

LeadingAsia



SUSTAINABILITY REPORT 2018

INSPIRING
ASEAN



Inside This Report

MAYBANK SUSTAINABILITY REPORT 2018

The Maybank Sustainability Report 2018 provides a balanced and comprehensive report of the Group's sustainability performance in relation to issues material to the Group and its stakeholders, and complies with the Global Reporting Initiative (GRI) Sustainability Reporting Standards and the amendments to Bursa Malaysia Securities Berhad Main Market Listing Requirements relating to the Sustainability Statements in Annual Reports.

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This Report is located online at

Maybank's website (www.maybank.com/en/investor-relations/reporting-events/reports/annual-reports.page)

Maybank Foundation's website (www.maybankfoundation.com/index.php/media-center/sustainability-reports)

Who We Are

MAYBANK OVERVIEW

Established in 1960, Maybank is the largest financial services group in Malaysia with an established presence in the ASEAN region. We provide a full suite of conventional and Shariah-compliant products and services in commercial banking, investment banking and insurance.

OUR VALUES


T Teamwork

I Integrity

G Growth

E Excellence and Efficiency


R Relationship Building



Our **T.I.G.E.R.** values are the guiding principles for all Maybankers to serve our mission of Humanising Financial Services.

fulfil

OUR MISSION




Humanising Financial Services

We fulfil our customers' ambitions by building trusted relationships that last for generations through thick and thin. We believe in treating all our stakeholders fairly and in simplifying financial solutions.


guides

OUR ASPIRATION




Advancing Asia's Ambitions With You

As we grow together with our customers, the Maybank brand has reached 10 ASEAN countries, Greater China and other key global financial markets. Our aspiration is to be the top ASEAN bank, fulfilling our customers' ambitions in the region and linking them to Asia and beyond.




We serve our communities in ways that are simple, fair and human, **embodying our mission.**

OUR DIFFERENTIATORS



Around **43,000 Maybankers** who serve the mission, empowered by our **T.I.G.E.R.** values.



Our strong retail community franchise spanning across ASEAN.

OUR STRUCTURE

In serving our mission, we provide an array of financial products and services through 3 key business pillars, supported by shared corporate functions across our global network of **18 countries**.

BUSINESS PILLARS

Group Community Financial Services

For:

Individuals, retail small and medium enterprises (SMEs) and mid-sized corporates.

Offers:

Retail banking services such as wealth management, mortgage, auto financing, credit cards, short-term credit and long-term business loans.

47.5%

Share of Group's PBT

Group Global Banking

For:

Large corporates and institutions.

Offers:

Wholesale banking services such as transactional banking, investment banking, corporate banking, global markets and treasury, and asset management.

45.7%

Share of Group's PBT

Group Insurance & Takaful

For:

Individuals and corporates.

Offers:

Conventional and Islamic insurance (Takaful) solutions including long-term savings and investment products.

6.8%

Share of Group's PBT

Islamic Finance leverage model is utilised to distribute Islamic products across the Group

GROUP CORPORATE FUNCTIONS

Finance | Strategy | Technology | Operations | Compliance | Risk | Human Capital | Internal Audit

For more details about our business pillars and Islamic franchise, refer to the Annual Report 2018 pages 44, 48, 52 and 56.

Maybank

Sustainability Report 2018

OVERVIEW

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TRUST AND INTEGRITY

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COMMUNITY EMPOWERMENT

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➡

DELIVERING VALUE ACROSS ASEAN

We take a leading role in ASEAN in driving economic growth and helping communities develop across the region, going beyond financial services. Our strategy is focused on areas where we believe we can make a significant difference in fulfilling our customers’ ambitions and driving financial inclusion whilst supporting businesses, big and small, to succeed in ASEAN and beyond.

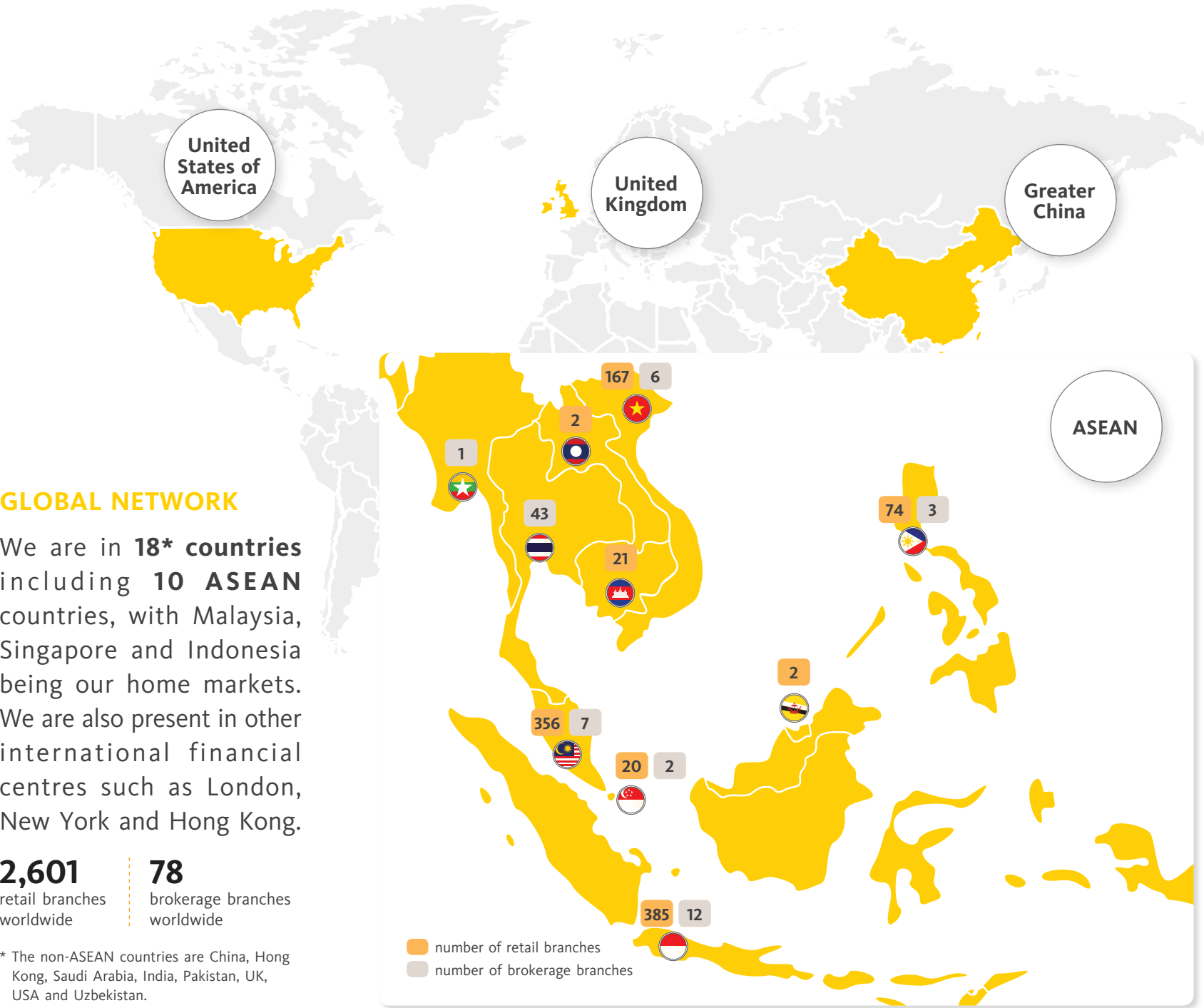
Over **5.99 million** active M2U users

Disbursed **RM4.46 billion** of new retail SME loans across the region in 2018

Allotted **RM30 million** into future-proofing Maybankers through our FutureReady Digital Upskilling Programme in 2018

More than **RM1 million** public donations collected via MaybankHeart, benefitting 37 NGOs

Awarded **RM24 million** in scholarships in support of access to education across the region in 2018



For more details about our global network, refer to Strategic Business Units on page 04 and www.maybank.com/worldwide

Strategic Business Units



Malayan Banking Berhad is the holding company and listed entity for the Maybank Group. Our key subsidiaries and associates are as follows:

ISLAMIC BANKING



MAYBANK GROUP ISLAMIC BANKING

Maybank Group Islamic Banking is the leading provider of Islamic financial products and services in ASEAN. It leverages the Group's system and IT infrastructure, as well as distribution network to offer end-to-end Shariah-based financial solutions across 407 Maybank touchpoints in Malaysia, as well as our overseas operations in Indonesia (via PT Bank Maybank Syariah Indonesia), Singapore, Hong Kong, London and Labuan.

In Malaysia, Maybank Islamic is the domestic market leader in total assets, total financing, and total funding (Deposits and Unrestricted Investment Account) as well as profitability across all key business segments.

We adopt an Islamic-first approach where we offer customers Shariah-compliant products and services as a standard product. Our Islamic banking business contributed 59% to Maybank's financing in Malaysia as at 31 December 2018.

INSURANCE & TAKAFUL



ETIQA

Etiqa represents Maybank Group's Insurance and Takaful businesses, offering a full range of Life and General conventional insurance policies as well as Family and General Takaful plans across multiple distribution channels of over 8,100 agents, 46 branches and 17 offices, and over 490 bancassurance network (via Maybank branches and third-party banks, cooperatives and brokers) through our presence in Malaysia, Singapore, the Philippines and Indonesia. Etiqa is one of the pioneers for online direct sales through www.etiqa.com.my, www.motortakaful.com and the Group's Maybank2u online platform. It is the No. 1 digital insurance player in Malaysia with total premiums/contributions of more than RM100 million.

Etiqa International Holdings Sdn Bhd, wholly-owned by Maybank, is the holding company of Etiqa. In Malaysia, Etiqa operates as four different entities comprising Etiqa Life Insurance Berhad, Etiqa General Insurance Berhad, Etiqa Family Takaful Berhad, and Etiqa General Takaful Berhad. Etiqa also has presence in Singapore (via Etiqa Insurance Pte Ltd), the Philippines (via AsianLife and General Assurance Corporation) and Indonesia (via PT Asuransi Asoka Mas).

INVESTMENT BANKING



MAYBANK KIM ENG GROUP

Maybank Kim Eng (MKE) Group is the investment banking arm of Maybank Group. It comprises two groups of companies: namely, Maybank Investment Bank Berhad (MIBB) and Maybank Kim Eng Holdings Limited (MKEH). MIBB is the licensed investment

banking operations of MKE in Malaysia with seven branches in the country, while MKEH is the Singapore-based investment holding company for MKE's licensed operations in nine countries outside Malaysia, namely Singapore, Thailand, the Philippines, Indonesia, Vietnam, Hong Kong, United States of America, United Kingdom and India. MKE Group has in total 155 retail branches/touchpoints globally.

MKE offers a complete range of investment banking products and solutions to various retail, mid-market, corporate and institutional segments, including debt advisory and arrangement via bonds and Sukuk, project financing, leverage financing, and loan syndication; alongside equity capital markets solutions as well as advisory, including mergers and acquisitions, sector and strategic advisory.

MKE also offers equity derivatives, market access and financing via its securities operations, covering retail, prime and institutional broking, supported by its on-ground, ASEAN-wide company, sector, country and macro research.

ASSET MANAGEMENT



MAYBANK ASSET MANAGEMENT GROUP BERHAD

Maybank Asset Management Group Berhad (MAMG) provides fund management services and investment solutions in the Asian markets for corporates and institutions, high net worth individuals and mass retail clients. With access to over 300 strategies, MAMG runs a full spectrum of asset classes with a customisable layer for conventional and Shariah investments. Its operations are supported by a dedicated team of investment and research professionals, with more than 20 years of investment industry experience on average.

MAMG comprises Maybank Asset Management Sdn Bhd, Maybank Islamic Asset Management Sdn Bhd, Maybank Asset Management Singapore Pte Ltd and PT Maybank Asset Management. MAMG maintains several key strategic partnerships with reputable asset managers such as BNY Mellon Investment Management, Value Partners Group, Azimut Group and Schroders, leveraging their expertise and investment capabilities to offer investors global and thematic investment solutions.

MAMG's Assets Under Management amounted to RM26 billion as at 31 December 2018.



Strategic Business Units

INTERNATIONAL OPERATIONS



MAYBANK SINGAPORE LTD

Maybank Singapore Ltd has a net asset size of approximately SGD73.3 billion and workforce of over 2,000. As one of the domestic systemically important banks (D-SIBs) identified by the Monetary Authority of Singapore, Maybank Singapore Limited (MSL) was established as a Singapore-incorporated subsidiary with Qualifying Full Bank (QFB) privileges in 2018. Maybank Singapore Limited operates in 27 service locations and offers retail (personal banking, privilege wealth, premier wealth), private wealth and SME banking services. Part of atm⁵, Singapore's only shared ATM network among six participating QFBs, MSL has a combined reach of more than 200 ATMs islandwide. Maybank's Singapore Branch provides wholesale and investment banking solutions for corporate and institutional clients, and provides banking services at 10 branch locations. Maybank Singapore contributed 12.2% and 25.6% to the Group's profit before tax and gross loans* respectively in FY2018.



PT BANK MAYBANK INDONESIA TBK

PT Bank Maybank Indonesia Tbk (Maybank Indonesia) is a subsidiary of Maybank and is listed on the Indonesia Stock Exchange (Ticker: BNII). It provides a comprehensive range of products and services to individual and corporate customers through its Community Financial Services (Retail Banking and Non-Retail Banking) and Global Banking businesses through its network of 386 branches (which includes 13 Shariah branches and 1 overseas branch in Mumbai) and 1,609 ATMs including 93 cash deposit machines. Maybank Indonesia is the 9th largest commercial bank by assets at IDR177.5 trillion and has total customer deposits of IDR116.8 trillion as at 31 December 2018. Maybank Indonesia contributed 6.9% and 7.6% to the Group's profit before tax and gross loans* respectively in FY2018.



MAYBANK GREATER CHINA

Maybank Greater China (GC) consists of five branches in Hong Kong (HK), Shanghai, Beijing, Kunming and Shenzhen. We provide wholesale banking services to corporate clients in HK and China, primarily to inbound/outbound ASEAN corporates, Chinese/HK corporates with regional operations and projects as well as financial institutions. Maybank HK also offers Private Wealth products to cater to our high net worth clients.



MAYBANK VIETNAM

Maybank Vietnam was established in 1995 and offers wholesale banking services including capital expenditure financing, working capital, trade and foreign exchange (FX) products and project financing to regional corporate clients through our branches in Ho Chi Minh and Hanoi.



MAYBANK CAMBODIA PLC

Maybank Cambodia Plc (MCP) was established in 1993 and locally incorporated in 2012. MCP provides a full range of banking services to emerging affluent and affluent consumers, retail SMEs and corporate clients through 21 branches across Cambodia.



MAYBANK PHILIPPINES INCORPORATED

Maybank Philippines Incorporated (MPI) is a full-fledged commercial bank with 74 branches – the largest branch network amongst the foreign banks in the country. MPI offers a wide array of financial solutions customised for emerging affluent and affluent clients, retail SMEs, as well as top and mid-tier corporations in the Philippines. MPI is also involved in treasury business, including money market and FX as well as trust services.



MAYBANK LAOS

Maybank Laos has served retail SMEs and mid-tier local and ASEAN corporate clients through two branches in Vientiane since 2012.



MAYBANK MYANMAR

Maybank Myanmar offers wholesale banking services including capital expenditure financing, working capital, trade and project financing to regional corporate clients, primarily ASEAN corporates. Maybank is also the first and only Malaysian bank to be granted a foreign banking licence by the Central Bank of Myanmar in 2015.



MAYBANK NEW YORK

Maybank New York has been in operation since 1984 and engages in wholesale banking, focusing on corporate lending, treasury and capital markets as well as trade finance. The branch also participates in loan syndications and bilateral arrangements.



