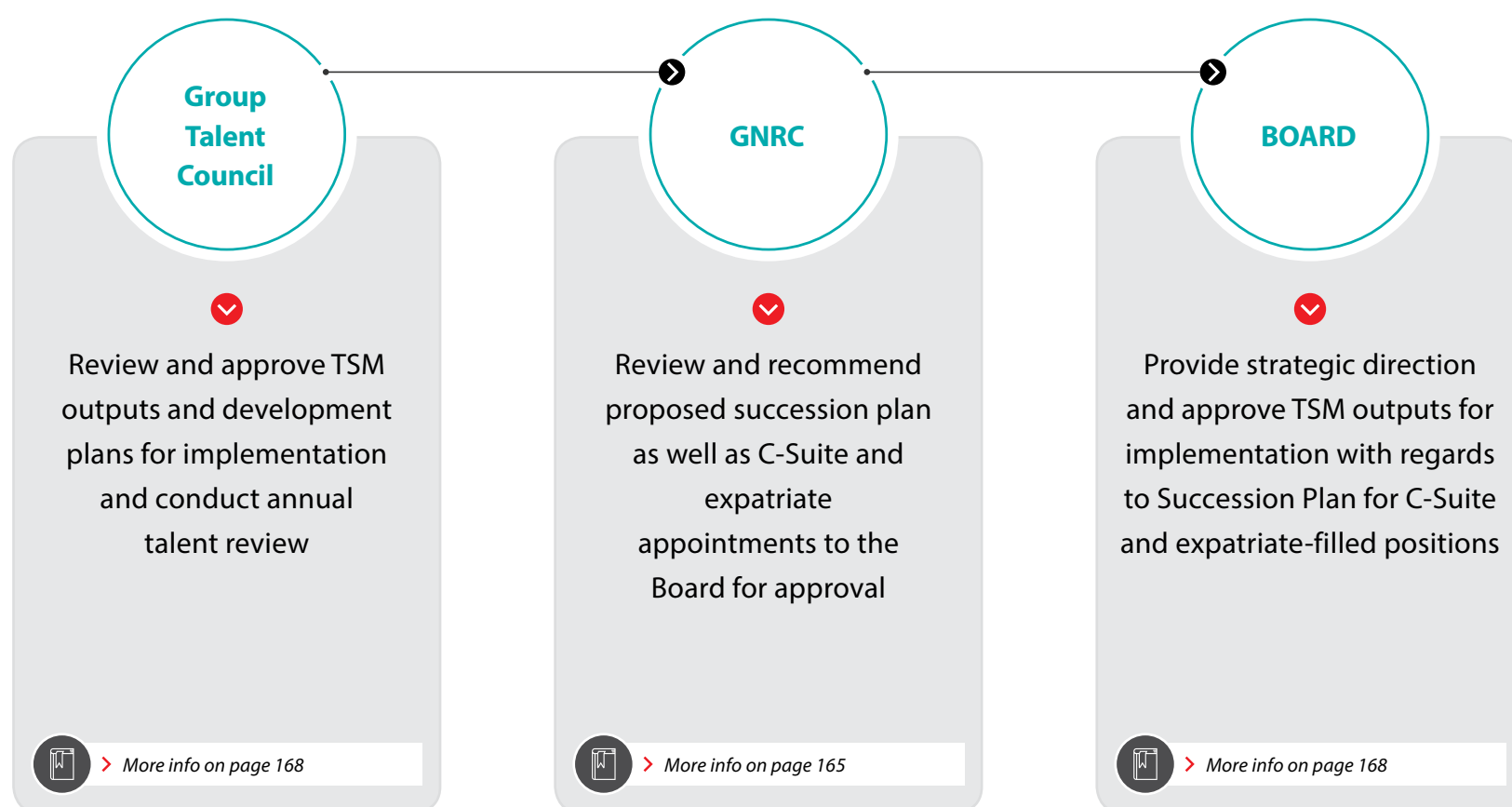
In the event that there is no suitable internal candidate within the accelerated development time frame, the Group identifies external candidates.

The GNRC closely monitors management positions and succession pipelines, including top management positions at the Group level and heads of subsidiaries, in particular the Chief Executive Officer and Chief Financial Officer, whose appointments are subject to the approval of BNM.

In addition to appointments, the GNRC reviews several areas including the reasons behind management-level and senior executive resignations, expatriate employee transfer of knowledge, manpower analysis and staffing requirements. These all go towards ensuring that the Group continues to be able to attract, motivate and retain the right talent pool.

The potential successor will be managed and his/her individual development plan will be tracked with structured interventions to build leadership and functional capability.

The Board has also entrusted the GNRC with the responsibility of reviewing the Board's succession plans for Directors, including recommending candidates for Non-Executive Director positions.

**GOVERNANCE OF TALENT AND SUCCESSION MANAGEMENT ("TSM")**



## PRINCIPLE A

## Leadership and Effectiveness

## GROUP NOMINATION AND REMUNERATION REPORT

## REMUNERATION

## Director

The Directors are being paid Directors' fees, Board Committee allowance, meeting allowances, stipend, benefits-in-kind and directors and officers insurance coverage.

The remuneration structure of the Non-Executive Directors of the Company is laid out as follows:

Directors Fees (per annum)	Chairman	Deputy Chairman	Non-Executive Director
	RM210,000	RM210,000	RM200,000

Note: Directors' Fees are payable after shareholders' approval at the AGM.

Board Committee Allowance (per annum)	Chairman	Member
Audit and Examination Committee ("AEC")	RM40,000	RM20,000
Risk Management Committee ("RMC")	RM30,000	RM20,000
Group Nomination & Remuneration Committee ("GNRC")	RM30,000	RM20,000
Group Information Technology Committee ("GITC")	RM30,000	RM20,000

Meeting Allowance	Board	Board Committee	Other meeting
	RM2,500 per meeting	RM2,500 per meeting	RM2,500 per meeting

Allowance to the Chairman/Stipend (per annum)
Board
RM1,440,000

Benefits-in-kind
Medical (on claim basis) and any expenses incurred by the Directors in performing their duties.

Directors' and Officers' Liability Insurance
A combined and shared policy limited to RM200 million (or any other amount as approved by the Board at the Company from time to time) in aggregate during the policy period covers the Group's Directors in respect of any liabilities arising from any acts committed in their capacity as Directors and Officers of the Group. The Directors and Officers are required to contribute jointly towards a portion of the premium of the said policy.

The details on the aggregate of remuneration of the Directors of the Company (comprising remuneration received and/or receivable from the Company and its subsidiaries ("subsidiaries") during FY2019 are as follows:

Name of Director	Salary and Bonus	Fee (RM'000)		Emoluments <sup>1</sup> (RM'000)		Benefits-in-kind <sup>2</sup> (RM'000)		Total (RM'000)
		AMMB	Subsi	AMMB	Subsi	AMMB	Subsi	
Tan Sri Azman Hashim	-	210	241	1,460	531	30	7	2,479
Graham Kennedy Hodges	-	200	-	86	-	1	-	287
Soo Kim Wai	-	200	37	82	27	20	-	366
Voon Seng Chuan	-	200	152	159	132	1	1	645
Datuk Shireen Ann Zaharah binti Muhiudeen	-	200	-	89	-	2	-	291
Seow Yoo Lin	-	200	69	106	29	2	-	406
Farina binti Farikhullah Khan	-	200	150	81	96	2	1	530

Notes:

<sup>1</sup> Emoluments comprised Board Committee allowance, meeting allowance and allowance to the Chairman of the Board.

<sup>2</sup> Benefits-in-kind comprised provision of medical claims and any expenses incurred by the Directors in performing their duties.

## PRINCIPLE A

## Leadership and Effectiveness

The remuneration of the following Directors who sit in other subsidiaries of the Group during FY2019 is disclosed under the subsidiaries column of the table on the previous page:

<b>TAN SRI AZMAN HASHIM</b>  Chairman of AMMB, AmBank (M) Berhad (retired on 1 January 2019) and AmInvestment Bank Berhad (retired on 1 January 2019)	<b>SOO KIM WAI</b>  Director of AMMB and AmBank (M) Berhad (appointed on 2 January 2019)	<b>VOON SENG CHUAN</b>  Director of AMMB and Chairman of AmBank (M) Berhad (appointed as Chairman on 1 January 2019)	<b>SEOW YOO LIN</b>  Director of AMMB and AmInvestment Bank Berhad (appointed on 15 October 2018)	<b>FARINA BINTI FARIKHULLAH KHAN</b>  Director of AMMB and AmBank Islamic Berhad
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The number of Directors of the Company whose total remunerations during the financial year fall within the following band are as follows:

Range of Remuneration	Number of Director	
	Executive	Non-Executive
RM150,001 – RM200,000	-	-
RM200,001 – RM250,000	-	-
RM250,001 – RM300,000	-	2
RM300,001 – RM350,000	-	-
RM350,001 – RM400,000	-	1
RM400,001 – RM450,000	-	1
~ RM500,001 – RM550,000	-	1
~ RM600,001 – RM650,000	-	1
~ RM1,000,001 and above	-	1

## Senior Management

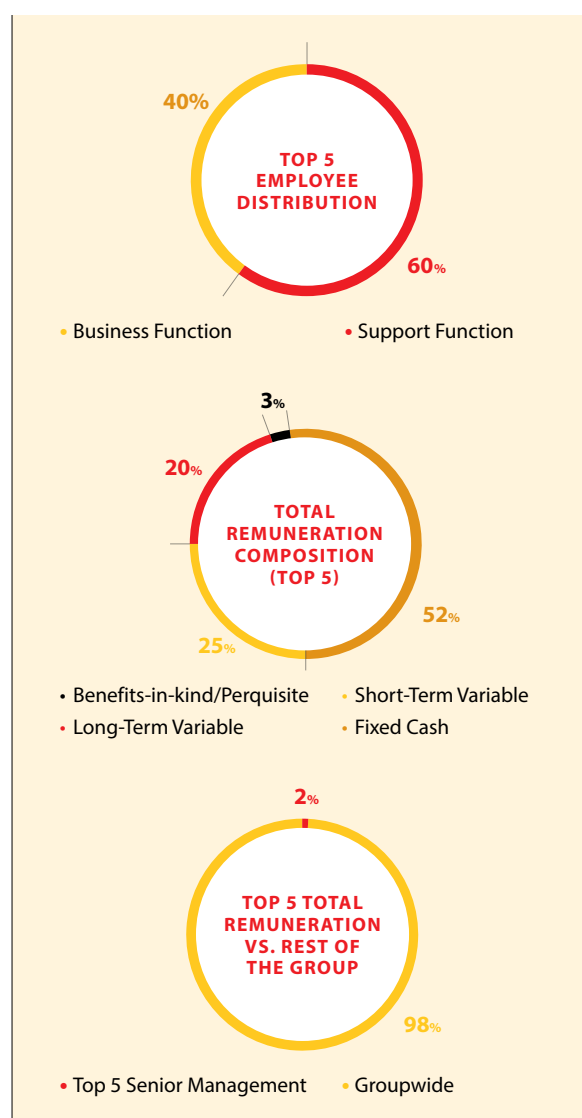
The number of Senior Management of the Company and its subsidiaries whose total remunerations during the financial year fall within the following band are as follows:

Range of Remuneration	Number of Senior Management
Less RM150,000	16
RM150,001 – RM200,000	4
RM200,001 – RM250,000	17
RM250,001 – RM300,000	22
RM300,001 – RM350,000	21
RM350,001 – RM400,000	31
RM400,001 – RM450,000	15
RM450,001 – RM500,000	38
RM500,001 – RM550,000	46
RM550,001 – RM600,000	23
RM600,001 – RM1,000,000	56
RM1,000,001 and above	22
<b>Grand Total</b>	<b>311</b>

## THE GROUP REMUNERATION OBJECTIVES

The Group's remuneration practice, which is applicable to all divisions and subsidiaries within the Group, seeks to ensure that we are able to attract, motivate and retain employees to deliver long-term shareholder returns, taking into consideration risk management principles and standards set out by BNM Policy Document on Corporate Governance.

When formulating and periodically reviewing and refining the remuneration strategy, consideration is given to aligning our remuneration approach with the Group's medium to long-term strategic objective, culture and values in order to drive desired behaviours and achieve objectives set out in the balanced scorecard.

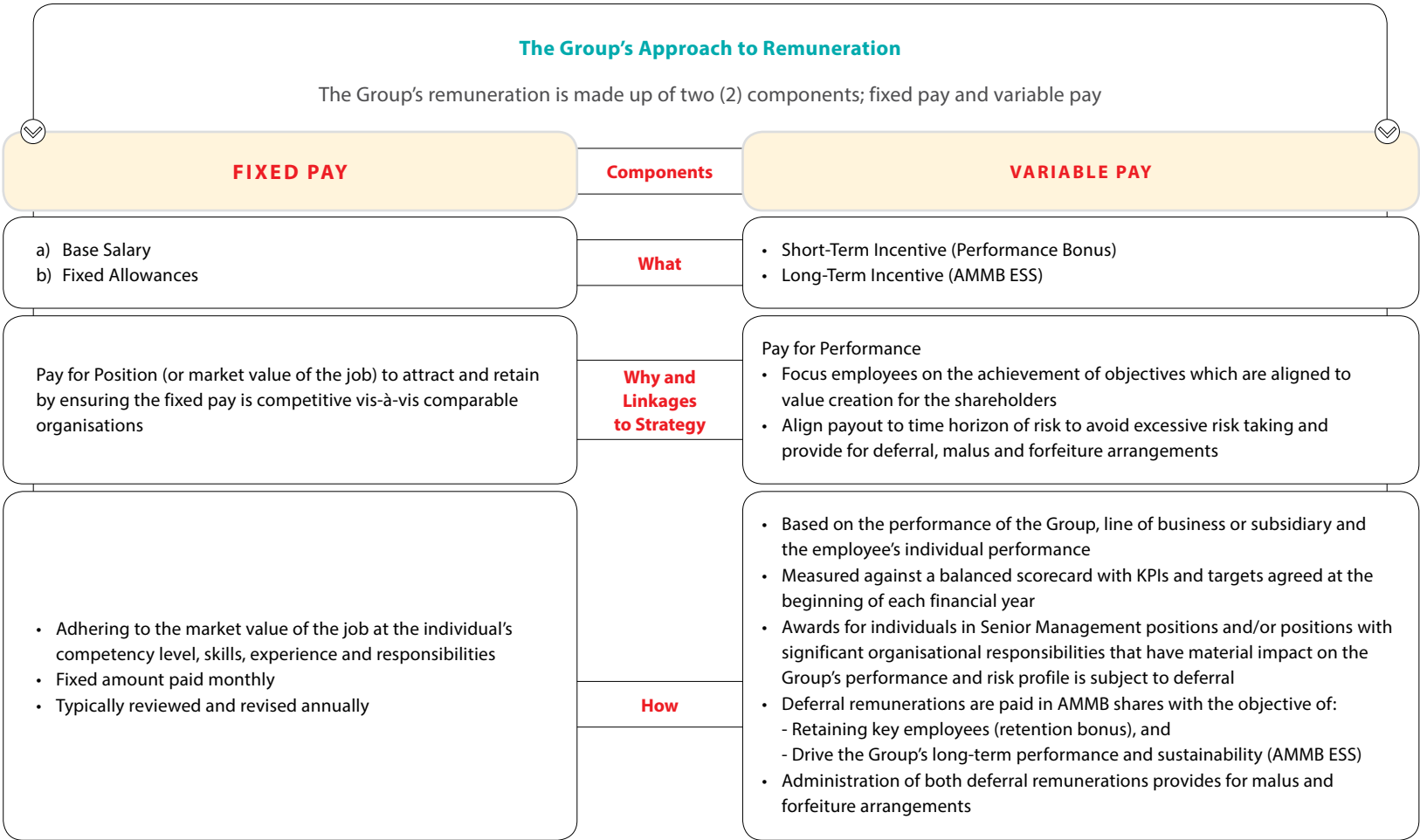
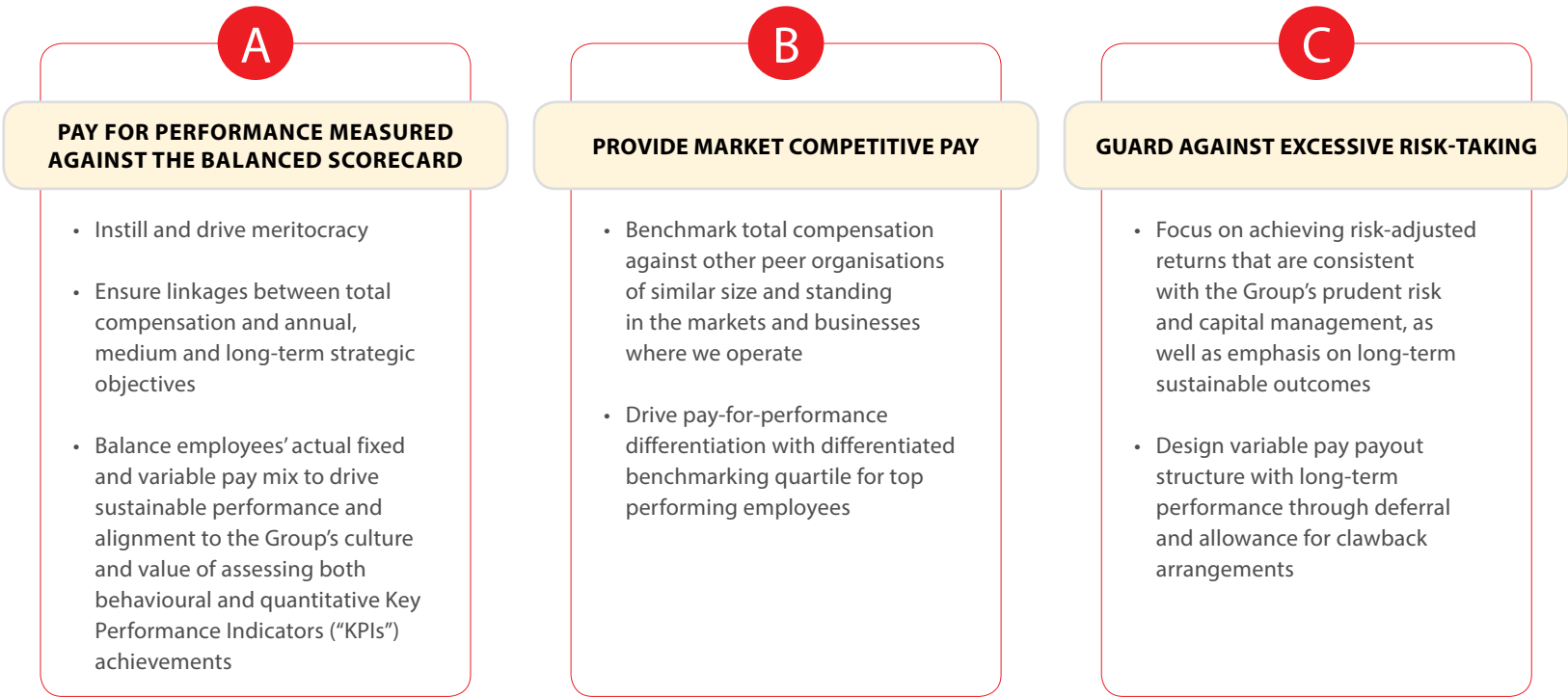


PRINCIPLE A

Leadership and Effectiveness

GROUP NOMINATION AND REMUNERATION REPORT

The following is the main thrusts of the Group’s remuneration strategy:

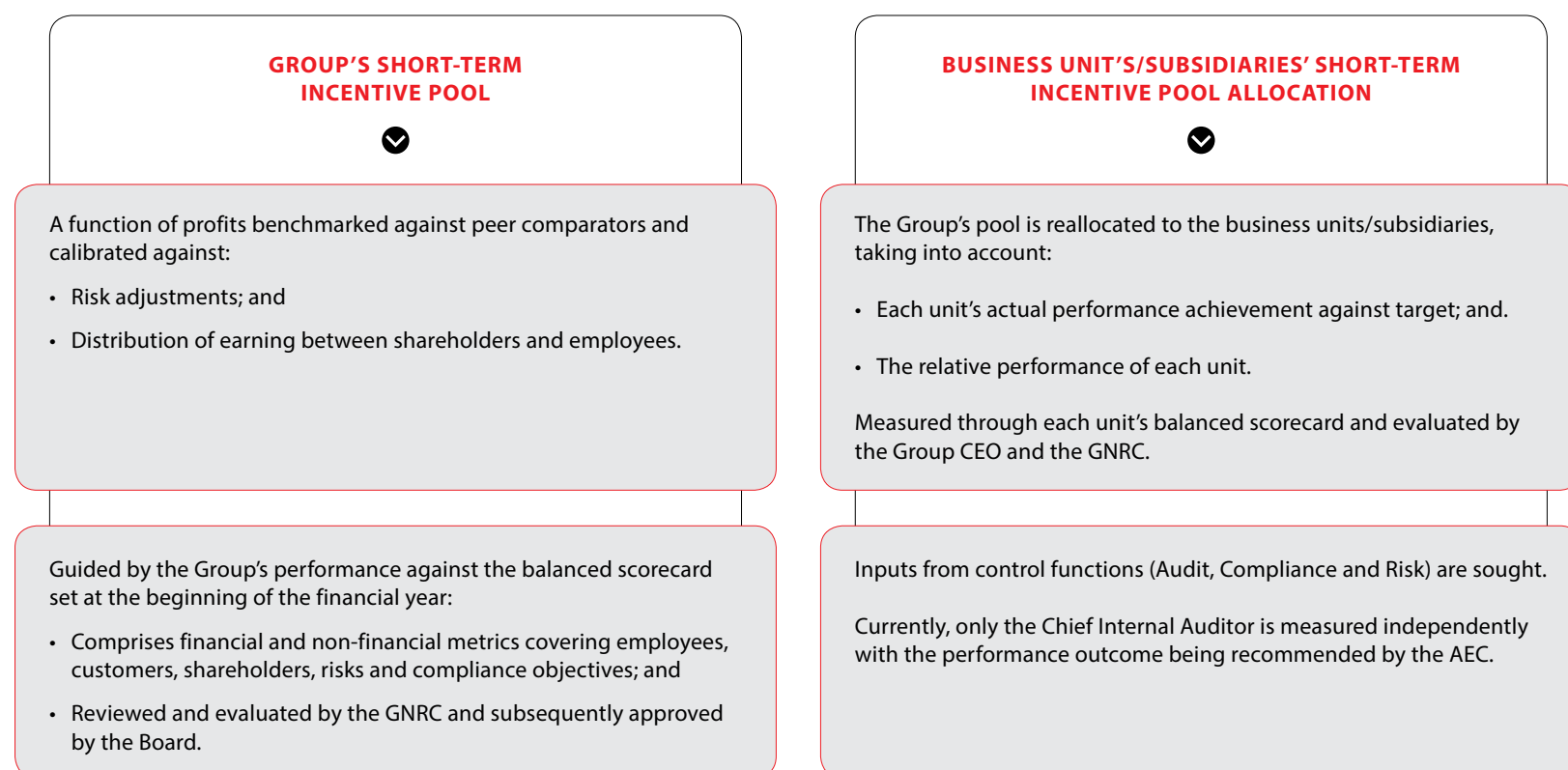


## PRINCIPLE A

## Leadership and Effectiveness

## Determination of Short-Term Incentive (Performance Bonus) Pool and Individual Award

The following mechanics are used to derive the Group's short-term incentive pool and incentive pools for business units and/or subsidiaries:



Individual awards are based on the employee's performance, measured through a balanced scorecard that takes into account qualitative and quantitative objectives as set out in the individual's KPIs.

Sales employees are incentivised via respective sales incentive plans to promote the development of mutually beneficial long-term relationships with their customers, rather than short-term gains. As such, non-financial metrics such as customer satisfaction and fair dealing principles incorporated into their KPIs and with compliance as payout triggers.

## Long-Term Incentive (AMMB ESS)

The AMMB ESS forms the Group's long-term compensation component that is forward looking with rewards based on the Group's future performance. The ESS allows for the following objectives to be met:

- Align long-term interest of senior management with those of shareholders;
- Retain key employees of the Group whose contributions are essential to the long-term growth and profitability of the Group;
- Attract potential employees with the relevant skills to contribute to the Group and to create value for shareholders; and
- Deliver compensation in a manner that drives the long-term performance of the Group.

The ESS is delivered in the form of performance shares which consist of two elements:

- Main Award, that vests over a period of three years, contingent on the Group meeting its long-term performance targets.
- Retention Award (deferred component of the Short-Term Incentives received), administered through the ESS plan vested in two equal instalments over a period of two years. No further performance condition applies.

## Variable Pay Deferrals

Variable pay for individuals in Senior Management positions and/or positions with significant organisational responsibilities that have material impact on the Group's performance and risk profile is subject to deferral.

The deferral award is paid in the form of AMMB performance shares with the objective of:

- Retaining key employees (Retention Award); and
- Drive the Group's long-term performance and sustainability (Main ESS Award).

Malus of unvested awards will be triggered by material violation, negligent, willful misconduct and fraud and breach of compliance, Anti-Money Laundering and Counter Financing of Terrorism as outlined in the ESS By-Laws.

**PRINCIPLE B**

# Accountability

**AUDIT AND EXAMINATION COMMITTEE REPORT****SEOW YOO LIN***Chairman*

The Audit and Examination Committee ("AEC" or "the Committee") comprises three members, all of whom are Independent Directors.

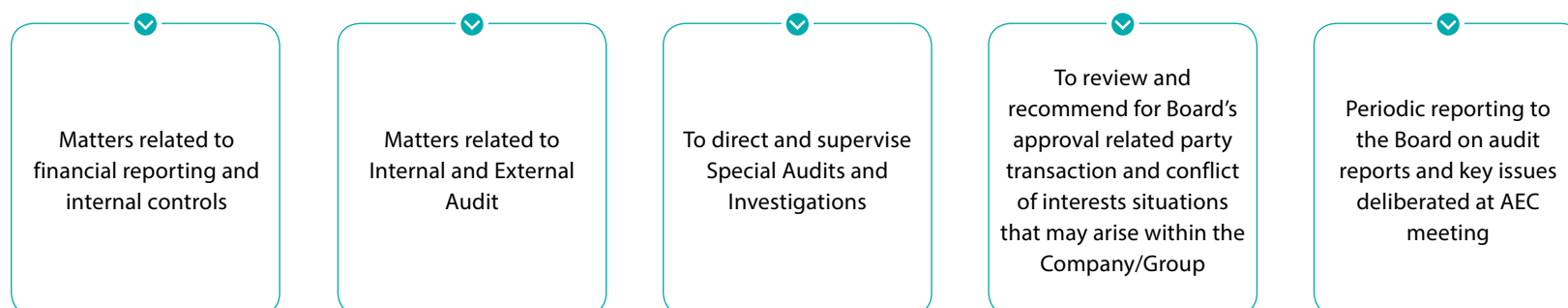
**COMPOSITION AND MEETING ATTENDANCE**

A total of six meetings of the Company's AEC were held during FY2019, and details of the meeting attendance are set out below:

Name of Committee Members	Number of Meetings		
	Held During Tenure in Office	Attended	%
<b>Seow Yoo Lin</b> (Chairman) (Independent Non-Executive Director)	6	6	100
<b>Voon Seng Chuan</b> (Senior Independent Non-Executive Director)	6	6	100
<b>Farina binti Farikhullah Khan</b> (Independent Non-Executive Director)	6	6	100

**ROLES AND RESPONSIBILITIES OF AEC**

The Committee's main functions and duties shall include, but are not limited to the following:



> The AEC's detailed roles and responsibilities are set out in its Terms of Reference, which is available on the Company's corporate website at [ambankgroup.com](http://ambankgroup.com)

The Group Chief Financial Officer ("GCFO") and Group Chief Internal Auditor ("GCIA") and their representatives attended all the AEC meetings to present their respective financial and audit reports. In addition, the Group CEO and respective CEO of the subsidiaries or their representatives are permanent invitees to the respective AEC meetings and had attended all the meetings held in FY2019. As and when necessary, the AEC had also requested the attendance of relevant Management personnel at its meetings to brief the AEC on specific issues arising from the financial and audit reports.

The GCIA held private sessions with the respective AEC Chairmen prior to the AEC meetings to highlight key issues of concern that would be raised in the meetings.



**PRINCIPLE B****Accountability**

The AEC also held two private sessions in April 2018 and October 2018 with the external auditors, without the presence of Management and the GCIA, to be fully informed about significant matters related to the Group's and Company's audit and financial statements and deliberate on relevant issues, challenge management's assertions on the Group's and Company's financial and obtain feedback for improvements. In addition, the external auditors also attended AEC meetings to present their audit planning memorandum, memorandum of recommendations, the results of their limited review of half-year financial performance of the Group and the results of their review on the annual audited

financial statements of the Company and the Group. The AEC ensures that there is coordination between internal and external auditors when they carry out the audit activities.

Minutes of all the AEC meetings were tabled to the Board for noting. In addition, the AEC Chairman also conveyed matters of significant concern to the Board as and when such matters were highlighted by the external auditors and internal auditors.