MAYBANK LONDON

Established in 1962, Maybank London serves as an ASEAN-Europe banking partner for corporate clients and financial institutions, focusing primarily on corporate lending, treasury, capital markets and trade finance. We also provide Shariah-compliant products to both corporate and high net worth retail clients.



MAYBANK BRUNEI

Established for 58 years, Maybank Brunei provides a range of retail and commercial banking services and products through our 2 branches located in Bandar Seri Begawan and Seria.

ASSOCIATES



MCB BANK LTD

MCB Bank Ltd (MCB) is an 18.78%-owned associate of Maybank. Incorporated in 1947 and privatised in 1991, MCB operates as one of the premier financial institutions in Pakistan with more than 70 years of experience. MCB serves through a network of 1,565 branches within Pakistan and 11 branches outside the country and has presence in Sri Lanka, Dubai, Bahrain and Azerbaijan. MCB also caters to the financial needs of the growing Islamic segment through its wholly-owned subsidiary, MCB Islamic Bank Limited.



AN BINH BANK

An Binh Bank (ABBank) is a 20%-owned associate of Maybank. Founded in May 1993, ABBank offers a full range of retail and commercial banking products and services through its network of 165 branches and sub-branch offices across 34 provinces in Vietnam.



UZBEK LEASING INTERNATIONAL A.O.

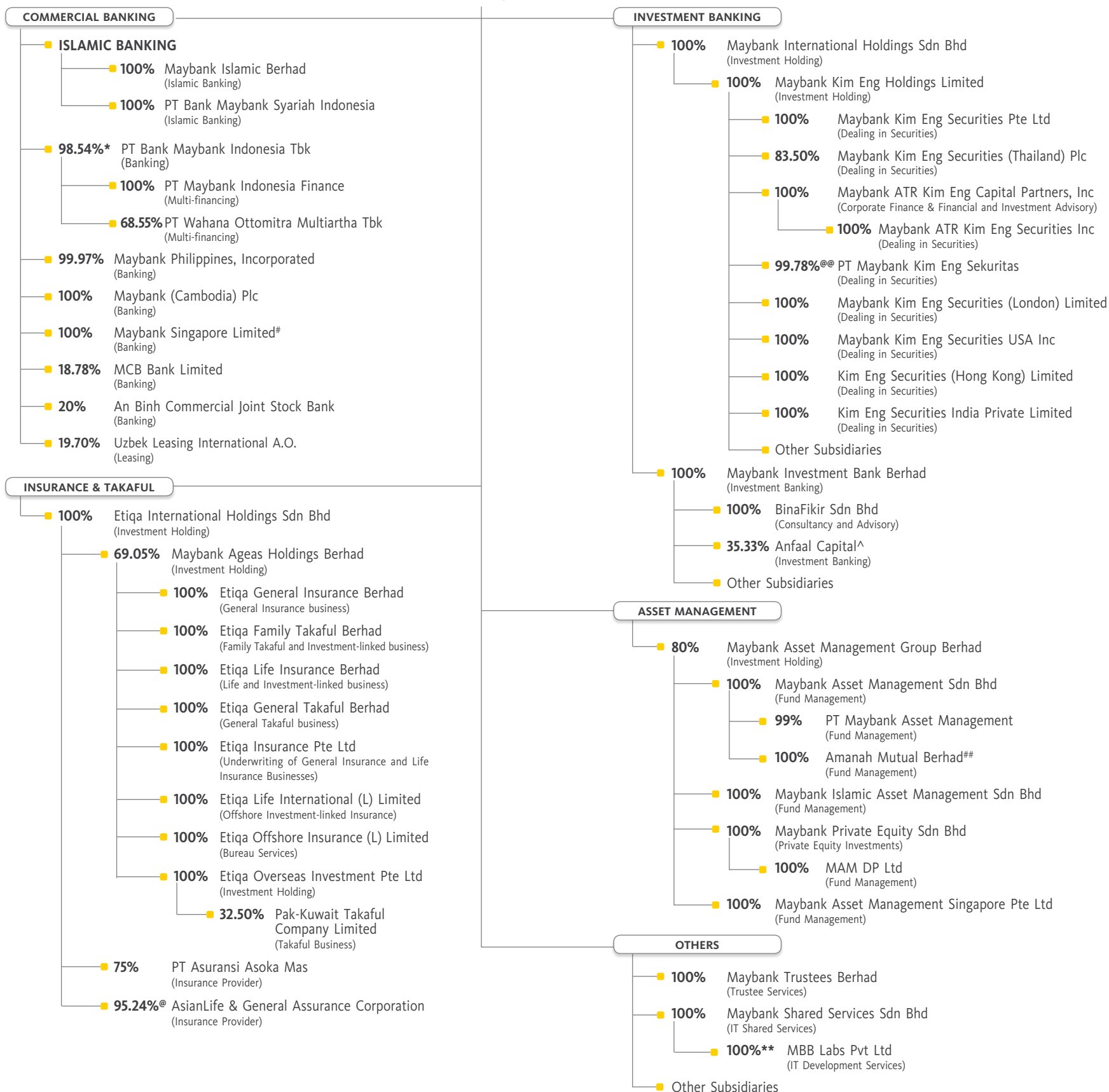
Uzbek Leasing International A.O. (Uzbek Leasing) is a 19.7%-owned associate of Maybank. It specialises in providing a wide spectrum of financial and leasing services across eight regional representative offices throughout Uzbekistan.

* Including Islamic loans sold to Cagamas and excluding unwinding of interest.



Group Corporate Structure

As at 31 December 2018



Notes:

¹ This chart is not the complete list of Maybank subsidiaries and associates. Companies that are not shown include those that are dormant, under liquidation, have ceased operations, or are property investment or nominee services companies. For the complete list, please refer to Note 68: Details of Subsidiaries, Deemed Controlled Structured Entities, Associates and Joint Ventures in the Financial Statements book of the Annual Report 2018.

² Where investment holding companies are omitted, shareholdings are shown as effective interest.

* Effective interest held by the Group. Refer to Note 68, footnote 15, page 314 in the Financial Statements book of the Annual Report 2018 for details.

** 0.01% is held by Dourado Tora Holdings Sdn Bhd.

^ Joint Venture

New subsidiary incorporated in Singapore. Refer to Note 65(i)(f), page 269 in the Financial Statements book of the Annual Report 2018 for details.

New subsidiary acquired. Refer to Note 65(i)(b)(i), page 268 in the Financial Statements book of the Annual Report 2018 for details.

® Effective interest held by the Group. 54.66% is held by Etiqa International Holdings Sdn Bhd and 40.58% is held by Maybank ATR Kim Eng Capital Partners, Inc.

@@ Effective interest held by the Group. 85% is held by Maybank Kim Eng Holdings Limited and 15% is held by PT Maybank Indonesia Finance (14.78% effective interest held by the Group).



Key Awards and Recognition

GREEN APPLE ENVIRONMENT AWARDS

- Green Apple for Environmental Best Practice
- Green World Ambassador award

THE NATIONAL VOLUNTEERISM & PHILANTHROPY CENTRE (NVPC)

- Champion of Good 2018

GREEN WORLD ENVIRONMENT AWARD

- Tiger conservation efforts in Malaysia (Maybank Foundation)

2018 JUNIOR CHAMBER INTERNATIONAL MALAYSIA SUSTAINABLE DEVELOPMENT AWARD (JCIM SDA)

- Best Project – “No Poverty” category (R.I.S.E. programme)

10TH GLOBAL CSR SUMMIT & AWARDS

- Best Environmental Excellence – Silver (Maybank Foundation – Tiger Conservation Programme)
- Excellence in Provision of Literacy & Education – Gold (Maybank Indonesia)

THE RETAIL BANKER INTERNATIONAL ASIA TRAILBLAZER AWARDS 2018

- Maybank GO Ahead. Transform – Best CSR Initiative Award

2018 SUSTAINABLE BUSINESS AWARDS MALAYSIA

- Special Recognition for Stakeholder Engagement & Materiality category

FINANCEASIA'S 2019 ASIA'S BEST MANAGED COMPANY SURVEY

- Best ESG in Malaysia (ranked 1st)

LIFE AT WORK AWARDS 2018

- Best Malaysian Organisation
- CEO Champion for Malaysian Organisation

MALAYSIA'S 100 LEADING GRADUATE EMPLOYERS 2018

- Graduate Employer of The Year
- Banking & Financial Services category (Winner)

HR EXCELLENCE AWARDS 2018 (MALAYSIA)

- Grand Winner
- Employer of the Year – Gold
- Excellence in Corporate Wellness – Gold
- Excellence in Employer Branding – Gold
- Excellence in Graduate Recruitment and Development – Gold
- Excellence in Leadership Development – Gold
- Excellence in Learning and Development – Gold
- Excellence in Talent Management – Gold
- Excellence in Women Empowerment Strategy – Gold

RANDSTAD EMPLOYER BRAND AWARDS 2018

- Most Attractive Employer for Banking and Financial Services sector

BANK INDONESIA AWARD 2018

- Best Micro, SME Supporting Bank in the BUKU 3 and BUKU 4 Bank category

ECONOMIC REVIEW MAGAZINE

- Indonesia Corporate Social Responsibility Award-II-2018 (ICSRA-II-2018) Financial Service category – Platinum

2018 ASIAMONEY BEST BANKS AWARDS FOR CAMBODIA

- Best Bank for CSR

Recognition/External Reviews of Performance

These rankings and ratings reflect our performance.

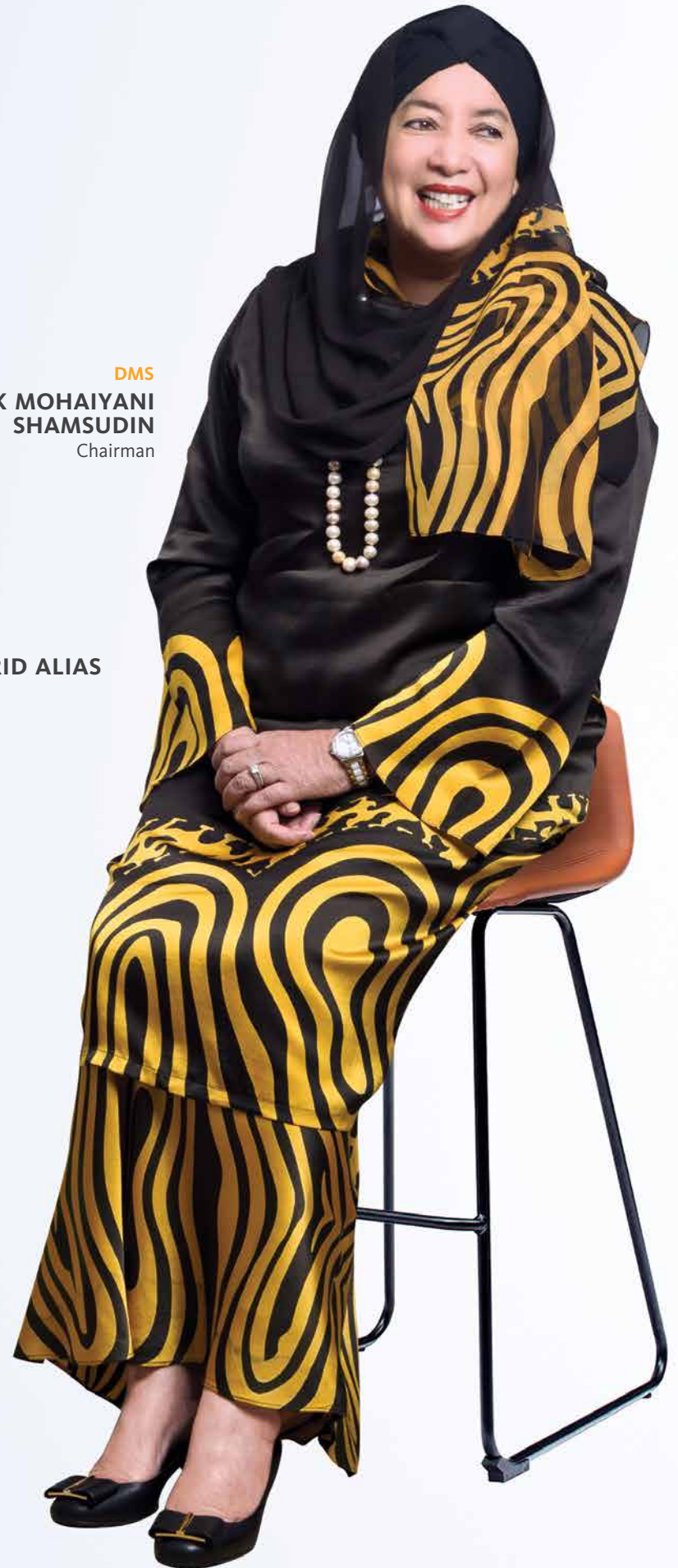
Ranking/Rating	2015	2016	2017	2018
FTSE4Good Bursa Malaysia Index	Included	Included	Included	Included
CDP (formerly the Carbon Disclosure Project)	71	C	C	D
MSCI ESG Ratings	A	A	A	A
Bloomberg Gender Equality Index	–	–	Included	Included



Chairman and GPCEO's Message



DAFA
DATUK ABDUL FARID ALIAS
 Group President &
 Chief Executive Officer



DMS
DATUK MOHAIYANI SHAMSUDIN
 Chairman



Chairman and GPCEO's Message

Maybank remains true to its mission statement of Humanising Financial Services. All aspects of the company – sustainability agenda included – are founded on this mission.

Maybank Chairman Datuk Mohaiyani Shamsudin and Group President and Chief Executive Officer Datuk Abdul Farid Alias share their views on the key sustainability issues in 2018 and how the Group is continuously striving to raise the bar in its efforts to build a sustainable future for all.

**Maybank Group's mission of
Humanising Financial Services**
is the **backbone of the Group's
overarching strategy**



Q1 What is Maybank Group's sustainability focus and how are you approaching environmental, social and governance (ESG) considerations?

DMS >

Maybank's strength is that we are anchored on our mission of Humanising Financial Services. This means that our customers and the wider community are at the heart of everything we do: from ensuring that their rights are respected, providing innovative financing and investment products and cutting edge digital banking services to all our customer segments including the underbanked, to supporting the underprivileged communities wherever we operate.

Although we have achieved significant recognition in our ESG efforts, we recognise that we are on a continuous journey towards a more robust sustainability agenda. In formulating the thinking behind our sustainability structure that addresses ESG concerns, we asked ourselves questions such as "What type of impact do we want to create?", "What types of relationships do we want to have with our various stakeholders?" and "How can we align ourselves to global best sustainability practices including the UN SDGs?" to ensure that the outcome serves our mission.

As a result, we have placed emphasis on lending practices, empowering communities in ASEAN, providing equitable access to financial services and building a talent pool that will ensure the Group's continued success well into the future. Climate change and the environment are also crucial, and we are actively increasing our involvement in green financing as well as our efforts to reduce our own environmental footprint throughout our operations.

For the sixth consecutive year, Maybank has retained an "A" rating from MSCI ESG Research. The ratings are constructed based on 37 key ESG issues such as climate change, human capital, product liability, social opportunities and corporate governance. In addition, we remain the only Malaysian organisation to be included in the Bloomberg Gender Equality Index, a testament to our commitment to ensuring diversity across all levels of the organisation.

We believe that we must identify and address ESG considerations that present risks and opportunities for our business to succeed financially. Maybank's board and management are fully committed to embracing ESG considerations in all aspects of our business and operations and we are working continuously to embed these elements Group-wide as we seek to build a sustainable future for us and for our stakeholders.



"A"
rating
from MSCI ESG Research
for six consecutive years



Chairman and GPCEO's Message

Q2 Financial institutions have an impact on ESG issues through the projects they enable through financing. How does Maybank take ESG issues into consideration in its financing decisions?

DAFA >

We do realise the role financial institutions like us can play in ensuring that ESG considerations are given due attention by the industries that we finance. In this regard, way back in 2015, Maybank first established a Responsible Lending Guideline to manage ESG risks. We later expanded this guideline into a more comprehensive ESG Risk Management Framework and subsequently endorsed it as a company policy in 2018, following the Board's approval. The policy was operationalised throughout the Group in 2018, with ESG risk assessments integrated into our day-to-day decisions in relation to financing practices.

Our ESG Policy applies to all direct lending or financing provided to facilitate a client's business operations or all debt, equity and advisory services provided directly to the client.

We will not finance activities deemed not in line with our core values as well as international best practices. We are also committed to not finance activities that could have a significant adverse impact on the environment and surrounding communities, as well as activities involving harmful or exploitative forms of forced labour or child labour.

Following this, we have developed Risk Acceptance Criteria (RAC) for identified high ESG risk such as Oil Palm, Forestry & Logging, Oil & Gas and Mining & Quarrying. More RACs will progressively come on-stream, further strengthening our commitment to responsible lending.

With our operations spanning across the ASEAN region and centred on our home markets, Malaysia, Singapore and Indonesia, the Maybank Group remains steadfast in being a change agent and proponent of sustainability by working with industry players to adopt sustainable practices. We incorporated ESG considerations into our financing activities to effectively manage ESG risks and realise ESG opportunities while ensuring that our people also engage differently with our clients. Not only do we monitor our clients' practices, but we also inform them that we will only lend our support to those who are in the process of implementing or have already adopted sustainable practices. At the same time, climate-related considerations are being integrated into our Risk Management Framework as a sustainability risk so that we can play an effective role here too in identifying and managing climate risk and help contribute to low carbon initiatives.

Q3 How does Maybank contribute to green solutions?

DAFA >

The demand for sustainable infrastructure and, consequently green financing, continues to grow in the region. Maybank executed a number of major green deals in the region and helped finance projects that contributed to several SDGs as well as Shariah-based infrastructure projects. These include PT Sarana Multi Infrastruktur's IDR120 billion green bond, Indonesia's first IDR-denominated green bond and HSBC Amanah Sdn Bhd's RM500 million Sukuk, the first United Nations (UN) Sustainable Development Goals (SDG) Sukuk in the world.

We are also involved in Malaysia's Green Technology Financing Scheme (GTFS) that facilitates lending to green technology companies. In 2018, we financed 5 projects under the GTFS with a total investment of more than RM25 million. Additionally, Corporate Banking financed approximately RM1.3 billion in renewable energy projects including hydro, solar and waste to energy.

Q4 How does Maybank contribute to the development of communities in the areas where it operates?

DMS >

We continued to channel about 1% of net profit to community programmes in 2018. We are proud that we have been able to consistently maintain the level of contribution, allowing for long-term strategic work with our partners across the region.

We focus on solutions that have sustainable impact and empower communities. Our community investments are managed by Maybank Foundation, in line with priorities identified in the Maybank 20/20 Sustainability Plan. Our six flagship programmes can now measurably show how we are making a difference in the lives of communities we serve with programmes spanning from financial literacy to youth development as well as empowerment of underprivileged women and the differently-abled to the conservation of wildlife.

Our toolbox includes targeted social investments, employee volunteerism and long-term partnerships with local partners. A concrete example is one of our flagship community empowerment programmes, Reach Independence & Sustainable Entrepreneurship Programme (R.I.S.E.), which builds the capabilities of the differently-abled through a structured training and mentoring programme. Carried out in Malaysia, Indonesia and the Philippines, R.I.S.E. reached and trained 2,901 individuals in 2018. Since 2014, 5,731 individuals have been trained and we have seen tremendous results in their skills and livelihoods.

 Further details of the various community programmes can be found on pages 32 to 48 of this Report.

Q5 How is Maybank strengthening compliance efforts?

DAFA >

The Board gives compliance management the highest level of attention, as demonstrated with the establishment of the Compliance Committee of the Board in 2017.

In 2018 we continued to focus on strengthening and institutionalising the compliance culture across the Group. As the largest financial institution in Malaysia and with a wide footprint across the region, we need to ensure that we are doing our part to continuously enhance our capabilities in combating financial crime such as financing of terrorism and corruption, money laundering and any other illegal activity. Rapid technological advancements bring about both threats and possibilities in this field.

While we improve our compliance management and monitoring processes, we also need to ensure that we do not inconvenience our customers through added compliance processes.

To ensure that all Maybankers understand the importance of the compliance agenda and the impact it has on the Group and its stakeholders, our employees have been given a series of refreshers on the Group’s Code of Ethics and Conduct and key regulations, as well as compliance culture assessments to gauge the level of compliance awareness within the Group.

Q6 How does Maybank ensure its employees are ready for the challenges posed by the new digital developments?

DMS >

Swift evolution in digitalisation has disrupted many industries over the past decade, including the financial services industry. This has altered our customers’ expectations, needs and behaviours, thus shaping the way we serve and deliver our services. Customers now expect electronic platforms that provide user-friendly, safe, secure and fast financial services. At the same time, our fiduciary duty requires that our e-platforms adhere to sound governance and compliance requirements.

While we have kept abreast of disruptions through the introduction of various digital banking products and services for customers, we will also need to invest mindfully in the necessary infrastructure and analytical tools and ensure that our people are equipped to perform effectively in a digital economy.

We introduced the first phase of our FutureReady Digital Upskilling Programme in January 2018 to increase employees’ digital literacy. During the course of the year, over 18,000 employees in Malaysia were upskilled to a foundational level of digital literacy through a suite of e-learning, interactive teams learning sessions and assessments of digital literacy. At the same time, over 1,400 line managers have been trained to facilitate FutureReady labs for their teams with over 19,000 employees participating in this labs. Maybank Group’s Board of Directors and senior management have also invested over 500 man-days in intensive classroom learning sessions to learn new skills such as coding and to understand how these skills can be developed in-house.

 Further details on our workforce futurisation initiatives can be found on pages 51 to 54 of this Report.

“ We are not only about providing services to those who can afford it, but also to those who are truly in need of such services. As one of the largest financial services providers in ASEAN, it is our social responsibility to look out for the underserved and find ways to make financial solutions accessible to them. Only by improving the welfare of different segments in the communities we serve can all of us prosper in ASEAN. ”

Datuk Mohaiyani Shamsudin
Chairman

About This Report

As one of the leading banks in ASEAN, we take our role in the community seriously. In this Report, we shed light on how we are supporting our customers and communities across the region. We explain what we are doing to meet changing community expectations and to deliver on our mission of 'Humanising Financial Services'.

Our sustainability efforts have been supported by business growth in the region. We strongly believe that integrating sustainability into our expanding operations is the right way forward for our business and for the community – and a way for us to be truly an inspiring ASEAN bank.

This annual Sustainability Report contains Maybank's sustainability initiatives and practices, community activities and performance for the financial year 2018. We use indicators developed to track and measure the progress of Maybank's 20/20 Sustainability Plan and report progress updates in key areas across our business units and operations. We focus on issues we have determined to be of greatest importance through a comprehensive materiality assessment (see pages 17 to 19).


This Report supplements our sustainability disclosure in our Annual Report 2018 (available online). The Maybank Annual Report 2018 provides an overview of how we create value for stakeholders through our resources and capitals. The most important updates on progress are also available on www.maybank.com and on the Maybank Foundation website (www.maybankfoundation.com).

INDEPENDENT ASSURANCE

The Report has been externally assured by SIRIM QAS International Sdn Bhd (SIRIM QAS International). The contents of this Report were reviewed and the accuracy and reliability of all statements have been validated. The assurance standard includes evaluation of Maybank's sustainability behaviour and performance. All underlying systems and processes that support the Group's sustainability framework were reviewed. The independent assurance statement provides a summary of the audit report findings.

OUR REPORTING APPROACH

This Report has been prepared in accordance with the GRI Standards: Core option. We also follow the Amendments to Bursa Malaysia Securities Berhad Main Market Listing Requirements relating to Sustainability Statement in Annual Reports, and where possible, we have referenced material issues with regard to Economic, Environmental and Social (EES) aspects. We have also reviewed how our three sustainability pillars support the Sustainable Development Goals (SDGs). We have also integrated the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD), as recommended by Bursa Malaysia in 2018.

 For the GRI Content Index Service, GRI Services reviewed that the GRI content index is clearly presented and the references for all disclosures included align with the appropriate sections in the body of the report.

SCOPE

This Report covers Maybank, principal subsidiaries and regional offices. It does not include outsourced activities or joint ventures, unless otherwise stated. We have attempted to report on all issues that are material to Maybank. The Sustainability Report contains qualitative and quantitative results for all indicators presented unless otherwise specified and should be read together with the Maybank Annual Report 2018.

REPORTING PERIOD

This Report covers the period from 1 January 2018 to 31 December 2018 (Financial Year 2018) unless otherwise stated. For selected performance indicators that have been historically tracked, we have included data from the past three years. Significant restatements of data compared to previous years are noted in the respective sections.





FEEDBACK







We welcome your comments, thoughts and remarks. Please direct them to the Maybank head office:

Group Corporate Affairs:
Malayan Banking Berhad
11th Floor, Menara Maybank
100, Jalan Tun Perak
50050 Kuala Lumpur, Malaysia






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Email : corporateaffairs@maybank.com

You can also reach us via:

-  Facebook (<https://www.facebook.com/Maybank>)
-  Twitter (<https://twitter.com/MyMaybank>)

-  Refers to an external link
-  Detailed Indicators
-  20/20 Sustainability Plan
-  Sustainable Development Goals (SDGs)
-  Task Force on Climate-related Financial Disclosures (TCFD)
-  Indicates where to find more information within the Annual Report 2018 (Corporate Book and Financial Statements) and Sustainability Report 2018

Legend (Material Matters):

-  Conduct and Trust
-  Customer Centricity
-  Product Responsibility
-  Environmental Stewardship
-  Human and Social Capital



INTEGRATED REPORTING <IR>

We have started our journey towards Integrated Reporting <IR> as part of our efforts for better disclosure of information. Our <IR> scope includes a group-wide discussion on sustainable value creation vis-a-vis our medium-to-long term business goals. We have identified key material risks and opportunities for each of our business pillars.

We create value through these five capitals:




-  Financial Capital
-  Manufactured Capital
-  Intellectual Capital
-  Social and Relationship Capital
-  Human Capital

In this Report, the topics that relate to our stakeholders have been identified and are highlighted with the following icons:

-  Customers
-  Regulators
-  Investors
-  Communities
-  Employees

Trust and Integrity

20/20 SUSTAINABILITY PLAN 

Pillar	Commitment	Our Approach
 Community and Citizenship To deliver long-term value for the community and environment by being the region's most impactful corporate citizen.	Investing for Impact	Managing innovative community programmes regionally and empowering communities where we operate.
 Our People Build the most engaged and inclusive workplace that connects customers with our people for high impact performance.	Employee Engagement Platforms	As an organisation with over 43,000 employees across the world, we are focused on building an engaged regional workforce with a global ethical mindset to produce world class productivity levels.
	Talent and Leadership	We have established a robust talent management framework which is recognised as a global good practice. It incorporates the development of agile talents who are able to operate successfully in diverse cultures and locations.
	Learning and Development	Investing in the long-term development of our people and improving capabilities across the organisation and the countries where we operate.
	Diverse and Inclusive Workplace	We believe that improved diversity, flexibility and inclusivity are vital to improving the quality and productivity of our workforce.
	Safety, Health and Well-being	The safety and well-being requirements remain an important aspect of our overall strategy. We particularly encourage changes towards a healthy lifestyle. These principles align closely with our belief that good health contributes to more engaged employees.
 Access to Products and Services Integrate ESG considerations into our products and services by 2020 to practise responsible financing, promote financial inclusion and help our customers build financial capability.	Focus on Customers	We continue to be committed to deepening customer relationships, responding to customer needs and improving service. These are all fundamental to our business.
	Digitalisation	Technology is evolving rapidly, changing the way customers and businesses interact. Technology paves the way for the next generation's access to finance.
	Product Stewardship	Providing access to finance as well as helping local communities to bank and save responsibly. We are committed to providing a broad range of financial services to the real economy over the long term and highlighting our innovative product stewardship.
	Commitment to the Environment	Measuring and managing our impacts and challenges as our operations continue to expand.

The result of our materiality assessment is a deeper awareness of the relationships we nurture and the roles we embody in furthering our sustainability efforts.

Our Relationships
Roles and responsibilities define our sustainability direction

Our Role as a Trusted Company	Our Role in the Community	Our Role as a Leading Employer	Our Role as a Responsible Financial Services Provider
<p>Maybank and the ASEAN region have matured hand in hand. We have a shared interest in the prosperity of the communities and the future of the region.</p> <p>We take our role as a trusted company seriously and operate our business according to our core values and our mission of Humanising Financial Services. This is reflected in everything we do from responsible lending and financing to truthful marketing, trustworthy products and support to communities and small businesses. Our corporate governance forms a solid foundation for a stable, trusted company with a strong risk culture.</p>	<p>Our approach to giving back to the community is three-pronged. With targeted social investments, volunteer efforts and long-term partnerships, we empower the communities where we operate.</p> <p>Our focus is on building sustainable programmes with long-lasting impact, particularly through the Maybank Foundation.</p>	<p>We recognise that to reach new heights, we need the best available talent and an engaged workforce. Our people policies are designed to enable our employees to get the support they need to realise their full potential and to ensure that Maybank maintains its position as one of the most attractive employers in the region. We prioritise equal opportunities for all.</p>	<p>We employ sound risk management practices to identify, evaluate and mitigate the environmental and social impacts of our credit facilities.</p> <p>We strive to expand our services to those currently underserved, making sure we live up to our promise of making finance accessible to all.</p> <p>Responsibility in financial services is not only about risk management. It is also about enabling small and medium enterprises (SMEs) to thrive, staying abreast of digitalisation and empowering women and minority groups within Maybank through our community programmes and our products.</p>

What Matters Most
Topics


Conduct and Trust


Customer Centricity


Product Responsibility


Environmental Stewardship


Human and Social Capital

Trust and Integrity

OUR APPROACH TO SUSTAINABILITY

Our strategic priorities are anchored in our mission of Humanising Financial Services. We recognise that financial success requires us to identify and address environmental, social, and ethical issues that present risks and opportunities for our business.

To integrate sustainability into our core business, we focus on impact-based solutions, and on empowering communities. Maybank has a long track record of sustainability reporting. Now, our information on sustainability is presented along with financial information to demonstrate the creation of long-term value and the integration of environmental and social values in our business and operations.




We report our performance against our 20/20 Sustainability Plan, a five-year sustainability strategy approved in 2014. This Plan aims to generate long-lasting impact and value across three pillars: Community and Citizenship, Our People, and Access to Products and Services; and includes 10 commitments.



In 2018, we made further progress, especially in the areas of environment, social and governance (ESG), human capital, and community empowerment through Maybank Foundation.

Stakeholder Engagement

In order to ensure the effectiveness and increase the value of the contribution we make to society, we regularly review and consider emerging issues and changing stakeholder expectations to ensure our list of material issues is up to date. We engage with our stakeholders through various channels, both formally and informally. Explicit and perceived stakeholder concerns are regularly reported to management. In addition, we use our internal risk management process to analyse the macro-economic, political, social and legislative environment.

Thanks to our extensive engagement tools, we are confident that we are doing what matters to our stakeholders. The 20/20 Sustainability Plan was formulated after consulting our stakeholders and studying the most important issues that we must address if the Group is to create value in the future.