**SUMMARY OF KEY ACTIVITIES OF AEC**

The AEC had, with the assistance of the respective AECs within the Group, carried out the following activities in discharging their roles and responsibilities throughout FY2019:

**Annual Report**

Reviewed and endorsed the Statement of Risk Management and Internal Control for the Board's approval and inclusion in the Annual Report.

Reviewed and endorsed the AEC Report for Board's approval and inclusion in the Annual Report.

**Financial Reporting**

Ensure compliance with salient regulatory requirements set out under the:

- |   |   |
|---|---|
| ① Companies Act 2016                    | ⑤ Securities Commission Act 1993  |
| ② Financial Services Act 2013           | ⑥ MMLR of Bursa Securities  |
| ③ Islamic Financial Services Act 2013   | ⑦ New Malaysian Financial Reporting Standard ("MFRS") applicable to the Group |
| ④ Capital Markets and Services Act 2007 |   |

Reviewed the quarterly unaudited financial results and annual audited financial statements of the Company and the Group to ensure that the financial reporting and disclosure requirements, particularly relating to changes in accounting policies, as well as significant and unusual events or transactions are in compliance with the accounting standards before recommending the financial statements to the Board for approval.

Reviewed the Group's Basel II Pillar 3 Disclosures before recommending to the Board for approval.

Reviewed and deliberated on high level financial impact analysis on the Group arising from new accounting standards that will significantly impact the Group. For FY2019, the Committee had regular updates and discussion on impact due to implementation of MFRS 9.

## PRINCIPLE B

## Accountability

## AUDIT AND EXAMINATION COMMITTEE REPORT

## Internal Audit

- ① Reviewed the adequacy and effectiveness of the system of internal controls, reporting and risk management to ensure there was a systematic methodology in identifying, assessing and mitigating risk areas.
- ② Deliberated and approved Group Internal Audit Department's ("GIAD") Annual Audit Plan ("AAP") for FY2019, including its resource needs, to ensure audit emphasis was placed on critical risk areas based on assessments of the risk levels of all the auditable areas.
- ③ Deliberated and approved revisions to GIAD's AAP during the course of the year to ensure it remained relevant, taking into account significant developments within the Group as well as requests from regulators and Management.
- ④ Reviewed and approved GIAD's co-sourcing arrangement with an external consultant for a highly technical mandatory review, with the aim of ensuring timely completion of the review, as well as transfer of technical know-how from the consultants to GIAD.
- ⑤ Deliberated on GIAD's audit reports and recommendations, and Management's responses, and directed Management to implement necessary timely remedial actions. Where necessary, separate presentations by Management were requested to provide justifications for significant audit issues raised.
- ⑥ Deliberated on internal investigation reports issued by GIAD and directed Management to take necessary remedial actions and consequence management.
- ⑦ Deliberated on mandatory review reports issued by GIAD for reviews required by Regulators, including ad-hoc requests.
- ⑧ Deliberated on the status of resolution of previous audit issues and the remedial actions taken by Management, including tracking and monitoring of timeline.
- ⑨ Reviewed Management's proposals for related party transactions and debts write-off and GIAD's verification reports on the proposals, prior to recommending the proposals to the Board.
- ⑩ After each AEC meeting, a summary of audit reports and key issues deliberated was tabled to the Board for noting and/or further deliberation.
- ⑪ Reviewed GIAD's progress in completing its planned assignments on a half-yearly basis.
- ⑫ Reviewed and assessed the GCIA's performance, KPI and approved his remuneration package.
- ⑬ Reviewed and approved GIAD's three-Year Strategic Roadmap which sets out GIAD's strategic initiatives and focus areas to be undertaken over a Three-year horizon, to take the internal audit function to the next level. The planned initiatives centered on 5 key focus areas, namely, *People, Processes, Technology, Realignment and Mandatory/Technical Reviews*.

## External Audit

Reviewed and discussed the following with the external auditors:

- ① The Audit Planning Memorandum, scope of work for the year which included areas of emphasis and new areas, such as changes in laws and regulations, accounting standards, Information Technology systems, audit timeline and statutory audit fees; and
- ② The results of the audits, relevant audit reports and memorandum of recommendations (Management Letters) as well as Management's responses to the issues highlighted.

Reviewed and assessed, the suitability and independence of external auditors in accordance with BNM's Guidelines on External Auditors, and recommended their re-appointment and annual audit fees to the Board.

The criterion for appointment and annual assessment of the external auditors' independence and performance was based on the following:

- ① The professional conduct of external auditors;
- ② The level of knowledge, capabilities and experience of the external auditors;
- ③ The quality of previous audit or work done and level of engagement with the AEC and Management;
- ④ The adequacy in audit coverage, effective planning and conduct of audit, which were assessed to be adequate;
- ⑤ The timeliness of service deliverables;
- ⑥ The independence and objectivity of external auditors;
- ⑦ The audit partner must not have served for a continuous period of more than 5 years; and
- ⑧ An auditor who has been rotated off the audit may resume the role of engagement partner only after a lapse of five years from the last audit engagement.

Reviewed the written assurance provided by external auditors in respect of their independence.

Reviewed and approved the appointment of the external auditors for the provision of non-audit services to the Company and the Group. There is a Group policy for the appointment of the statutory auditor for provision of non-audit services where the criteria and threshold for fees are set out, to ensure the auditors' independence is not impeded. The professionalism, expertise, knowledge and relevant experience of external auditors, and any potential conflict of interest are also considered prior to the appointment.

## Related Party Transactions

Reviewed related party transactions and the adequacy of the Group's procedures in identifying, monitoring, reporting and reviewing related party transactions.

Reviewed quarterly reports on recurrent related party transactions of a revenue and trading nature.

Reviewed and deliberated on the draft Circular to Shareholders on Recurrent Related Party Transactions.

## PRINCIPLE B

## Accountability

## Internal Audit Function

The Group has an in-house internal audit function which is carried out by GIAD and headed by the GCIA, Encik Shamsul Bahrom Mohamed Ibrahim. GIAD is independent from the activities or operations of other operating units within the Group and the GCIA reports directly to the Company's AEC and the AECs of the respective entities within the Group.

GIAD operates under an audit charter mandated by the AEC which gives it unrestricted access to review all activities within the Group. The internal audit function is conducted on an AmBank Group-wide basis to ensure consistency in the control environment and the application of policies and procedures.

GIAD focuses its efforts in accordance with the AAP approved by the respective AECs, which is prioritised based on a comprehensive risk assessment of all activities undertaken by the Group. This structured risk assessment approach ensures that all risk-rated areas are kept in view to ensure adequate audit coverage at appropriate audit frequency (e.g. higher risk auditable areas in each business units are audited more frequently). The risk-based audit plan is reviewed periodically, taking into account the changes and developments in the business and its operating environment.

Apart from the above, GIAD also performs investigations and ad-hoc reviews where there are improper, illegal and dishonest acts, or as and when requested by regulators or Management. In addition, GIAD participates actively in major system developments and project committees to advise on risk management and internal control matters.

The GCIA is also a permanent invitee for most Senior Management Committees, which enables GIAD to keep abreast of all the developments within the Group.

Overall, the main objective of the audit reviews are to assess the adequacy and effectiveness of risk management and systems of internal controls (including IT systems and infrastructure). These audit reviews assess the activities of the following functions:

- |                              |                           |
|------------------------------|---------------------------|
| ① Wholesale Banking          | ② Investment Banking      |
| ③ Retail Banking             | ④ Business Banking        |
| ⑤ Islamic Banking            | ⑥ General Insurance       |
| ⑦ Funds and Asset Management | ⑧ Group Support Functions |

All GIAD reports are submitted to the AECs of the respective entities for review and deliberation. The AECs review and deliberate on the control lapses highlighted by GIAD along with the audit recommendations as well as Management's responses and action plans to rectify these lapses.

All significant issues deliberated at the respective AECs are also reported to the AEC of the Company, for information.

In addition, there is an effective process in place to ensure prompt resolution of audit issues by Management. GIAD tables regular updates to the AECs on all significant audit issues until such audit issues are satisfactorily resolved.

In order to perform its functions effectively, auditors within GIAD are continuously being trained to equip themselves with the requisite knowledge and skills, particularly in areas relating to Islamic banking, credit operations, investment banking, markets, general insurance and regulatory matters.

The total costs incurred to maintain the internal audit function for FY2019 amounted to RM17.2 million (FY2018: RM16.3 million), comprising mainly personnel cost, travelling and accommodation expenses, and subsistence allowance. GIAD has a budgeted headcount of 105.

## SUMMARY OF GIAD'S KEY ACTIVITIES

GIAD undertook the following activities during FY2019:

- ① Determined and risk assessed all areas of activities within the Group and established the AAP, which set out the audit roadmap for the year and key areas of audit focus and emphasis;
- ② Completed various audit assignments as set out in the AAP, to provide independent assessment and objective assurance on the adequacy and the effectiveness of risk and management controls over the business operations. This included a mandatory review completed under a co-sourcing arrangement with an external consultant, with the report tabled jointly to the respective AECs. Transfer of technical know-how was embedded as part of the co-sourcing arrangement, to ensure GIAD is able to perform similar reviews going forward;
- ③ Reports concluding results of the audits conducted along with detailed audit observations, audit recommendations to improve and enhance the existing system of internal controls and work procedures/processes, and management responses were prepared and issued to the auditees concerned, Senior Management and the respective AECs;
- ④ Conducted ad-hoc assignments and special reviews as directed by the AECs, requested by Management or regulators. Results of reviews undertaken were presented to the respective AECs for deliberation;
- ⑤ Conducted compliance reviews mandated by the regulators to assess the level of compliance by the business units. Non-compliances were duly highlighted to Management for prompt rectification;
- ⑥ Conducted investigations into activities and matters as directed by the AECs or requested by Management including whistleblower cases. The outcomes from the investigations were presented to the AEC concerned for deliberation;
- ⑦ Monitored, and validated the resolution of previous audit issues and reported on the status of key outstanding audit issues to the Management Committee and to the AEC concerned;
- ⑧ Provided independent and objective reviews on the adequacy and effectiveness of internal controls established to mitigate the risk exposures in the implementation of new projects undertaken by the business;
- ⑨ Participated in various Business Continuity Management exercises to gauge and assess the readiness of businesses/systems to resume operations within agreed timelines in the event of a disruption or disaster; and
- ⑩ Attended meetings held by Group Management Committee, Group Management Risk Committee, Group Information Technology Committee and Group Management Governance and Compliance Committee as an invitee to provide independent feedback on the risk management, control and governance aspects.

**PRINCIPLE B****Accountability****SUITABILITY AND INDEPENDENCE OF EXTERNAL AUDITORS**

Messrs. Ernst & Young ("EY") is the Company's statutory external auditor and the auditor of the Group's consolidated accounts for the preparation of this Annual Report. The external auditor performs independent audits in accordance with the approved standards on auditing in Malaysia, and reports directly to the AEC. The AEC additionally:

- ① Approves all non-audit services;
- ② Regularly reviews the independence of the external auditor;
- ③ Evaluates the effectiveness of the external auditor; and
- ④ Meets with the statutory external auditor at least twice a year, without the presence of Management.

The AEC engages in regular discussion with the senior audit partner from EY and acts as the key representative for overseeing the Group's relationship with the external auditors. In compliance with the Malaysian Institute of Accountants By-Law (On Professional Ethics, Conduct and Practice), audit partners are rotated every five (5) years to ensure objectivity, independence and integrity of the audit opinions. The AEC undertakes annual independence assessment of the external auditors and the external auditors would also provide a written assurance to the AEC on their independence.

EY's FY2019 Engagement Partner for the Company, Mr. Chan Hooi Lam has reached his 5-year term as the engagement partner and Encik Ahmad Qadri bin Jahubar Sathik has been appointed in April 2019 to head the audit of the Group, to replace Mr. Chan.

The statutory external auditor is re-appointed by the shareholders of the Company annually, based on the recommendation of the Board.

The statutory external auditor may not provide services that are perceived to be in conflict with its role. These include assisting in the preparation of the financial statements and sub-contracting of operational activities normally undertaken by Management, and engagements where the auditor may ultimately be required to express an opinion on its own work.

Specifically, the Group's policy:

- ① Sets a threshold for fees of non-audit services by the external audit firm; and
- ② Requires permitted non-audit services to be approved by the AEC.

The AEC has reviewed the summary of the non-audit services provided by the external auditor in FY2019 and has confirmed that the provision of services is compatible with the general standard of independence for auditors.

During the financial year, the amount incurred by AMMB and by the Group in respect of audit fees and non-audit related fees for services rendered by EY are as follows:

	FY2019		FY2018	
	Company (RM'000)	Group (RM'000)	Company (RM'000)	Group (RM'000)
Audit Services	115	5,957	110	4,586
Regulatory Related Fees	215	2,501	29	1,596
Non-Audit Services	-	1,697	-	2,395
<b>Total Fees</b>	<b>330</b>	<b>10,155</b>	<b>139</b>	<b>8,577</b>

The Group's non-audit services for FY2019 comprised the following assignments:

a) Regulatory-related fees

- ① Limited review for three-month period ended 30 June for the Company and banking subsidiaries;
- ② Limited review for six-month period ended 30 September for the Company and banking subsidiaries;
- ③ Limited review for a nine-month period ended 31 December for commercial banking subsidiaries;
- ④ Review of BNM submission documents for AMMB and banking subsidiaries;
- ⑤ Review of statutory returns and Risk-based Capital reporting forms for insurance subsidiary;
- ⑥ Report on agreed-upon procedures in relation to submission to PIDM for commercial banking subsidiaries;
- ⑦ Report on agreed-upon procedures in relation to submission to PIDM for insurance subsidiary;
- ⑧ Report on agreed-upon procedures in relation to client asset requirements for AmlInvestment Bank Berhad and certain subsidiaries;
- ⑨ Review of Statement of Risk Management and Internal Control for the Company;
- ⑩ Review of Offering Circular by AmBank (M) Berhad and BNM accounting advice in relation to Euro MTN Tier 2 Notes;
- ⑪ BNM accounting advice on Tier 2 subordinated Notes and subordinated sukuk; and
- ⑫ Review of Interim financial statements for financial period ended 30 June 2018 and comparative 30 June 2017 (the Company, AmBank (M) Berhad, AmBank Islamic Berhad, AmlInvestment Bank Berhad, AmGeneral Insurance Berhad, AmFunds Management Berhad, AmlIslamic Funds Management Berhad and three funds) in conjunction with proposed capital issuance of the Company and AmBank (M) Berhad.

b) Other fees

- ① Validation of credit risk models
- ② Limited assurance engagement on AmBank BizRACE result
- ③ MFRS 17 actuarial modelling training

Overall, the AEC was satisfied with the suitability of EY as external auditors of the Group based on the quality audit services provided based on the professional and experience staff assigned to perform the audit for the Group.

## PRINCIPLE B

### Accountability

#### RISK MANAGEMENT COMMITTEE REPORT



**DATUK SHIREEN ANN ZAHARAH  
BINTI MUHIUDEEN**

*Chairman*

The Risk Management Committee ("RMC" or "the Committee") comprises three members, a majority of whom are Independent Directors and is chaired by an Independent Director. The Committee oversees the adequacy of risk management within the Group.

#### COMPOSITION AND MEETING ATTENDANCE

A total of seven meetings of the Company's RMC were held during FY2019 and details of the meeting attendance are set out below:

Name of Committee Members	Number of Meetings		
	Held During Tenure in Office	Attended	%
<b>Datuk Shireen Ann Zaharah binti Muhiudeen</b> <i>(Chairman)</i> <i>(Independent Non-Executive Director)</i>	7	6	86
<b>Graham Kennedy Hodges</b> <i>(Non-Independent Non-Executive Director)</i>	7	7	100
<b>Voon Seng Chuan</b> <i>(Senior Independent Non-Executive Director)</i>	7	7	100

#### ROLES AND RESPONSIBILITIES OF RMC

The responsibilities of the Committee include the review and evaluation of:



#### SUMMARY OF KEY ACTIVITIES OF RMC

Board Committee Matters	
<ol style="list-style-type: none"> <li>1 Reviewed quarterly provision analysis report.</li> <li>2 Monitored and reviewed movement in macro provision on quarterly basis.</li> <li>3 Enhanced and revised risk policy.</li> <li>4 Conducted stress test analysis half yearly.</li> <li>5 Reviewed the progress of on-going risk management activities to identify, evaluate, monitor and manage critical risks.</li> </ol>	<ol style="list-style-type: none"> <li>6 Reviewed risk direction and appetite for FY2019.</li> <li>7 Reviewed emerging risks and their mitigations.</li> <li>8 Reviewed major litigation, claims and/or issues that may have substantial financial impact.</li> <li>9 Discussed and deliberated on the Group's arising from major/significant projects and business operations.</li> </ol>



## PRINCIPLE B

## Accountability

## RISK MANAGEMENT COMMITTEE REPORT

## GROUP RISK MANAGEMENT

AmBank Group embraces risk management as an integral part of the Group's business, operations and decision-making processes. Against the backdrop of a challenging economic environment where financial markets have become more volatile, it is critical for the Group to have a robust and effective risk management system to ensure continuous profitability and to achieve sustainable growth in shareholder value.

## Risk Strategy



Our overall risk strategy is centred around the following initiatives:

- Enhancing risk governance.
- Upgrading risk infrastructure.
- Developing more comprehensive risk appetite strategy, execution and monitoring framework.
- Improving funding and liquidity risk management.
- Improving underlying asset quality and enhancing portfolio diversification.
- Materially lowering loan loss provisions.
- Developing robust risk/reward pricing models.
- Positioning AmBank Group for IRB status under Basel II.

## Our Priorities in FY2020



Group Risk will continue to support the Group's business strategies while continuing to be vigilant:

- Rollout of AmBank Group Credit Pathway.
- Enhance monitoring and early warning tools for more effective credit management and portfolio asset quality monitoring.
- Enhance control on approval limit to commensurate with the nature of product (i.e. approval limit per application by product and exposure limit for system approval).
- Automation of credit underwriting for Retail SME – PG portfolio.
- Enhance liquidity risk management practices in line with regulatory and market developments.
- Further enhancing cyber security domains such as Cyber Incident Response and Crisis Management, Data Loss Prevention, Threat and Vulnerability Management and Network Protection.

## Risk Governance



Our risk governance and culture is driven across the Group through the "Three Lines of Defence" framework, with the motto "Risk is Everyone's Responsibility". Supporting this framework are policies and procedures to enforce our core standards.

## Key Highlights in FY2018/2019



- **Wholesale Credit Risk**
  - Issued the Non-Retail Credit Policy ("NRCP") following the new BNM Credit Risk Policy dated 22 January 2018. The NRCP sets out the high level credit principles to ensure that Non-Retail segment of AmBank has a consistent approach in managing credits.
  - Introduced the "Loss Estimate Thermometer" as input for strategic monitoring of sector limits.
  - Completed alignment of classified accounts to comply with the MFRS9 requirement.
  - Enhanced the management of classified account for Investment Banking ("IB") by issuing a dedicated guideline namely the Classified Account Management Guideline for IB.
  - Completed the Credit Pathway programme (5 full sessions) to guide credit officers in Wholesale Banking ("WB") and Business Banking ("BB") on how credit is assessed in AmBank Group.
- **Business Credit Risk ("BCR")**
  - Key achievements for the year include the implementation of portfolio management tools, including the implementation of Phase 1 and Phase 2 of the Behavioral Early Warning Trigger system and enhancements to MIS reporting which has enabled portfolio trends to be identified for more proactive management.
  - BCR is also a key member of the AmACE project which is undergoing pilot implementation.
- **Retail Credit Risk**
  - Comprehensive portfolio review and implementation of granular scoring cut-off by segments.
  - Implementation of test programme to encourage booking of better quality customer.
  - Enhanced monthly application and portfolio performance profiling monitoring.
- **Governance and Provisioning**
  - Basel II IRB programme – Organisation focusing on IRB-based ROCE (risk-based) lending assessment and direction.
  - MFRS 9 implementation – Infrastructure build of on-going MFRS9 model development and maintenance and analytics.
- **Investment Banking and Market Risk**
  - Enhanced liquidity stress testing methodologies and assessed intraday liquidity risk practices under stress scenario.
  - Continued automation of market risk monitoring and assessment tools to enhance coverage and increase efficiencies.
- **Group Operational Risk**
  - Operational incidents including frauds, operational lapses and regulatory breaches in FY2019 decreased by 38.3% from FY2018 while operational losses decreased by 96.4%.
  - Established an operational risk reporting and analytics section to implement and capitalise on data-driven risk management methodology.
  - Implemented new operational risk management tools and metrics to measure, report and control operational risk performance and framework adherence.
  - Established dedicated risk relationship managers to collaborate with the Business Units and Functional Lines stakeholders in managing operational risk.
- **Group Technology Risk**
  - In the second year of the three-year Cyber Security Maturity Improvement Programme to strengthen the Group's cyber security posture and the ability to protect the Group's information assets.
  - Further built on cyber security awareness through on-going education programmes for employees.
  - Enhanced the Group's Data Leakage Prevention ("DLP") monitoring controls.

## PRINCIPLE B

### Accountability

#### GROUP COMPLIANCE

AmBank Group has completed the third year of our Compliance Culture Transformation Journey. Our key focus was to strengthen the foundation of our Compliance Programme, ensuring an effective and sustainable framework and practice that will withstand the test of time.

#### Fundamental Approach

We continued to focus on our greatest asset; the human capital, honing the importance of adhering to the AmBank Group Code of Conduct and the criticality of embedding the Compliance DNA to drive the right behaviours.

Our programme emphasizes the concept of accountability in every action taken by the staff in the Bank's name. Tone from the top continues to reinforce a transparent and ethical business conduct, embedding self-regulation and ensuring "doing what is right" is at the top of the Group's agenda.

Our Code of Conduct is built based on the following principles:



##### Our Ethical Standards

AmBank Group employees must act ethically and with integrity. They must demonstrate commitment to hold the highest standard of ethics in all business dealings.



##### Conduct Ourselves Responsibly in the Best Interest of the Bank and of the Customers

AmBank Group employees must ensure that Customers' interests are at the forefront of all their dealings, avoiding all forms of conflict of interest, communicating accurately and professionally.

It is the responsibility of each individual employee to create a safe and respectable workplace in AmBank Group; safeguarding AmBank Group's assets including personal, confidential and proprietary information is a key priority for all employees.



##### Protecting Our Brand in the Market and Abide by the Letter and Spirit of the Law

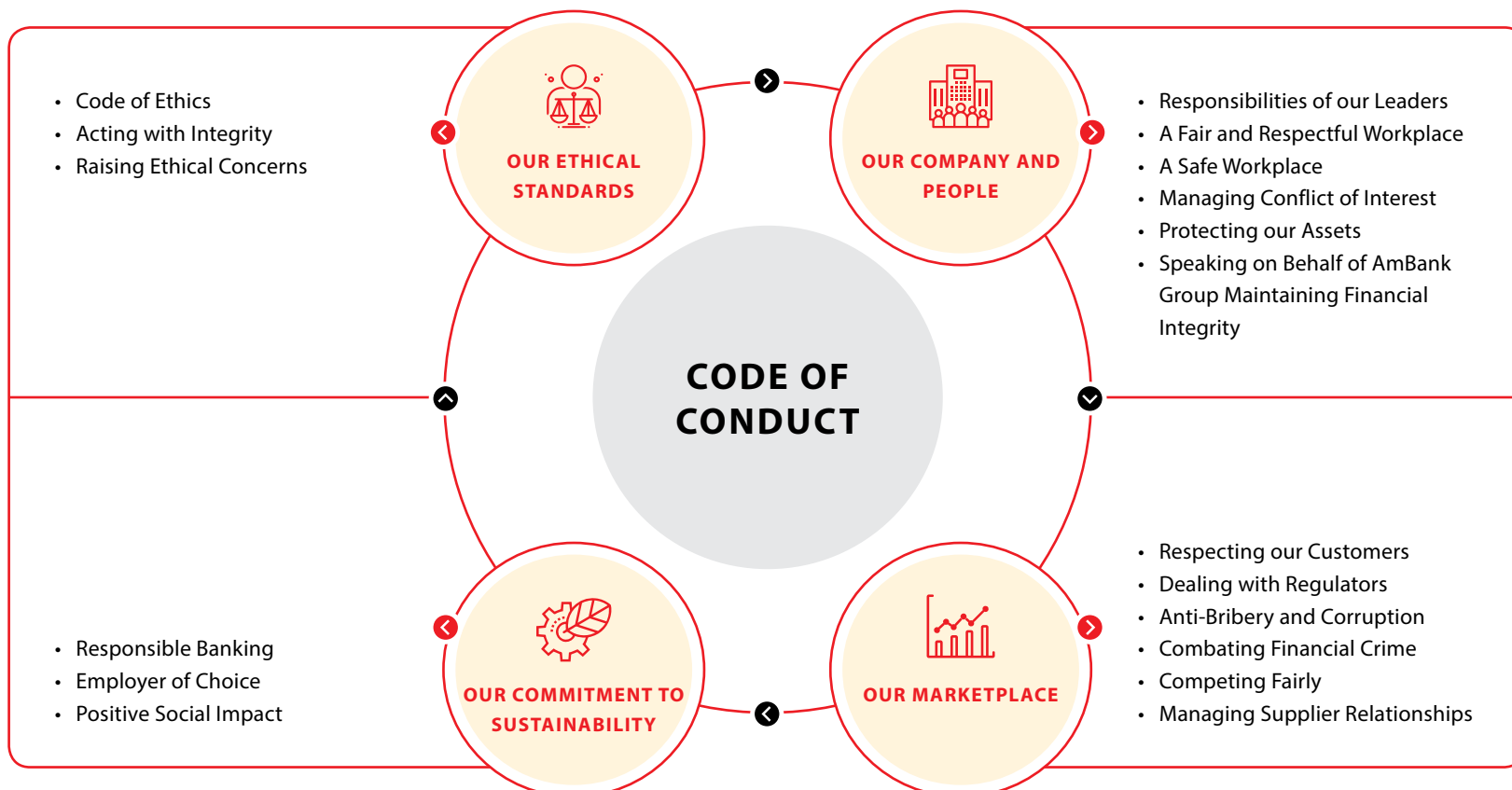
AmBank Group promotes fair and healthy competition in the market place and all employees are to ensure they do not engage in dealings that involve collaboration with competitors to set or control prices, rates, trade practices, market policies or to allocate customers.

AmBank Group employees must ensure their conduct adhere to all rules, regulations and law, protecting the AmBank brand at all times. Amongst others, this involves safeguarding AmBank Group from all forms of financial crime.



##### Creating a Sustainable Future Through Responsible Banking

The AmBank Group brand strives to build a sustainable future for our employees, customers, shareholders and the community. Having a positive impact on our communities and environment is a key driver to our business strategies and objectives.

**PRINCIPLE B****Accountability****RISK MANAGEMENT COMMITTEE REPORT****Compliance Framework**

Our Compliance Framework strives to promote a culture of honesty and integrity, where customers are served applying the highest standards of professionalism within an environment that adheres to all applicable laws and regulations. To ensure effective management of the Compliance Framework, the Group invested in building a strong Compliance team capable of designing and managing the Compliance programme to be at par with international financial institutions.

Our policies and procedures have been redesigned and implemented, enhancing internal controls requirements and addressing the Group's risk appetite. Our Compliance training programmes are customised according to role and function, reviewed annually to ensure these remain up-to-date and relevant. The Group has invested further to strengthen its detective measures and reporting capabilities to ensure issues are identified with the correct root causes and corrective actions promptly and appropriately put in place. There is strong oversight by the Board in ensuring the Compliance Framework remains effective and current. The Framework is reviewed on an annual basis and approved by the Board.