Engagement Channels	Areas of Interest	How We Respond
<div> Investors</div> <ul style="list-style-type: none">• Conferences and non-deal roadshows• Quarterly conference calls and biannual analyst briefings on financial performance• Thematic investor day briefings• One-to-one and group investor meetings with GPCEO, GCFO or Head of Group Investor Relations• Dissemination of information and disclosure of materials on our website at www.maybank.com/ir• AGM and EGM• Annual and sustainability reports	<ul style="list-style-type: none">• Ensuring return on investment• Embed sustainability considerations into business practices (such as Responsible Lending)• Staying ahead of emerging competition in the banking industry, particularly from FinTechs• Ensuring good business conduct	<ul style="list-style-type: none">• Trust and Integrity – Governance, page 23• Approach to Risk Management, page 25• Trust and Integrity – Good Business Conduct, page 28• Access to Financial Services – Product Stewardship – Responsible Lending, page 82• Reflections from our Group CFO, Annual Report 2018, page 32
<div> Customers</div> <ul style="list-style-type: none">• Digital touchpoints: Maybank2u & Maybank Trade mobile apps, Maybank2u & Maybank2e websites and Etiqa online portals• Physical branches and self-service terminals (e.g., ATMs)• Customer Service Centres• Sales representatives: Relationship Managers, Personal Financial Advisors and Client Coverage Teams• Maybank social media platforms (Facebook, Instagram, Twitter)• Customer satisfaction surveys	<ul style="list-style-type: none">• Enhancing customer service levels and improving process efficiency as well as providing faster and more convenient banking options• Meeting customers’ expectations for personalised financial advice and financial solutions• Ensuring protection from fraud and scams• Providing fair pricing and terms	<ul style="list-style-type: none">• Trust and Integrity – Approach to Risk Management – Cyber Security, page 27• Access to Financial Services – Focus on Customers, page 73• Access to Financial Services – Our Commitment to SMEs, page 77• Access to Financial Services – Product Stewardship – Responsible Lending, page 82
<div> Regulators</div> <ul style="list-style-type: none">• Reporting and periodic updates to regulators• Active participation and contribution to the industry and regulatory working groups, forums and consultation papers	<ul style="list-style-type: none">• Effectively manage the risk of financial crimes such as money laundering, terrorism financing, fraud, etc.• Manage our data governance, data privacy and cyber security• Cultivate an ethical and risk-aware culture that complies with regulations	<ul style="list-style-type: none">• Trust and Integrity – Approach to Risk Management – Cyber Security, page 27• Trust and Integrity – Good Business Conduct, page 28

	Engagement Channels	Areas of Interest	How We Respond
 Employees	<ul style="list-style-type: none">Employee dialogue sessions with Group EXCO – Conversation Series with C-SuiteEmployee engagement programmes and initiativesRegular electronic and printed communication (e.g., email and newsletters)Employee engagement and feedback surveys/platforms (e.g., Employee Engagement Survey, electronic “Ask Senior Management”, Group Human Capital Contact Centre)	<ul style="list-style-type: none">Employees have the relevant job skills in an evolving banking industryAn enabling work environment that successfully balances career and personal lifeEnsuring employees are empowered to deliver to the best of their abilityEfforts that positively impact the lives of the communities and build long-term relationships with them	<ul style="list-style-type: none">A Thriving Workplace – Futuring Our Workforce, page 51A Thriving Workplace – Global Thought Leadership, page 55A Thriving Workplace – Building Careers, page 56A Thriving Workplace – Employee Engagement Platforms, page 59A Thriving Workplace – Diverse and Inclusive Workplace, page 59A Thriving Workplace – Safety, Health and Wellness, page 64
 Communities	<ul style="list-style-type: none">Partnerships and employee volunteerism in strategic community initiativesWebsites and social media channels including Twitter, Instagram, YouTube, Facebook and LinkedIn	<ul style="list-style-type: none">Maximising the positive impact from our initiatives on communitiesAvailability of financial advice, products and solutions for families, small businesses and the wider communityContribution to initiatives that address financial inclusion and community empowerment	<ul style="list-style-type: none">Community Empowerment, page 32Access to Financial Services – Focus on Customers, page 73Access to Financial Services – Product Stewardship, page 82

Materiality

An annual materiality assessment allows us to gain information on which topics our stakeholders deem pertinent. The materiality assessment process is continuously reviewed to ensure that it is timely, relevant and that our efforts are aligned with the Group’s strategic objectives.

In 2018, we completed an extensive stakeholder survey to assess our material issues. We engaged internal and external stakeholders through Group Investor Relations and Group Corporate Affairs. For the first time, we combined financial and non-financial matters in the materiality assessment. This is another step towards embedding sustainability as business as usual. We made several other improvements to the process this year.

Improvements on our materiality assessment in 2018

- Expanding our stakeholder groups**

Apart from approaching the Board of Directors, senior management, employees, investors, and the media, we reached out to new stakeholder groups, including our retail and corporate customers, business partners, community partners, suppliers and employee representatives.

- Increasing the number of stakeholders within each group**

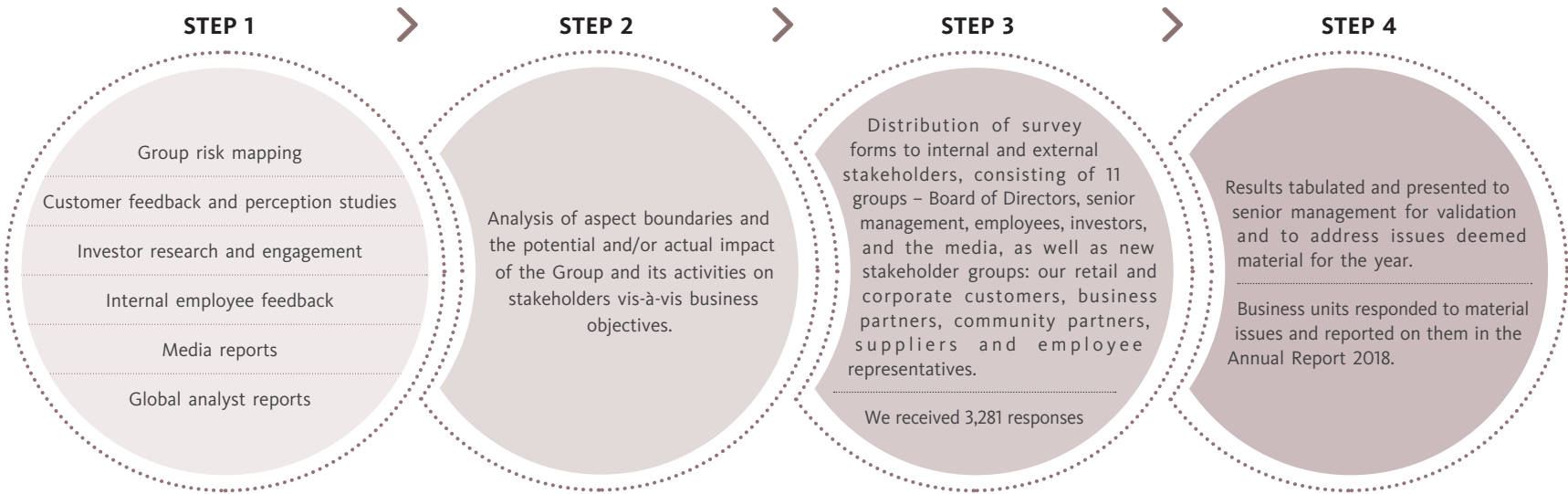
We reached out to nearly 20 times more respondents and received 3,281 responses in 2018 (FY2017: 169).

- Reassessing the list of potential material matters**

We looked at internal input from employee engagement surveys, investor queries, Group Risk’s annual assessments, management reviews and external frameworks, for example, the UN Sustainable Development Goals (SDGs) and Global Reporting Initiative (GRI), as well as emerging trends in the global financial services industry.

- Engaging senior management in the review process**

Material issues and priorities identified through this assessment were presented to senior management for validation and to address issues deemed material for the year.



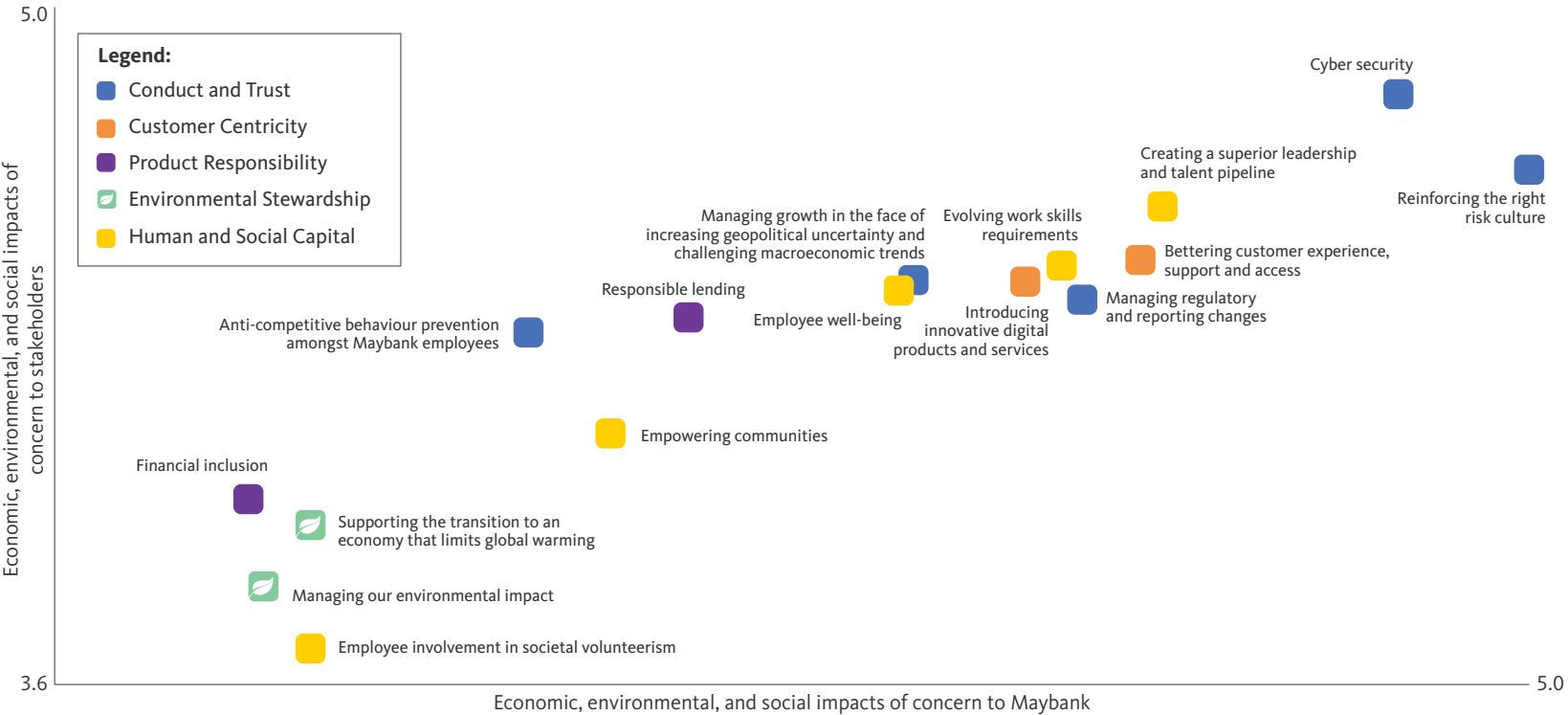
Trust and Integrity

External Perspective

- Global megatrends
 - ASEAN outlook
 - Financial sector specific trends
 - GRI
 - Bursa Malaysia Listing Requirements
- SDGs
 - Media reports
 - Investor research and engagement
 - Global analyst reports

Internal Perspective

- Maybank²⁰²⁰ strategic objectives
- Mission and Code of Conduct
- Customer feedback and perception studies
- Group financial and non-financial risk mapping
- Internal employee feedback
- Global analyst reports








Note: “Responsible investments” and “Partner experience” are material matters which we observed as trending in the industry since these matters have been disclosed by industry peers. We intend to revisit these areas after further internal evaluations.

Key observations of the Maybank 2018 materiality assessment:

- The top two material matters fall in the “Conduct and Trust” cluster. This indicates that stakeholders continue to place great importance on regulatory, risk and compliance matters. Cyber security is recognised as the top material matter for two consecutive years and we remain steadfast in our commitment to manage cyber threats.
- While workplace-related issues (“Human and Social Capital” cluster) are in the top half of the matrix, the “Employee involvement in societal volunteerism” ranks in the lower left quadrant. Suppliers, regulators as well as our investors and analysts are the three stakeholder groups that ranked “Employee involvement in societal volunteerism” below average. These stakeholder groups are perhaps less aware of Maybank’s employee volunteerism efforts and the Group will need to enhance public disclosure on our efforts in this area.
- “Responsible lending” is regarded as material and in line with the global industry trend of enhanced ESG disclosures and practices.












Material Matters

Our Priorities	Material Matters	Boundary
 Conduct and Trust	Reinforcing the right risk culture	External (investors, regulators), Internal (employees)
	Cyber security	External (investors, customers, regulators), Internal (employees)
	Managing regulatory and reporting changes	External (regulators), Internal (employees)
	Managing growth in the face of increasing geopolitical uncertainty and challenging macroeconomic trends	External (investors, regulators), Internal (employees)
	Anti-competitive behaviour prevention amongst Maybank employees	External (regulators), Internal (employees)
 Customer Centricity	Bettering customer experience, support and access	External (customers), Internal (employees)
	Introducing innovative digital products and services	External (customers, regulators, suppliers, media), Internal (employees)
 Product Responsibility	Responsible lending	External (investors, regulators), Internal (employees)
	Financial inclusion	External (customers, regulators, media), Internal (employees)
 Environmental Stewardship	Supporting the transition to an economy that limits global warming	External (investors), Internal (employees)
	Managing our environmental impact	External (regulators, investors), Internal (employees)
 Human and Social Capital	Creating superior leadership and talent pipeline	External (investors, regulators), Internal (employees)
	Evolving work skills requirements	Internal (employees)
	Employee well-being	Internal (employees)
	Empowering communities	External (communities), Internal (employees)
	Employee involvement in societal volunteerism	External (communities), Internal (employees)

Trust and Integrity






20/20 SUSTAINABILITY PLAN PROGRESS 2018

We are getting close to the end point in the implementation of Maybank's 20/20 Sustainability Plan. The Plan outlines our commitment to embedding sustainability into our business. We have seen key shifts in the organisation in the last five years with sustainability increasingly seen as part of business as usual. Whilst we are able to show further progress and achievements in 2018, there is still more to be done, especially in driving sustainability as a strategic imperative.