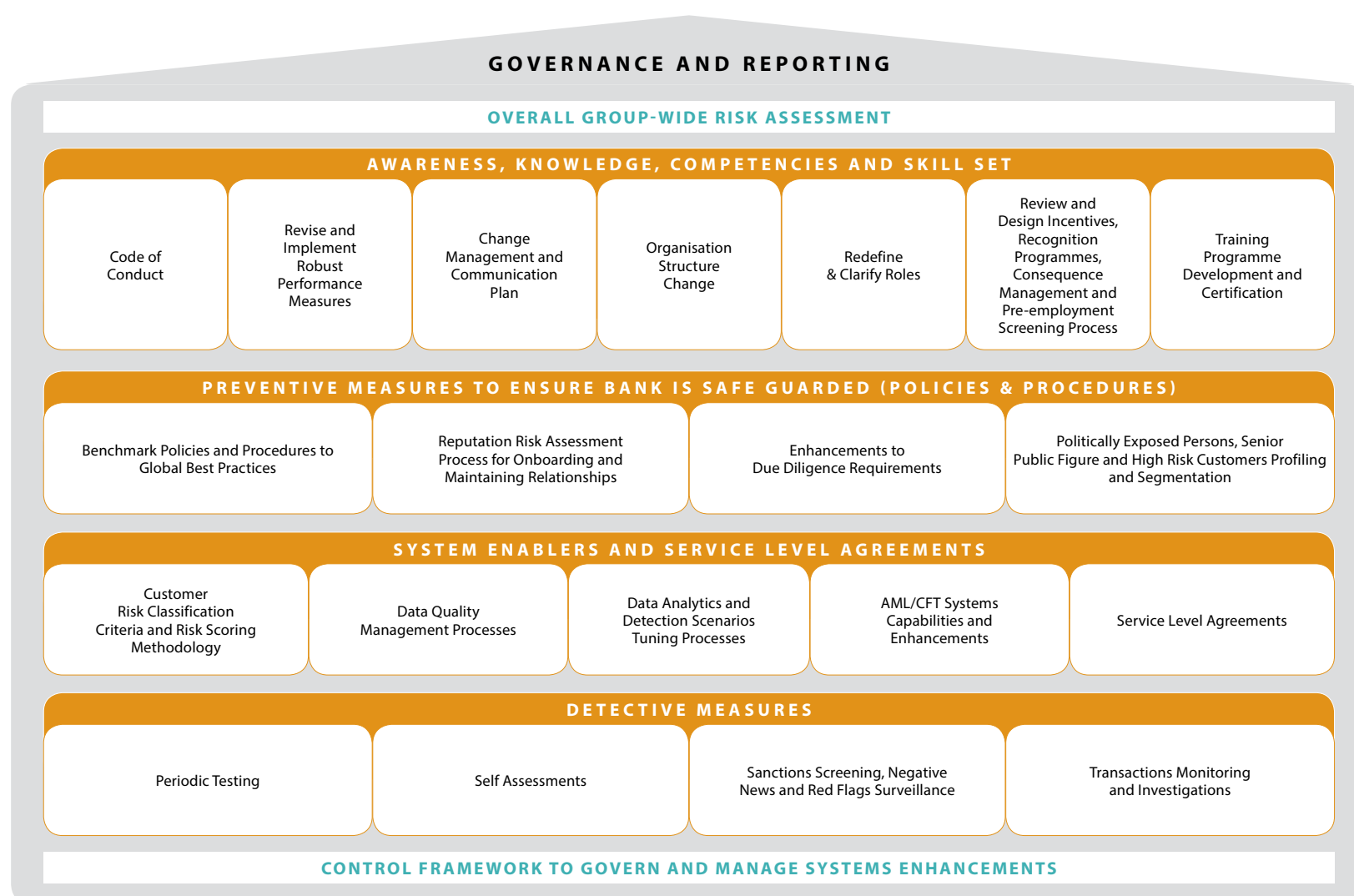
## PRINCIPLE B

# Accountability

### Compliance Culture Transformation

In addition to Group-wide initiatives, AmBank Group has established a Compliance Culture Transformation Programme as a detailed action plan, and established a compliance framework based on this programme.

#### COMPLIANCE CULTURE TRANSFORMATION KEY ELEMENTS



#### Carrying Out Compliance Training

AmBank Group conducts comprehensive compliance training for all Executive Officers which includes the required regulatory external certification and those which develop subject matter expertise as well as functions as refreshers. Our training programmes are reviewed annually to ensure these remain current and that all requirements of the changing regulatory landscape and industry practices are appropriately incorporated.

#### Anti-Money Laundering and Combating The Financing of Terrorism ("AML/CFT")

AmBank Group has established the Code of Ethics, which requires all employees to understand and comply with the letter and spirit of all applicable laws, rules and regulations. The Group has established the Anti-Money Laundering and Counter Terrorism Financing Policy that demonstrates its commitment to combat money laundering and terrorism financing. The company continues to enhance its Group-wide governance framework observing international regulatory trends and in line with global best practices.

During the year under review, the Group continued to invest in technology to enhance the AML/CFT transactions monitoring system, Know Your Customer Risk Rating Module and Data Quality Management.

#### Strengthening The Core

People are at the heart of the Compliance Culture Transformation Programme and as such, we continue to build strength within the organisation to ensure a robust succession plan is in place which will create momentum to sustain the drive for change within the transformation agenda.

#### Looking Forward

Our key priorities for the next phase will be to continue the development of our detective measures, namely the AML/CFT Transactions Monitoring, Risk Rating and KYC systems through investment in innovative technology. Our Culture Programme will be an on-going effort to drive the highest standards of professionalism in conduct and execution.

## PRINCIPLE B

## Accountability

## GROUP INFORMATION TECHNOLOGY COMMITTEE REPORT



**VOON SENG CHUAN**  
Chairman

The Group Information Technology Committee ("GITC" or "the Committee") is established as a committee of the Board at the holding company level. The Committee comprises three members, majority of whom are Independent Non-Executive Director and is chaired by the Senior Independent Director. The Committee is responsible for providing governance for Information Technology ("IT") and to ensure that the overall strategic IT direction is aligned with the Group's business objectives and strategy.

## COMPOSITION AND MEETING ATTENDANCE

A total of six meetings of the Company's GITC were held during FY2019, and details of the meeting attendance are set out below:

Name of Committee Members	Number of Meetings		
	Held During Tenure in Office	Attended	%
<b>Voon Seng Chuan</b> (Chairman) (Senior Independent Non-Executive Director)	6	6	100
<b>Soo Kim Wai</b> (Non-Independent Non-Executive Director)	6	6	100
<b>Seow Yoo Lin</b> (Independent Non-Executive Director)	6	6	100

## ROLES AND RESPONSIBILITIES OF GITC

The key responsibilities of the Committee include, amongst others, the following functions:

Provide oversight of the Group's long-term IT strategic plans, budgets and implementation

Provide strategic direction for IT development within the Group and ensuring that IT, digitalisation and technology-related innovation strategic plans are aligned and integrated with the Group's business objectives and strategy

Advise the Board on matters within the scope of GITC, as well as any major IT related issues that merit the attention of the Board

Review IT planning and strategy, including the financial, tactical and strategic benefits of proposed significant information technology-related projects and initiatives

Ensure the establishment of Group-wide IT policies, procedures and frameworks including IT security and IT risk management and e-banking services to ensure the effectiveness of internal control systems and the reliability of the management information systems

Responsible for overall oversight function on IT matters including ex-ante risk assessments on e-banking services

Review and approve deviations as allowed under BNM guidelines

Oversee the adequacy and utilisation of the Group's IT resources including computer hardware, software, personnel who are involved in the development, modification and maintenance of computer programme and related standard procedures

Establish key performance indicators and service level agreements in measuring and monitoring the overall performance, efficiency and effectiveness of IT services delivered or received by the Group

## SUMMARY OF KEY ACTIVITIES OF GITC

## Board Committee Matters

- 1 Reviewed quarterly updates on IT Risk and Cyber Security
- 2 Monitored the resolutions of regulatory audit action items in relation to IT
- 3 Monitored the progress of the Group's Digital Roadmap and IT strategy
- 4 Reviewed and assessed IT projects i.e. Cash Management System, Retail Payment Platform and Regulatory Reporting Enhancement Programme

- 5 Tracked the progress of the Group's Cyber Security readiness
- 6 Reviewed and assessed IT-related policy/guideline
- 7 Provided in-house training/briefing to Directors on IT-related matters, i.e. Blockchain and Digital Banking
- 8 Reviewed and assessed renewal of IT licenses and systems/solutions



> Further details of the Group's Progress in Digital Transformation can be found on [page 89](#).



## PRINCIPLE B

### Accountability

#### SHARIAH COMMITTEE REPORT

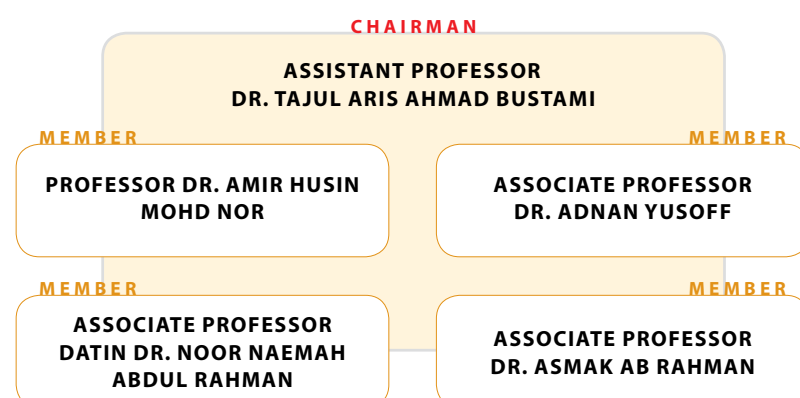
The Shariah Committee of AmBank Islamic Berhad ("the Bank") has been established for purpose of advising the Bank and the Bank's Board of Directors in ensuring that the Bank's businesses, affairs and activities comply with Shariah principles. The requirement of establishing Shariah Committee has been set by the Islamic Financial Services Act 2013 ("IFSA") and Bank Negara Malaysia ("BNM")'s Shariah Governance Framework ("BNM SGF") in order to ensure that all of the Islamic Financial Institutions' operations and business activities are in accordance with Shariah.

AmInvestment Bank Berhad ("AmInvestment Bank"), as part of the banking group leverages on the Shariah Committee of the Bank for advice and guidance on Shariah in relation to Islamic capital markets. AmInvestment Bank may also engage the services of independent external Shariah adviser(s) as approved by Securities Commission Malaysia when necessary and will be on ad-hoc basis.

#### SHARIAH COMMITTEE MEMBERS

Shariah Committee comprises five distinguished Shariah scholars, who have the necessary Shariah qualification required by BNM. All the members have vast knowledge and experience in Islamic banking and finance spanning from nine to more than 14 years' experience and are also members of the Association of Shariah Advisers in Islamic Finance ("ASAS").

The Shariah Committee members and their profiles are as follow:



2

#### PROFESSOR DR. AMIR HUSIN MOHD NOR

Prof. Dr. Amir Husin Mohd Nor is currently a lecturer, Professor and Deputy Dean (Research and Innovation) at Faculty of Syariah and Law, Islamic Science University of Malaysia ("USIM"). He obtained his first degree (Honours) in Shariah from Academy of Islamic Studies, University of Malaya. He then successfully completed his Master in Law (LL.M) from University of London. Later, he achieved his Ph.D in Islamic Studies from University of Edinburgh. His areas of specialisation are Islamic Jurisprudence (Usul al-Fiqh) and Law. Previously, he has acted as Shariah Advisor for AmFamily Takaful Berhad (2011-2014). Currently also serving as Shariah Advisor for AmMetLife Takaful Berhad (2014-2020) and a Committee Member of Tabung Amanah Zakat Universiti Tenaga Nasional ("UNITEN"). He is a member of ASAS and has conducted several researches, produced a number of books, chapters in books and publications in journal articles and presented several papers at various events/conferences.



1

#### ASSISTANT PROFESSOR DR. TAJUL ARIS AHMAD BUSTAMI

Chairman (effective 1 April 2016)

Assistant Prof. Dr. Tajul Aris Ahmad Bustami is currently a lecturer and Assistant Professor at Department of Islamic Law, and also a Deputy Dean of Student Affairs & Alumni, Ahmad Ibrahim Kulliyah of Laws, International Islamic University Malaysia ("IIUM"). He received his first Degree in Law (LL. B (Hons) & LL. B (Shariah) (Hons)) ("IIUM") and a Master degree in Law (LL.M) from University of London. He then successfully obtained a Diploma in Shariah Law and Practice ("DSLPP") (Professional Post-Graduate Programme) (IIUM). Later, he received his Ph.D in Law at IIUM. His areas of specialisation are Islamic Banking Law and Takaful, Muslim Law of Succession & Waqf and Administration of Estates. Assistant Prof. Dr. Tajul Aris is currently serving as Shariah Committee for Small Medium Enterprise Development Bank Malaysia Berhad ("SME Bank") (2018-2021). He is a member of The Association of Shariah Advisers in Islamic Finance Malaysia ("ASAS") and has produced a number of books, chapters in books and publications in journal articles and presented several papers at various events/conferences.



3

#### ASSOCIATE PROFESSOR DATIN DR. NOOR NAEMAH ABDUL RAHMAN

Assoc. Prof. Datin Dr. Noor Naemah Abd. Rahman is currently a lecturer and Associate Professor as well as coordinator for Applied Science at the Islamic Studies Programme in Academy Islamic Studies, University of Malaya ("UM"). She obtained her first degree (Honours) in Shariah from University of Malaya, a Master degree in Shariah from University of Jordan and a Ph.D from UM. Her areas of specialisation are Islamic Jurisprudence (Usul al-Fiqh), Islamic Legal Maxim and fatwa. Datin Dr. Noor Naemah currently holds a post as Ahli Jawatankuasa Perundangan Hukum Syarak Wilayah Persekutuan (Sessions 2011-2013; 2014-2016 and 2016-2019) and Panel Pakar Syariah JAKIM (2017-2019). Previously, she acted as Shariah Advisor for AmFamily Takaful Berhad (2011-2014). Currently also serving as Shariah Advisor for AmMetLife Takaful Berhad (2014-2020). She is a member of ASAS and has conducted several researches, produced a number of books, chapters in books and publications in journal articles and presented several papers at various events/conferences.

**PRINCIPLE B****Accountability****SHARIAH COMMITTEE REPORT****4****ASSOCIATE PROFESSOR DR. ADNAN YUSOFF**

Assoc. Prof. Dr. Adnan Yusoff is currently a lecturer and Associate Professor at UNITEN. He received his first degree in Shariah (Honours) from University Al-Azhar, Cairo, Egypt. Then he obtained a Master of Comparative Law ("MCL") from IIUM, and received his Ph.D in Islamic Muamalat from University of Malaysia ("UM"). His areas of specialisation are Islamic Commercial Law (Fiqh Muamalat), Islamic Jurisprudence (Usul al-Fiqh), Islamic Family Law (Fiqh Munakahat) and Islamic Criminal Law (Fiqh Jinayat). Previously, he acted as Director of Pusat Pengajian Islam dan Peradaban UNITEN (2010-2014), Director Tabung Amanah Zakat UNITEN (2014-2017) and Shariah Advisor for AmFamily Takaful Berhad (2011-2014). Currently also serving as Shariah Advisor for AmMetLife Takaful Berhad (2014-2020). He is also a registered Shariah Adviser with the Securities Commission ("SC"). He is a member of ASAS and has written and/or presented numerous articles/journals/papers.

**5****ASSOCIATE PROFESSOR DR. ASMAK AB RAHMAN**

Assoc. Prof. Dr. Asmak Ab Rahman is currently a Senior Lecturer and Associate Professor at Department of Shariah and Economics, Academy of Islamic Studies, University of Malaya ("UM"). She received her first Degree (Honours) and Master in Shariah and subsequently a Ph.D in Islamic Economics from UM. Her areas of specialisation are Comparative Economic Development, Takaful, Islamic Banking, Islamic Economics and Economics of Waqf. Previously she acted as a Head of Department at Department of Shariah and Economics (Feb 2016 – Jan 2019), Shariah Advisor for Bank Islam Malaysia Berhad ("BIMB") (2005-2009), AIA AFG Takaful Berhad (Takaful)(2011-2013) and Committee Member for Association of Shariah Advisors in Islamic Finance ("ASAS") (Session 2012-2014). Currently also serving as Shariah Advisor for different industries i.e. BIMB Investment Management Berhad (2010-2019; Fund Management), SME Bank (2010-2019; Development Bank), Tabung Haji (2016-2020) and Hong Leong MSIG Takaful (2014-2019) and Perbadanan Usahawan Nasional Berhad ("PUNB")(2016-2019). She is also a registered Shariah Adviser with the Securities Commission ("SC"). She is a member of ASAS and has conducted several researches, produced a number of books, chapters in books and publications in journal articles and presented several papers at various events/conferences.

- iii. To contribute towards innovation in AmBank Islamic's products and services;
- iv. To review and endorse the Shariah policies and procedures of the Bank and to ensure that the contents do not contain any elements which are not in line with Shariah principles;
- v. To review and approve relevant documentations in relation to the Bank's products to ensure that the products are in compliance with Shariah principles;
- vi. To perform oversight on the works carried out by the Shariah Research and Advisory, and Shariah Review functions in order to ensure compliance with Shariah matters which form part of their duties in providing their assessment of Shariah compliance and assurance information in the Annual Report;
- vii. To assess the work carried out by Group Internal Audit relating to the Shariah Audit function, and the Shariah Risk Management function in order to ensure compliance with Shariah matters which form part of their duties in providing their assessment of Shariah compliance and assurance information in the Annual Report;
- viii. To provide advice and guidance on management of zakat fund, charity and other social programme or activities; and
- ix. To oversee strategies and initiatives implemented by key organs carrying out the Shariah functions including the Shariah Research and Advisory, Shariah Review, Shariah Audit and Shariah Risk Management functions.

**SHARIAH OVERSIGHT COMMITTEE**

The Shariah Oversight Committee is established as a sub-committee of the Shariah Committee to assist the Shariah Committee in discharging its responsibilities relating to the oversight from Shariah perspectives of the Shariah Review function. In addition, the Shariah Oversight Committee is to assess the work carried out by Group Internal Audit relating to the Shariah Audit function and Shariah Risk Unit relating to Shariah Risk Management function in order to ensure compliance with Shariah matters.

The main functions and duties of Shariah Oversight Committee shall include, but are not limited to the following:

- i. To determine and confirm actual and potential Shariah non-compliance incidents and endorse corresponding rectifications plans;
- ii. To recommend alternative ways to rectify issues identified through Shariah Audit, Shariah Review and Shariah Risk Management activities and other sources;
- iii. To provide advice on the recognition of income pursuant to Shariah non-compliance incidents and its disposal; and
- iv. To recommend possible implementation methods to improve the Bank's Shariah business activities in line with applicable statutes and guidelines/policies/circulars issued by relevant regulatory bodies.

**FUNCTIONS AND DUTIES OF THE SHARIAH COMMITTEE**

The Shariah Committee is responsible and accountable for all its decisions, views and opinions relating to Shariah matters. The main functions and duties of Shariah Committee shall include, but are not limited to the following:

- i. To advise the Board and the Bank on Shariah matters in order to ensure that the business operations of the Bank comply with Shariah principles at all times;
- ii. To assist in promoting Value-Based Intermediation ("VBI") culture and develop AmBank Islamic's capacities to support VBI mission;

## PRINCIPLE B

### Accountability

#### MEETINGS AND ENGAGEMENT WITH BOARD OF DIRECTORS

A total of eight Shariah Committee meetings were held during the financial year ended 31 March 2019, which were mainly to discuss and deliberate on product proposals, issues and documentation. Shariah Oversight Committee also convened eight times to discuss on works carried out by Shariah Audit, Shariah Review and Shariah Risk Management and any reported potential Shariah related incidences.

The attendance of the Shariah Committee members at the meetings of the Shariah Committee and Shariah Oversight Committee is set out below:

Name of Shariah Committee Member	Shariah Committee		Shariah Oversight Committee	
	Held	Attended	Held	Attended
Assistant Professor Dr. Tajul Aris Ahmad Bustami	8	8	8	8
Professor Dr. Amir Husin Mohd Nor	8	7	8	7
Associate Professor Datin Dr. Noor Naemah Abdul Rahman	8	8	8	6
Associate Professor Dr. Adnan Yusoff	8	8	8	8
Associate Professor Dr. Asmak Ab Rahman	8	8	8	8

As part of the initiative for Shariah Committee to have active engagements with the Bank's Board of Directors, the following were planned and implemented:

- One session between Shariah Committee and member(s) of the Board; and
- Representative of Shariah Committee attending two AEC meetings.

#### MAIN ACTIVITIES

Throughout the financial year, the Shariah Committee discussed and deliberated on various Shariah principles and the contracts relating to the products proposed by the Bank. The Shariah Committee also reviewed numerous legal documentation and Shariah policies and guidelines introduced by the Bank.

In addition, Shariah advisory services were also provided on many other aspects to the Bank, such as providing advice on issues arising from Islamic banking operations, zakat distribution and so on, in order to ensure compliance with applicable Shariah principles.

The Shariah Committee also noted and reviewed the following and was satisfied that each of the following had been done effectively during the financial year ended 31 March 2019, in compliance with Shariah:

1

All contracts, transactions and dealings entered into by the Bank and legal documents used by the Bank;

3

All earnings that may have been realised from sources or by means prohibited by Shariah for purpose of disposal to charitable causes or in accordance with method approved by the Shariah Oversight Committee; and

2

The allocation of profits and charging of losses relating to investment accounts;

4

The calculation and distribution of zakat.

Through Shariah Oversight Committee, the Shariah Committee discussed and deliberated on Shariah review and Shariah audit plans as well Shariah review and Shariah audit reports prepared by Shariah Review and Group Internal Audit teams respectively.

In matters relating to AmInvestment Bank, the Shariah Committee has reviewed a number of Sukuk structures and legal documentation for Sukuk issuance.

**PRINCIPLE B****Accountability****SHARIAH COMMITTEE REPORT****PERFORMANCE ASSESSMENT**

Shariah Committee's performance assessment is conducted annually by the Board. The evaluation process will focus on competency, knowledge, contribution and overall effectiveness of the Shariah Committee members.

The assessment will also identify any relevant development areas or any relevant exposure needed by the Shariah Committee members for the Bank to provide.

**CONTINUOUS TRAINING PROGRAMMES**

As part of Shariah Committee's continuous development, the Bank has registered the Shariah Committee for a certification programme i.e. Certified Shariah Advisors ("CSA") under Association of Shariah Advisors in Islamic Finance ("ASAS") and it is currently on-going for Level 1. The Level 1 CSA programmes attended by the Shariah Committee during the financial year were as follows:

- i. 19-20 September 2018 – Principle of Accounting & Finance
- ii. 11-12 December 2018 – Principles of Islamic Financial System
- iii. 15-16 January 2019 – Code of Ethics & Professional Conduct (Module 4)

Besides the certification programmes, the Shariah Committee members also attended various conferences and seminars including in-house briefing as follows:

- i. Muzakarah Cendekiawan Syariah Nusantara 2018 ke-12, organised by International Shari'ah Research Academy for Islamic Finance ("ISRA") held from 3-4 July 2018 at Duangjitt Resort & Spa, Phuket, Thailand.
- ii. Ijtima' ASAS 2018, organised by Association of Shariah Advisors in Islamic Finance ("ASAS") held on 18 July 2018 at Hotel Istana, Kuala Lumpur.
- iii. MFRS 9 – Classification & Measurement Briefing, organised by the Bank on 27 September 2018 at Menara AmBank.
- iv. Principle of Accounting & Finance (AmBank Islamic Balance Sheet), organised by the Bank on 4 October 2018 at Menara AmBank.
- v. Muzakarah Ahli Majlis Penasihat Syariah ("MPS") Institusi Kewangan di Malaysia Kali Ke-14, organised by Jabatan Kemajuan Islam Malaysia ("JAKIM") on 31 October 2018 at Dewan Serbaguna KPDNHEP, Putrajaya.
- vi. Liqa' ASAS 2019, organised by Association of Shariah Advisors for Islamic Finance Malaysia ("ASAS") on 18 March 2019 at Tamu Hotel & Suites Kuala Lumpur.

**SHARIAH GOVERNANCE**

The Bank adopted the Shariah Governance Framework ("SGF") issued by BNM by having four key Shariah functions. The Shariah Research and Advisory (including Shariah Legal), Shariah Risk Management and Shariah Review functions act as the second line of defence while the Shariah Audit function, which is part of the Group Internal Audit Department, acts as the third line of defence. By having this practice in place, the Bank is able to identify, monitor and mitigate any possible Shariah breaches. Shariah Governance structure of the Bank comprises the following:

- i. Board of Directors: Accountable and responsible for the overall oversight on the Shariah governance and Shariah compliance including the assessment, appointment and remuneration of the Shariah Committee members. The Board performs its oversight through various committees such as the AEC, RMC and the Shariah Committee.

- ii. Shariah Committee: Responsible and accountable on matters related to Shariah. This includes advising the Board and Management on Shariah matters and endorsing and validating Islamic banking, finance and capital market products and services, Shariah policies and the relevant documentation in relation to the Bank's Islamic finance and Islamic capital markets operations and business activities. Shariah Committee also provides advice and guidance on the management of zakat fund, charity and other social programmes or activities.

- iii. Shariah Oversight Committee: A sub-committee to the Shariah Committee, performs an oversight function on Islamic banking, finance and capital market products and services from Shariah perspective. In that regard, the Shariah Oversight Committee is responsible to oversee on Shariah aspects, the functions of Shariah Review, Shariah Risk Management and Shariah Audit. Shariah Oversight Committee also provides guidance and advice on matters pertaining to Shariah non-compliant incidences as well as treatment of Shariah non-compliant income (if any).

- iv. Management/CEO: Responsible to make reference to Shariah Committee or the external independent Shariah advisor and/or the Shariah Oversight Committee on Shariah matters and to take necessary measures for implementation. The Management/Chief Executive Officer of AmBank Islamic ("CEO") is also responsible in setting the infrastructure and providing the environment and adequate resources to support the Shariah governance structure. This includes putting in place adequate systems and controls in order to ensure compliance with Shariah and to mitigate Shariah non-compliance risk.

- v. Shariah Research & Advisory: Accountable to the Shariah Committee and is responsible for providing day-to-day Shariah advisory on Islamic banking and finance, including Shariah legal aspects, conducting Shariah research, formulating Shariah policies and acting as Secretariat to the Shariah Committee and the Shariah Oversight Committee.

Shariah Research & Advisory consists of four functions: Shariah Secretariat and Coordination; Shariah Policy and Research; Shariah Advisory; and Shariah Legal.

- vi. The Shariah Risk Management: Accountable to the RMC. The Shariah Risk Management is a function to systematically identify, measure, monitor and control of Shariah non-compliance risks to mitigate any possible non-compliance events.

The Shariah Risk Management is executed through the three lines of defence in managing Shariah risk. The three lines of defence are:

- 1<sup>st</sup> – The Business Units and Functional Lines;
- 2<sup>nd</sup> – Shariah Risk Management, Shariah Review, Shariah Research and Advisory; and
- 3<sup>rd</sup> – Shariah Audit.

- vii. Shariah Review: Accountable to the Shariah Oversight Committee. The objective of the Shariah review function is to provide reasonable self-assurance for the Bank in its daily activities and operations thus to add value and improve the degree of Shariah awareness and compliance.

- viii. The Shariah Audit: Accountable to the AEC. A designated team within the Group Internal Audit Department is responsible to conduct independent assessment on the level of Shariah compliance of Islamic banking business and operations. The Shariah audit covers all activities particularly the operational components of the Bank (including functions outsourced to AmBank (M) Berhad or AmInvestment Bank Berhad) that are subjected to the risk of Shariah non-compliance including but not limited to products, operational processes, the technology supporting the operations, the people involved in key areas of risk, documentation and contracts, policies and procedures and other activities that require the adherence to Shariah principles.

## PRINCIPLE C

## Relationship with Stakeholders



## INVESTOR RELATIONS

The investor relations landscape has evolved over the years and now forms an integral part of AmBank Group's corporate governance initiatives. At AmBank Group, we uphold regular and proactive communication with our shareholders and the wider investment community including investors, fund managers, equity and fixed-income analysts and credit rating agencies.

Shareholders engagement has taken a centre stage in recent years as shareholders are exerting more influence than ever on how Boards and Management teams operate. Additionally, the investment community is increasingly emphasising on long-term sustainability and value creation of the investee companies, on top of delivering satisfactory financial performance. We believe that effective shareholders engagement and investor relations can lead to improved strategy and policies formulation, more sustainable business practices, and promote greater transparency and accountability.

Our communications with the investment community is governed by our investor relations policy to ensure consistency, clarity, fairness and timeliness of information disseminated. We subscribe to the philosophy that good investor relations practices strengthen investors' confidence in us and allows them to make informed investment decisions.

We have a dedicated Investor Relations team ("IR team") to support our Group Chief Executive Officer and Group Chief Financial Officer in their investor engagement activities, focusing on achieving effective two-way communications and fostering relationships with the investment community in order to better understand their expectations and requirements.

## ACHIEVEMENTS

Our commitment to excellence in investor relations was acknowledged by several awards locally and globally.

1

AmBank Group won two awards - **Asia's Best CFO, Investor Relations and Best Investor Relations Company** at the **Asian Excellence Award 2018** organised by Corporate Governance Asia in Hong Kong. The winners were selected based on dialogues and surveys conducted by Corporate Governance Asia with various fund managers and analysts within Asia.

2

We received **Certificate of Merit** at the **National Annual Corporate Report Awards ("NACRA") 2018**. For a third consecutive year, our annual report has been selected as a finalist. This is a testament of AmBank Group's commitment in delivering high standard of financial reporting and promoting good corporate governance.

3

At the **8<sup>th</sup> Malaysian Investor Relations Association ("MIRA") Award**, we were **nominated in 8 categories out of the 10 accolades** including one of the Top 5 finalists in the **Most Improved Service from IR** team category amongst all the public listed companies in Malaysia.