Pillar	Commitments	Relevant Material Matter	Link to SDGs	2018 Progress
 Community and Citizenship	Investing for Impact <ul style="list-style-type: none"> Education Community Empowerment Arts and Culture Environmental Diversity Healthy Living Disaster Relief 	Empowering communities	     	<ul style="list-style-type: none"> Channelled about 1% of net profit, about RM72.90 million, to community programmes 4 flagship programmes expanded across 10 ASEAN countries, namely R.I.S.E., eMpowering Youths Across ASEAN, Maybank Women Eco-Weavers and Maybank TLC Phase 2 of CashVille Kidz in Cambodia was extended to 15 schools, reaching 4,022 students in Phnom Penh and 10,845 students in 25 schools in Malaysia. CashVille Kidz Programme has reached out to 155,754 students from more than 600 primary schools across Malaysia and Cambodia since 2015 R.I.S.E. entered Phase 3. We aim to train a total of 6,080 individuals with disabilities and from marginalised communities in Malaysia, Indonesia, the Philippines and Laos. The programme offered training to 2,901 participants in 2018 eMpowering Youths Across ASEAN is now a partnership programme between Maybank Foundation and the ASEAN Foundation Maybank Women Eco-Weavers trained 155 weavers in Cambodia and Laos, financed 400 weavers in Indonesia. The programme also supported 338 farmers planting over 40,000 mulberry trees in Cambodia and Laos Maybank Training & Learning Centre extended our vocational training programme to Myanmar for another year
	Employee Engagement Platform	Evolving work skills requirements Employee well-being		<ul style="list-style-type: none"> Continued engaging employees via various platforms such as the Employee Engagement Survey (EES), electronic 'Ask Senior Management' and GHC Contact Centre. H.O.T. (Honest, Open and Trusting) conversations and open communication are part of our Group culture
	Talent and Leadership	Creating superior leadership and talent pipeline		<ul style="list-style-type: none"> 80 high potential middle managers completed Transitioning Leaders to CEOs (TLC) programme. 35% were promoted to higher grades 145 top leaders attended the Global Institute for Leadership Development® (GILD) Asia's Linkage's High Impact Leadership Model Conducted 510 teaching and learning sessions known as Leaders Teaching Leaders (LTL)
	Learning and Development	Evolving work skills requirements	  	<ul style="list-style-type: none"> RM131 million invested in learning and development Employee participation in training 41,544 employees, increased by 14.5% (↑) compared to 2017 Average training hours per employee 55.60 hours, increased by 11.6% (↑) compared to 2017 Over 18,000 employees in Malaysia were upskilled to the foundational level of digital literacy through e-learning, interactive team sessions and assessments GO Ahead. Take Charge! Platform empowers employees to take charge of their career by reskilling, tailoring their working arrangements and learning entrepreneurial skills
 Our People	Diverse and Inclusive Workplace	Employee well-being		<ul style="list-style-type: none"> Achieved 36% women representation on the Board of Directors 38% women in senior management 55% women in the workforce 35 leaders from Batch 1 graduated from Advancing Women Leaders Programme (AWLP) and 22% were promoted to higher grades. AWLP is one of our Women Mentor Women (WMW) Council's programme New Parental Leave policy for Child Adoption 227 employees took Sabbatical Leave since it was introduced in 2017
		Employee involvement in volunteerism		<ul style="list-style-type: none"> A total of 23,193 employees across 14 countries volunteered in 110 initiatives during the 9th Global CR Day In 2018, our employees contributed 134,718 volunteer hours in numerous activities under the Cahaya Kasih programme
	Safety, Health and Well-being	Employee well-being		<ul style="list-style-type: none"> Total recordable injury frequency rate is 0.0031 Number of work-related fatalities is nil Launched LiveWell campaign to encourage employees to dedicate one day a month to their health and wellness



Trust and Integrity

Pillar	Commitments	Relevant Material Matter	Link to SDGs	2018 Progress
 Access to Products and Services	Focus on Customers	Better customer experience, support and access		<ul style="list-style-type: none"> Net Promoter Score (NPS) +22 up 15 points YoY. Industry leader for three consecutive years Retained industry lead position for third consecutive year 83% of customers are satisfied with our digital platform convenience Reduction of 33% in recurring complaints and a dip of 10% in overall complaints received Etiqa is the No. 1 digital insurance player in Malaysia with total premium contributions of more than RM100 million Providing access to finance, Maybank Philippines introduced the R.I.S.E. Savings Account, which caters specifically to participants who have completed the Maybank R.I.S.E. entrepreneurship and financial training programme. A total of 151 R.I.S.E. accounts had been opened by the end of 2018 Granted RM4.46 billion worth of new retail SME loans, benefited more than 12,000 customers across the region. In Malaysia alone, our total retail SME financing was RM17.1 billion Maintained our support for SMEs through RM2 billion worth of financing under the Portfolio Guarantee Scheme We increased access to microcredit facilities for small enterprises that do not always have access to conventional financial services. We disbursed RM40.9 million to micro businesses, benefitting up to 961 customers Maybank Building Capacity & Capability (MBCC) programme has reached 1,657 participants, and 98 loan applications amounting to RM62.1 million were approved in 2018
	Digitalisation	Introducing innovative digital products and services, improving cyber security	 	<ul style="list-style-type: none"> 5.91 billion online transactions, 5.99 million active M2U users covering Malaysia, Indonesia, Singapore, the Philippines and Cambodia QRPay feature was included in the Maybank mobile app in 2018, enabling seamless mobile-to-mobile transfers, and purchases for Maybank customers Integration of simple financial planning into Maybank2u web portal and app including Goal Savings Plan, Spending Tracker and Insurance Dashboard Launched an online loan application platform for Retail SMEs through M2U and M2U Biz in Malaysia, benefitting more than 200 SMEs customers Maybank Indonesia acted as the main sponsor for DISRUPTO, the largest digital event where start-ups, tech companies and established institutions gather and engage for collaboration
	Product Stewardship	Financial inclusion, responsible lending		<ul style="list-style-type: none"> Expanded Group ESG Framework to an ESG Policy and worked further towards integrating ESG impact into the Group's operations, products and services Maybank executed a number of major green deals in the region through Green Bond, Green Sukuk and Green Loan in Malaysia, Indonesia and Singapore Financed 5 projects under the GTFS with a total investment of more than RM25 million Corporate Banking financed approximately RM1.3 billion in renewable energy projects Continued to support first-time home buyers and launched a new mortgage scheme, Maybank MaxiHome Ezy, which offers an option for lower monthly repayments in the first 5 years. A total of 277 loans/financing amounting to RM163.8 million accepted
	Commitment to the Environment	Supporting the transition to an economy that limits global warming, managing our environmental impact	 	<ul style="list-style-type: none"> Total carbon footprint of our operations* is 76,274 tCO₂e Menara Etiqa in Malaysia achieved dual green building accreditation – Green Building Index (GBI) Gold rating and GreenRE Platinum rating Further reduced the number of printed statements by 63% and 56% for business banking customers and the credit cards segment respectively compared to 2017

* Carbon footprint scope includes all branches and six strategic buildings in Malaysia and selected branches and premises in Singapore



Trust and Integrity

Demonstrating our progress and commitment to sustainability is increasingly important not only for our employees and community partners, but also for our customers, shareholders and investors.

We support the United Nations’ SDGs, launched in 2016. They consist of 17 goals and 169 targets dedicated to improving the well-being of present and future generations and addressing global challenges that include poverty, environment and human rights. The SDGs acknowledge the role played by businesses in contributing towards sustainable development.

Last year, we assessed how the SDGs are directly connected to our business at a working level. The relevant SDGs are identified against the pillars of our Sustainability Plan. Our approach to supporting the SDGs is to focus on those areas where our impact is most material. Linking our sustainability work to SDGs allows us to measure how we contribute to shared goals while focusing on business fundamentals.

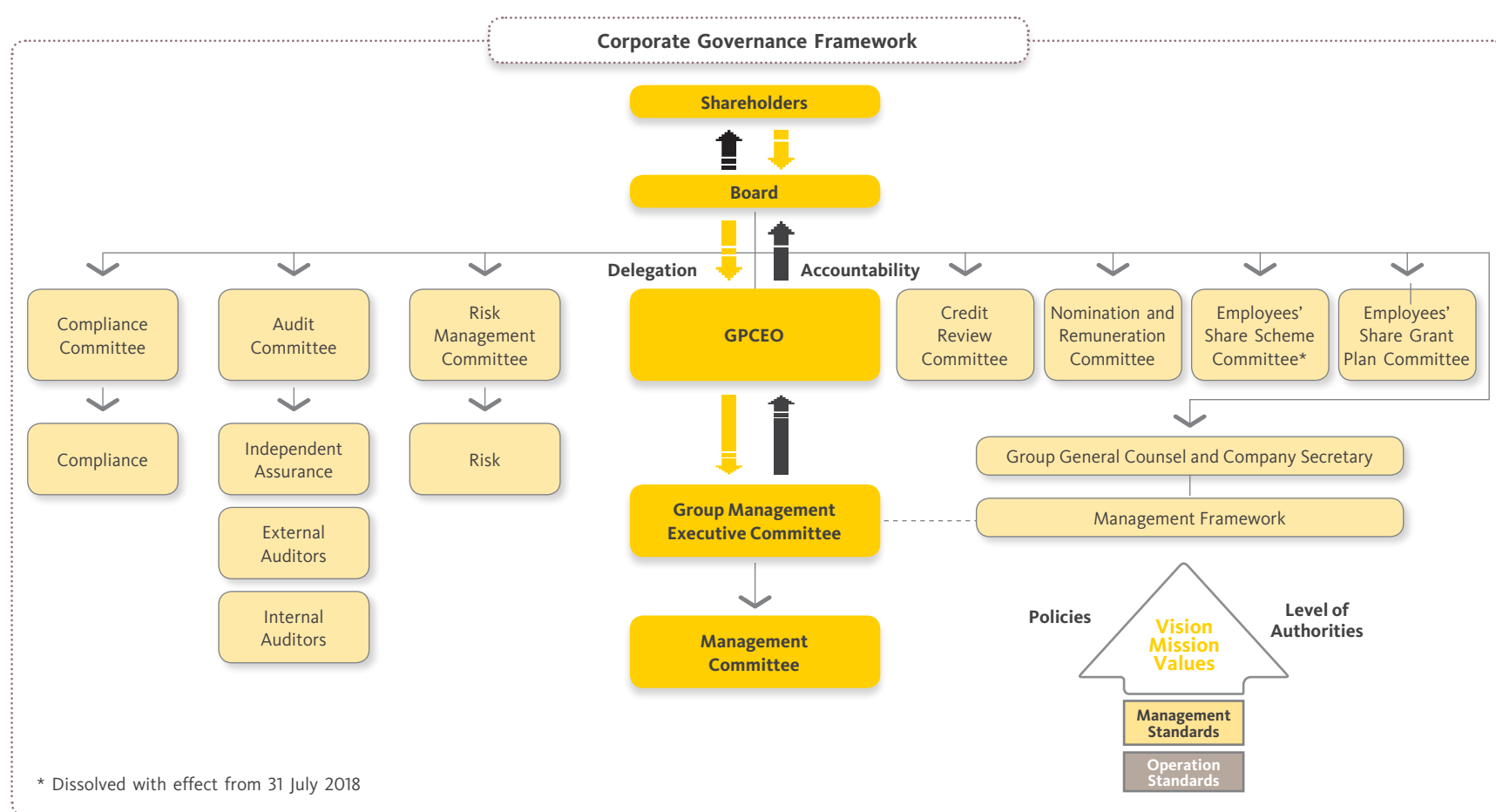


GOVERNANCE

In delivering our products and services, we rely on Maybank Group's mission of Humanising Financial Services. It is the backbone of the Group's strategy and ensures that we uphold sustainable practices that consider the wider impact we have on all our stakeholder groups – customers, business partners, communities, investors, our people and regulators.

Sound corporate governance is a business fundamental. Maybank's Corporate Governance Framework closely follows the Companies Act 2016, the Malaysian Code on Corporate Governance (MCCG) 2017, the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, Bank Negara Malaysia Guidelines on Corporate Governance for Licensed Institutions (BNM CG Policy) and other locally relevant regulations. The framework is also in line with global best practices in the industry.

For the Board of Directors of Maybank, governance encompasses all processes that contribute to achieving long term shareholder value, taking into account the interest of other stakeholders. The Board strives to refine the Group's corporate governance practices and processes to meet the challenges posed by the changing operational environment and to ensure the Group's competitive edge both locally and regionally.



Detailed Indicators D

Separation of Chairman and CEO	>	Yes
Percentage of independent Non-Executive Directors	>	73%**
Details of executive remuneration published	>	Yes (Refer to Annual Report 2018, page 92)
Board diversity: Percentage of female Directors	>	36%**
Percentage of Directors from operating countries other than Malaysia	>	18%**

* As of March 2019

** No changes from FY2017



Trust and Integrity

To ensure high performance which are in line with best practices, we benchmarked our progress against a number of leading global sustainability indices, including:

FTSE4Good
The Group continues to be included in the index (for the past six years) that measures the performance of companies demonstrating strong ESG practices. Maybank's inclusion in these indices is recognition of our good corporate responsibility practices:

- FTSE4Good Bursa Malaysia Index
- FTSE4Good ASEAN 5 Index
- FTSE4Good Emerging Indexes
- FTSE Asia Pacific Green Revenues Index*
- FTSE Emerging ESG Index*
- FTSE Emerging Green Revenues Index*

* Added for the first time in 2018


FTSE4Good

Bloomberg Gender Equality Index
Maybank is the only Malaysian company on the list in 2018 (out of 104 global firms).

MSCI ESG
The Group has received a rating of 'A' since 2013. We were the only bank rated A among 10 largest peers in 2018.


2018 Sustainable Business Awards Malaysia
Special Recognition for Stakeholder Engagement & Materiality category

FinanceAsia's 2019 Asia's Best Managed Company Survey
Best ESG in Malaysia (ranked 1st)


Sustainability Roles Within Maybank


We strive to maintain strong governance and risk management systems across our business so that we can effectively respond to the changing industry environment and regulatory requirements. Sustainability implementation progress is reviewed and discussed periodically by the Group Executive Committee and the Board.


 Our Corporate Governance Overview Statement can be found in the Annual Report 2018, page 89.


Who	Role
Maybank Group	
Board of Directors	Reviews sustainability performance and the Group's strategies on the advancement of sustainability with a focus on ESG aspects
Group Executive Committee	Deliberates and approves all key sustainability related matters
Group Risk	Oversees the overall Group Risk strategy and progress including ESG issues and sustainability risks
Group Investor Relations	Conducts materiality assessment for the Group and communicates with investors on ESG matters
Group Corporate Affairs	Custodian of the 20/20 Sustainability Plan
Group Human Capital	Oversees overall Group Human Capital strategy and progress
Group Property, Security & Valuation	Management of resource consumption and usage including environmental impact from business activities
Various departments	Operationalise the 20/20 Sustainability Plan in respective business and operational areas. Departments and teams provide information against measurable indicators
Maybank Foundation	
Board of Trustees	Approves and reviews programmes and performance
Chief Executive Officer	Oversees the overall strategy and progress
Maybank Foundation team	Implements and monitors Maybank's flagship community programmes based on focus areas under the Community and Citizenship pillar in our 20/20 Sustainability Plan
	Supports community programme partnerships and initiatives throughout the Group


Key Sustainability Topics Reviewed by the Board in 2018

**ESG**
ESG considerations are incorporated in the Group's financing activities to effectively manage ESG risks and realise ESG opportunities. In 2017, the Board approved a Group-wide ESG Framework, where it was expanded into a policy in 2018. The Policy will solidify our efforts in enhancing the ESG impact of the Group's operations, products and services, for example through the exclusion of financing activities that are deemed to have a negative impact on society. We are working towards integrating ESG more robustly into our business operations.

**Anti-corruption**
Revisions to the Group's Anti-Bribery and Corruption Policy

**Human Capital**
Digital upskilling for Maybank Group employees

**GIDA**
Reviewed and deliberated updates on Maybank Group's Inclusiveness and Diversity Agenda

**Cyber Security**
Cyber defence capabilities and delivery of roadmap for Maybank Group






APPROACH TO RISK MANAGEMENT


Establishing risk principles and strategies is the foundation of strong risk management culture and practices across the Group. Our risk management practices enable us to systematically identify, measure, control, monitor and report risk exposure across the Group.

Group Risk provides oversight on risk management on an enterprise-wide level through the establishment of the Group's risk strategies, frameworks and policies, with independent assessments and monitoring.

Our Centres of Excellence (COEs) enable specialisation of risk professionals and provide additional risk insights to support business decision-making. The COEs set consistent standards in relation to risk policies, risk reporting, risk modelling and specialise in the management of specific risk areas within the Group.

We conduct our materiality analysis in line with our approach to risk management. We also regularly review the key internal and external drivers that may impact the Group, including financial and non-financial risk areas. In 2018, we identified the following key areas:

Macro Risk Drivers of 2018	
 Economic	<ul style="list-style-type: none">• Uncertainty in the economies of our operating markets caused by a trade war; rising protectionism; tightening financial conditions; and volatility in capital flows, financial markets, currencies and commodity prices
 Technological	<ul style="list-style-type: none">• Technological evolution requires continuous adoption of new digital strategies/technologies to refine customer experience• Emerging technologies such as the internet of things (IoT), blockchain and artificial intelligence offer tremendous benefits, but could also cause security breaches and system vulnerabilities if poorly designed, developed and implemented• Increasing sophisticated cyber crimes targeting the financial industry
 Societal & Environmental	<ul style="list-style-type: none">• Increasing complexity of environmental and social compliance standards
 Geopolitics	<ul style="list-style-type: none">• Trade war between US-China; shifts in political climate in Europe (e.g., Brexit, EU-Italy budget standoff; Russia-Ukraine); regional tensions (e.g., Middle East; North East Asia; South China Sea); terrorists and cyber attacks possibly affecting economic growth
 Regulatory	<ul style="list-style-type: none">• Increasing developments of regulatory requirements in the banking industry

 Our Risk Management Framework is further explained on page 66 of our Annual Report 2018.