## Annual General Meeting

AmBank Group's 27<sup>th</sup> AGM was held on 31 July 2018 at Sime Darby Convention Centre, Kuala Lumpur. Tan Sri Azman Hashim, Chairman of the Board took the chair and called the 27<sup>th</sup> AGM to order. Dato' Sulaiman Mohd Tahir, our Group CEO, gave a presentation to the shareholders covering the Group's strategic aspirations, business review and financial highlights for FY2018. He also shared the Group's market outlook and performance guidance for FY2019.

After the presentation, Dato' Sulaiman responded to the enquiries from the Minority Shareholder Watchdog Group ("MSWG"). During the "Question and Answer" session of the AGM, our shareholders were invited to post their questions and provide their feedback to the Board. Our Chairman of the Board, was instrumental in facilitating constructive discussions between the shareholders, the Board and the Senior Management of AmBank Group.

The 27<sup>th</sup> AGM presented an avenue for our shareholders to seek clarifications and gain insights into the operations and financial performance of the Group. Our external auditors, Messrs. Ernst & Young, were in attendance to answer shareholders' queries.

All the resolutions that were proposed for tabling at the 27<sup>th</sup> AGM were duly passed. We have made available the minutes of the AGM on our corporate website.

## Analyst Briefings and Media Conferences

The Group's quarterly results announcements are conducted via teleconferencing to cater for the wide geographical spread of the investment community and our stakeholders. Live briefings and media conferences are held semi-annually to promote active stakeholders' engagement. The IR team continues to ensure the briefing materials (investor presentation, financial statements and media release) are disseminated on a timely manner to all relevant parties and readily accessible on the Group's corporate website immediately after the announcement is made on Bursa Malaysia.



**PRINCIPLE C****Relationship with Stakeholders**

Details of our analyst briefings and media conferences on our quarterly results announcements are tabulated below:

Date	Results Announcement	Mode of Communication				
		Media Briefing	Analyst Briefing	Publication on IR Website		
			Tele-conference	Investor Presentation	Financial Statements	Media Release
21 August 2018	Q1 FY2019		√	√	√	√
22 November 2018	H1 FY2019	√	√*	√	√	√
21 February 2019	9M FY2019		√	√	√	√
28 May 2019	FY2019	√	√*	√	√	√

\* Includes live briefing

**INVESTOR AND ANALYST MEETINGS**

We engage with the investment community regularly through various forms of meetings, including one-on-one meetings, group meetings, breakfast briefings and tele-conferences. The IR team analyses and monitor the Group's investors profile regularly including the investment styles and geographical locations to facilitate the planning of our investor relations engagement programme. This proactive approach has enabled us to reach out to investors more effectively and efficiently. As a result, there was an increase in the number of investor meetings conducted as well as analysts and fund managers meeting during the year. Our discussions generally revolve around the Group's financial and business performance, strategic directions and macroeconomic outlook.

During the year, we hosted two "breakfast chats" with the equity analysts. The sessions were well received by the analysts as it allowed them to have in-depth discussions with our Group Chief Executive Officer and Group Chief Financial Officer. From time to time, the IR team organises "thematic" or ad-hoc analyst briefings which provide additional insights on the Group's views and risk assessment outcomes in relation to certain market events.

Below is a summary of meetings held:

	FY2019		FY2018	
	Meetings	Attendees	Meetings	Attendees
One-on-One/Small Group Meetings	38	111	31	126
Tele-Conferences	10	51	8	73
Analyst Briefings	4	230	4	183
Breakfast Briefings	2	28	4	51
Conferences/Non-Deal Roadshows	40	92	11	23

**CONFERENCES AND NON-DEAL ROADSHOWS**

Our management representatives actively participate in conferences and non-deal roadshows ("NDR") organised by various research houses and equity brokers as means to deepen the engagement with our existing shareholders and broaden our reach to prospective investors.

Below is the list of conferences and non-deal roadshows that our Management representatives had participated in FY2019:

Date	Event	Location
7 - 8 June 2018	DBS Non-Deal Roadshow	Hong Kong
11 June 2018	DBS Non-Deal Roadshow	Singapore
3 October 2018	UBS Malaysia Corporate Day 2018	Singapore
6 December 2018	Citi ASEAN Top Picks 2018 Corporate Day	Kuala Lumpur
9 January 2019	J.P. Morgan ASEAN Banks 1x1 Forum	Singapore
10 January 2019	DBS Pulse of Asia Conference	Singapore
11 January 2019	Fixed Income Investor Presentation	Singapore

**CREDIT RATING**

The IR team plays a vital role to ensure continuous engagement with the rating agencies, namely RAM Ratings ("RAM"), Moody's Investors Services (Moody's) and Standard and Poor's ("S&P"). Credit rating agencies are given regular updates on the Group's financial performance focusing on asset quality, capital and liquidity. The Group received two credit rating upgrades during the financial year 2019, whereby AMMB Holdings Berhad's credit rating was upgraded by RAM to AA2 in December 2018 and Moody's upgraded AmBank (M) Berhad's credit rating to A3 in March 2019.

## PRINCIPLE C

## Relationship with Stakeholders

## SUSTAINABILITY

Investors are increasingly placing more emphasis on sustainable and responsible business practices when evaluating their investment decisions. We recognised that sustainability is about managing risks and opportunities in a way that best balances the long-term needs of all our stakeholders – our customers, employees, suppliers, investors and community partners – as well as the wider community and the environment at large.

Our sustainability agenda aims to address the matters that we believe are the most material for our business and stakeholders, now and in the future. We also understand that this is an evolving agenda and seek to progressively embed the sustainability matters into our daily operations and business practices, while also anticipating and shaping the emerging social issues where we have the skills and experience to make a meaningful difference and drive business value. More on our sustainability practices can be found on pages 76 to 132.

## CORPORATE WEBSITE

The Investor Relations section is available on the Group's corporate website at [ambankgroup.com](http://ambankgroup.com), which contains corporate governance and investor-related information on AmBank Group such as corporate profile, Board of Directors, annual reports, quarterly financial results, investor presentations, news releases, credit ratings, notices of AGM and Extraordinary General Meeting, etc. as well as our investor relations calendar.

The Group's financial results, material press releases, notices of dividends and other ad-hoc announcements are also available on the Bursa Malaysia's website. Investors and stakeholders can reach out to the AmBank Group IR team via email at [ir@ambankgroup.com](mailto:ir@ambankgroup.com) should they require further information or assistance on investor-related matters.

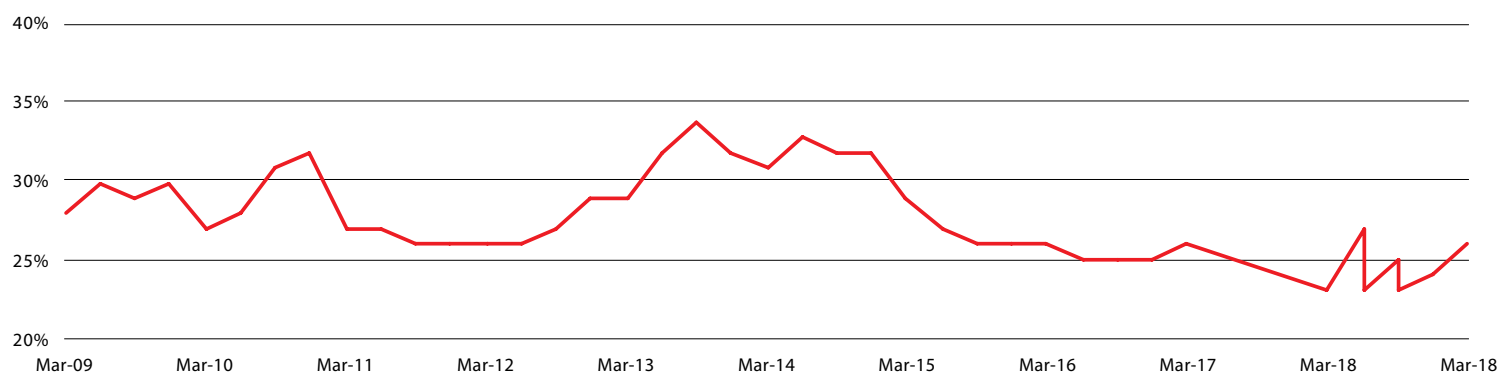
## ANALYST COVERAGE

AmBank Group is presently covered by analysts from the following local and foreign research houses:

No.	Research House
1	Affin Hwang Capital
2	AllianceDBS Research
3	CIMB Investment Bank Berhad
4	Citi Investment Research
5	CLSA Securities Malaysia
6	Hong Leong Investment Bank
7	HSBC Ltd (Singapore)
8	JP Morgan Securities
9	KAF - Seagroatt & Campbell Securities
10	Kenanga Investment Bank

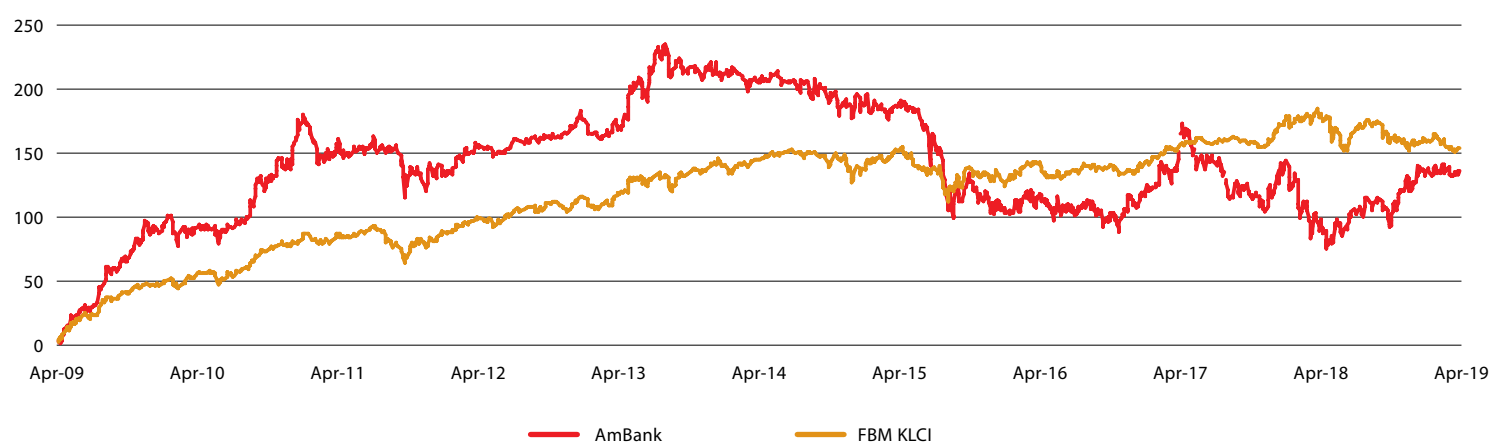
No.	Research House
11	Macquarie Capital Securities
12	Maybank Investment Bank
13	MIDF Amanah Investment Bank
14	Nomura Securities Malaysia
15	Public Investment Bank
16	RHB Research Institute
17	TA Securities
18	UOB Kay Hian

**Foreign Shareholding Analysis**  
(31 March 2009 – 31 March 2019)

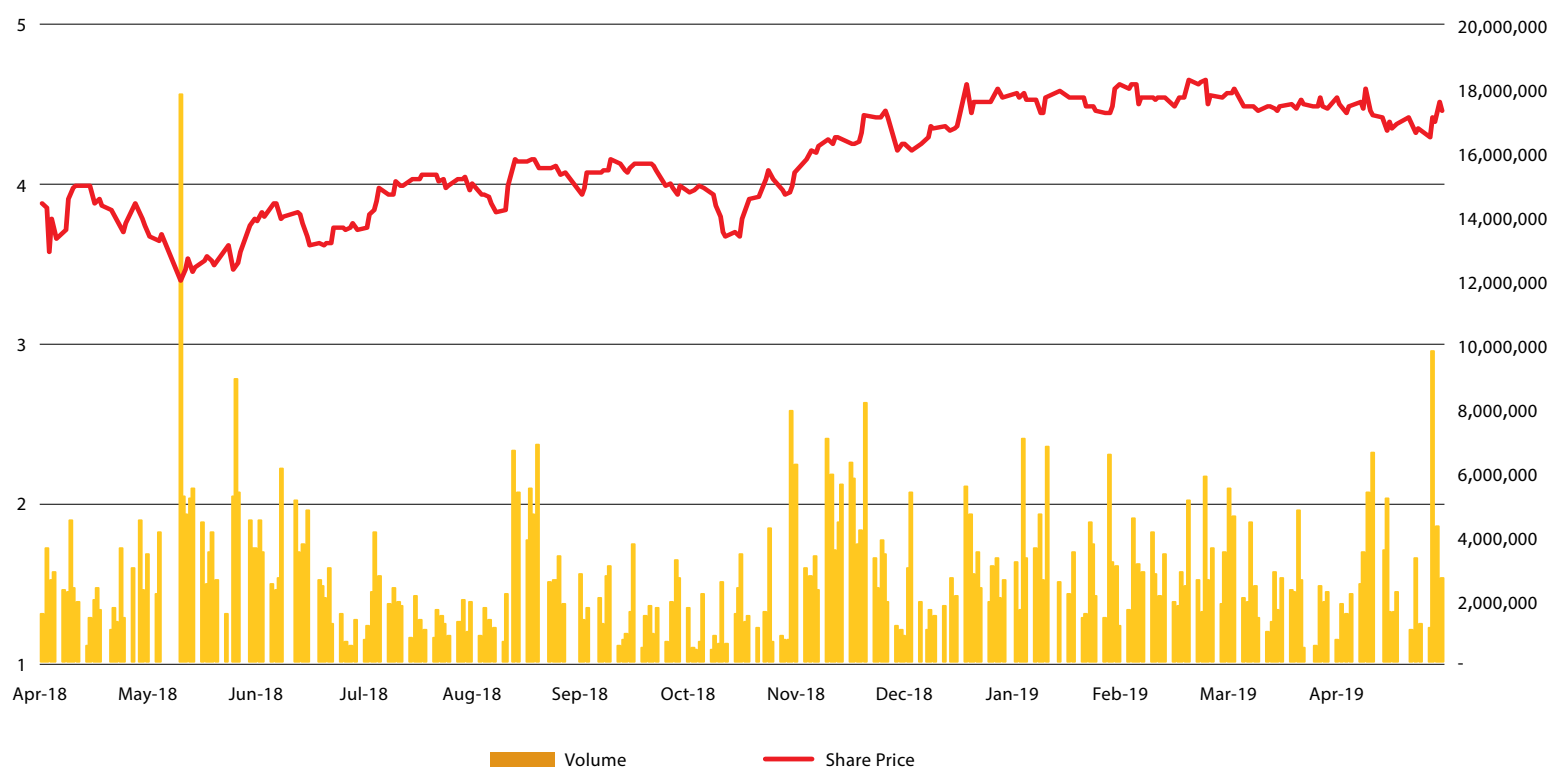


**PRINCIPLE C****Relationship with Stakeholders**

**Shareholders' Returns**  
(1 April 2009 – 31 May 2019)



**Share Price and Volume**  
(2 April 2018 – 31 May 2019)

**STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE AUDITED FINANCIAL STATEMENTS**

The Board is required by the Companies Act 2016 to prepare financial statements for each financial year which give a true and fair view of the Group and its state of affairs, results and cash flows, at the end of the financial year. Following discussions with the statutory external auditors, the Directors consider that the appropriate accounting policies have been consistently applied and supported by reasonable as well as prudent judgments and estimates, and that all accounting standards which they consider applicable have been followed during the preparation of the financial statements.

The Board of Directors is responsible for ensuring that the Group keeps accounting records which are disclosed with reasonable accuracy, and for ensuring that the financial statements comply with the Companies Act 2016. The Board and Board Committees have the general responsibility for taking such steps to safeguard the assets of the Group.

# Statement on Risk Management and Internal Control

The Board of Directors ("Board") is responsible for the Group's risk management and internal control system and for reviewing its adequacy and integrity. The Board has instituted an on-going process for identifying, evaluating and managing the significant risks faced by the Group throughout the financial year under review. This process is regularly reviewed by the Board and accords with the guidance on internal control, *Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Issuers*.

In establishing and reviewing the risk management and internal control system, the Directors have considered the materiality of relevant risks, the likelihood of losses being incurred and the cost of control. Accordingly, the purpose of the risk management and internal control system is to manage and minimise rather than eliminate the risk of failure to achieve the policies and objectives of the Group and to provide reasonable but not absolute assurance against risk of material misstatement or losses.

The Board is assisted by the Risk Management Committee of the Board ("RMC") to oversee the governance of risks within the Group and ensure that there is effective infrastructure in place i.e. (policies, frameworks, processes, resources and systems) to manage risk as well as Management activities in identifying, assessing, controlling and monitoring risks. The Board is also assisted by Audit and Examination Committee of the Board ("AEC") to provide independent oversight of the Group's financial reporting and internal control systems that facilitates appropriate checks and balances within the Group.

Periodic summary reports were provided by RMC and AEC to keep the Board informed of the Board Committee's work, key deliberations and decisions on delegated matters.

The Management assists the Board in the implementation of the Board's policies on risk management and internal control by identifying and evaluating the risks faced by the Group for consideration by the Board and designs, operates and monitors the system of risk management and internal control to mitigate and control the risks.

## CONCLUSION

For the year under review, the Board has received the reports of the AEC and RMC. An annual assessment of the effectiveness of risk and internal control processes has been conducted and the Chief Risk Officer has provided assurance to the Chief Executive Officer and Chief Financial Officer. The Chief Executive Officer and Chief Financial Officer have then provided assurance to the Board that the Group's risk management and internal control system is operating adequately and effectively in all material aspects, based on the risk management model adopted by the Group.

The Board is of the view that the risk management and internal control system in place for the year under review and, up to the date of issuance of the financial statements, is adequate and effective to safeguard shareholders' investment, the interests of customers, regulators and employees, and the Group's assets.

## KEY RISK MANAGEMENT AND INTERNAL CONTROL PROCESSES

The Group has adopted a coordinated and formalised approach to risk management and internal control, which is operationalised through the "Three Lines of Defense" concept. The Business Units form the first line of defense, Risk and Compliance form the second line of defense while Internal Audit forms the third line of defense. The key risk management and internal control processes are implemented via the following:

- The RMC of the Company and its major subsidiaries assist the Board in the oversight of the overall risk management structure. At Senior Management level, a number of management-level risk committees have been established to assist the Board to holistically manage the risks and businesses of the Group. These committees, namely the Group Management Committee, Group Management Risk Committee, Group Asset and Liability Committee, Group Management Governance and Compliance Committee, Credit and Commitments Committee and Watchlist and Classification Committee, address all classes of risk within Board delegated mandates: balance sheet risk, credit risk, legal risk, operational risk, market risk, Shariah risk, compliance risk, regulatory compliance risk, reputational risk, product risk and business and IT project risk.
- Risk management principles, policies, practices, methodologies and procedures are made available to appropriate staff in the Group. These are regularly updated to ensure they remain relevant and in compliance with regulatory requirements. The policies, methodologies and procedures are enhanced whenever required to meet the changes in operating environment and/ or for continuous improvement in risk management.
- The organisational structure is designed to clearly define the accountability, reporting lines and approving authorities to build an appropriate system of checks and balances, corresponding to the business and operations activities' needs. This includes the empowerment and setting of authority limits for proper segregation of duties.

## Statement on Risk Management and Internal Control

- The AEC of the Company and its major subsidiaries assist the Board to evaluate the adequacy and effectiveness of the Group's internal controls systems. The AEC reviews the Group's financial statements and reports issued by Group Internal Audit and the external auditors and follow up on corrective actions taken to address issues raised in the reports.
- The Shariah Committee is responsible and accountable on matters related to Shariah. These include advising the Board and Management on Shariah matters as well as endorsing and validating products and services, Shariah policies and the relevant documentation in relation to Islamic Banking operations. The Shariah Committee also provides advice and guidance on management of zakat fund, charity and other social programmes or activities.
- The Shariah Oversight Committee is established as a sub-committee of the Shariah Committee to assist the Shariah Committee in discharging its responsibilities relating to the oversight of the Shariah Review function. In addition, the Shariah Oversight Committee is to assess the work carried out by Group Internal Audit relating to the Shariah Audit function and Shariah Risk Unit relating to Shariah Risk Management function in order to ensure compliance with Shariah matters.
- Group Internal Audit conducts independent risk-based audits and provides assurance that the design and operation of the risk and control framework across the Group is effective. The AECs review the work of the Group Internal Audit Department, including reviewing its audit plans, progress, reports issued and status of resolution of key audit findings highlighted.
- The Group's focus is on achieving sustainable and profitable growth within its risk management framework. The Group's annual strategic business plans and budgets are prepared by the Group's business divisions and submitted to the Board for approval. Progress of the Group's business plans and performance achievements are rigorously tracked and reviewed against budget in monthly review meetings and specific taskforce set up for the purposes of monitoring our key focus areas allowing for timely responses and corrective actions to be taken to mitigate risks.
- The Group emphasises human resource development and training as it recognises the value of its staff in contributing to its growth. There are proper guidelines within the Group for staff recruitment, promotion and performance appraisals to promote a high performance culture by rewarding high performers and counseling poor performers. Our Short Term Incentive ("STI") and Long Term Incentive ("LTI") are used primarily to reward and encourage outstanding individuals for their contribution to value creation while protecting the shareholders' interest. Structured talent management and training programmes are developed to ensure staff are adequately trained and competent in discharging their responsibilities and to identify future leaders for succession planning.
- A Code of Ethics has been formulated to protect and enhance the Group's reputation for honesty and integrity. The Code of Ethics is based on the following principles: compliance with the law both in letter and in spirit, the Code and AmBank Group is policies and procedures; upholding the highest level of integrity and acting with honesty and professionalism; identifying and managing conflicts of interest responsibly; ensuring completeness and accuracy of underlying records, financial or otherwise; ensuring fair and equitable treatment to all; and ensuring confidentiality of information and transactions.
- The Code of Conduct, launched in March 2018, represents the Group's commitment to uphold, maintain and demonstrate a high level of integrity, professionalism and ethical conduct. The Code of Conduct provides a clear direction in conducting business and interacting with community, government and business partners as well as general workplace behaviour. The Code of Ethics above is a subset of the Code of Conduct. The Code of Conduct was established by the Board. The Board takes a leadership role in shaping and driving the governance of, and compliance with, policies and practices via key management committees, Group Risk, Group Legal, Group Compliance, Group Internal Audit, Group Information Services, Group Finance and Group Human Resource. The Code of Conduct was developed according to a value-based approach which consists of five key areas: Message from our Chairman and Group CEO, Ethical Standards, Company and People, Marketplace and Commitment to Sustainability.
- The Group has put in place a compliance framework to promote the safety and soundness of the Group by minimising financial, reputational and operational risks arising from regulatory non-compliance. The Group believes in and embraces a stronger compliance culture to reflect a corporate culture of high ethical standards and integrity where the Board and Senior Management lead by example. The Group continues to exercise and enhance its due diligence governance process and remains vigilant towards emerging risk as well as sensitive towards heightened regulatory surveillance and enforcement.
- Training is provided to employees of the Group on relevant legal and regulatory requirements governing its activities and guidance on implementation of internal controls to manage compliance risk.

### REVIEW OF STATEMENT BY EXTERNAL AUDITORS

As required by Bursa Malaysia's Main Listing Requirements Paragraph 15.23, the external auditors have reviewed this Statement on Risk Management and Internal Control. Their limited assurance review was in accordance with Audit and Assurance Practice Guide 3: *Guidance for Auditors on Engagements to Report on the Statement of Risk Management and Internal Control included in the Annual Report*, issued by the Malaysian Institute of Accountants. This does not require the external auditors to form an opinion on the adequacy and effectiveness of the risk management and internal control systems of the Group. Based on their review, the external auditors have reported to the Board that nothing had come to their attention that causes them to believe that this statement is inconsistent with their understanding of the processes the Group had adopted in the review of the adequacy and integrity of the risk management and internal control system of the Group.



# Additional Disclosures

(Pursuant to MMLR of Bursa Securities)

## 1. MATERIAL CONTRACTS

Save as disclosed below, there is no material contract entered into by the Group, involving the interest of the directors, chief executive who is not a director or major shareholders, either still subsisting at the end of the financial year or, if not then subsisting, entered into since the end of the previous financial year:

- (a) Sale and Purchase Agreement dated 3 January 2019 between AmBank (M) Berhad, a 100% owned subsidiary of AMMB, and Aiqon Amanah Sdn Bhd in relation to the sale of conventional non-performing loans for a cash consideration of RM428.11 million. The transaction was completed on 22 February 2019 and the consideration was fully settled.
- (b) Sale and Purchase Agreement dated 3 January 2019 between AmBank Islamic Berhad, a 100% owned subsidiary of AMMB, and Aiqon Islamic Sdn Bhd in relation to the sale of Islamic non-performing financing for a cash consideration of RM125.80 million. The transaction was completed on 5 March 2019 and the consideration was fully settled.

The major shareholder of Aiqon Amanah and Aiqon Islamic, En. Ibrahim Hussain, is a person connected to Tan Sri Azman Hashim (the Chairman and major shareholder of AMMB) as he is Tan Sri Azman Hashim's son-in-law.

## 2. UTILISATION OF PROCEEDS RAISED FROM CORPORATE PROPOSALS

During FY2019, the following issuances were made by the Group:

- a) RM1,000.0 million Subordinated Notes (Tranche 6) issued on 15 November 2018 under the RM4.0 billion Tier 2 Subordinated Notes Programme by AmBank (M) Berhad;

- b) RM500.0 million Subordinated Sukuk Murabahah (Tranche 7) issued on 18 October 2018 under the RM3.0 billion Subordinated Sukuk Murabahah Programme by AmBank Islamic Berhad.

The proceeds raised by AmBank (M) Berhad and AmBank Islamic Berhad have been utilised for working capital and general banking purposes.

## 3. RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE

Pursuant to paragraph 10.09(2)(b), Part E, Chapter 10 of the MMLR of Bursa Securities, the details of the recurrent related party transactions conducted with the Related Parties and their subsidiaries and associated companies, where applicable during FY2019 pursuant to the Shareholders' Mandate, are set out in the table below:

Related Parties	Nature of Transaction	Actual Value (RM'000)	Relationship with the Company
Amcorp Group Berhad	Provision of travelling arrangements	2,504	Companies in which a Director and major shareholder were deemed to have an interest
Australia and New Zealand Banking Group Limited ("ANZ")	Provision of technical services and business collaboration	-	
Modular Group <sup>#</sup>	Provision of electronic card technologies and services	477	

Note:

<sup>#</sup> Modular Group ceased to be a related party on 25 January 2019.

# Analysis of Shareholdings

As at 31 May 2019

Total Number of Issued Shares: 3,014,184,844 Ordinary Shares  
 Class of Share: Ordinary Share  
 Voting Rights: 1 Vote Per Ordinary Share On A Poll  
 Number of Shareholders: 23,268

## DISTRIBUTION OF SHAREHOLDERS BASED ON SIZE OF SHAREHOLDINGS

Size of Shareholdings	No. of Shareholders	% of Shareholders	No. of Shares	% of Shareholdings
Less than 100	1,977	8.50	50,360	0.00
100 – 1,000	6,033	25.93	4,214,990	0.14
1,001 – 10,000	11,318	48.64	45,311,568	1.50
10,001 – 100,000	3,119	13.40	88,400,105	2.93
100,001 to less than 5% of the issued shares	819	3.52	1,950,734,801	64.72
5% and above of issued shares	2	0.01	925,473,020	30.71
<b>Total</b>	<b>23,268</b>	<b>100.00</b>	<b>3,014,184,844</b>	<b>100.00</b>

## SUBSTANTIAL SHAREHOLDERS BASED ON REGISTER OF SUBSTANTIAL SHAREHOLDERS

Substantial Shareholder	No. of Shares			
	Direct Interest	%	Indirect Interest	%
Tan Sri Azman Hashim	-	-	391,069,003 <sup>1</sup>	12.97
ANZ Funds Pty Limited	716,841,483	23.78	-	-
Australia and New Zealand Banking Group Limited	-	-	716,841,483 <sup>2</sup>	23.78
Amcorp Group Berhad	391,069,003	12.97	-	-
Clear Goal Sdn Bhd	-	-	391,069,003 <sup>1</sup>	12.97
Employees Provident Funds Board	228,559,837	7.58	-	-

Notes:

- 1 Deemed interested by virtue of Section 8(4) of the Companies Act, 2016 held through Amcorp Group Berhad.  
 2 Deemed interested by virtue of Section 8(4) of the Companies Act, 2016 held through ANZ Funds Pty Limited.

## DIRECTORS AND CHIEF EXECUTIVE'S INTEREST IN THE COMPANY AND ITS SUBSIDIARIES

Name of Director	No. of Shares			
	Direct Interest	%	Indirect Interest	%
Tan Sri Azman Hashim	-	-	391,069,003 <sup>1</sup>	12.97
Graham Kennedy Hodges	-	-	-	-
Soo Kim Wai	-	-	-	-
Voon Seng Chuan	-	-	-	-
Datuk Shireen Ann Zaharah binti Muhiudeen	-	-	-	-
Seow Yoo Lin	-	-	-	-
Farina binti Farikhullah Khan	-	-	-	-
<b>Group Chief Executive Officer<sup>2</sup></b>				
Dato' Sulaiman bin Mohd Tahir	68,500	#	-	-

Note:

- 1 Deemed interested by virtue of Section 8(4) of the Companies Act, 2016 held through Amcorp Group Berhad.

Tan Sri Azman Hashim, by virtue of his interest in the shares of AMMB Holdings Berhad ("AMMB"), is also deemed to have an interest in the shares of the subsidiaries of AMMB to the extent that AMMB has an interest.

- 2 The Group Chief Executive Officer is not a director of the Company.  
 # Negligible.

## Analysis of Shareholdings

As at 31 May 2019

### 30 LARGEST SHAREHOLDERS BASED ON RECORD OF DEPOSITORS

(Without aggregating the securities from different securities accounts belonging to the same Depositor)

	Names	No. of Shares	%
1.	ANZ Funds Pty Limited	716,841,483	23.78
2.	Citigroup Nominees (Tempatan) Sdn Bhd Employees Provident Fund Board	208,631,537	6.92
3.	Amcorp Group Berhad	138,574,003	4.60
4.	CIMB Group Nominees (Tempatan) Sdn Bhd CIMB Bank Berhad (EDP 2)	116,721,416	3.87
5.	CIMB Group Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Amcorp Group Berhad (AGB CBC2)	108,600,000	3.60
6.	CIMSEC Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Amcorp Group Berhad (EDG)	91,945,000	3.05
7.	AmanahRaya Trustees Berhad Amanah Saham Bumiputera	79,656,000	2.64
8.	Kumpulan Wang Persaraan (Diperbadankan)	74,924,500	2.49
9.	AmanahRaya Trustees Berhad Amanah Saham Malaysia 2 - Wawasan	71,180,400	2.36
10.	HSBC Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Amcorp Group Berhad	44,200,000	1.47
11.	AmanahRaya Trustees Berhad Amanah Saham Malaysia 3	42,345,200	1.40
12.	Cartaban Nominees (Asing) Sdn Bhd Exempt An For State Street Bank & Trust Company (WEST CLT OD67)	36,637,112	1.22
13.	AmanahRaya Trustees Berhad Amanah Saham Malaysia	35,539,400	1.18
14.	HSBC Nominees (Asing) Sdn Bhd JPMCB NA for Vanguard Emerging Markets Stock Index Fund	32,420,345	1.08
15.	Cartaban Nominees (Tempatan) Sdn Bhd PAMB for PRULink Equity Fund	32,371,200	1.07
16.	Citigroup Nominees (Tempatan) Sdn Bhd Great Eastern Life Assurance (Malaysia) Berhad (Par 1)	30,438,900	1.01
17.	HSBC Nominees (Asing) Sdn Bhd JPMCB NA for Vanguard Total International Stock Index Fund	28,983,120	0.96
18.	Citigroup Nominees (Tempatan) Sdn Bhd Exempt An For AIA Bhd	27,847,384	0.92

## Analysis of Shareholdings

as at 31 May 2019

	Names	No. of Shares	%
19.	Maybank Nominees (Tempatan) Sdn Bhd Maybank Trustees Berhad for Public Regular Savings Fund (N14011940100)	24,484,400	0.81
20.	Citigroup Nominees (Asing) Sdn Bhd CBNY for Dimensional Emerging Markets Value Fund	20,905,262	0.69
21.	Pertubuhan Keselamatan Sosial	18,853,130	0.63
22.	Citigroup Nominees (Asing) Sdn Bhd Exempt An For Citibank New York (Norges Bank 14)	16,799,400	0.56
23.	Citigroup Nominees (Tempatan) Sdn Bhd Employees Provident Fund Board (CIMB PRIN)	14,631,200	0.49
24.	Cartaban Nominees (Asing) Sdn Bhd GIC Private Limited for Government of Singapore (C)	14,473,300	0.48
25.	DB (Malaysia) Nominee (Asing) Sdn Bhd SSBT Fund TC3H for California State Teachers Retirement System	13,701,300	0.45
26.	Citigroup Nominees (Asing) Sdn Bhd Exempt An For Citibank New York (Norges Bank 1)	13,681,000	0.45
27.	Citigroup Nominees (Asing) Sdn Bhd CBNY For Emerging Market Core Equity Portfolio DFA Investment Dimensions Group Inc	13,303,650	0.44
28.	HSBC Nominees (Asing) Sdn Bhd HSBC-FS For Manulife Pacific Asia Equity Fund	13,213,100	0.44
29.	HSBC Nominees (Asing) Sdn Bhd TNTC for Mondrian Emerging Markets Equity Fund L.P.	13,197,100	0.44
30.	DB (Malaysia) Nominee (Asing) Sdn Bhd The Bank of New York Mellon For Florida Retirement System	13,032,600	0.43

# Top 10 Properties of AmBank Group

The top ten properties (excluding those classified under Assets held for sale) owned by the Group are as follows:

Location	Description	Age of Property	Tenure	Net Book Value (RM '000)	Built-Up Area (Sq. Ft.)	Date of Acquisition
Damansara Fairway 3 6C, Persiaran Tropicana Tropicana Golf & Country Resort 47410 Petaling Jaya	One unit of thirteen-storey office building for operations	28 years	Leasehold Term: 99 years Expiry: 25 Oct 2090	13,017.55	76,120	13 Oct 2000
Wisma AmBank 113, Jalan Pudu 55100 Kuala Lumpur	One unit of twelve-storey office building for operations and branch premises	33 years	Freehold	12,400.09	55,700	4 Nov 1991
257, Jalan Haji Taha 93400 Kuching	Seven-storey office building for branch premises and rental	20 years	Leasehold Term: 855 years Expiry: Jul 2792	8,786.72	51,906	31 Dec 1994
2 & 4, Jalan 23/70A Desa Sri Hartamas 55048 Kuala Lumpur	Two units of four-storey shoplots for rental purposes	20 years	Freehold	2,709.85	13,504	23 Apr 1998
19-01 to 19-04 & 20-01 to 20-04 Susur 4 Jalan Tun Abdul Razak 80100 Johor Bahru	Two units of four-storey shopoffices with mezzanine for operations	15 years	Leasehold Term: 99 years Expiry: 29 Sep 2096	2,347.10	10,587	13 Oct 1998
85, 87, 89, 107, 109 Jalan 3/93, Taman Miharja 55200 Kuala Lumpur	Six units of three-storey shoplots for rental purposes	29 years	Leasehold Term: 99 years Expiry: 11 Aug 2086	1,854.32	30,528	9 Mar 1992
12, 12a & 12b Jalan Padi Satu Bandar Baru Uda 81200 Johor Bharu	One unit of three-storey shopoffice for operations	26 years	Freehold	1,736.98	9,363	21 Feb 2000
35 & 36 - Phase 1 Prai Business Point 322 Prai Perdana 12000 Seberang Prai	Two units of vacant three-storey shopoffices	19 years	Freehold	1,128.00	10,307	28 Nov 1998
22 & 23 Jalan Dato' Lee Fong Yee 70000 Seremban	Two units of four-storey shoplots for branch premises	34 years	Freehold	888.00	22,000	15 Mar 1990
1 & 3, Lorong Murni 6 Taman Desa Murni Sungai Dua 13800 Butterworth	Two units of double-storey shoplots for branch premises	27 years	Freehold	416.91	7,200	28 Nov 1996



# Notice of Twenty-Eighth Annual General Meeting

**NOTICE IS HEREBY GIVEN THAT** the Twenty-Eighth ("28<sup>th</sup>") Annual General Meeting ("AGM") of AMMB Holdings Berhad ("AMMB" or "the Company") will be held at the Grand Ballroom, First Floor, Sime Darby Convention Centre, 1A Jalan Bukit Kiara 1, 60000 Kuala Lumpur, Malaysia on Wednesday, 31 July 2019 at 10.00 a.m. for the following purposes:

AGENDA		RESOLUTION
<b>As Ordinary Business</b>		
1.	To receive the Audited Financial Statements for the financial year ended 31 March 2019 together with the Reports of the Directors and Auditors thereon.	[Please refer to Note B (i)]
2.	To approve the payment of Directors' fees of RM1,410,000 for the financial year ended 31 March 2019.	<b>Ordinary Resolution 1</b>
3.	To approve the payment of benefits payable to the Directors (excluding Directors' fees) up to an aggregate amount of RM2,500,000 for the period from 1 August 2019 until the next AGM of the Company.	<b>Ordinary Resolution 2</b>
4.	To re-elect the following Directors who retire by rotation pursuant to Clause 94 of the Company's Constitution: i. Graham Kennedy Hodges ii. Tan Sri Azman Hashim	<b>Ordinary Resolution 3</b> <b>Ordinary Resolution 4</b>
5.	To re-appoint Messrs Ernst & Young as Auditors of the Company and to authorise the Directors to determine their remuneration.	<b>Ordinary Resolution 5</b>
<b>As Special Business</b>		
To consider and if thought fit, to pass the following resolutions:		
6.	<b>Proposed Renewal of Authority to Allot and Issue New Ordinary Shares in the Company for the Purpose of the Company's Dividend Reinvestment Plan</b>  "THAT the Directors of the Company be and are hereby authorised to allot and issue such number of new ordinary shares in the Company from time to time as may be required for the purpose of the Company's Dividend Reinvestment Plan as approved at the Extraordinary General Meeting of the Company held on 2 September 2010, which gives the shareholders of the Company the option to elect to reinvest their cash dividend entitlements in new ordinary shares of the Company."	<b>Ordinary Resolution 6</b>
7.	<b>Proposed Authority to Allot and Issue New Ordinary Shares Pursuant to Sections 75 and 76 of the Companies Act, 2016</b>  "THAT subject to the approvals of the relevant authorities and pursuant to Sections 75 and 76 of the Companies Act, 2016, the Directors be and are hereby authorised to allot and issue new ordinary shares in the Company at any time, to such persons and upon such terms and conditions and for such purposes as the Directors may, in their absolute discretion deem fit, provided that the aggregate number of shares to be issued pursuant to this resolution does not exceed ten percent (10%) of the total number of issued shares of the Company for the time being.  THAT the Directors be and are hereby empowered to obtain the approval for the listing of and quotation for the additional shares so issued on Bursa Malaysia Securities Berhad.  AND THAT such authority shall continue to be in force until the conclusion of the next Annual General Meeting of the Company."	<b>Ordinary Resolution 7</b>
8.	<b>Proposed Renewal of Existing Shareholder Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature with Australia and New Zealand Banking Group Limited Group</b>  "THAT the shareholder mandate for the Company and/or its subsidiaries to enter into recurrent related party transactions of a revenue or trading nature with Australia and New Zealand Banking Group Limited and any of its subsidiaries and/or associated companies ("ANZ Group") which are necessary for the day-to-day operations of the Company and/or its subsidiaries in the ordinary course of business on terms not more favourable to ANZ Group than those generally available to and/or from the public and which are not detrimental to the minority shareholders of the Company, particulars of which are set out in Part 2.2.1 of Section 2.2 of the Circular to Shareholders dated 28 June 2019 be hereby renewed and to continue in force until the conclusion of the next Annual General Meeting of the Company.  AND THAT the Directors of the Company be and are hereby authorised to complete and do all such acts and things as they may consider expedient or necessary or in the interests of the Company and/or its subsidiaries and to give effect to the transactions contemplated and/or authorised by this resolution."	<b>Ordinary Resolution 8</b>

## Notice of Twenty-Eighth Annual General Meeting

<p>9. <b>Proposed Renewal of Existing Shareholder Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature with Amcorp Group Berhad Group</b></p> <p>“THAT the shareholder mandate for the Company and/or its subsidiaries to enter into recurrent related party transactions of a revenue or trading nature with Amcorp Group Berhad and any of its subsidiaries and/or associated companies (“Amcorp Group”) which are necessary for the day-to-day operations of the Company and/or of its subsidiaries in the ordinary course of business on terms not more favourable to Amcorp Group than those generally available to and/or from the public and which are not detrimental to the minority shareholders of the Company, particulars of which are set out in Part 2.2.2 of Section 2.2 of the Circular to Shareholders dated 28 June 2019 be hereby renewed and to continue in force until the conclusion of the next Annual General Meeting of the Company.</p> <p>AND THAT the Directors of the Company be and are hereby authorised to complete and do all such acts and things as they may consider expedient or necessary or in the interests of the Company and/or its subsidiaries and to give effect to the transactions contemplated and/or authorised by this resolution.”</p>	<p><b>Ordinary Resolution 9</b></p>
<p>10. To transact any other business of which due notice shall have been received.</p>	

FURTHER NOTICE IS HEREBY GIVEN THAT for the purpose of determining a member who shall be entitled to attend this 28<sup>th</sup> AGM, the Company shall be requesting from Bursa Malaysia Depository Sdn. Bhd. in accordance with the provisions under Clauses 67(1), 67(2) and 67(3) of the Company’s Constitution and Section 34(1) of the Securities Industry (Central Depositories) Act 1991 to issue a General Meeting Record of Depositors (“ROD”) as at 25 July 2019. Only a depositor whose name appears in the ROD as at 25 July 2019 shall be entitled to attend this 28<sup>th</sup> AGM or appoint a proxy(ies) to attend, speak and vote on his/her behalf.

### By Order of the Board

**Koid Phaik Gunn** (MAICSA 7007433)  
Group Company Secretary

Kuala Lumpur  
28 June 2019

### NOTES:

#### (A) Appointment of Proxy

- (1) A member of the Company entitled to attend and vote at the AGM is entitled to appoint more than one (1) proxy to attend and vote on his/her behalf, provided he/she specifies the proportion of his/her shareholdings to be represented by each proxy. All resolutions set out in the Notice of the 28<sup>th</sup> AGM will be put to vote by way of poll.
- (2) A proxy need not be a member of the Company. There shall be no restriction as to the qualification of the proxy. A proxy appointed to attend and vote at the AGM shall have the same rights as the member to speak at the AGM.
- (3) Where a member of the Company is an authorised nominee as defined in the Securities Industry (Central Depositories) Act, 1991 (“SICDA”), it may appoint more than one (1) proxy in respect of each securities account it holds in ordinary shares of the Company standing to the credit of the said securities account. The appointments shall be invalid unless the proportion of shareholdings to be represented by each proxy is specified in the instrument appointing the proxies.
- (4) Where a member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account (“omnibus account”), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds. An exempt authorised nominee refers to an authorised nominee defined under the SICDA which is exempted from compliance with the provisions of subsection 25A(1) of SICDA. The appointments shall be invalid unless the proportion of shareholdings to be represented by each proxy is specified in the instrument appointing the proxies.
- (5) The instrument appointing a proxy shall be in writing under the hand of the appointor or of his/her attorney duly authorised in writing or if the appointor is a corporation either under seal or under the hand of an officer or attorney of the corporation duly authorised in writing.

## Notice of Twenty-Eighth Annual General Meeting

- (6) If the Form of Proxy is returned without indication as to how the proxy shall vote, the proxy will vote or abstain as he/she thinks fit. If no name is inserted in the space provided for the name of your proxy, the Chairman of the Meeting will act as your proxy.
- (7) The instrument appointing a proxy must be deposited at the office of the Company's Share Registrar, Boardroom Share Registrars Sdn Bhd (formerly known as Symphony Share Registrars Sdn Bhd) at Level 6, Symphony House, Pusat Dagangan Dana 1, Jalan PJU 1A/46, 47301 Petaling Jaya, Selangor Darul Ehsan, Malaysia not less than forty-eight (48) hours before the time appointed for holding the AGM or any adjournment thereof.

### (B) Explanatory Notes to the Agenda

- (i) The Audited Financial Statements are laid out in accordance with Section 340 (1)(a) of the Companies Act, 2016 for discussion only. They do not require shareholders' approval and hence, item 1 of the Agenda will not be put forward for voting.

(ii) **Ordinary Resolution 2 - Directors' Benefits (exclude Directors' Fees)**

The Company is seeking shareholders' approval for the payment of benefits to the Board of Directors of the Company ("the Board"), all of whom are Non-Executive Directors, up to an aggregate amount of RM2,500,000 for the period from 1 August 2019 until the next AGM of the Company.

The estimated amount payable to the Directors for the benefits is based on the assumption that the Company increases the Board composition from the current seven (7) members to eight (8) members.

The Directors' benefits remain unchanged as per the approval obtained at the last AGM held on 31 July 2018.

(iii) **Ordinary Resolution 6 - Proposed Renewal of Authority to Allot and Issue New Ordinary Shares in the Company for the Purpose of the Company's Dividend Reinvestment Plan**

Ordinary Resolution 6, if passed, will empower the Directors of the Company to issue new ordinary shares pursuant to the terms and conditions of the Company's Dividend Reinvestment Plan ("DRP") which are contained in the DRP Statement set out in Appendix I to the Circular to Shareholders dated 11 August 2010 (as may be amended in accordance with the provisions of the said DRP).

The authority conferred by such renewed mandate will be effective from the date of the forthcoming AGM and unless revoked or varied at a general meeting, will expire at the next AGM of the Company.

The Directors of the Company did not allot, or issue ordinary shares pursuant to the authority given by the shareholders at the previous AGM.

(iv) **Ordinary Resolution 7 - Proposed Authority to Allot and Issue New Ordinary Shares Pursuant to Sections 75 and 76 of the Companies Act, 2016**

Ordinary Resolution 7, if passed, will give the Directors of the Company, from the date of the forthcoming AGM, authority to allot and issue new ordinary shares in the Company up to an aggregate amount not exceeding ten percent (10%) of the total number of issued shares of the Company for the time being, as and when the need or business opportunities arise which the Directors consider would be in the interest of the Company and/or in connection with proposals previously approved by the shareholders for issuance of shares. This authority, unless revoked or varied at a general meeting, will expire at the conclusion of the next AGM of the Company.

(v) **Ordinary Resolutions 8 to 9 - Proposed Shareholder Mandates for Recurrent Related Party Transactions of a Revenue or Trading Nature with Australia and New Zealand Banking Group Limited Group and Amcorp Group Berhad Group**

The proposed Ordinary Resolutions 8 to 9, if passed, will enable the Company and/or its subsidiaries ("the Group") to enter into recurrent related party transactions, which are in the ordinary course of business and necessary for the Group's day-to-day operation, subject to the transactions being on terms not more favourable to a related party than those generally available to and/or from the public and are not detrimental to the interests of minority shareholders.

The Proposed Shareholder Mandates are intended to enhance the Group's ability to pursue business opportunities, especially those which are time-sensitive in nature, and will eliminate the need for the Company to convene a separate general meeting on each occasion to seek shareholders' prior approval for such recurrent related party transactions. This would reduce substantial administrative time and expenses associated with the convening of such meetings without compromising corporate objectives of the Group or affecting the business opportunities available to the Group. The Proposed Shareholder Mandates are subject to renewal on an annual basis.

Further information on the Recurrent Related Party Transactions are set out in the Circular to Shareholders of the Company dated 28 June 2019 which is available on the Company's corporate website at [ambankgroup.com/ir](http://ambankgroup.com/ir).

# Statement Accompanying Notice of Annual General Meeting

(Pursuant to Paragraph 8.27(2) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad)

1. Details of persons who are standing for election as Directors (excluding Directors standing for re-election)

No individual is seeking election as a Director at the 28<sup>th</sup> AGM.

2. A statement relating to general mandate for issue of securities in accordance with Paragraph 6.03(3) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

The proposed Ordinary Resolution 7 for the general mandate for issue of securities is a renewal mandate. As at the date of this Notice, no new share was issued pursuant to the said mandate granted to the Directors at the last AGM held on 31 July 2018.

## Personal data privacy:

By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the AGM and/or any adjournment thereof, a member of the Company (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents) for the purpose of the processing and administration by the Company (or its agents) of proxies and representatives appointed for the AGM (including any adjournment thereof), and the preparation and compilation of the attendance lists, minutes and other documents relating to the AGM (including any adjournment thereof), and in order for the Company (or its agents) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "Purposes"), (ii) warrants that where the member discloses the personal data of the member's proxy(ies) and/or representative(s) to the Company (or its agents), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty.

# Administrative Notes



**Day/Date:** Wednesday, 31 July 2019  
**Time:** 10.00 a.m.  
**Venue:** Grand Ballroom, First Floor, Sime Darby Convention Centre ("SDCC"), 1A Jalan Bukit Kiara 1, 60000 Kuala Lumpur, Malaysia.

## 1. REGISTRATION

- a) Registration will commence at 8.00 a.m. and will end at a time directed by the Chairman of the Meeting. Shareholders/Proxies are requested to be punctual.
- b) Please present your original identity card or passport (for non-citizen) to the registration staff for verification purposes.
- c) No person will be allowed to register on behalf of another person even with the original identity card of the other person.
- d) Upon verification, you will be given a QR-coded wristband. You will only be allowed to enter the meeting hall if you are wearing the QR-coded wristband.
- e) **No replacement in the event you lose or misplace the QR-coded wristband.**

## 2. ENTITLEMENT TO ATTEND AND VOTE

- a) Only a member whose name appears in the General Meeting Record of Depositors as at 25 July 2019 shall be eligible to attend the AGM or appoint proxy/proxies to attend and vote on his/her behalf.
- b) If you wish to attend the meeting in person, please do not submit any Form of Proxy. **You will not be allowed to attend the meeting together with the proxy appointed by you.**
- c) If you have submitted your Form of Proxy prior to the Meeting and subsequently decided to attend the Meeting in person, please proceed to the Help Desk counter.
- d) Duly completed Form of Proxy must be deposited at the office of the Company's Share Registrar, Boardroom Share Registrars Sdn Bhd (formerly known as Symphony Share Registrars Sdn Bhd) ("Boardroom") at Level 6, Symphony House, Pusat Dagangan Dana 1, Jalan PJU 1A/46, 47301 Petaling Jaya, Selangor Darul Ehsan, Malaysia no later than Monday, 29 July 2019 at 10.00 a.m.

## 3. HELP DESK

Please proceed to the Helpdesk counter for the following matters:

- a) Any clarification or enquiry, including enquiry on Boardroom Mobile e-Polling App.
- b) To revoke the appointment of your proxy/proxies. Your proxy/proxies will not be allowed to attend the meeting upon your revocation of the appointment.
- c) If you require a copy of the 2019 Integrated Annual Report or Circular to Shareholders.

- d) If you intend to submit written questions for the Meeting, kindly obtain a Question Form from the Helpdesk and submit the completed Question Form to the Helpdesk 30 minutes before the commencement of the Meeting. This process is not intended to curtail your right to speak or raise questions during the Meeting.

## 4. REFRESHMENTS

- a) Coffee/Tea and cookies will be available from 7.00 a.m. to 9.30 a.m.
- b) **No takeaway set meal will be distributed.**

## 5. BASIS OF ENTITLEMENT FOR DOOR GIFT

Shareholder/Proxy will be given Redemption Voucher upon successful registration to be exchanged for a door gift, on the following basis:

- a) Each shareholder will be entitled to one (1) Redemption Voucher.
- b) For a shareholder who appoints more than one proxy, one (1) Redemption Voucher will be given to the proxy who registers first.
- c) If you are a shareholder and also appointed as proxy by another shareholder, you are entitled to two (2) Redemption Vouchers.
- d) If you are a proxy, you are entitled to one (1) Redemption Voucher, regardless of the number of shareholders you represent
- e) If the proxy has obtained the Redemption Voucher, a shareholder who subsequently decided to attend the meeting in person will not be given any voucher.
- f) **No replacement will be given in the event you lose/misplace your Redemption Voucher.**

## 6. VOTING PROCEDURE

Voting at the 28<sup>th</sup> AGM will be conducted on a poll in accordance with paragraph 8.29A of the Main Market Listing Requirement of Bursa Malaysia Securities Berhad.

Boardroom is appointed as the Poll Administrator to conduct the poll by way of electronic voting ("e-voting").

Coopers Professional Scrutineers Sdn Bhd is appointed as the Scrutineer to verify and validate the results of the poll.



## Administrative Notes

Shareholder/proxy may cast his/her vote in any one of the following manner:

### a) Voting via e-voting kiosk

- Voting for the AGM via e-voting kiosk will be conducted at Ballroom 1.
- Each shareholder/proxy will be directed to the e-voting kiosk to cast his/her vote.

### b) Voting via e-voting mobile application

- Voting for the AGM via e-voting mobile application can be done at the AGM hall.
- Shareholders/Proxies are advised to download Boardroom's Mobile e-Polling App from Google Play Store or Apple App Store onto their smartphone devices **before the AGM**.
- Steps to download the Boardroom's Mobile e-Polling App:



- If you require assistance on how to download the Boardroom's Mobile e-Polling App, please contact Boardroom's Helpdesk details as follow:



Helpdesk: 03-7849 0777

BSR.Helpdesk@boardroomlimited.com.my

### Accessing Boardroom's Mobile e-Polling App

- To access Boardroom's Mobile e-Polling App, Voters are required to connect to the WiFi network provided by Boardroom during the e-voting session:



WiFi Name: **Boardroom\_IT**

Note: Password will be provided at the AGM.

- Tap on Boardroom's Mobile e-Polling App icon in your smartphone.
- Select "Scan Passcode" and use the camera function to capture the passcode on your QR coded wristband to access Boardroom's Mobile ePolling App.

## 7. ENQUIRY

If you have general queries prior to the meeting, please contact the following persons during office hours, i.e. from 9.00 a.m. to 5.45 p.m. (Mondays – Fridays):

### Boardroom Share Registrar Sdn Bhd



**Encik Aznal Abdul Majid**

**Encik Azman Mohd Ali**

General: 03-78490777

Fax: 03-78418151/8152

Email: BSR.Helpdesk@boardroomlimited.com.my

## 8. SEATING ARRANGEMENT AND USE OF MOBILE DEVICES

- Free seating. All shareholders/proxies will be allowed to enter the Grand Ballroom from 9.00 a.m. onwards.
- All shareholders/proxies are encouraged to be seated at least ten (10) minutes before the commencement of the AGM.
- Please ensure that all your mobile devices (i.e. phones/other sound emitting devices) are put on silent mode during the entire proceeding of the AGM.

## Administrative Notes

### 9. 2019 INTEGRATED ANNUAL REPORT AND CIRCULAR TO SHAREHOLDERS

The 2019 Integrated Annual Report and Circular to Shareholders are available on the Company's corporate website at [ambankgroup.com/ir](http://ambankgroup.com/ir) and also on the website of Bursa Malaysia Securities Berhad at [bursamalaysia.com](http://bursamalaysia.com) under Company Announcements of AMMB Holdings Berhad.

### 10. PARKING

Indoor parking is available at SDCC (subject to availability).

### 11. FIRST AID

An ambulance is on standby for any medical emergency. Please refer to the Helpdesk/First Aiders should any assistance is required.

### 12. PERSONAL BELONGINGS

Please take care of your personal belongings. The organiser will not be held responsible for any item that has gone missing.

### 13. LOCATION MAP TO SIME DARBY CONVENTION CENTRE

#### Sime Darby Convention Centre

1A, Jalan Bukit Kiara  
60000 Kuala Lumpur, Malaysia.