Trust and Integrity

Risk Culture

A risk framework and governance structure can only fulfil their purpose if supported by the right risk culture. Maybank’s risk culture is driven by a strong vision from the top and supported by the middle management. We believe that every employee should adopt the values and principles of conduct that ensure a strong risk culture.

We are committed in our journey to continuously embed a positive risk attitude into the core of the organisation, including its people, processes and tools. We introduced an integrated assurance platform, known as the Controls – Information System for Integrated Governance and Hotspots Tracking (C-InSIGHT), which provides a single and collective view of all risk controls, compliance and governance. This ensures risk considerations are embraced by all employees.

The key focus areas in 2018 were:

Strategic Imperatives	Strategic Priorities	Progress
Enhanced Operational Risk Management	<ul style="list-style-type: none">Developing an Integrated Assurance platformUpskilling non-financial risk practitioners through targeted learning modules in certification programmesContinuous enhancement of technology as well as cyber and fraud risk management capabilities	<ul style="list-style-type: none">Deployed the Integrated Assurance platform that allows for a holistic view of risks and controlsEnhanced governance structure and risk capacity for a proactive and effective risk managementBuilding trust and creating better customer experience and security
Future-proofing/people transformation	<ul style="list-style-type: none">Developing risk professionals who are agile, forward-looking and apply advanced analytics to anticipate emerging risks, thereby harnessing business potential and spearheading independent decision-makingDeveloping best-in-class, future-ready leaders who can drive the organisation and possess strong thought leadershipTo enable our people to realise their maximum potential and ensure that they are the best fit for the job at hand, as well as to equip employees with the required skills and capabilities to position themselves as the most sought after personnel, not just within Maybank, but across the industry	<ul style="list-style-type: none">Launched Risk Academy to facilitate effective upskilling of essential technical and leadership capabilities of risk professionalsEstablished a Risk Learning Management Council chaired by the Group Chief Risk Officer (GCRO) and Risk Faculty, which comprises Subject Matter Experts in the key risk areas. The Council facilitates targeted learning and training modules.

Integrated Assurance Platform

Our new integrated assurance platform is known as Controls – Information System for Integrated Governance and Hotspots Tracking (C-InSIGHT). This single-view assurance platform provides the senior management and businesses with a comprehensive and holistic view of risks, controls and regulatory compliance.

The platform identifies hotspots and triggers business to formulate action plans to mitigate risk exposure. The proactive risk hotspot management platform will improve the customer experience and increase the sense of security and trust, in addition to driving the long-term sustainability of the organisation. At the same time, the proactive measures of the dashboard will further enhance the risk and control culture amongst employees.

We incorporated ESG risk assessment into our Risk Acceptance Criteria (RAC) for palm oil financing in July 2018. It includes ESG-related certification requirements by reputable international and local independent bodies. This criteria applies to upstream and midstream palm oil related activities. We have subsequently developed ESG RAC for three other high ESG risk industries and will continuously develop other high ESG risk industry policies.

For palm oil financing and with the inclusion of the ESG RAC, we are committed to engaging with our clients to jointly move towards sustainable palm oil practices. In 2017, we organised an engagement session with Malaysia Palm Oil Certification Council and other stakeholders for an overview of the implementation of the Malaysia Sustainable Palm Oil (MSPO) Certification Scheme which would allow oil palm plantations, independent and organised smallholdings and palm oil processing facilities to be certified against the requirements of the MSPO Standards by 2019.

Our ESG Policy applies to all direct lending or financing provided to facilitate a client’s business operations or all debt, equity and advisory services provided directly to the client. This applies to lending or financing done across our various lines of business, including corporate and transaction banking, business banking, retail SME, investment banking and global markets, among others.

We will not finance activities deemed not in line with our core values. We have also committed to not finance activities that could have a significant adverse impact on the environment and surrounding communities, as well as activities involving harmful or exploitative forms of forced labour or child labour.

ESG Integration

We recognise the importance of promoting long-term sustainable development, especially in relation to environmental, social and governance (ESG) issues through responsible financing. We have integrated ESG considerations into our credit and risk evaluation process for corporate and institutional borrowers across the Group.

Maybank's ESG Policy

Maybank’s sustainability agenda focuses on creating long-term value for shareholders and enabling partnering clients to make positive ESG contributions to the markets that the Group operates in. The biggest impact we have on the environment and society is through our financing activities. In July 2018, the ESG Policy was issued.

Trust and Integrity

Maybank Group is committed to being a proponent of sustainability by working with industry players to adopt sustainable practices. Our people also engage and encourage clients to adopt sustainable practices.

Maybank's ESG Commitment is available on our corporate website.

After taking into consideration global recommendations of the International Finance Corporation, as well as practices of global banks and regional standards, the following industries have been currently classified as having a high ESG risk:

- Palm oil
- Forestry and logging
- Oil and gas
- Mining and quarrying

We are continuously developing other sector specific policies requirements on ESG, including power, chemicals and shipping. Specifically for coal fire power plants and coal mines, while the Group does not exclude financing to this sector, we are financing on a selective basis. In addition, the Group is in the midst of developing requirements to address the ESG issues surrounding this sector.

Each of the above industries are subject to an ESG RAC which are sector specific requirements that are included as part of the Application for Accommodation (AA). The ESG RAC incorporates ESG-related certification requirements where applicable. For example, if the client does not have the necessary certifications, the client should provide a commitment to obtain the certifications within a specific timeline.

Our ESG Policy enables us to integrate ESG risks in credit risk assessments, decision making, credit risk monitoring and review. As a result, ESG considerations such as climate change, biodiversity, deforestation and water now form part of our credit and risk evaluation process.

For customers that are not able to comply with the ESG RAC, support is provided via review of mitigative actions as well as steps moving forward. If there are continuous lapses, appropriate action is taken to address this.



Maybank Philippines and Maybank Foundation took the lead in a multi-sectorial co-operation effort to advance the ESG agenda for financial inclusion by hosting an ESG executive forum. Held in coordination with the Bangko Sentral ng Pilipinas, this forum was attended by over 200 participants who pledged to collaborate to advance ESG initiatives.

Over and above this, the Group not only participates in sustainable finance initiatives with international and national bodies such as United Nations Environment Programme Finance Initiative (UNEP-FI), Roundtable on Sustainable Palm Oil (RSPO), Malaysian Palm Oil Board (MPOB), and WWF, but also champions ESG initiatives at an industry level. For the oil palm sector, we have collaborated with key industry players on their sustainability initiatives, engaged in knowledge building, workshops as well as on site visits.

We are also involved in Value Based Intermediation (VBI) developed by Bank Negara Malaysia for Islamic banking institutions in facilitating a sustainable financial ecosystem.

Understanding the Industries We Finance

We recognise the need to understand the ESG impact of operations we finance. For example, in the key markets where we operate, agricultural practices may result in environmental hazards.

Our palm oil financing is aligned to our ESG procedures, including relevant risk assessments. Some customers already have in place the necessary controls towards management of the impact of their practices, while some still have gaps. We strive to monitor the customers' performance in managing the impact.

To improve our internal understanding of ESG issues in certain sectors we organise briefings and site visits. The palm oil industry was the first one to be highlighted. In 2017, we engaged with RSPO and MPOCC to understand the issues around sustainable palm oil. Our first ESG knowledge building series was initiated in 2018 to gain more clarity and better understanding on the RSPO and MSPO Certification Requirements.

In 2018, Group Risk organised an Oil Palm Industry Specialists workshop that was attended by Maybankers from Malaysia, Cambodia and Indonesia. The workshop consisted of sessions with MPOCC, RSPO, WWF and Sustainability auditors. The participants also visited a plantation of a major oil palm producer.

Moving forward, Group Risk plans to organise palm oil-focused workshops for smallholders.

The objective of such workshops is to have a better understanding of the end-to-end process in the palm oil industry, including The Malaysian Sustainable Palm Oil Standard for smallholders and good agricultural practices.

Cyber Security

Maybank's aspiration to be the Digital Bank of Choice requires developing deep digital relationships with our customers, analytics and digital partnerships – a digital ecosystem that involves many aspects that have not been tested before. New challenges will need to be tackled in the process, especially in terms of cyber security.

Cyber security has been integrated into our governance structure. The Maybank Cyber Risk Management Policy was established to identify risks, build resilience, detect cyber threats and effectively respond to cyber-related events. It complements the Technology Risk Management Guideline and covers both business and technology drivers. For details of the Policy and Guideline, refer to page 98 of Annual Report 2018.

Our risk management also places emphasis on malicious cyber activities. We organise cyber security awareness campaigns internally and externally, regularly update our infrastructure design to allow for patch updates without impacting service availability, and collaborate with regulators for a better understanding and preventative measures.

We employ high performing Security Information and Event Management (SIEM) technology that allows real-time monitoring for us to detect and quickly respond to any internal or external cyber attack. We have also improved our security monitoring by setting up a Regional Security Operations Centre.



Trust and Integrity

Key Activities on Cyber Security


Training and Capacity Building

- Build awareness on cyber security to combat attacks like phishing and malware, and enhance data security by biometrics
- Performed cyber risk assessment on our outsourced service providers to ensure they comply with our security requirements
- Continuous upgrades to our IT infrastructure to minimise risk of disruptions and to mitigate risk at any single point of failure
- Rigorous software development and enforcement of change management
- Established a cyber defence roadmap focusing on technological capabilities
- Continuous review and assessment of IT operations to ensure compliance with regulatory requirements




- Maybank Philippines hosted an Executive Forum on cyber security with 230 attendees from the banking, finance and information technology industries
- Increased employees awareness on cyber incident management process and periodically conducted internal cyber drills
- Group Technology conducted various awareness initiatives including:
- Regular email blasts on IT Security Awareness
 - Screensavers with a message at all Maybank workstations
 - The annual Cyber Security Awareness e-Learning programme
 - Cyber Threats Awareness Notification via email
 - Social Engineering Campaign, e.g., emails and e-Learning about phishing

GOOD BUSINESS CONDUCT

We’re committed to protecting our customers and ourselves while meeting our legal and regulatory requirements. We have robust systems in place to fight financial crimes including money laundering and counter terrorism financing, fraud, bribery and corruption.



Key Governance Aspect	Supporting Policies, Codes and Practices	Actions Taken			
 Anti-Money Laundering and Counter Financing of Terrorism (AML/CFT)	Group Policy, Procedural Guidelines and Standard Practices on AML/CFT	The Group is committed to fighting financial crime and ensuring compliance with the relevant laws and regulations.			
		In 2018, we took several actions to strengthen the financial crime compliance controls. These included further strengthening and expanding the dedicated Group Financial Crime Compliance (GFCC) function, which primarily focuses on ensuring effective implementation of measures related to anti-money laundering and counter financing of terrorism (AML/CFT), sanctions and anti-bribery and corruption (AB&C).			
		To ensure employees' awareness, we organised mandatory compliance e-learning activities and training. We also refined our middle-office function to strengthen the Know Your Customer (KYC) processes and ensure a seamless client on-boarding experience.			
		Employee training:			
			Anti-fraud	AML	Anti-corruption
		Number of participating employees	44,812 (2017: 18,005)	43,901 (2017: 28,153)	718 (2017: 401)
		Training hours	50,810 (2017: 79,284)	57,014 (2017: 83,257)	943 (2017: 5,341)

Trust and Integrity

Key Governance Aspect	Supporting Policies, Codes and Practices	Actions Taken
 <p>Personal Data Protection and Combating Cyber-Crimes</p>	<p>Compliance with Personal Data Protection Act (PDPA) 2010</p>	<p>We comply with the requirements of PDPA and publish a Privacy Notice on our website. Customers are also notified about the Privacy Notice through a message on ATM machines and account statements.</p> <p>We are constantly improving our cyber security to protect our customers. We have a 24/7 security monitoring and response unit and conduct assessments on various entities across the Group.</p> <p>Group Technology conducts rigorous tests to ensure that vulnerabilities in the Bank's systems are quickly identified and resolved immediately.</p> <p>Data Loss Prevention measures were implemented to protect confidential customer data.</p>
 <p>Integrity and Compliance</p>	<p>Group's Whistleblowing Policy and Anti-Fraud Policy Signatory to the Malaysian Anti Corruption Commission (MACC)'s Corporate Integrity Pledge</p>	<p>Maybank Group remains committed to maintaining high standards of integrity, corporate governance and transparency.</p> <p>The Corporate Integrity Pledge (CIP), signed in 2011, was reviewed by MACC in 2013 and 2016. In 2017, we were in the midst of finalising the Maybank Group Anti-Bribery and Corruption (AB&C) Policy. The Group AB&C Policy was approved by the Board of Directors in 2018.</p> <p>The Whistleblowing channels (formerly Integrity Hotline) has been in place since 2004. All employees can raise concerns regarding any misconduct or wrongdoing including, but not limited to, unethical incidents such as criminal activities or contravention of laws/regulations committed by another employee or any person who has dealings with the Group. Concerns can be raised using the following channels without any fear of retribution:</p> <div> <p>Hotline : 24-hour toll-free number 1-800-38-8833 or +603-20268112 (for overseas callers) with secured voice recording</p> <p>E-mail : whistleblowing@maybank.com</p> <p>Letter : P.O. Box 11635, 50752 Kuala Lumpur</p> </div>
 <p>Board Diversity and Inclusivity</p>	<p>In accordance with the Malaysian Code on Corporate Governance (MCCG) issued in 2017, Maybank has established a Board Gender Diversity Policy to demonstrate its commitment to increasing representation of women on its Board</p>	<p>Maybank Group's Board Gender Diversity Policy has measurable objectives. In 2018, 36% of the Board members were women.</p> <p>The selection process for the appointment of Directors involves shortlisting potential candidates, including at least one woman whenever reasonably possible. Priority is placed on the appointment of a female Director to fill a seat vacated by a retiring or resigning female Director.</p> <p>Further details on our inclusive workplace practices, which are tracked through our Group Inclusiveness and Diversity Agenda (GIDA), can be found in the chapter on A Thriving Workplace.</p>



Trust and Integrity

Key Governance Aspect	Supporting Policies, Codes and Practices	Actions Taken
<div></div> <div>Human Rights</div>	<p>Compliance with all applicable laws and regulations on forced and child labour as well as on the rights of employees</p>	<p>We operate in fragile countries in emerging markets of the ASEAN region and closely monitor human rights situations in our operational environment. We monitor human rights aspects within the organisation and through our business, from labour rights in the supply chain to collective bargaining and the right to privacy.</p> <p>The Maybank Group People Policies (MGPP) define our commitment to providing a work environment free from any form of harassment and unlawful discrimination, and where every employee, customer, client and contractor is treated with dignity and respect.</p> <p>We recognise the right of all employees to form a union. 37% of Maybank employees in Malaysia are union members.</p> <p>The following Collective Agreements were concluded for the period 1 January 2018 to 31 December 2020:</p> <ul style="list-style-type: none">• Between Maybank and Association of Maybank Class One Officers (AMCO)• Between Maybank and Association of Maybank Executives (AME)• Between Maybank and Kesatuan Pengawal-Pengawal Keselamatan Malayan Banking (KPPKMB)• Between Malayan Commercial Banks' Association (MCBA) and National Union of Bank Employees (NUBE)• Between Sarawak Commercial Banks' Association (SCBA) and Sarawak Bank Employees' Union (SBEU – Sarawak)• Between Sabah Commercial Banks' Association (SCBA) and Sabah Banking Employees' Union (SBEU – Sabah) <p>Minimum wages are strictly observed in all country operations and there is no gender pay gap.</p> <p>Our ESG Policy is aligned with global best practices. ESG risk assessment ensures all activities undertaken are consistent with our core values and mission. We also make sure all transactions are reviewed against applicable requirements and that our clients understand our policy commitments. Human Rights is one of the components of ESG commitments.</p> <p>Group Procurement Manual has a clause prohibiting any form of child labour.</p>
<div></div> <div>Fraud</div>	<p>Anti-Fraud Policy</p>	<p>Maybank's Anti-Fraud Policy outlines how the Group effectively manages fraud from detection to remedy. Robust and comprehensive tools and programmes are employed to reinforce the Policy, with clear roles and responsibilities outlined at every level of the organisation. Stern disciplinary action is taken against employees involved in fraud.</p> <p>With the rise of online scams and fraud incidences, we continue to invest in security technologies to help us protect our customers' digital identity. We have embedded technological innovations in our systems such as a fraud detection system and credit decisioning platform.</p> <p>Employees are trained on fraud and ethics. In 2018, we organised 534 training sessions related to fraud and ethics and recorded a total of 83,302.5 training hours for employees Group-wide.</p>

Tax Transparency

We recognise the role of large companies like ours in supporting functional societies, and are committed to paying our share of taxes. Through the taxes we pay in countries in which we operate, we contribute directly to the economy.