GPS Coordinates:  
N3 08.297 E101 38.916



# Group Corporate Directory

No	Branch Code	Branch Category	Region	Branch Name	State	Branch Address	General & Fax Line	Banking Hours
1	091	RETAIL A	<b>CENTRAL REGION 1</b>	AMCORP MALL	Selangor	AmBank (M) Berhad G-01, Block A, Menara PJ No. 18, Jalan Persiaran Barat 46050 Petaling Jaya Selangor	ABB: 5618 & 5356 GL: 03-7954 1327 03-7954 4401 Fax: 03-7955 2575	Mon - Thu: 9.00 a.m. to 4:30 p.m. Fri: 9.00 a.m. to 4:00 p.m.
2	066	PRIORITY	<b>CENTRAL REGION 1</b>	JLN YAP KWAN SENG	W.P. Kuala Lumpur	AmBank (M) Berhad Level 1, Bangunan AmBank No 8, Jalan Yap Kwan Seng 50450 Kuala Lumpur	ABB: 5280 GL: 03-2167 6202 DL: 03-2167 6229 03-2167 3657 Fax: 03-2162 1606	Mon - Thu: 9.00 a.m. to 4.30 p.m. Fri: 9.00 a.m. to 4.00 p.m.
3	040	RETAIL A	<b>CENTRAL REGION 1</b>	PETALING JAYA-NEW TOWN	Selangor	AmBank (M) Berhad No. 6, Road 52/4 New Town Centre 46200 Petaling Jaya Selangor	ABB: 5643 & 5644 GL: 03-7956 9077 03-7956 9103 03-7956 3748 Fax: 03-7959 3146	Mon - Thu: 9.00 a.m. to 4.30 p.m. Fri: 9.00 a.m. to 4.00 p.m.
4	217	PRIORITY	<b>CENTRAL REGION 1</b>	PETALING JAYA-SS2	Selangor	AmBank (M) Berhad No. 30, 32 & 34 Jalan SS2/61 47300 Petaling Jaya Selangor	ABB: 5640, 5641 & 5407 GL: 03-7874 0042 03-7874 2350 03-7874 0477 Fax: 03-7874 2517	Mon - Thu: 9.00 a.m. to 4.30 p.m. Fri: 9.00 a.m. to 4.00 p.m.
5	254	RETAIL X	<b>CENTRAL REGION 1</b>	BDR SUNWAY	Selangor	AmBank (M) Berhad No. 12, Jalan PJS 11/28 Bandar Sunway 46150 Petaling Jaya Selangor	GL: 03-5622 2451 03-5622 2452 Fax: 03-5622 2488	Mon - Thu: 9.00 a.m. to 4.30 p.m. Fri: 9.00 a.m. to 4.00 p.m.
6	244	RETAIL B	<b>CENTRAL REGION 1</b>	KOTA DAMANSARA	Selangor	AmBank (M) Berhad No. 23 & 25, Blok T Jalan PJU 5/3 Dataran Sunway Kota Damansara 47810 Petaling Jaya Selangor	GL: 03-6141 7470 03-6141 7471 03-6141 7472 03-6141 7473 Fax: 03-6141 7466	Mon - Thu: 9.00 a.m. to 4.30 p.m. Fri: 9.00 a.m. to 4.00 p.m.
7	138	RETAIL A	<b>CENTRAL REGION 1</b>	SUBANG JAYA	Selangor	AmBank (M) Berhad Lot No. A6 & A7 Jalan SS15/4D 47500 Subang Jaya Selangor	ABB: 5287 GL: 03-5635 0090 03-5636 0093 Fax: 03-5634 5088	Mon - Thu: 9.00 a.m. to 4.30 p.m. Fri: 9.00 a.m. to 4.00 p.m.
8	139	RETAIL A	<b>CENTRAL REGION 1</b>	SUBANG NEW VILLAGE	Selangor	AmBank (M) Berhad No. 8A, Ground Floor Lebuh Raya B Subang New Village 40150 Shah Alam Selangor	ABB: 5288 GL: 03-7846 7053 03-7846 7052 03-7846 7371 Fax: 03-7846 7364	Mon - Thu: 9.00 a.m. to 4.30 p.m. Fri: 9.00 a.m. to 4.00 p.m.
9	078	PRIORITY	<b>CENTRAL REGION 1</b>	USJ	Selangor	AmBank (M) Berhad No 24, Jalan USJ 10/1 USJ Taipan Triangle, UEP 47620 Subang Jaya Selangor	ABB: 5293 & 5355 GL: 03-5631 0878 03-5637 4059 Fax: 03-5637 2899	Mon - Thu: 9.00 a.m. to 4.30 p.m. Fri: 9.00 a.m. to 4.00 p.m.
10	252	RETAIL X	<b>CENTRAL REGION 1</b>	USJ SENTRAL	Selangor	No. 5 & 7 Jln USJ Sentral 2, USJ Sentral 47620 Subang Jaya Selangor	GL: 03-8025 9477 Fax: 03-8025 9378	Mon - Thu: 9.00 a.m. to 4.30 p.m. Fri: 9.00 a.m. to 4.00 p.m.

## Group Corporate Directory

No	Branch Code	Branch Category	Region	Branch Name	State	Branch Address	General & Fax Line	Banking Hours
11	072	PRIORITY	<b>CENTRAL REGION 2</b>	BANGSAR BARU	W.P. Kuala Lumpur	AmBank (M) Berhad No 45 & 47, Jalan Telawi Tiga Bangsar Baru 59100 Kuala Lumpur	ABB: 5623 & 5624 GL: 03-2282 8739 03-2282 8740 Fax: 03-2282 8741	Mon - Thu: 9.00 a.m. to 4:30 p.m. Fri: 9.00 a.m. to 4:00 p.m.
12	239	RETAIL B	<b>CENTRAL REGION 2</b>	BERJAYA TIMES SQUARE	W.P. Kuala Lumpur	AmBank (M) Berhad No G 52, Ground Floor Berjaya Times Square 1, Jalan Imbi 55100 Kuala Lumpur	ABB: 03-2141 8003 Fax: 03-2141 2413	Mon - Thu: 10.00 a.m. to 4:30 p.m.
13	081	PRIORITY	<b>CENTRAL REGION 2</b>	DAMANSARA UTAMA	Selangor	AmBank (M) Berhad No. 56, 58, 60G Jalan SS 21/35 Damansara Utama 47400 Petaling Jaya Selangor	ABB: 5631 & 5359 GL: 03-7726 3660 03-7726 3664 Fax: 03-7726 3658 03-7726 3650	Mon - Thu: 9.00 a.m. to 4.30 p.m. Fri: 9.00 a.m. to 4.00 p.m.
14	259	RETAIL X	<b>CENTRAL REGION 2</b>	DESA SRI HARTAMAS	W.P. Kuala Lumpur	AmBank (M) Berhad No 2 & 4, Ground Floor Jalan 23/70A Desa Sri Hartamas 50480 Kuala Lumpur	GL: 03-6201 0054 Fax: 03-6201 0524	Mon - Thu: 9.00 a.m. to 4:30 p.m. Fri: 9.00 a.m. to 4:00 p.m.
15	128	RETAIL B	<b>CENTRAL REGION 2</b>	KELANA JAYA (PARKVIEW)	Selangor	AmBank (M) Berhad Unit E102 & 103 Ground Floor Kelana Park View No. 1, Jalan SS 6/2 Kelana Jaya 47301 Petaling Jaya Selangor	ABB: 5036 & 5351 GL: 03-7803 4574 03-7804 3508 03-7804 3509 Fax: 03-7803 4781	Mon - Thu: 9.00 a.m. to 4.30 p.m. Fri: 9.00 a.m. to 4.00 p.m.
16	023	PRIORITY	<b>CENTRAL REGION 2</b>	MEDAN PASAR	W.P. Kuala Lumpur	AmBank (M) Berhad Ground Floor Wisma Maran No. 28, Medan Pasar 50050 Kuala Lumpur	ABB: 5906 & 5375 GL: 03-20201794 03-2076 4870 03-2026 4886 03-2026 3833 Fax: 03-2072 9014	Mon - Thu: 9.00 a.m. to 4.30 p.m. Fri: 9.00 a.m. to 4.00 p.m.
17	126	RETAIL X	<b>CENTRAL REGION 2</b>	NU SENTRAL	W.P. Kuala Lumpur	AmBank (M) Berhad LG 18A, NU Sentral Shopping Centre No. 201, Jalan Tun Sambanthan, Brickfields 50470 Kuala Lumpur	GL: 03-2272 1964 Fax: 03-2272 1970	Mon - Thu: 9.00 a.m. to 4.30 p.m. Fri: 9.00 a.m. to 4.00 p.m.
18	055	RETAIL B	<b>CENTRAL REGION 2</b>	PUDU-JLN PASAR	W.P. Kuala Lumpur	AmBank (M) Berhad No 48, Jalan Pasar Off Jalan Pudu 55100 Kuala Lumpur	ABB: 5697 & 5352 GL: 03-2141 3635 03-2141 3617 03-2141 3634 Fax: 03-2144 0313	Mon - Thu: 9.00 a.m. to 4.30 p.m. Fri: 9.00 a.m. to 4.00 p.m.
19	242	RETAIL B	<b>CENTRAL REGION 2</b>	SOLARIS MONT KIARA	W.P. Kuala Lumpur	AmBank (M) Berhad Ground Floor, No. 7 & 9 Jalan Solaris 1 Solaris Mont' Kiara 50480 Kuala Lumpur	GL: 03-6203 7920 03-6203 7921 03-6203 7922 Fax: 03-6203 7930	Mon - Thu: 9.00 a.m. to 4.30 p.m. Fri: 9.00 a.m. to 4.00 p.m.

## Group Corporate Directory

No	Branch Code	Branch Category	Region	Branch Name	State	Branch Address	General & Fax Line	Banking Hours
20	258	RETAIL A	<b>CENTRAL REGION 2</b>	TAMAN TUN DR ISMAIL	W.P. Kuala Lumpur	AmBank (M) Berhad Ground Floor, No. 6-1-G Jalan Tun Mohd Fuad 3 Taman Tun Dr Ismail 60000 Kuala Lumpur	GL: 03-7940 0999/97 Fax: 03-7940 0998	Mon - Thu: 9.00 a.m. to 4.30 p.m. Fri: 9.00 a.m. to 4.00 p.m.
21	248	RETAIL B	<b>CENTRAL REGION 3</b>	BANDAR BUKIT TINGGI	Selangor	AmBank (M) Berhad No. 37 & 39 Lorong Batu Nilam 1A Bandar Bukit Tinggi 41200 Klang Selangor	ABB: 5087 GL: 03-3324 6275 03-3324 6325 03-3324 5695 Fax: 03-3324 4043	Mon - Thu: 9.00 a.m. to 4.30 p.m. Fri: 9.00 a.m. to 4.00 p.m.
22	236	RETAIL A	<b>CENTRAL REGION 3</b>	BANDAR PUTERI PUCHONG	Selangor	AmBank (M) Berhad Ground Floor, No 4 & 6 Jalan Puteri 1/1 Bandar Puteri 47100 Puchong Selangor	GL: 03-8060 5944 03-8060 6964 03-8060 6341 03-8060 6145 03-8060 5876 Fax: 03-8060 6532	Mon - Thu: 9.00 a.m. to 4.30 p.m. Fri: 9.00 a.m. to 4.00 p.m.
23	041	RETAIL B	<b>CENTRAL REGION 3</b>	BANTING	Selangor	AmBank (M) Berhad No 139 & 141 Wisma Mutiara Jalan Sultan Abdul Samad 42700 Banting Selangor	ABB: 5668, 5311 & 5384 GL: 03-3187 7462 03-3187 1330 03-3187 1919 Fax: 03-3187 4770	Mon - Thu: 9.00 a.m. to 4.30 p.m. Fri: 9.00 a.m. to 4.00 p.m.
24	240	RETAIL B	<b>CENTRAL REGION 3</b>	KLANG - BANDAR PUTERI	Selangor	AmBank (M) Berhad No. 1, Ground Floor Lorong Sanggul 1F Bandar Puteri 41200 Klang Selangor	ABB: - GL: 03-5161 2653 03-5161 3324 03-5161 2853 03-5161 2969 03-5161 2976 03-5161 3104 Fax: 03-5161 3341	Mon - Thu: 9.00 a.m. to 4.30 p.m. Fri: 9.00 a.m. to 4.00 p.m.
25	016	RETAIL A	<b>CENTRAL REGION 3</b>	KLANG PSI	Selangor	AmBank (M) Berhad No 42-44, Wisma Sh Ng Persiaran Sultan Ibrahim 41300 Klang Selangor	ABB: 5673 GL: 03-3341 3252 03-3342 6010 03-3343 7949 Fax: 03-3344 3744	Mon - Thu: 9.00 a.m. to 4.30 p.m. Fri: 9.00 a.m. to 4.00 p.m.
26	261	RETAIL B	<b>CENTRAL REGION 3</b>	KOTA KEMUNING	Selangor	AmBank (M) Berhad No 1-1, Jalan Anggerik Vanilla BE31/BE Kota Kemuning Seksyen 31 40460 Shah Alam Selangor	Tel: 03-5120 1186 Fax: 03-5120 1185	Mon - Thu: 9.00 a.m. to 4.30 p.m. Fri: 9.00 a.m. to 4.00 p.m.
27	096	PRIORITY	<b>CENTRAL REGION 3</b>	PORT KLANG - WISMA PALMBASE	Selangor	AmBank (M) Berhad 2998G, Wisma Palmbase Persiaran Raja Muda Musa 41100 Port Klang Selangor	ABB: 5688 & 5316 GL: 03-3371 7672 03-3371 7697 03-3371 7698 Fax: 03-3371 8749	Mon - Thu: 9.00 a.m. to 4.30 p.m. Fri: 9.00 a.m. to 4.00 p.m.
28	083	RETAIL A	<b>CENTRAL REGION 3</b>	PUCHONG	Selangor	AmBank (M) Berhad Ground Floor, No 14A & 15A Jalan TK1/11A Taman Kinrara, Seksyen 1 Batu 7 1/2, Jalan Puchong 47100 Puchong Selangor	ABB: 5645 & 5646 GL: 03-8075 4461 03-8075 4680 03-8075 2478 Fax: 03-8070 3336	Mon - Thu: 9.00 a.m. to 4.30 p.m. Fri: 9.00 a.m. to 4.00 p.m.



## Group Corporate Directory

No	Branch Code	Branch Category	Region	Branch Name	State	Branch Address	General & Fax Line	Banking Hours
29	245	RETAIL B	<b>CENTRAL REGION 3</b>	SETIA ALAM	Selangor	AmBank (M) Berhad No. 15 & 17 Jalan Setia Prima RU13/R Setia Alam, Seksyen U13 40170 Shah Alam Selangor	GL: 03-3343 7740 03-3343 7758 03-3343 7792 Fax: 03-3343 7794	Mon - Thu: 9.00 a.m. to 4.30 p.m. Fri: 9.00 a.m. to 4.00 p.m.
30	074	RETAIL B	<b>CENTRAL REGION 3</b>	SHAH ALAM - SEC 13	Selangor	AmBank (M) Berhad Grd Flr, Lot 13-1 & Lot 14-1 Laman Seri Business Park Seksyen 13 40100 Shah Alam Selangor	ABB: 5286 & 5354 GL: 03-5519 5702 03-5519 5691 03-5519 5645 Fax: 03-5510 9654	Mon - Thu: 9.00 a.m. to 4.30 p.m. Fri: 9.00 a.m. to 4.00 p.m.
31	017	RETAIL A	<b>CENTRAL REGION 3</b>	SHAH ALAM - SEC 15B	Selangor	AmBank (M) Berhad No 47 & 49, Jalan Utas B/15B Section 15 40000 Shah Alam Selangor	ABB: 5030 & 5387 GL: 03-5510 6991 03-5510 6995 03-5510 6960 Fax: 03-5510 6968 03-5511 5725	Mon - Thu: 9.00 a.m. to 4.30 p.m. Fri: 9.00 a.m. to 4.00 p.m.
32	141	RETAIL B	<b>CENTRAL REGION 4</b>	BANDAR BARU SG BULOH	Selangor	AmBank (M) Berhad No 388 & 389, Jalan 1A/1 Bandar Baru Sungai Buloh 40160 Sungai Buloh Selangor	ABB: 5289 GL: 03-6156 6500 Fax: 03-6156 6000	Mon - Thu: 9.00 a.m. to 4.30 p.m. Fri: 9.00 a.m. to 4.00 p.m.
33	132	RETAIL A	<b>CENTRAL REGION 4</b>	BANDAR BARU RAWANG	Selangor	AmBank (M) Berhad No 13 & 14 Jalan Ipoh Batu 18 Bandar Baru Rawang 48000 Rawang Selangor	ABB: 5405 GL: 03-6091 6835 03-6091 6837 03-6093 1609 Fax: 03-6091 8612	Mon - Thu: 9.00 a.m. to 4.30 p.m. Fri: 9.00 a.m. to 4.00 p.m.
34	249	RETAIL A	<b>CENTRAL REGION 4</b>	BANDAR MANJALARA	W.P. Kuala Lumpur	AmBank (M) Berhad No 2 & 2A, Wisma Manjalara Jalan 7A/62A Bandar Manjalara 52200 Kuala Lumpur	GL: 03-6274 1315 03-6274 1353 03-6274 1385 DL: 03-6274 0916 (Branch Manager) Fax: 03-6274 1232	Mon - Thu: 9.00 a.m. to 4.30 p.m. Fri: 9.00 a.m. to 4.00 p.m.
35	124	RETAIL B	<b>CENTRAL REGION 4</b>	BESTARI JAYA	Selangor	AmBank (M) Berhad No. 28B, Jalan Besar 45600 Batang Berjuntai Selangor	ABB: 5035 & 5312 GL: 03-3271 0988 03-3271 0380 03-3271 0379 03-3271 0378 Fax: 03-3271 0376	Mon - Thu: 9.00 a.m. to 4.30 p.m. Fri: 9.00 a.m. to 4.00 p.m.
36	125	RETAIL A	<b>CENTRAL REGION 4</b>	JLN IPOH BATU 3 (RIVERCITY)	W.P. Kuala Lumpur	AmBank (M) Berhad 468-11A, Ground Floor Block C, Rivercity 3rd Mile, Jalan Ipoh 51200 Kuala Lumpur	ABB: 5015 GL: 03-4042 3577 03-4042 7192 03-4043 7489 Fax: 03-4042 0237	Mon - Thu: 9.00 a.m. to 4.30 p.m. Fri: 9.00 a.m. to 4.00 p.m.
37	014	PRIORITY	<b>CENTRAL REGION 4</b>	KEPONG BARU	W.P. Kuala Lumpur	AmBank (M) Berhad No. 21, Jalan Ambong 2 Kepong Baru 52100 Kuala Lumpur	ABB: 5634 GL: 03-62513322 03-62513355 Fax: 03-6258 4146	Mon - Thu: 9.00 a.m. to 4.30 p.m. Fri: 9.00 a.m. to 4.00 p.m.

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38	088	RETAIL A	<b>CENTRAL REGION 4</b>	RAWANG COUNTRY HOMES	Selangor	AmBank (M) Berhad No. 51, 53 & 55 Jalan Pusat BCH 1A Bandar Country Homes 48000 Rawang Selangor	ABB: 5648 GL: 03-6092 5732 03-6092 5731 03-6092 5730 Fax: 03-6092 5735	Mon - Thu: 9.00 a.m. to 4.30 p.m. Fri: 9.00 a.m. to 4.00 p.m.
39	224	RETAIL A	<b>CENTRAL REGION 4</b>	SELAYANG	W.P. Kuala Lumpur	AmBank (M) Berhad No 159 & 161 Jalan 2/3A, Off Km12 Jalan Ipoh Pusat Bandar Utara 68100 Batu Caves Selangor	ABB: 5281, 5362 & 5408 GL: 03-6136 8560 03-6136 8561 Fax: 03-6136 8559	Mon - Thu: 9.00 a.m. to 4.30 p.m. Fri: 9.00 a.m. to 4.00 p.m.
40	076	RETAIL A	<b>CENTRAL REGION 4</b>	SETAPAK	W.P. Kuala Lumpur	AmBank (M) Berhad No 16, Jalan 3/50C Taman Setapak Indah Jaya Off Jalan Genting Kelang 53300 Kuala Lumpur	ABB: 5285 GL: 03-4023 6381 03-4023 6410 Fax: 03-4023 6551	Mon - Thu: 9.00 a.m. to 4.30 p.m. Fri: 9.00 a.m. to 4.00 p.m.
41	255	RETAIL X	<b>CENTRAL REGION 4</b>	UIA-GOMBAK	W.P. Kuala Lumpur	AmBank (M) Berhad Azman Hashim Complex International Islamic University Malaysia Jalan Gombak 53100 Kuala Lumpur	ABB: 5965/5966 GL: 03-6185 6577 03-6185 6579 03-6185 6581 DL: 03-6185 6570 Fax: 03-6185 6584	Mon - Thu: 9.00 a.m. to 4.30 p.m. Fri: 9.00 a.m. to 4.00 p.m. Note: Business closed from 1.00p.m. to 2.00p.m. for Friday Prayers
42	212	RETAIL X	<b>CENTRAL REGION 4</b>	WANGSA MAJU	W.P. Kuala Lumpur	AmBank (M) Berhad No. 54 & 56, Jalan 1/27F Pusat Bandar Wangsa Maju 53300 Kuala Lumpur	ABB: 5295 & 5366 GL: 03-4149 5191 03-4149 5209 Fax: 03-4149 5242	Mon - Thu: 9.00 a.m. to 4.30 p.m. Fri: 9.00 a.m. to 4.00 p.m.
43	247	RETAIL B	<b>CENTRAL REGION 5</b>	JALAN KLANG LAMA	W.P. Kuala Lumpur	AmBank (M) Berhad No 14332 & 14333 Batu 4, Jalan Klang Lama 58100 Kuala Lumpur	GL: 03-7980 8069 03-7980 8079 03-7980 8704 03-7980 8714 Fax: 03-7980 7908	Mon - Thu: 9.00 a.m. to 4.30 p.m. Fri: 9.00 a.m. to 4.00 p.m.
44	211	PRIORITY	<b>CENTRAL REGION 5</b>	JLN RAJA CHULAN	W.P. Kuala Lumpur	AmBank (M) Berhad Ground Floor Bangunan AmBank Group 55 Jalan Raja Chulan 50200 Kuala Lumpur	ABB: 5633 & 5350 GL: 03-2072 6901; 03-2026 1750 03-2078 2166 03-2078 2177 03-2078 1960 Fax: 03-2032 3935	Mon - Thu: 9.00 a.m. to 4.30 p.m. Fri: 9.00 a.m. to 4.00 p.m.
45	075	RETAIL A	<b>CENTRAL REGION 5</b>	AMPANG POINT	Selangor	AmBank (M) Berhad Lot 1A, Jalan Mamanda 7 Ampang Point, 4 1/2 Miles 68000 Ampang Selangor	ABB: 5620 & 5357 GL: 03-4252 2630 03-4251 5761 03-4251 5814 Fax: 03-4252 4160	Mon - Thu: 9.00 a.m. to 4.30 p.m. Fri: 9.00 a.m. to 4.00 p.m.
46	133	RETAIL B	<b>CENTRAL REGION 5</b>	BANDAR SRI PERMAISURI	W.P. Kuala Lumpur	AmBank (M) Berhad 79 & 81, Dataran Dwi Tasik Jalan Dwi Tasik 1 Bandar Sri Permaisuri 56000 Kuala Lumpur	ABB: 5008 GL: 03-9172 4934 03-9172 6414 Fax: 03-9172 4803	Mon - Thu: 9.00 a.m. to 4.30 p.m. Fri: 9.00 a.m. to 4.00 p.m.

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47	077	PRIORITY	<b>CENTRAL REGION 5</b>	OUG	W.P. Kuala Lumpur	AmBank (M) Berhad No. 24 & 26 Jalan Hujan Rahmat 2 Overseas Union Garden 58200 Kuala Lumpur	ABB: 5638 & 5639 GL: 03-7784 7035 03-7784 7036 03-7784 7038 Fax: 03-7784 7041	Mon - Thu: 9.00 a.m. to 4.30 p.m. Fri: 9.00 a.m. to 4.00 p.m.
48	233	PRIORITY	<b>CENTRAL REGION 5</b>	SRI PETALING	W.P. Kuala Lumpur	AmBank (M) Berhad No 18 & 20 Jalan Raden Tengah Sri Petaling 57000 Kuala Lumpur	ABB: 5284 GL: 03-9059 4152 03-9059 4462 03-9059 5458 Fax: 03-9056 2512	Mon - Thu: 9.00 a.m. to 4.30 p.m. Fri: 9.00 a.m. to 4.00 p.m.
49	092	RETAIL A	<b>CENTRAL REGION 5</b>	TAMAN CONNAUGHT	W.P. Kuala Lumpur	AmBank (M) Berhad No. 110 & 112, Jalan Cerdas Taman Connaught, Cheras 56000 Kuala Lumpur	ABB: 5290 & 5363 GL: 03-9101 4855 03-9101 7562 03-9102 4292 Fax: 03-9100 1271	Mon - Thu: 9.00 a.m. to 4.30 p.m. Fri: 9.00 a.m. to 4.00 p.m.
50	142	RETAIL A	<b>CENTRAL REGION 5</b>	TAMAN MALURI	W.P. Kuala Lumpur	AmBank (M) Berhad No 1, Jalan Jejaka 2 Taman Maluri Off Jalan Cheras 56100 Kuala Lumpur	ABB: 5291 & 5364 GL: 03-9285 5266 03-9282 2917 03-9284 5428 Fax: 03-9282 6261	Mon - Thu: 9.00 a.m. to 4.30 p.m. Fri: 9.00 a.m. to 4.00 p.m.
51	057	RETAIL B	<b>EAST COAST</b>	BENTONG	Pahang	AmBank (M) Berhad No. 105, Jalan Loke Yew 28700 Bentong Pahang	ABB: 5742 GL: 09-222 3888 09-222 6850 09-222 1629 Fax: 09-222 4622	Mon - Thu: 9.00 a.m. to 4.30 p.m. Fri: 9.00 a.m. to 4.00 p.m.
52	157	RETAIL X	<b>EAST COAST</b>	JERANTUT	Pahang	AmBank (M) Berhad Lot K-1, Jalan Dewangsa Jerantut New Town 27000 Jerantut Pahang	ABB: 5041 & 5334 GL: 09-266 3005 09-266 5005 09-266 6211 Fax: 09-266 5046	Mon - Thu: 9.00 a.m. to 4.30 p.m. Fri: 9.00 a.m. to 4.00 p.m.
53	206	RETAIL X	<b>EAST COAST</b>	KEMAMAN	Terengganu	AmBank (M) Berhad No. 12487 & 12488 Jalan Kubang Kurus 24000 Kemaman Terengganu	ABB: 5745, 5746 & 5747 GL: 09-858 2994 (BM D/L) 09-859 3535 09-859 2533 09-859 2534 Fax: 09-859 4433 (Operations) 09-859 5410 (Hire Purchase)	Sun - Wed: 9.00 a.m. to 4.30 p.m. Thu: 9.00 a.m. to 4.00 p.m.
54	008	RETAIL B	<b>EAST COAST</b>	KOTA BHARU	Kelantan	AmBank (M) Berhad Ground & First Floor Lot 343, Section 13 Jalan Sultan Ibrahim 15000 Kota Bharu Kelantan	ABB: 5725, 5726 & 5727 GL: 09-741 9499 09-741 9477 Fax: 09-741 9507	Sun - Wed: 9.00 a.m. to 4.30 p.m. Thu: 9.00 a.m. to 4.00 p.m.
55	022	RETAIL A	<b>EAST COAST</b>	KUALA TERENGGANU	Terengganu	AmBank (M) Berhad No 69/2 Ground & Mezz Floor Bangunan UMNO Terengganu Jalan Sultan Ismail 20200 Kuala Terengganu Terengganu	ABB: 5900 GL: 09-624 9957 09-624 9958 09-624 9959 09-624 9960 Fax: 09-624 9916	Sun - Wed: 9.00 a.m. to 4.30 p.m. Thu: 9.00 a.m. to 4.00 p.m.

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56	052	RETAIL A	<b>EAST COAST</b>	KUANTAN-JLN BESERAH	Pahang	AmBank (M) Berhad A-3786, Jalan Beserah 25300 Kuantan Pahang	ABB: 5045, 5732, 5733 & 5737 GL: 09-560 1818 09-560 1830 09-567 8368 Fax: 09-566 5776 09-567 0695	Mon - Thu: 9.00 a.m. to 4.30 p.m. Fri: 9.00 a.m. to 4.00 p.m.
57	005	RETAIL A	<b>EAST COAST</b>	KUANTAN-JLN HAJI ABD AZIZ	Pahang	AmBank (M) Berhad No. 93 Jalan Haji Abdul Aziz 25000 Kuantan Pahang	ABB: 5330 & 5393 GL: 09-516 4389 09-516 2607 09-516 9507 Fax: 09-555 3782 09-516 3782	Mon - Thu: 9.00 a.m. to 4.30 p.m. Fri: 9.00 a.m. to 4.00 p.m.
58	101	RETAIL A	<b>EAST COAST</b>	MENTAKAB	Pahang	AmBank (M) Berhad No. 28, Jalan Zabidin 28400 Mentakab Pahang	ABB: 5039, 5332 & 5397 GL: 09-277 2260 09-277 1196 09-277 7962 Fax: 09-277 5427	Mon - Thu: 9.00 a.m. to 4.30 p.m. Fri: 9.00 a.m. to 4.00 p.m.
59	163	RETAIL X	<b>EAST COAST</b>	PASIR MAS	Kelantan	AmBank (M) Berhad Lot 151, Jalan Masjid Lama 17000 Pasir Mas Kelantan	ABB: 5046 GL: 09-790 1952 09-790 0702 09-790 0701 Fax: 09-790 0703	Sun - Wed: 9.00 a.m. to 4.30 p.m. Thu: 9.00 a.m. to 4.00 p.m.
60	100	RETAIL B	<b>EAST COAST</b>	RAUB	Pahang	AmBank (M) Berhad No 5, Bandar Raub Perdana 27600 Raub Pahang	ABB: 5750 & 5751 GL: 09-356 1846 09-356 1850 09-355 3166 Fax: 09-356 1852	Mon - Thu: 9.00 a.m. to 4.30 p.m. Fri: 9.00 a.m. to 4.00 p.m.
61	159	RETAIL B	<b>EAST COAST</b>	TRIANG	Pahang	AmBank (M) Berhad No. 21A & 22A Jalan Temerloh 28300 Triang Pahang	ABB: 5042 GL: 09-255 3304 09-255 3124 Fax: 09-255 3198	Mon - Thu: 9.00 a.m. to 4.30 p.m. Fri: 9.00 a.m. to 4.00 p.m.
62	231	PRIORITY	<b>NORTHERN REGION 1</b>	AYER ITAM-JLN PAYA TERUBONG	Penang	AmBank (M) Berhad No. 135-J & 135-K Jalan Paya Terubong 11500 Ayer Itam Penang	ABB: 5570 GL: 04-828 8566 04-826 3015 04-827 0154 FAX: 04-829 1414	Mon - Thu: 9.00 a.m. to 4.30 p.m. Fri: 9.00 a.m. to 4.00 p.m.
63	230	RETAIL B	<b>NORTHERN REGION 1</b>	BALIK PULAU	Penang	AmBank (M) Berhad No. 23 & 25 Jalan Sardon MK.6, 11000 Balik Pulau Penang	ABB: 5571 & 5572 GL: 04-866 0863 04-866 8633 Fax: 04-866 8430	Mon - Thu: 9.00 a.m. to 4.30 p.m. Fri: 9.00 a.m. to 4.00 p.m.
64	093	RETAIL A	<b>NORTHERN REGION 1</b>	BAYAN BARU	Penang	AmBank (M) Berhad No. 54, 56 & 58, Jalan Mahsuri, Bandar Bayan Baru 11909 Bayan Baru Penang	ABB: 5573 & 5378 GL: 04-644 8142 04-644 8149 Fax: 04-644 8163	Mon - Thu: 9.00 a.m. to 4.30 p.m. Fri: 9.00 a.m. to 4.00 p.m.