The Audit Committee of the Board deliberates and approves Maybank’s financial reporting, including the review of tax and tax planning matters that are material to the financial statements. In 2018, a total of RM2.55 billion in tax and zakat was paid to governments, contributing to the development of ASEAN economies.

Compliance

In 2018, we continued to focus on strengthening and institutionalising the compliance culture Group-wide. While we improve our compliance management and monitoring processes, we also need to be innovative in implementing these improvements so that we do not inconvenience our customers.

We deployed compliance enabler tools for workflow automation and an electronic platform to share information among the compliance departments. This enables us to communicate real-time updates and compliance-related information as well as to minimise errors arising from manual inputs. We also reviewed critical compliance areas, particularly in financial crime compliance (FCC), foreign exchange administration (FEA) rules and global market regulations to identify gaps in the existing operating model and develop the appropriate solutions.

We increased the resources of the FCC operations team to 82 in 2018 from 67 in 2017. To support the Government’s Skim Latihan 1Malaysia (SL1M) training scheme, Group FCC team trained 32 graduate trainees, 16 of whom were later hired by Group FCC. We have also included additional functions such as the transaction monitoring alert investigation in Labuan and Hong Kong and have established customer due diligence centres in Butterworth and Johor Bahru to centralise the function across the Community Financial Services (CFS) branch network.

To ensure that our people understand the importance of the compliance agenda and the impact it has on the Group and its stakeholders, employees were offered a series of refreshers on the Group’s Code of Ethics and Conduct, key regulations and a compliance culture assessment to gauge the level of compliance awareness within the Group.

Compliance matters are overseen by the Compliance Committee of the Board, established in 2017.

Compliance Culture

Part of a strong compliance culture is to ensure that employees are provided with timely updates on new regulatory developments. This ensures that every Maybanker complies with regulations, which are galvanised into business as usual.

For example, in 2018 we:

- Organised five sessions of Compliance Virtual Roadshow Awareness – also known as “30 Minutes with Compliance” for branches. The topics covered Compliance Culture, Anti-Money Laundering and Counter Financing of Terrorism (AML/CFT), Data Secrecy, Foreign Exchange Administration (FEA) Rules and Investor/Consumer Protection.
- Ran six sessions of “A Compliance Culture Roadshow” to engage with branch employees in face-to-face sessions to promote compliance awareness and discuss the challenges faced in complying with regulations in day-to-day work.
- Undertook a compliance culture assessment to measure the level of compliance awareness among Maybankers and to identify areas of improvement. The completion rate was 94% with an average passing score of 91%.


Living Our Core Values

We live by the Group’s core values, T.I.G.E.R. (Teamwork, Integrity, Growth, Excellence & Efficiency, and Relationship Building) and the Code of Ethics and Conduct. All employees are expected to take ownership of their conduct and ensure that their decisions and actions are aligned with these as well as other governing policies and regulations.


We review compliance with Maybank’s Code of Ethics and Conduct through a continuous process that includes methods such as annual screening of selected employees and review of employee requests for non-work related matters.

Community Empowerment


HIGHLIGHTS IN 2018




Channelled about 1% of the net profit, **RM72.90 million**, to **community programmes**




4 flagship programmes expanded across **10 ASEAN countries**




Phase 2 of CashVille Kidz in Cambodia was **extended to 15 schools** in Phnom Penh




eMpowering Youths Across ASEAN is now a partnership programme between **Maybank Foundation** and the **ASEAN Foundation**




Now in its 3rd phase, R.I.S.E. has trained and impacted a total of **5,731 participants** in Malaysia, Indonesia, the Philippines and Laos




Extended vocational training programme in Myanmar for another year at the Maybank Training & Learning Centre



Maybank Foundation was chosen as **Global Gold winner** in the **Green Practices** category for its efforts in tiger conservation at the 2018 **Green World Environment Awards** by the Green Organisation




Maybank Indonesia won the **Gold award** in the **Excellence in Provision of Literacy & Education Award** at the **10th Global CSR Summit & Awards**




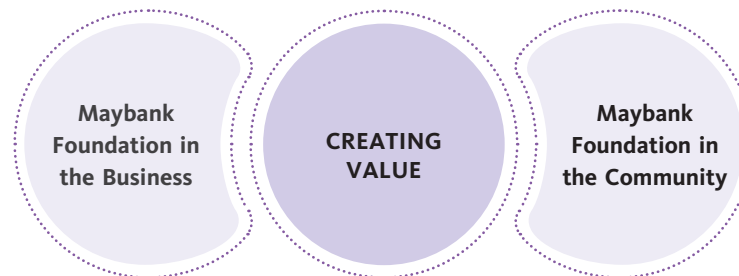
Maybank Foundation won the **Silver award** in the **Best Environmental Excellence Award** at the **10th Global CSR Summit & Awards**


Commitments	Relevant Material Matter	Link to SDGs	2018 Progress
Education	Empowering communities	<div><div><div>1NO POVERTY</div><div>4QUALITY EDUCATION</div><div>8DECENT WORK AND ECONOMIC GROWTH</div><div>10REDUCED INEQUALITIES</div><div>15LIFE ON LAND</div><div>17PARTNERSHIPS FOR THE GOALS</div></div></div>	<ul style="list-style-type: none">In 2018, we disbursed over RM24.19 million in scholarships to support 213 students studying at top universities in Malaysia, Australia, United Kingdom and United States of AmericaMaybank Indonesia through Maybank Prestasi Scholarship disbursed IDR1.83 billion to 490 school-going children and 90 university studentsPhase 2 of CashVille Kidz in Cambodia was extended to 15 schools, reaching 4,022 students in Phnom Penh and 10,845 students in 25 schools in Malaysia. CashVille Kidz has reached out to 155,754 students from more than 600 primary schools across Malaysia and Cambodia since 2015Maybank is an active member of Financial Industry Collective Outreach (FINCO). In 2018, 19 Maybankers volunteered in FINCO Mentor and FINCO Reads programmes through 34 engagements
Community Empowerment			<ul style="list-style-type: none">R.I.S.E. entered Phase 3. We aim to train a total of 6,080 individuals with disabilities and from marginalised communities in Malaysia, Indonesia, the Philippines and Laos. The programme offered training to 2,901 participants in 2018Maybank Women Eco-Weavers trained 155 weavers in Cambodia and Laos, and financed 400 weavers in Indonesia. The programme also supported 338 farmers planting over 40,000 mulberry trees in Cambodia and LaoseMpowering Youths Across ASEAN is now a partnership programme between Maybank Foundation and the ASEAN FoundationMaybank Training & Learning Centre extended our vocational training programme in Myanmar for another yearTrade[&Give] has come a long way from supporting five entrepreneurs in 2014. Our clients have since supported over 179 small entrepreneurs region-wide. We have also built partnerships with microfinance organisationsRM289,805 was raised through our digital social crowdfunding platform, MaybankHeartMaybank Cambodia supported 52 children under the Maybank Child Sponsorship Programme (Phase 5). A total of 350 Maybankers volunteered in 12 activities
Arts and Culture			<ul style="list-style-type: none">The restructured KataKatha consolidates all our efforts under one umbrella and streams them into two programmes – "Balai" and "Pentas". Various initiatives were executed last year such as Kuala Lumpur World International Deaf Artist Exhibition and CineMAYBANK in the Philippines

 flagship programme

Community Empowerment

Commitments	Relevant Material Matter	Link to SDGs	2018 Progress
Environmental Diversity	Empowering communities		<ul style="list-style-type: none"> Partnered with WWF-Malaysia and relevant government agencies in supporting the conservation of the Malayan tigers through various efforts and activities such as anti-poaching workshop, lobby for the implementation of CA TS and engagements with Orang Asli communities Area patrols covered on foot increased from 2,585km in 2017 to 6,384km in 2018
Healthy Living			<ul style="list-style-type: none"> Entered the second phase of partnership between Etiqa and National Cancer Society Malaysia (NCSM) offering free breast cancer screenings for underprivileged women aged 40 and above WASH (Water, Sanitation and Hygiene) programme in Kelantan, Malaysia by Maybank Islamic was finalised in 2018. Implemented by MERCY Malaysia, the programme benefitted 171 households or 855 individuals in 3 villages Etiqa funded the Clean Water Supply Project initiated by Islamic Aid Malaysia (IAM) in Sabah involving more than 1,200 villagers in 2 villages Disbursed about RM500,000 for 25 patients through Save a Child's Heart at IJN Paediatric & Congenital Heart Centre, National Heart Institute of Malaysia
Disaster Relief			<ul style="list-style-type: none"> Contributed RM370,000 to MERCY Malaysia Maybank Foundation donated IDR350 million for Lombok rehabilitation programmes through MERCY and Pos Keadilan Peduli Umat (PKPU) Maybank Indonesia's Sharia Business Unit also donated IDR130 million and another IDR50 million together with the Financial Services Authority (OJK) and Financial Services Industry to assist victims of the Lombok earthquake Maybank Indonesia also donated IDR300 million to support victims of the earthquake and tsunami in Palu and Donggala, Central Sulawesi. The funds were channelled to support the relief efforts initiated by Financial Service Authority (OJK) and the financial industry



 flagship programme



Community Empowerment

In 2018, we expanded 4 of our flagship programmes across 10 countries in ASEAN. An overview of our programmes in the ASEAN region can be seen as follows:



Malaysia:

- 1. R.I.S.E.
- 2. KataKatha
- 3. CashVille Kidz
- 4. Save a Child's Heart – IJN
- 5. Tiger Conservation at Royal Belum-Temengor
- 6. Balai Seni Arts Series
- 7. eMpowering Youths Across ASEAN

Indonesia:

- 1. R.I.S.E.
- 2. Maybank Women Eco-Weavers
- 3. eMpowering Youths Across ASEAN

Cambodia:

- 1. Maybank Women Eco-Weavers
- 2. CashVille Kidz
- 3. eMpowering Youths Across ASEAN

Laos:

- 1. Maybank Women Eco-Weavers
- 2. eMpowering Youths Across ASEAN

Thailand:

- 1. eMpowering Youths Across ASEAN

Singapore:

- 1. eMpowering Youths Across ASEAN

Vietnam:

- 1. eMpowering Youths Across ASEAN

Brunei:

- 1. eMpowering Youths Across ASEAN

Philippines:

- 1. R.I.S.E.
- 2. Maybank TLC
- 3. eMpowering Youths Across ASEAN

Myanmar:

- 1. Maybank TLC
- 2. eMpowering Youths Across ASEAN

flagship programme

OUR APPROACH – INVESTING FOR COLLECTIVE SOLUTIONS

All our community programmes aim to empower the communities and the environments they live in. We strive for sustainable results that allow our business to thrive along with our communities – this, for us, is investing for collective solutions. Our community programmes are managed by Maybank Foundation and focus on six areas: education, community empowerment, arts and culture, environmental diversity, healthy living and disaster relief. The tools we use to create long-lasting collective impact are targeted social investments, volunteerism efforts and long-term partnerships.

Maybank Foundation’s mandate is to create positive long-term impact on the communities of markets where Maybank operates. The objective of the Foundation is to enhance the quality of life for all – irrespective of race, gender or creed – with an emphasis on the poor and marginalised. We monitor our performance against the 20/20 Sustainability Plan, a five-year sustainability strategy approved in 2014. In 2018, continuing the growth journey, Maybank Foundation Board of Trustees approved the 2019-2022 Strategic Plan, themed “Positively Impacting Community”. The Plan will focus the Foundation’s work on:

- Expansion of proven flagship programmes, both within existing markets and to new countries and areas. Data-driven decision-making process points us to the introduction of a tiered programme approach that allows us to better target and address the different needs of our programme beneficiaries.
- Elevating and sustaining the success of present community and social investments.
- Cross-leveraging on existing offerings for catalytic success. By creating collaborative social initiatives based on our own programmes, beneficiaries can also gain from opportunities in other initiatives.
- New programme development and actualisation. We are adapting to the changes in the industry by having pipeline programmes that will ensure sustainability of Maybank Foundation itself.
- Creating and amplifying awareness of our achievements by positioning flagship programmes at the international level. We need to invest in effective communication of the success of our programmes and to leverage third party advocacy.

Maybank Foundation Governance and Leadership

Maybank Foundation is governed by a Board of Trustees. The members have a vast range of knowledge, experience and perspectives. The executive team, responsible for the execution of the Foundation’s mandate, is led by a CEO and works with relevant units throughout the Group to support community empowerment.

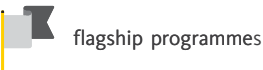
The profiles of our Trustees and CEO are available on the Maybank Foundation website at <http://maybankfoundation.com/index.php/who-we-are/governance-and-leadership>

Our Community Investment Progress

With a total community investment of RM72.90 million in 2018, equivalent to about 1% of net profit, Maybank is one of the more active corporate citizens in Asia.

In 2018, we successfully expanded our flagship programmes to 10 ASEAN countries and reviewed existing initiatives. We further improved our internal monitoring system which allows us to better assess the impact of our work.

Two of Maybank Foundation’s flagship programmes – Maybank Women Eco-Weavers and eMpowering Youths Across ASEAN (a partnership programme with the ASEAN Foundation) – are endorsed by ASEAN. These programmes are in line with the aspirations of the ASEAN Socio-Cultural Community Blueprint 2025 which seeks to protect human rights and to promote a high quality of life with equitable access to opportunities.



Community Empowerment

In Cambodia, the National Bank of Cambodia and the Ministry of Education, Youth and Sport endorsed CashVille Kidz as a co-curricular activity in participating schools. Internally, Maybank Foundation designed and developed a CR Matrix to track community reach and reputation enhancement as well as to show gaps and areas for improvement. Mapping our programmes with a wider lens enabled us to better evaluate programmes and provided the baseline for future changes. The CR Matrix will enable us to design more robust solutions moving forward. We believe that development issues are multidimensional and must be measured in more metrics than just financial.

In addition to our financial contribution, 36,011 Maybank employees volunteered in Cahaya Kasih initiatives across the Group in 2018. A total of 134,718 volunteer hours were spent supporting various community causes.