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65	220	RETAIL A	<b>NORTHERN REGION 1</b>	GELUGOR	Penang	AmBank (M) Berhad 723D & 723E, Ground Floor Vanda Business Park Jalan Sungai Dua 11700 Gelugor Penang	ABB: 5574 & 5575 DL: 04-658 2652 GL: 04-658 2650 04-657 1284 04-657 2148 Fax: 04-655 3588	Mon - Thu: 9.00 a.m. to 4.30 p.m. Fri: 9.00 a.m. to 4.00 p.m.
66	108	RETAIL A	<b>NORTHERN REGION 1</b>	JELUTONG	Penang	AmBank (M) Berhad No. 546 & 548 Jalan Jelutong 11600 Jelutong Penang	ABB: 5103 & 5297 DL: 04-659 2410 GL: 04-659 2396 04-657 2339 04-656 2755 Fax: 04-657 1644	Mon - Thu: 9.00 a.m. to 4.30 p.m. Fri: 9.00 a.m. to 4.00 p.m.
67	028	RETAIL A	<b>NORTHERN REGION 1</b>	PENANG - LEBOH PANTAI	Penang	AmBank (M) Berhad No. 15, Leboh Pantai 10300 Penang	ABB: 5565 GL: 04-261 5263 04-263 2520 04-263 2523 Fax: 04-263 1468	Mon - Thu: 9.00 a.m. to 4.30 p.m. Fri: 9.00 a.m. to 4.00 p.m.
68	002	PRIORITY	<b>NORTHERN REGION 1</b>	PENANG - LIANG COURT	Penang	AmBank (M) Berhad Ground & Mezzanine Floor Menara Liang Court No. 37, Jalan Sultan Ahmad Shah, 10050 Georgetown Penang	ABB: 5897 DL: 04-228 2491 GL: 04-226 3939 Fax: 04-226 1313	Mon - Thu: 9.00 a.m. to 4.30 p.m. Fri: 9.00 a.m. to 4.00 p.m.
69	082	RETAIL A	<b>NORTHERN REGION 1</b>	PULAU TIKUS	Penang	AmBank (M) Berhad No. 368-1-15 & 368-1-17 Belissa Row Ground & Mezzanine Floor Jalan Burmah 10350 Pulau Tikus Penang	ABB: 5584 & 5585 GL: 04-229 8942 04-229 8943 04-229 8944 Fax: 04-229 8945	Mon - Thu: 9.00 a.m. to 4.30 p.m. Fri: 9.00 a.m. to 4.00 p.m.
70	106	RETAIL B	<b>NORTHERN REGION 1</b>	TANJUNG BUNGAH	Penang	AmBank (M) Berhad No. 2T & 2U Jalan Lembah Permai 11200 Tanjung Bungah Penang	ABB: 5587 & 5301 GL: 04-890 4502 04-890 4628 04-890 4658 Fax: 04-890 4690	Mon - Thu: 9.00 a.m. to 4.30 p.m. Fri: 9.00 a.m. to 4.00 p.m.
71	140	RETAIL B	<b>NORTHERN REGION 2</b>	SUNGAI BESAR	Selangor	AmBank (M) Berhad No 58E, Jalan Mahsuri 45300 Sungai Besar Selangor	ABB: 5028 & 5319 GL: 03-3224 1455 03-3224 2128 03-3224 1153 Fax: 03-3224 2177	Mon - Thu: 9.00 a.m. to 4.30 p.m. Fri: 9.00 a.m. to 4.00 p.m.
72	144	RETAIL X	<b>NORTHERN REGION 2</b>	TANJUNG KARANG	Selangor	AmBank (M) Berhad Lot 132, 132A & 133B Jalan Besar 45500 Tanjung Karang Selangor	ABB: 5376 GL: 03-3269 5429 03-3269 8518 Fax: 03-3269 8997	Mon - Thu: 9.00 a.m. to 4.30 p.m. Fri: 9.00 a.m. to 4.00 p.m.
73	030	RETAIL B	<b>NORTHERN REGION 2</b>	AYER TAWAR	Perak	AmBank (M) Berhad 79, Jalan Besar 32400 Ayer Tawar Perak	ABB: 5607 GL: 05-672 2201 05-672 2126 Fax: 05-672 2205	Mon - Thu: 9.00 a.m. to 4.30 p.m. Fri: 9.00 a.m. to 4.00 p.m.



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74	029	RETAIL B	<b>NORTHERN REGION 2</b>	BAGAN SERAI	Perak	AmBank (M) Berhad No. 244-D & 244E Jalan Besar 34300 Bagan Serai Perak	ABB: 5593 & 5594 GL: 05-721 5805 05-721 1808 05-721 1080 Fax: 05-721 1392	Mon - Thu: 9.00 a.m. to 4.30 p.m. Fri: 9.00 a.m. to 4.00 p.m.
75	111	RETAIL A	<b>NORTHERN REGION 2</b>	BATU GAJAH	Perak	AmBank (M) Berhad No. 19, Jalan Kemajuan 31000 Batu Gajah Perak	ABB: 5120 & 5304 GL: 05-366 1372 05-366 1442 Fax: 05-366 5009	Mon - Thu: 9.00 a.m. to 4.30 p.m. Fri: 9.00 a.m. to 4.00 p.m.
76	102	RETAIL B	<b>NORTHERN REGION 2</b>	BERCHAM	Perak	AmBank (M) Berhad No. 225, 227 & 229 Jalan Bercham 31400 Ipoh Perak	ABB: 5609 GL: 05-545 9695 05-545 9697 Fax: 05-545 9702	Mon - Thu: 9.00 a.m. to 4.30 p.m. Fri: 9.00 a.m. to 4.00 p.m.
77	003	PRIORITY	<b>NORTHERN REGION 2</b>	IPOH GREENTOWN	Perak	AmBank (M) Berhad No 7, Greentown Utama Jalan Dato' Seri Ahmad Said 30450 Ipoh Perak	ABB: 5308 & 5381 GL: 05-208 5657 05-208 5619 05-208 5625 Fax: 05-208 5607/ 05-208 5608	Mon - Thu: 9.00 a.m. to 4.30 p.m. Fri: 9.00 a.m. to 4.00 p.m.
78	071	RETAIL A	<b>NORTHERN REGION 2</b>	KAMPAR	Perak	AmBank (M) Berhad No. 50, Jalan Balai 31900 Kampar Perak	ABB: 5613 & 5305 GL: 05-466 1067 05-466 5836 Fax: 05-465 1534	Mon - Thu: 9.00 a.m. to 4.30 p.m. Fri: 9.00 a.m. to 4.00 p.m.
79	113	RETAIL B	<b>NORTHERN REGION 2</b>	KUALA KANGSAR	Perak	AmBank (M) Berhad No. 5 & 6, Jalan Raja Chulan 33000 Kuala Kangsar Perak	ABB: 5191 GL: 05-776 1186 05-777 4273 Fax: 05-776 4008	Mon - Thu: 9.00 a.m. to 4.30 p.m. Fri: 9.00 a.m. to 4.00 p.m.
80	114	RETAIL B	<b>NORTHERN REGION 2</b>	KUALA SEPETANG	Perak	AmBank (M) Berhad No. 27, Jalan Trump Kuala Sepetang 34650 Taiping Perak	ABB: 5130 GL: 05-858 1993 05-858 1773 Fax: 05-858 1996	Mon - Thu: 9.00 a.m. to 4.30 p.m. Fri: 9.00 a.m. to 4.00 p.m.
81	033	RETAIL B	<b>NORTHERN REGION 2</b>	LANGKAP	Perak	AmBank (M) Berhad No. 1 & 2, Lorong 1 Projek Perumahan Awam Langkap 2 Pekan Langkap 36700 Langkap Perak.	ABB: 5615 GL: 05-659 7937 05-659 2735 Fax: 05-659 2888	Mon - Thu: 9.00 a.m. to 4.30 p.m. Fri: 9.00 a.m. to 4.00 p.m.
82	115	RETAIL B	<b>NORTHERN REGION 2</b>	MENGLEMBU	Perak	AmBank (M) Berhad No. 5E & 5F, Jalan Tranchell 31450 Menglembu Perak	ABB: 5129 & 5306 GL: 05-281 0403 05-281 0400 Fax: 05-281 0408	Mon - Thu: 9.00 a.m. to 4.30 p.m. Fri: 9.00 a.m. to 4.00 p.m.
83	031	RETAIL B	<b>NORTHERN REGION 2</b>	PANGKOR	Perak	AmBank (M) Berhad No. 5, Main Road 32300 Pangkor Perak	ABB: 5616 GL: 05-685 1051 05-685 2776 Fax: 05-685 2161	Mon - Thu: 9.00 a.m. to 4.30 p.m. Fri: 9.00 a.m. to 4.00 p.m.

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84	116	RETAIL B	<b>NORTHERN REGION 2</b>	PARIT BUNTAR	Perak	AmBank (M) Berhad No. 2 & 4 Jalan Temenggong Taman Krian Tambahan 6 34200 Parit Buntar Perak	ABB: 5198 & 5303 GL: 05-716 2366 05-716 1732 Fax: 05-716 4287	Mon - Thu: 9.00 a.m. to 4.30 p.m. Fri: 9.00 a.m. to 4.00 p.m.
85	117	RETAIL B	<b>NORTHERN REGION 2</b>	SILIBIN	Perak	AmBank (M) Berhad No. 309 & 401, Jalan Silibin Taman Seri Tahan 30100 Ipoh Perak	ABB: 5133 & 5307 GL: 05-527 7715 05-527 7716 Fax: 05-527 7719	Mon - Thu: 9.00 a.m. to 4.30 p.m. Fri: 9.00 a.m. to 4.00 p.m.
86	184	RETAIL A	<b>NORTHERN REGION 2</b>	SITIAWAN	Perak	AmBank (M) Berhad No. 23 & 24 Taman Setia Jalan Raja Omar 32000 Sitiawan Perak	ABB: 5598 & 5599 GL: 05-691 2476 05-691 0599 Fax: 05-691 6935	Mon - Thu: 9.00 a.m. to 4.30 p.m. Fri: 9.00 a.m. to 4.00 p.m.
87	121	RETAIL B	<b>NORTHERN REGION 2</b>	SUNGAI SIPUT	Perak	AmBank (M) Berhad No. 181, Jalan Besar Sungai Siput Utara 31100 Sungai Siput Perak	ABB: 5132 GL: 05-597 2357 05-597 2388 Fax: 05-597 2359	Mon - Thu: 9.00 a.m. to 4.30 p.m. Fri: 9.00 a.m. to 4.00 p.m.
88	185	PRIORITY	<b>NORTHERN REGION 2</b>	TAIPING	Perak	AmBank (M) Berhad No. 52-54, Jalan Taming Sari 34000 Taiping Perak	ABB: 5118 GL: 05-806 2031 05-806 0613 Fax: 05-807 2108	Mon - Thu: 9.00 a.m. to 4.30 p.m. Fri: 9.00 a.m. to 4.00 p.m.
89	222	RETAIL X	<b>NORTHERN REGION 2</b>	TANAH RATA	Pahang	AmBank (M) Berhad No. 43, Jalan Besar 39000 Tanah Rata Cameron Highlands Pahang	ABB: 5603 & 5604 GL: 05-491 1088 05-491 1089 Fax: 05-491 1087	Mon - Thu: 9.00 a.m. to 4.30 p.m. Fri: 9.00 a.m. to 4.00 p.m.
90	122	RETAIL B	<b>NORTHERN REGION 2</b>	TANJUNG MALIM	Perak	AmBank (M) Berhad 14 & 15, Jalan Douglas 35900 Tanjung Malim Perak	ABB: 5043 GL: 05-459 6649 05-459 0825 Fax: 05-459 6371	Mon - Thu: 9.00 a.m. to 4.30 p.m. Fri: 9.00 a.m. to 4.00 p.m.
91	032	PRIORITY	<b>NORTHERN REGION 2</b>	TELUK INTAN	Perak	AmBank (M) Berhad No. 1049, Jalan Mahkota 36000 Teluk Intan Perak	ABB: 5119 & 5302 GL: 05-621 1795 05-621 7175 Fax: 05-621 2120 05-622 2721	Mon - Thu: 9.00 a.m. to 4.30 p.m. Fri: 9.00 a.m. to 4.00 p.m.
92	004	PRIORITY	<b>NORTHERN REGION 3</b>	ALOR SETAR	Kedah	AmBank (M) Berhad No. 1567, Wisma Landag 05000 Alor Setar Kedah	ABB: 5556 GL: 04-733 3833 04-734 4389 04-734 0659 04-733 2212 Fax: 04-731 3901 (OPS)	Mon - Thu: 9.00 a.m. to 4.30 p.m. Fri: 9.00 a.m. to 4.00 p.m.
93	235	RETAIL A	<b>NORTHERN REGION 3</b>	BAGAN AJAM	Penang	AmBank (M) Berhad Lot 7174, Ground 1 <sup>st</sup> & 2 <sup>nd</sup> Floor Jalan Bagan Ajam 13000 Butterworth Penang	DL: 04-331 9005 GL: 04-331 9020 04-331 9080 Fax: 04-331 9024 (OPS) 04-324 2034 (HP)	Mon - Thu: 9.00 a.m. to 4.30 p.m. Fri: 9.00 a.m. to 4.00 p.m.

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94	043	PRIORITY	<b>NORTHERN REGION 3</b>	BUKIT MERTA JAM	Penang	AmBank (M) Berhad No. 1394 Jalan Padang Lallang 14000 Bukit Mertajam Penang	ABB: 5558, 5559 & 5560 DL: 04-530 2394 GL: 04-530 2392 04-530 2393 04-530 2391 04-530 0436 Fax: 04-530 2395	Mon - Thu: 9.00 a.m. to 4.30 p.m. Fri: 9.00 a.m. to 4.00 p.m.
95	098	RETAIL B	<b>NORTHERN REGION 3</b>	JITRA	Kedah	AmBank (M) Berhad No. 56 & 57 Ground & 1st Floor Pekan Jitra 3 06000 Jitra Kedah	ABB: 5110 DL: 04-917 6725 GL: 04-917 2910 04-917 5555 Fax: 04-917 2911	Mon - Thu: 9.00 a.m. to 4.30 p.m. Fri: 9.00 a.m. to 4.00 p.m.
96	213	RETAIL B	<b>NORTHERN REGION 3</b>	KANGAR	Perlis	AmBank (M) Berhad No. 21 & 23, Jalan Bukit Lagi 01000 Kangar Perlis	ABB: 5115 DL: 04-976 3388 GL: 04-976 9161 04-976 9190 04-976 9157 Fax: 04-976 4217	Mon - Thu: 9.00 a.m. to 4.30 p.m. Fri: 9.00 a.m. to 4.00 p.m.
97	058	RETAIL A	<b>NORTHERN REGION 3</b>	KULIM	Kedah	AmBank (M) Berhad No. 171 & 172 Jalan Tunku Putera 09000 Kulim Kedah	ABB: 5580 & 5581 DL: 04-490 0163 GL: 04-491 3666 04-490 3667 04-490 3669 04-490 6838 04-491 3866 Fax: 04-490 0162 (OPS) 04-490 6993 (HP)	Mon - Thu: 9.00 a.m. to 4.30 p.m. Fri: 9.00 a.m. to 4.00 p.m.
98	251	RETAIL X	<b>NORTHERN REGION 3</b>	LAGENDA HEIGHTS	Kedah	AmBank (M) Berhad No. 95, 96 & 97 Jalan Lagenda 1 Lagenda Heights 08000 Sungai Petani Kedah	GL: 04-420 2381 04-425 3582 Fax: 04-425 3587	Mon - Thu: 9.00 a.m. to 4.30 p.m. Fri: 9.00 a.m. to 4.00 p.m.
99	080	RETAIL B	<b>NORTHERN REGION 3</b>	LANGKAWI	Kedah	AmBank (M) Berhad No. 20 & 22, Jalan Pandak Mayah 5, Pusat Bandar Kuah 07000 Langkawi Kedah	ABB: 5582 & 5583 GL: 04-966 3130 04-966 3133 04-966 3134 Fax: 04-966 3129	Mon - Thu: 9.00 a.m. to 4.30 p.m. Fri: 9.00 a.m. to 4.00 p.m.
100	020	PRIORITY	<b>NORTHERN REGION 3</b>	SEBERANG JAYA	Penang	AmBank (M) Berhad No. 52, Jalan Todak 2 Pusat Bandar Bandar Seberang Jaya 13700 Prai Penang	ABB: 5898 GL: 04-397 9569 04-397 9570 04-397 9564 Fax: 04-397 9572	Mon - Thu: 9.00 a.m. to 4.30 p.m. Fri: 9.00 a.m. to 4.00 p.m.

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101	120	RETAIL A	<b>NORTHERN REGION 3</b>	SUNGAI BAKAP	Penang	AmBank (M) Berhad No. 1388 & 1389 Jalan Sungai Bakap Taman Sungai Bakap Permai 14200 Sungai Bakap Penang	ABB: 5102 & 5379 GL: 04-583 8830 04-583 8831 04-583 8816 04-583 8817 04-583 8820 Fax: 04-583 8826 04-583 8827	Mon - Thu: 9.00 a.m. to 4:30 p.m. Fri: 9.00 a.m. to 4:00 p.m. Sun: 9.30 a.m. to 12:30 p.m.
102	079	RETAIL B	<b>NORTHERN REGION 3</b>	SUNGAI DUA	Penang	AmBank (M) Berhad No. 1 & 3, Lorong Murni 6 Taman Desa Murni Sungai Dua 13800 Buterworth Penang	ABB: 5586 & 5300 DL: 04-356 1326 04-356 6494 GL: 04-356 1328 04-356 1353 Fax: 04-356 1159	Mon - Thu: 9.00 a.m. to 4.30 p.m. Fri: 9.00 a.m. to 4.00 p.m.
103	015	RETAIL A	<b>NORTHERN REGION 3</b>	SUNGAI PETANI	Kedah	AmBank (M) Berhad No. 24-H & 24-J Jalan Kampung Baru 08000 Sungai Petani Kedah	ABB: 5568, 5569 & 5377 DL: 04-422 9095 GL: 04-422 3611 04-422 3277 04-422 7980 Fax: 04-422 8191 (OPS) 04-421 9831 (HP)	Mon - Thu: 9.00 a.m. to 4.30 p.m. Fri: 9.00 a.m. to 4.00 p.m.
104	164	RETAIL A	<b>SABAH</b>	BANDAR PASARAYA	Sabah	AmBank (M) Berhad Lot 76 & 78 Bandar Pasaraya Mile 4, North Road 90009 Sandakan Sabah	GL: 089-218 240 089-213 419 089-208 237 089-218 231 Fax: 089-218 226	Mon - Thu: 8.45 a.m. to 4.15 p.m. Fri: 8.45 a.m. to 3.45 p.m.
105	061	RETAIL B	<b>SABAH</b>	KENINGAU	Sabah	AmBank (M) Berhad Adika Commercial Complex Lot 40-42, Ground Floor 89000 Keningau Sabah	ABB: 5775 & 5776 GL: 087-331 393 087-333 745 087-331 088 087-333 152 Fax: 087-331 088 087-331 818	Mon - Thu: 8.45 a.m. to 4.15 p.m. Fri: 8.45 a.m. to 3.45 p.m.
106	167	PRIORITY	<b>SABAH</b>	KOTA KINABALU - JLN SAGUNTING	Sabah	AmBank (M) Berhad No. G1-G4, MBF Building No.1, Jalan Sagunting 88816 Kota Kinabalu Sabah	ABB: 5437 GL: 088-246 112 Fax: 088-248 967	Mon - Thu: 8.45 a.m. to 4.15 p.m. Fri: 8.45 a.m. to 3.45 p.m.
107	166	RETAIL B	<b>SABAH</b>	KOTA KINABALU - METRO TOWN	Sabah	AmBank (M) Berhad Unit 1-3 Ground & First Floor Block M Jalan Bunga Ulam Raja Metro Town Off Tuaran Road 88300 Kota Kinabalu Sabah	ABB: 5161 GL: 088-393 202 088-393 203 088-393 204 Fax: 088-393 701	Mon - Thu: 8.45 a.m. to 4.15 p.m. Fri: 8.45 a.m. to 3.45 p.m.
108	025	RETAIL A	<b>SABAH</b>	KOTA KINABALU - PLAZA SHELL	Sabah	AmBank (M) Berhad Ground Floor, Plaza Shell No. 29, Jalan Tunku Abdul Rahman 88000 Kota Kinabalu Sabah	GL: 088-276 720 /21/22/23/25 Fax: 088-276 730	Mon - Thu: 8.45 a.m. to 4.15 p.m. Fri: 8.45 a.m. to 3.45 p.m.

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109	169	RETAIL B	<b>SABAH</b>	KUDAT	Sabah	AmBank (M) Berhad Lot 9 & 10, Block E Sedco Building, Jalan Melor P O Box 344 89058 Kudat Sabah	GL: 088-613 255 088-613 194 088-612 301 Fax: 088-612 253	Mon - Thu: 8.45 a.m. to 4.15 p.m. Fri: 8.45 a.m. to 3.45 p.m.
110	170	RETAIL B	<b>SABAH</b>	LABUAN	W.P. Labuan	AmBank (M) Berhad Lot U0205 Jalan Tanjung Kubong PO Box 80109 87007 Labuan Wilayah Persekutuan Labuan	ABB: 5162 GL: 087-417 891 087-417 898 087-410 778 Fax: 087-412 118	Mon - Thu: 8.45 a.m. to 4.15 p.m. Fri: 8.45 a.m. to 3.45 p.m.
111	060	RETAIL B	<b>SABAH</b>	LAHAD DATU	Sabah	AmBank (M) Berhad MDLD A154 & 155, Block 24 Sedco ShopHouse 91100 Lahad Datu Sabah	ABB: 5153 & 5344 GL: 089-884 562 089-881 561 Fax: 089-881 778	Mon - Thu: 8.45 a.m. to 4.15 p.m. Fri: 8.45 a.m. to 3.45 p.m.
112	024	RETAIL A	<b>SABAH</b>	SANDAKAN	Sabah	AmBank (M) Berhad Lot 32-34, Blok HS-3 Sandakan Harbour Square Phase 2 Jalan Pryer 90000 Sandakan Sabah	ABB: 5152 & 5345 GL: 089-215 322 089-212 627 Fax: 089-273 666	Mon - Thu: 8.45 a.m. to 4.15 p.m. Fri: 8.45 a.m. to 3.45 p.m.
113	207	RETAIL A	<b>SABAH</b>	TAWAU	Sabah	AmBank (M) Berhad Lot 13 & 15, Sabindo Square Jalan Dunlop 91000 Tawau Sabah	ABB: 5154 & 5346 GL: 089-770 430 089-770 471 089-764 932 089-763 450 Fax: 089-764 971	Mon - Thu: 8.45 a.m. to 4.15 p.m. Fri: 8.45 a.m. to 3.45 p.m.
114	013	RETAIL A	<b>SOUTHERN REGION 1</b>	BATU PAHAT - JLN RAHMAT	Johor	AmBank (M) Berhad No. 35, Jalan Rahmat 83000 Batu Pahat Johor	ABB: 5911 GL: 07-432 4208 07-432 8125 07-432 8124 07-432 8127 Fax: 07-431 8961	Mon - Thu: 9.00 a.m. to 4.30 p.m. Fri: 9.00 a.m. to 4.00 p.m.
115	228	PRIORITY	<b>SOUTHERN REGION 1</b>	BATU PAHAT - JLN RUGAYAH	Johor	AmBank (M) Berhad No. 178, Jalan Rugayah 83000 Batu Pahat Johor	ABB: 5690, 5325 & 5390 GL: 07-433 8431 07-433 4193 Fax: 07-431 6214	Mon - Thu: 9.00 a.m. to 4.30 p.m. Fri: 9.00 a.m. to 4.00 p.m.
116	264	RETAIL X	<b>SOUTHERN REGION 1</b>	JOHOR BAHRU - SETIA TROPIKA	Johor	AmBank (M) Berhad Lot No. G3 Tropika Welcome Center Jalan Setia Tropika 1/21 Taman Setia Tropika, Kempas 81200 Johor Bahru Johor	GL: 07-236 1124 07-236 1127 Fax: 07-235 1127	Mon - Thu: 9.00 a.m. to 4.30 p.m. Fri: 9.00 a.m. to 4.00 p.m.
117	253	RETAIL B	<b>SOUTHERN REGION 1</b>	JOHOR BAHRU - BUKIT INDAH	Johor	AmBank (M) Berhad NO. 28 & 30, Jalan Indah 16/5, Taman Bukit Indah 81200 Johor Bahru Johor	GL: 07-235 4708 07-235 4722 Fax: 07-235 4834	Mon - Thu: 9.00 a.m. to 4.30 p.m. Fri: 9.00 a.m. to 4.00 p.m.
118	044	RETAIL A	<b>SOUTHERN REGION 1</b>	JOHOR BAHRU - MELODIES GARDEN	Johor	AmBank (M) Berhad No. 77 & 79 Jalan Meranti Merah Melodies Garden 80250 Johor Bahru Johor	ABB: 5710 GL: 07-334 1054 07-334 1061 Fax: 07-334 8800	Mon - Thu: 9.00 a.m. to 4.30 p.m. Fri: 9.00 a.m. to 4.00 p.m.



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119	007	PRIORITY	<b>SOUTHERN REGION 1</b>	JOHOR BAHRU - METROPOLIS TOWER	Johor	AmBank (M) Berhad Ground & First Floor Metropolis Tower Jalan Dato' Abdullah Tahir 80300 Johor Bahru Johor	ABB: 5909 GL: 07-335 0600 07-335 0695 07-335 0696 Fax: 07-335 0469	Mon - Thu: 9.00 a.m. to 4.30 p.m. Fri: 9.00 a.m. to 4.00 p.m.
120	105	RETAIL A	<b>SOUTHERN REGION 1</b>	JOHOR JAYA	Johor	AmBank (M) Berhad No 1 Jalan Ros Merah 2/8 Taman Johor Jaya 81100 Johor Bahru Johor	ABB: 5711, 5329 & 5391 GL: 07-355 7759 07-354 7033 07-354 6819 07-355 1588 Fax: 07-356 2624	Mon - Thu: 9.00 a.m. to 4.30 p.m. Fri: 9.00 a.m. to 4.00 p.m.
121	034	PRIORITY	<b>SOUTHERN REGION 1</b>	KLUANG	Johor	AmBank (M) Berhad No. 21, 22 & 23 Jalan Dato' Teoh Siew Khor 86000 Kluang Johor	ABB: 5693, 5694 & 5695 GL: 07-771 1948 07-772 3178 07-772 1089 Fax: 07-772 6268	Mon - Thu: 9.00 a.m. to 4.30 p.m. Fri: 9.00 a.m. to 4.00 p.m.
122	215	RETAIL B	<b>SOUTHERN REGION 1</b>	KOTA TINGGI	Johor	AmBank (M) Berhad No. 8F-8G Jalan Tuanku Habab 81900 Kota Tinggi Johor	ABB: 5696 & 5322 GL: 07-883 3233 07-883 4978 07-882 2095 Fax: 07-883 4507	Mon - Thu: 9.00 a.m. to 4.30 p.m. Fri: 9.00 a.m. to 4.00 p.m.
123	036	RETAIL A	<b>SOUTHERN REGION 1</b>	KULAI	Johor	AmBank (M) Berhad No 34 & 35, Lorong Dua 81000 Kulai Johor	ABB: 5699 & 5700 GL: 07-663 1725 07-663 5785 07-663 5599 07-663 0611 Fax: 07-663 1155	Mon - Thu: 9.00 a.m. to 4.30 p.m. Fri: 9.00 a.m. to 4.00 p.m.
124	070	RETAIL X	<b>SOUTHERN REGION 1</b>	PASIR GUDANG	Johor	AmBank (M) Berhad No. 1, Jalan Sejambak 14 Taman Bukit Dahlia 81700 Pasir Gudang Johor	ABB: 5712 & 5713 GL: 07-251 0164 07-251 0861 07-251 9588 Fax: 07-251 8908	Mon - Thu: 9.00 a.m. to 4.30 p.m. Fri: 9.00 a.m. to 4.00 p.m.
125	084	RETAIL B	<b>SOUTHERN REGION 1</b>	PERMAS JAYA	Johor	AmBank (M) Berhad No. 13 & 15 Jalan Permas Jaya 10/1 Bandar Baru Permas Jaya 81750 Johor Bahru Johor	ABB: 5714 & 5715 GL: 07-387 7746 07-387 8977 Fax: 07-387 7748	Mon - Thu: 9.00 a.m. to 4.30 p.m. Fri: 9.00 a.m. to 4.00 p.m.
126	026	RETAIL A	<b>SOUTHERN REGION 1</b>	PONTIAN	Johor	AmBank (M) Berhad No. 663 & 664, Jalan Taib 82000 Pontian Johor	ABB: 5278 & 5323 GL: 07-687 3171 07-687 3176 07-687 3169 Fax: 07-687 3067 (line problem)	Mon - Thu: 9.00 a.m. to 4.30 p.m. Fri: 9.00 a.m. to 4.00 p.m.
127	069	RETAIL A	<b>SOUTHERN REGION 1</b>	SKUDAI	Johor	AmBank (M) Berhad No. 5 & 7, Jalan Nakhoda 1 Taman Ungku Tun Aminah 81300 Skudai Johor	ABB: 5717 GL: 07-556 8031 07-556 6402 07-558 4771 Fax: 07-556 9121 07-558 1927	Mon - Thu: 9.00 a.m. to 4.30 p.m. Fri: 9.00 a.m. to 4.00 p.m.

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128	073	RETAIL B	<b>SOUTHERN REGION 1</b>	SUNGAI RENGIT	Johor	AmBank (M) Berhad No. 33, Jalan Haji Abu Bakar Sungai Rengit 81620 Pengerang Johor	ABB: 5720 & 5721 GL: 07-826 3013 07-826 3011 Fax: 07-826 3359	Mon - Thu: 9.00 a.m. to 4.30 p.m. Fri: 9.00 a.m. to 4.00 p.m.
129	104	RETAIL X	<b>SOUTHERN REGION 1</b>	TAMPOI	Johor	AmBank (M) Berhad No 4 & 6, Ground Floor Jalan Padi Emas 6/1 Pusat Bandar Tampoi 81200 Johor Bahru Johor	ABB: 5070 & 5327 GL: 07-234 1217 07-234 1216 07-232 1727 Fax: 07-234 1131	Mon - Thu: 9.00 a.m. to 4.30 p.m. Fri: 9.00 a.m. to 4.00 p.m.
130	155	RETAIL B	<b>SOUTHERN REGION 1</b>	ULU TIRAM	Johor	AmBank (M) Berhad No.2, Jalan Badik 15 Taman Putri Wangsa 81800 Ulu Tiram Johor	ABB: 5062 GL: 07-867 1005 07-867 1004 07-867 1002 Fax: 07-867 1006	Mon - Thu: 9.00 a.m. to 4.30 p.m. Fri: 9.00 a.m. to 4.00 p.m.
131	149	RETAIL B	<b>SOUTHERN REGION 2</b>	AYER KEROH	Melaka	AmBank (M) Berhad No. 28 & 29, Lorong Setia 1 Ayer Keroh Heights 75450 Melaka	ABB: 5099 & 5321 GL: 06-232 3668 06-232 3146 06-232 6221 Fax: 06-232 3466	Mon - Thu: 9.00 a.m. to 4.30 p.m. Fri: 9.00 a.m. to 4.00 p.m.
132	038	RETAIL B	<b>SOUTHERN REGION 2</b>	BAHAU	Negeri Sembilan	AmBank (M) Berhad No. 122 & 123, Jalan Mewah 72100 Bahau Negeri Sembilan	ABB: 5667, 5310 & 5383 GL: 06-455 3008 06-455 3007 06-455 3009/3 Fax: 06-454 4833	Mon - Thu: 9.00 a.m. to 4.30 p.m. Fri: 9.00 a.m. to 4.00 p.m.
133	262	RETAIL X	<b>SOUTHERN REGION 2</b>	BANDAR UTAMA CHENG	Melaka	AmBank (M) Berhad No 53 & 55, Jalan Inang 3 Taman Paya Rumput Utama 76450 Melaka	Tel: 06-335 6066 Fax: 06-335 8106	Mon - Thu: 9.00 a.m. to 4.30 p.m. Fri: 9.00 a.m. to 4.00 p.m.
134	150	RETAIL B	<b>SOUTHERN REGION 2</b>	JASIN	Melaka	AmBank (M) Berhad No.1800, Pusat Bandar Baru 77000 Jasin Melaka	ABB: 5072 GL: 06-529 4433 06-529 4362 06-529 4361 Fax: 06-529 4363	Mon - Thu: 9.00 a.m. to 4.30 p.m. Fri: 9.00 a.m. to 4.00 p.m.
135	039	PRIORITY	<b>SOUTHERN REGION 2</b>	MELAKA - JLN MUNSHI ABDULLAH	Melaka	AmBank (M) Berhad No. 154 & 156 Kompleks Munshi Abdullah Jalan Munshi Abdullah 75100 Melaka	ABB: 5309 GL: 06-282 8114 06-286 6530 06-286 2870 Fax: 06-283 6926	Mon - Thu: 9.00 a.m. to 4.30 p.m. Fri: 9.00 a.m. to 4.00 p.m.
136	006	RETAIL A	<b>SOUTHERN REGION 2</b>	MELAKA - MELAKA RAYA	Melaka	AmBank (M) Berhad No. 1 & 3 Jalan Melaka Raya 11 Taman Melaka Raya 75000, Melaka	ABB: 5917, 5370 & 5410 GL: 06-282 5785 06-282 5897 06-282 5804 Fax: 06-282 5979	Mon - Thu: 9.00 a.m. to 4.30 p.m. Fri: 9.00 a.m. to 4.00 p.m.
137	018	PRIORITY	<b>SOUTHERN REGION 2</b>	MUAR	Johor	AmBank (M) Berhad Ground Floor No. 111, Jalan Abdullah 84000 Muar Johor	ABB: 5912 & 5372 GL: 06-954 0071 06-954 0073 Fax: 06-954 0076	Mon - Thu: 9.00 a.m. to 4.30 p.m. Fri: 9.00 a.m. to 4.00 p.m.

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138	219	RETAIL A	<b>SOUTHERN REGION 2</b>	PORT DICKSON	Negeri Sembilan	AmBank (M) Berhad No 1001 & 1002 Jalan Bandar 71000 Port Dickson Negeri Sembilan	ABB: 5678, 5679 & 5385 GL: 06-646 1016 06-646 1012 06-646 1013 Fax: 06-647 4033	Mon - Thu: 9.00 a.m. to 4.30 p.m. Fri: 9.00 a.m. to 4.00 p.m.
139	053	RETAIL A	<b>SOUTHERN REGION 2</b>	SEGAMAT	Johor	AmBank (M) Berhad No. 1-2, Jalan Muhibbah Taman Utama 85000 Segamat Johor	GL: 07-931 9050 07-931 9051 07-931 9052 Fax: 07-931 6159	Mon - Thu: 9.00 a.m. to 4.30 p.m. Fri: 9.00 a.m. to 4.00 p.m.
140	064	RETAIL A	<b>SOUTHERN REGION 2</b>	TAMPIN	Melaka	AmBank (M) Berhad 2430 Jalan Besar Pulau Sebang 73000 Tampin Melaka	ABB: 5684 GL: 06-441 1330 06-441 3301 06-441 4029 Fax: 06-441 4735	Mon - Thu: 9.00 a.m. to 4.30 p.m. Fri: 9.00 a.m. to 4.00 p.m.
141	154	RETAIL A	<b>SOUTHERN REGION 2</b>	TANGKAK	Johor	AmBank (M) Berhad LC 285, Jalan Muar 84900 Tangkak Johor	ABB: 5073 & 5328 GL: 06-978 1331 06-978 9519 06-978 8830 Fax: 06-978 2144	Mon - Thu: 9.00 a.m. to 4.30 p.m. Fri: 9.00 a.m. to 4.00 p.m.
142	156	RETAIL B	<b>SOUTHERN REGION 2</b>	YONG PENG	Johor	AmBank (M) Berhad No. 100, Jalan Besar 83700 Yong Peng Johor	ABB: 5078 GL: 07-467 4100 07-467 3254 07-467 2499 Fax: 07-467 2668	Mon - Thu: 9.00 a.m. to 4.30 p.m. Fri: 9.00 a.m. to 4.00 p.m.
143	087	RETAIL A	<b>SOUTHERN REGION 3</b>	BALAKONG	Selangor	AmBank (M) Berhad No. S-13, Taman Indah Batu 11, Cheras 43200 Balakong Selangor	ABB: 5621 & 5349 GL: 03-9074 4120 03-9074 4078 03-9074 4013 Fax: 03-9074 4148	Mon - Thu: 9.00 a.m. to 4.30 p.m. Fri: 9.00 a.m. to 4.00 p.m.
144	123	RETAIL B	<b>SOUTHERN REGION 3</b>	BANDAR BARU BANGI	Selangor	AmBank (M) Berhad No. 43-G-01 & 43A-G-01 Jalan Medan PB 2B, Seksyen 9 Bandar Baru Bangi 43650 Bangi Selangor	ABB: 5087 GL: 03-8925 1124 03-8925 3313 03-8926 9728 Fax: 03-8925 2005	Mon - Thu: 9.00 a.m. to 4.30 p.m. Fri: 9.00 a.m. to 4.00 p.m.
145	250	RETAIL B	<b>SOUTHERN REGION 3</b>	BANDAR MAHKOTA CHERAS	Selangor	AmBank (M) Berhad No. 36 & 38 Jalan Temenggung 1/9 Bandar Mahkota Cheras 43200 Cheras Selangor	GL: 03-9010 5901 03-9010 5902 03-9010 5903 Fax: 03-9010 5896	Mon - Thu: 9.00 a.m. to 4.30 p.m. Fri: 9.00 a.m. to 4.00 p.m.
146	186	RETAIL A	<b>SOUTHERN REGION 3</b>	KAJANG	Selangor	AmBank (M) Berhad No. 6 & 7, Jalan S10/1 Section 10, Off Jalan Bukit 43000 Kajang Selangor	ABB: 5670 & 5671 GL: 03-8736 8177 03-8737 6272 03-8737 8700 Fax: 03-8736 7333	Mon - Thu: 9.00 a.m. to 4.30 p.m. Fri: 9.00 a.m. to 4.00 p.m.
147	146	RETAIL A	<b>SOUTHERN REGION 3</b>	MANTIN	Negeri Sembilan	AmBank (M) Berhad No. 48A, Jalan Besar 71700 Mantin Negeri Sembilan	ABB: 5091 & 5314 GL: 06-758 3630 06-758 3631 06-758 1240 06-758 2798 Fax: 06-758 2251	Mon - Thu: 9.00 a.m. to 4.30 p.m. Fri: 9.00 a.m. to 4.00 p.m.

## Group Corporate Directory

No	Branch Code	Branch Category	Region	Branch Name	State	Branch Address	General & Fax Line	Banking Hours
148	090	RETAIL X	<b>SOUTHERN REGION 3</b>	NILAI	Negeri Sembilan	AmBank (M) Berhad Lot PT 7437, Jalan BBN 1/2F Putra Point 1 Bandar Baru Nilai 71800 Nilai Negeri Sembilan	ABB: 5687 & 5315 GL: 06-850 0648 06-850 0649 06-850 0650 Fax: 06-850 0647	Mon - Thu: 9.00 a.m. to 4.30 p.m. Fri: 9.00 a.m. to 4.00 p.m.
149	234	PRIORITY	<b>SOUTHERN REGION 3</b>	PUTRAJAYA	W.P. Putrajaya	AmBank (M) Berhad Lot G02, Ground Floor Alamanda Shopping Complex Precint 1 62000 Putrajaya Wilayah Persekutuan	GL: 03-8888 3898 03-8889 5241 03-8889 5298 03-8889 5326 Fax: 03-8889 5352	Mon - Fri: 10.00 a.m. to 4.30 p.m. Sat: 10.00 a.m. to 12.30 p.m. (Opened on all Saturdays except public holiday) Sun: 10.00 a.m. - 1.00 p.m. (Open on all Sundays except public holiday)
150	147	RETAIL A	<b>SOUTHERN REGION 3</b>	RASAH JAYA	Negeri Sembilan	AmBank (M) Berhad No.3820 & 3821 Jalan RJ 6/8 Taman Rasah Jaya 70300 Seremban Negeri Sembilan	ABB: 5094 GL: 06-632 8463 06-632 8420 Fax: 06-632 8382	Mon - Thu: 9.00 a.m. to 4.30 p.m. Fri: 9.00 a.m. to 4.00 p.m.
151	134	RETAIL A	<b>SOUTHERN REGION 3</b>	SEMENYIH	Selangor	AmBank (M) Berhad No. 43-G & 45-G Ground Floor Jalan Semenyih Sentral 1 43500 Semenyih Selangor	ABB: 5088 & 5318 GL: 03-8723 9897 03-8723 7605 03-8723 9609 Fax: 03-8723 9571	Mon - Thu: 9.00 a.m. to 4.30 p.m. Fri: 9.00 a.m. to 4.00 p.m.
152	135	RETAIL X	<b>SOUTHERN REGION 3</b>	SEPANG	Selangor	AmBank (M) Berhad No.56, Jalan Besar 43900 Sepang Selangor	ABB: 5086 GL: 03-3142 2250 03-3142 2171 Fax: 03-3142 2170	Mon - Thu: 9.00 a.m. to 4.30 p.m. Fri: 9.00 a.m. to 4.00 p.m.
153	148	RETAIL A	<b>SOUTHERN REGION 3</b>	SEREMBAN - JLN DLFY	Negeri Sembilan	AmBank (M) Berhad No. 22 & 23 Jalan Dato' Lee Fong Yee 70000 Seremban Negeri Sembilan	ABB: 5089 & 5317 GL: 06-762 4463 Fax: 06-763 5235 06-763 5905	Mon - Thu: 9.00 a.m. to 4.30 p.m. Fri: 9.00 a.m. to 4.00 p.m.
154	009	PRIORITY	<b>SOUTHERN REGION 3</b>	SEREMBAN - JLN PASAR	Negeri Sembilan	AmBank (M) Berhad Unit No. 5-G, 5-1, 6-G & 6-1 AmBank Business Centre Jalan Pasar 70000 Seremban Negeri Sembilan	ABB: 5908 GL: 06-764 7734 06-764 7735 Fax: 06-764 1536 06-764 1537 06-764 1538	Mon - Thu: 9.00 a.m. to 4.30 p.m. Fri: 9.00 a.m. to 4.00 p.m.
155	137	RETAIL A	<b>SOUTHERN REGION 3</b>	SERI KEMBANGAN	Selangor	AmBank (M) Berhad No 7 & 9, Jalan Perusahaan 2 Off Jalan Kolej Taman Jinma 43300 Seri Kembangan Selangor	ABB: 5283 & 5353 GL: 03-8942 5364 03-8942 5370 Fax: 03-8942 5373	Mon - Thu: 9.00 a.m. to 4.30 p.m. Fri: 9.00 a.m. to 4.00 p.m.
156	172	RETAIL B	<b>SARAWAK</b>	BAU	Sarawak	AmBank (M) Berhad Ground Floor, Block B No. L 273, Jalan Market Bau Town District 94000 Bau Sarawak.	ABB: 5147 & 5339 GL: 082-762 322 082-762 325 082-762 319 Fax: 082-762 320	Mon - Thu: 8.45 a.m. to 4.15 p.m. Fri: 8.45 a.m. to 3.45 p.m.

## Group Corporate Directory

No	Branch Code	Branch Category	Region	Branch Name	State	Branch Address	General & Fax Line	Banking Hours
157	226	PRIORITY	<b>SARAWAK</b>	BINTULU	Sarawak	AmBank (M) Berhad Lot 506, Ground & First Floor Right Wing Bangunan BDA Jalan Sommerville 97000 Bintulu Sarawak	ABB: 5754 & 5755 GL: 086-334 152 086-334 153 086-334 154 Fax: 086-311 400 (HP) 086-332 400 (OPS)	Mon - Thu: 8.45 a.m. to 4.15 p.m. Fri: 8.45 a.m. to 3.45 p.m.
158	260	RETAIL B	<b>SARAWAK</b>	KUCHING - PREMIER 101	Sarawak	AmBank (M) Berhad Lot 92, 93 & 94 Ground Floor, Premier 101 Jalan Tun Jugah 93350 Kuching Sarawak	GL: 082-466 116 Fax: 082-466 106	Mon - Thu: 9.00 a.m. to 4.30 p.m. Fri: 9.00 a.m. to 4.00 p.m.
159	243	RETAIL A	<b>SARAWAK</b>	KUCHING - TABUAN JAYA	Sarawak	AmBank (M) Berhad Ground Floor Lot 41 & 42 Pusat Komersil Tabuan Stutong Jalan Setia Raja 93350 Kuching Sarawak	GL: 082-361 581 082-360 644 082-360 740 082-360 761 082-360 859 Fax: 082-360 942	Mon - Thu: 9.00 a.m. to 4.30 p.m. Fri: 9.00 a.m. to 4.00 p.m.
160	051	PRIORITY	<b>SARAWAK</b>	KUCHING - JLN ABELL	Sarawak	AmBank (M) Berhad No. 164, 166 & 168 Jalan Abell 93100 Kuching Sarawak	ABB: 5777, 5783 & 5402 GL: 082-244 608 082-244 604 Fax: 082-232 023	Mon - Thu: 8.45 a.m. to 4.15 p.m. Fri: 8.45 a.m. to 3.45 p.m.
161	011	PRIORITY	<b>SARAWAK</b>	KUCHING - JLN HJ TAHA (SATOK)	Sarawak	AmBank (M) Berhad Ground Floor & Mezzanine Floor Bangunan AmBank Lot 257, Jalan Haji Taha Section 8 93400 Kuching Sarawak	ABB: 5141 GL: 082-244 597 082-256 594 082-207 299 082-428 925 Fax: 082-244 611 (HP) 082-256 600 (OPS)	Mon - Thu: 8.45 a.m. to 4.15 p.m. Fri: 8.45 a.m. to 3.45 p.m.
162	241	RETAIL A	<b>SARAWAK</b>	KUCHING - JLN PENRISSEN	Sarawak	AmBank (M) Berhad Ground & First Floor Lot 16, 17 & 18 Golden Court Commercial Centre Batu 4½, Jalan Penrissen 93250 Kuching Sarawak	GL: 082-455 532 082-455 560 082-457 652 (HP) 082-457 930 (HP) Fax: 082-455 596	Mon - Thu: 9.00 a.m. to 4.30 p.m. Fri: 9.00 a.m. to 4.00 p.m.
163	019	RETAIL A	<b>SARAWAK</b>	MIRI - BOULEVARD	Sarawak	AmBank (M) Berhad Lot 2504 & 2505 Boulevard Commercial Centre KM3, Jalan Miri-Pujut 98000 Miri Sarawak	ABB: 5916 GL: 085-437 908 085-437 909 085-437 910 085-437 912 Fax: 085-437 915	Mon - Thu: 8.45 a.m. to 4.15 p.m. Fri: 8.45 a.m. to 3.45 p.m.
164	049	RETAIL A	<b>SARAWAK</b>	MIRI - BEAUTIFUL JADE CENTRE	Sarawak	AmBank (M) Berhad Lot 244 & 246 Beautiful Jade Centre 98007 Miri Sarawak	ABB: 5139 GL: 085-414 988 085-411 257 Fax: 085-419 676	Mon - Thu: 8.45 a.m. to 4.15 p.m. Fri: 8.45 a.m. to 3.45 p.m.



## Group Corporate Directory

No	Branch Code	Branch Category	Region	Branch Name	State	Branch Address	General & Fax Line	Banking Hours
165	065	RETAIL B	<b>SARAWAK</b>	SARIKEI	Sarawak	AmBank (M) Berhad Ground & 1st Floor No. 18A & 18B Lorong Tun Razak 96100 Sarikei Sarawak	ABB: 5779 & 5780 GL: 084-656 804 (HP) 084-655 777 (OPS) Fax: 084-656 764 (HP) 084-655 775 (OPS)	Mon - Thu: 9.00 a.m. to 4.30 p.m. Fri: 9.00 a.m. to 4.00 p.m.
166	067	RETAIL B	<b>SARAWAK</b>	SERIAN	Sarawak	AmBank (M) Berhad Ground Floor, Lot 295 Serian Town District 94700 Serian Sarawak	ABB: 5781 & 5782 GL: 082-875 158 082-875 177 084-875 178 Fax: 082-875 155	Mon - Thu: 8.45 a.m. to 4.15 p.m. Fri: 8.45 a.m. to 3.45 p.m.
167	238	RETAIL X	<b>SARAWAK</b>	SIBU JAYA	Sarawak	AmBank (M) Berhad Lot 1195 S/L 37 Ground Floor, Block 1 Menyan L.D., Sibu Jaya 96000 Sibu Sarawak	GL: 084-237 849 084-236 978 084-237 030 Fax: 084-237 927	Mon - Thu: 8.45 a.m. to 4.15 p.m. Fri: 8.45 a.m. to 3.45 p.m.
168	180	PRIORITY	<b>SARAWAK</b>	SIBU - JLN PEDADA	Sarawak	AmBank (M) Berhad No.14 - 15, Ground Floor Pusat Pedada, Jalan Pedada Delta Commercial Centre 96000 Sibu Sarawak	ABB: 5149 & 5342 GL: 084-337 791 084-339 105 Fax: 084-337 736	Mon - Thu: 8.45 a.m. to 4.15 p.m. Fri: 8.45 a.m. to 3.45 p.m.
169	012	PRIORITY	<b>SARAWAK</b>	SIBU - JLN TUNKU OSMAN	Sarawak	AmBank (M) Berhad Jln Tunku Osman No 21 To 25 Ground & 1st Floor Jalan Tuanku Osman 96000 Sibu Sarawak	ABB: 5915 GL: 084-321 777 (HP) 084-348 746 (OPS) Fax: 084-321 788 (HP) 084-348 745 (OPS)	Mon - Thu: 8.45 a.m. to 4.15 p.m. Fri: 8.45 a.m. to 3.45 p.m.
170	179	PRIORITY	<b>SARAWAK</b>	SIBU - TANAHMAS	Sarawak	AmBank (M) Berhad Ground Floor, Lot 115 101 & 102 Wisma Sibu Chinese Chamber of Commerce & Industry Jalan Chambers 96000 Sibu Sarawak	ABB: 5140 & 5341 GL: 084-314 126 084-321 789 Fax: 084-318 786	Mon - Thu: 8.45 a.m. to 4.15 p.m. Fri: 8.45 a.m. to 3.45 p.m.

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# FORM OF PROXY

No. of Shares Held	Telephone No.	CDS Account No.	
		Proportion of holdings to be represented by each proxy	
		Proxy 1 _____ %	Proxy 2 _____ %



**AmBank Group**

**AMMB HOLDINGS BERHAD**  
(223035-V)  
(Incorporated in Malaysia and  
deemed registered under the  
Companies Act, 2016)

I/We \_\_\_\_\_ (Full Name in capital letters)

NRIC/Passport/Company No. \_\_\_\_\_ of \_\_\_\_\_  
(Full Address)

being a member of AMMB Holdings Berhad, hereby appoint \_\_\_\_\_

NRIC/Passport No. \_\_\_\_\_ of \_\_\_\_\_  
(Full Address)

or failing him/her \_\_\_\_\_

NRIC/Passport No. \_\_\_\_\_ of \_\_\_\_\_  
(Full Address)

or failing him/her, THE CHAIRMAN OF THE MEETING, as my/our proxy to vote for me/us and on my/our behalf at the Twenty-Eighth ("28<sup>th</sup>") Annual General Meeting ("AGM") of the Company to be held at the Grand Ballroom, First Floor, Sime Darby Convention Centre, 1A Jalan Bukit Kiara 1, 60000 Kuala Lumpur, Malaysia on Wednesday, 31 July 2019 at 10.00 a.m. or at any adjournment thereof.

Please indicate with a "X" or "✓" in the boxes below how you wish your vote to be cast. In the absence of specific directions, your proxy will vote or abstain as he/she thinks fit. My/our proxy is to vote as indicated below:

Ordinary Resolutions	No.	For	Against
To approve the payment of Directors' fees for the financial year ended 31 March 2019.	1		
To approve the payment of benefits payable to the Directors for the period from 1 August 2019 until the next AGM of the Company.	2		
To re-elect Graham Kennedy Hodges as Director.	3		
To re-elect Tan Sri Azman Hashim as Director.	4		
To reappoint Messrs Ernst & Young as Auditors and to authorise the Directors to determine their remuneration.	5		
To empower Directors to allot and issue new ordinary shares for the purpose of the Company's Dividend Reinvestment Plan.	6		
To empower Directors to allot and issue new ordinary issue shares pursuant to Sections 75 and 76 of the Companies Act, 2016.	7		
To approve the Proposed Renewal of Existing Shareholder Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature with Australia and New Zealand Banking Group Limited Group.	8		
To approve the Proposed Renewal of Existing Shareholder Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature with Amcorp Group Berhad Group.	9		

Dated this \_\_\_\_\_ day of \_\_\_\_\_ 2019.

\_\_\_\_\_  
**Signature of Shareholder**  
(If the shareholder is a corporation,  
this part should be executed under seal)

Notes:

- (1) A member of the Company entitled to attend and vote at the AGM is entitled to appoint more than one (1) proxy to attend and vote on his/her behalf, provided he/she specifies the proportion of his/her shareholdings to be represented by each proxy. All resolutions set out in the Notice of the 28<sup>th</sup> AGM will be put to vote by way of poll.

(2) A proxy need not be a member of the Company. There shall be no restriction as to the qualification of the proxy. A proxy appointed to attend and vote at the AGM shall have the same rights as the Member to speak at the AGM.

(3) Where a member of the Company is an authorised nominee as defined under the Securities Industry (Central Depositories) Act, 1991 (“SICDA”), it may appoint more than one (1) proxy in respect of each securities account it holds in ordinary shares of the Company standing to the credit of the said securities account. The appointments shall be invalid unless the proportion of shareholdings to be represented by each proxy is specified in the instrument appointing the proxies.

(4) Where a member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account (“omnibus account”), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds. An exempt authorised nominee refers to an authorised nominee defined under the
- SICDA which is exempted from compliance with the provisions of subsection 25A(1) of SICDA. The appointments shall be invalid unless the proportion of shareholdings to be represented by each proxy is specified in the instrument appointing the proxies.
- (5) The instrument appointing a proxy shall be in writing under the hand of the appointer or of his/her attorney duly authorised in writing or if the appointer is a corporation either under seal or under the hand of an officer or attorney of the corporation duly authorised in writing.

(6) If the Form of Proxy is returned without indication as to how the proxy shall vote, the proxy will vote or abstain as he/she thinks fit. If no name is inserted in the space provided for the name of your proxy, the Chairman of the Meeting will act as your proxy.

(7) The instrument appointing a proxy must be deposited at the office of the Company's Share Registrar, Boardroom Share Registrars Sdn Bhd (formerly known as Symphony Share Registrars Sdn Bhd) at Level 6, Symphony House, Pusat Dagangan Dana 1, Jalan PJU 1A/46, 47301 Petaling Jaya, Selangor Darul Ehsan, Malaysia not less than forty-eight (48) hours before the time appointed for holding the AGM or any adjournment thereof.

Personal data privacy:

By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the AGM and/or any adjournment thereof, a member of the Company (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents) for the purpose of the processing and administration by the Company (or its agents) of proxies and representatives appointed for the AGM (including any adjournment thereof), and the preparation and compilation of the attendance lists, minutes and other documents relating to the AGM (including any adjournment thereof), and in order for the Company (or its agents) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the “Purposes”), (ii) warrants that where the member discloses the personal data of the member’s proxy(ies) and/or representative(s) to the Company (or its agents), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member’s breach of warranty.

AFFIX  
STAMP

The Share Registrar for AMMB Holdings Berhad  
**Boardroom Share Registrars Sdn Bhd**  
(formerly known as Symphony Share Registrars Sdn Bhd)

Level 6, Symphony House  
Pusat Dagangan Dana 1  
Jalan PJU 1A/46  
47301 Petaling Jaya  
Selangor Darul Ehsan  
Malaysia







**AMMB HOLDINGS BERHAD (223035-V)**  
(Incorporated in Malaysia)

22<sup>nd</sup> Floor, Bangunan AmBank Group,  
No. 55, Jalan Raja Chulan  
50200 Kuala Lumpur, Malaysia

Tel: 603 2036 2633 Fax: 603 2031 6453

**[ambankgroup.com](http://ambankgroup.com)**