Spending per Focus Area	2015 (RM)	2016 (RM)	2017 (RM)	2018 (RM)
Education	23,268,205	27,394,249	28,188,412	27,163,169
Community Empowerment	7,512,641	9,888,222	8,216,057	13,788,669
Arts and Culture	880,781	631,686	477,380	780,446
Environmental Diversity	534,864	870,478	1,418,319	1,406,467
Healthy Living	32,380,455	26,514,835	26,737,326	29,388,811
Disaster Relief	1,139,143	1,000,000	322,341	411,542
Total	65,716,089	66,299,470	65,359,835	72,939,104

Building Partnerships and Linkages


ASEAN <ul style="list-style-type: none">eMpowering Youths Across ASEAN (a partnership programme with the ASEAN Foundation)Maybank Women Eco-Weavers
WWF-Malaysia <ul style="list-style-type: none">Tiger conservation programme at Belum-Temengor Forest Reserve
MERCY Malaysia <ul style="list-style-type: none">Humanitarian relief
National Cancer Society of Malaysia <ul style="list-style-type: none">Partnership with Etiqa for breast cancer prevention and early screening
Color Silk Foundation <ul style="list-style-type: none">Maybank Silk Weaving Training Centre in Takeo is run in collaboration
FINCO <ul style="list-style-type: none">Maybank is an active member
Film Development Council of the Philippines <ul style="list-style-type: none">CineMAYBANK Short Film Competition, with the theme “Humanising Financial Services”
Asosiasi Pendamping Perempuan Usaha Kecil (ASPPUK) <ul style="list-style-type: none">Partnership for Maybank Women Eco-Weavers in Indonesia
Lao Sericulture (Mulberries) <ul style="list-style-type: none">Partnership for Maybank Women Eco-Weavers in Laos

EDUCATION

Maybank scholarships provide deserving students from low- and middle-income families with an opportunity to realise their dreams of studying at top universities. The scholarships also support the human capital development of the countries we operate in. In total, we disbursed over RM24.19 million in scholarships in 2018 for pre-university and subsequent tertiary students at top foreign and local universities.

Separately, through Maybank Prestasi Scholarship, Maybank Indonesia provided scholarships for **490 school-going children and 90 university students** in 2018. In total, **IDR1.83 billion** was disbursed in scholarships last year.

Maybank Singapore’s Happy Savers Programme
The **three-year matched savings** programme was launched in July 2018 to help families in need begin their **financial planning journey** and develop financial literacy.

 flagship programmes

Community Empowerment



One of the issues affecting young adults globally is the lack of sound financial management skills. This has caused many young people to begin their adulthood with the inability to manage their finances. With this in mind, we have been playing a part in educating young children on the importance of money management through CashVille Kidz. The programme teaches children to be financially savvy through an animated TV series and related activities targeted at children aged 9 to 12 years.

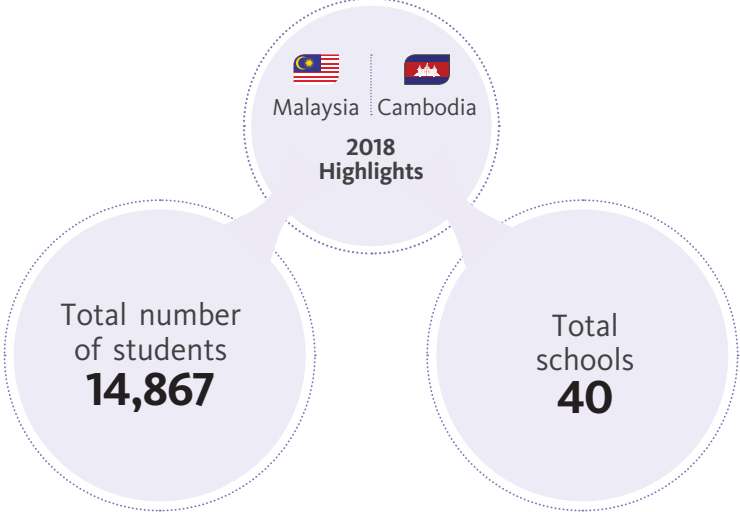
Since 2015, our CashVille Kidz programme has reached 155,754 students from more than 600 primary schools across Malaysia and Cambodia.

Programme Objectives:

Equip children and youths with good financial management skills and empower them to make informed financial decisions

Develop positive savings and spending habits

Promote independent learning through provision of content online and offline



For year-on-year tracking, please refer to Year-on-Year Progress and Priorities on page 47.

Malaysia

First aired in 2013 in Malaysia, the CashVille Kidz TV series has helped children become financially literate youths with positive spending and savings habits. We work in partnership with MoneyTree Asia Pte Ltd and with support from the Ministry of Education.

Since 2015, CashVille Kidz has been endorsed as a an extra co-curricular activity by the Ministry of Education. In the past 4 years, the programme has touched the lives of more than 150,000 students from 611 schools across Malaysia’s 13 states. In 2018, the programme covered 25 schools in Malaysia and exceeded its target of 50% of students improving their financial knowledge.

Cambodia

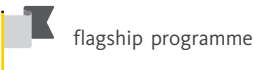
Maybank Cambodia, together with Maybank Foundation and in partnership with MoneyTree Asia, launched the CashVille Kidz Programme in Cambodia in 2016. The programme is endorsed by the Ministry of Education, Youth and Sport, and National Bank of Cambodia.

In 2018, Phase 2 of this programme extended to 4,022 students across 15 schools in Phnom Penh. The 4-year plan for this programme in Cambodia is to reach 20,000 students in 40 schools across the country by 2020. The programme recorded an average improvement of 25% in financial literacy scores.

Financial Industry Collective Outreach


Maybank is an active member of Financial Industry Collective Outreach (FINCO). FINCO was formed in 2016 to carry out programmes to increase financial inclusion of youth. Its membership consists of 107 Malaysian financial institutions. Maybank Group President & CEO Datuk Abdul Farid Alias is a Board Member of FINCO.


FINCO’s activities are in line with our aspiration of supporting the educational needs and life aspiration goals, as well as financial literacy amongst young Malaysians. FINCO has piloted its two flagship programmes – FINCO Reads in Sabah and FINCO Mentor in Sarawak – and will expand them to Peninsular Malaysia in 2019.





Community Empowerment


COLLECTIVE OUTREACH

**Shared Measurement**
Measure results and share accountability


**Common Agenda**
Share a common vision for change


**Continuous Communication**
Build trust with consistent and open communication


**Mutually Reinforcing Activities**
Coordinate our actions to ensure maximum impact


**Backbone Support**
A separate organisation that brings together all financial institutions by coordinating our community outreach efforts

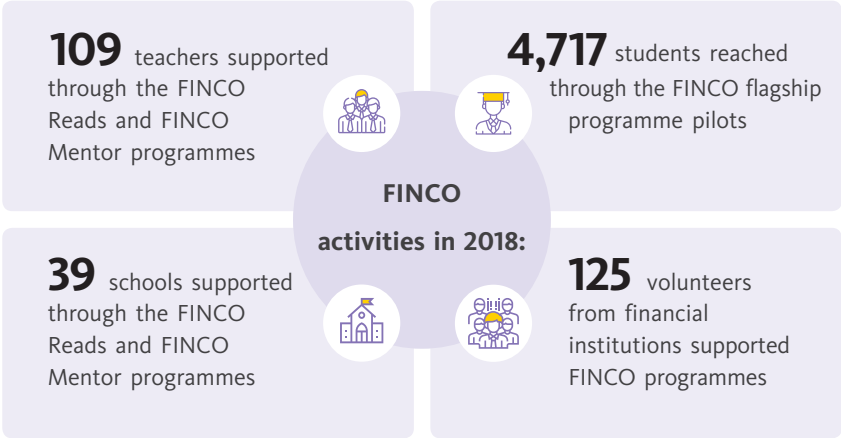
OUR GOAL

English Literacy
**Overcoming Barriers Of Access**
FINCO increases access to opportunities for underprivileged children through mastering English



Life Aspiration
**Widening Life Aspiration**
FINCO cultivates the life aspirations of underprivileged children through exposure to global careers and personal development opportunities

Life Aspiration
**Inspiring More Action**
FINCO looks to inspire large-scale collaboration in the corporate sector to achieve systemic social and environmental benefits



FINCO Reads

Based on findings from the pilot activities, FINCO Reads hosted a needs assessment workshop in February 2018, and following the development of the FINCO Reads modules, it ran 2 train-the-trainer workshops with 19 and 18 teachers respectively. The FINCO Reads modules – 1,100 Student Workbooks and 81 Teacher Guides – were printed and distributed to 28 pilot schools in Sabah.


FINCO Mentor

FINCO Mentor, launched in 2017, includes face-to-face mentoring sessions in Sarawak and online mentorship Malaysia-wide. The first FINCO Mentor session was held in February 2018 at SMK Muara Tuang, Kuching.

Maybank's contribution to FINCO in 2018:



In recognition of our contributions, at the FINCO Members Dialogue Day in December 2018, Maybank was presented with an award for having contributed the most volunteers to FINCO programmes.

 flagship programme

COMMUNITY EMPOWERMENT

We work towards empowering communities by creating sustainable livelihoods and support systems. Our interventions are driven by the belief that financial inclusion is a powerful enabler for economic growth. We are committed to developing effective and affordable solutions that address issues of financial and social exclusion regionally.

Reach Independence & Sustainable Entrepreneurship (R.I.S.E.)

R.I.S.E. is an economic empowerment programme that supports disadvantaged communities by helping them grow their income and become financially independent. This is done through training, coaching and mentoring.

Programme Objectives:



Increase the income of people living with disabilities and people of other disadvantaged communities through mentoring and capacity-building



Create economic independence and financial inclusion for the target group

Following a pilot programme in Malaysia in 2014, R.I.S.E. has been operational in:

- Malaysia and Indonesia since 2016
- the Philippines since 2017



2018 JCI Malaysia Sustainable Development Award

Best CSR Initiative for R.I.S.E.



Trainer and participants of R.I.S.E. programme brainstorming to create better marketing strategies for their products



The R.I.S.E. programme starts with a three-day training on entrepreneurship and financial management. This is followed by three to six months of mentoring with special focus on motivating participants. After the programme, participants continue to be introduced to and guided in business opportunities. Their income-generation is also monitored. Maybank does not provide special loans to R.I.S.E. participants but supports them to become eligible for standard loans.

In 2018, the programme ran in four countries. Phase 2 was launched in Indonesia and Phase 1 in Laos was launched in January 2019. The programme offered training to 2,901 participants in 2018. Since the pilot in 2014, a total of 5,731 people have been trained.

We are now in the final phase of our target to train a total of 6,080 people over 3 different phases in Malaysia, Indonesia, the Philippines and Laos. In these phases, we aim to train at least 4,000 people in 2018 and 2019 across the 4 countries: Malaysia – 800, Indonesia – 2,000, the Philippines – 1,000 and Laos – 200.

The programme has successfully enabled participants to adopt innovative strategies to realise their business ideas, improving business management skills as well as improving client acquisition and retention. This has led to a quick and sustainable increase in income without necessarily requiring loans or additional funding. New thriving businesses bring prosperity to their owners and families while also having the potential to provide employment to others as well as contributing to the welfare of entire communities.

Input	Target	Outcome	Status
Practical entrepreneurship training Monitoring progress of participants Involvement of Maybankers through engagement sessions	PHASE 3 <ul style="list-style-type: none">• Malaysia: 800 participants• Indonesia: 2,000 participants• The Philippines: 1,000 participants• Laos: 200 participants, of which 70% are people living with disabilities and 30% are from marginalised communities	Now in its 3 rd phase, R.I.S.E. has trained and impacted a total of 5,731 participants in Malaysia, Indonesia and the Philippines. The programme trained a total of 2,901 people with disabilities in 2018: <ul style="list-style-type: none">• Malaysia: 734 participants• Indonesia: 1,311 participants• The Philippines: 856 participants In 2018, Maybank Philippines introduced a basic savings account catering to the needs of R.I.S.E. participants. A total of 151 accounts were opened by the end of 2018.	<div></div>

Legend

■ Achieved ■ In progress ■ Not achieved

flagship programme


Community Empowerment

eMpowering Youths Across ASEAN


eMpowering Youths Across ASEAN provides funding for youths to carry out high-impact projects that help reduce poverty or improve livelihoods in ASEAN communities. Since 2016, the programme has funded 13 projects through the pilot phase and collaborated with local agencies to tackle issues such as lack of water and electricity supply, poor sanitation, waste management challenges and coastal erosion.

In 2018, eMpowering Youths Across ASEAN saw continued benefits delivered to communities from projects executed the previous year. We also formalised a partnership between Maybank Foundation and the ASEAN Foundation during the 51st ASEAN Anniversary celebrations in Jakarta, Indonesia. With this partnership, the programme will gather 100 universities and working youths aged 19-35 across the ASEAN region annually to develop and implement community projects that deliver tangible long-term social and economic impact. The programme also supports the ASEAN Socio-Cultural Community Blueprint 2025 and UN SDGs.

Programme Objectives:



Empower youths to understand regional issues and impact the communities they serve



Reduce poverty or improve livelihoods in ASEAN communities

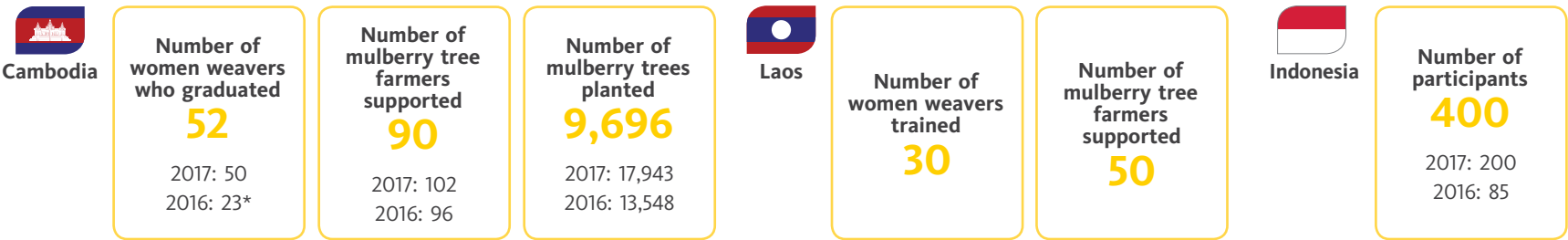
Input	Target	Outcome	Status
For the pilot, Maybank provided the funds for community programmes implemented by students from three universities: National University of Singapore (NUS), Singapore Management University (SMU) and Nanyang Technological University (NTU). The programme expansion included a partnership with the ASEAN Foundation.	To expand the programme further across the region	Funded 13 projects through various collaborations The programme will be expanded in 2019	<div></div>

Legend
■ Achieved ■ In progress ■ Not achieved


Maybank Women Eco-Weavers

Our flagship programme, Maybank Women Eco-Weavers, works with women weavers from poor and marginalised communities to revive and sustain traditional weaving practices in the region. It offers training, capacity-building and microfinance – helping the weavers and their families to become economically independent.

The programme is active in Indonesia and Cambodia, and was expanded to Laos in 2018. In a complementing sericulture programme, farmers were provided with mulberry tree saplings to maintain a supply of the essential silk thread and to provide additional income for communities.



* Restatement from Sustainability Report 2017 due to the improvement of data tracking

 flagship programme

Community Empowerment

Cambodia

In 2018, 52 weavers graduated from the Maybank Silk Weaving Training Centre. Many of the graduate weavers are earning an average income between USD180 (RM753) and USD220 (RM921) a month. At the same time, many of the mulberry farmers involved in this programme are starting to reap income from their mulberry leaf harvests.

Maybank's Silk Weaving Training Centre in Takeo province was expanded in 2018. The centre is helmed by Ms Vanntha from Maybank's programme partner, Color Silk. The ground-breaking ceremony for the expansion was held in August and was attended by weavers, partners and representatives of local authorities.

With the expansion, we aim to further promote traditional textiles in a more sustainable manner. At the same time, the centre is creating business opportunities for underprivileged women and leading them to a path of economic independence.

Indonesia

In Indonesia, the Maybank Women Eco-Weavers Programme is based on a micro-financing approach to help weavers buy the raw materials they need. Our programme partner works with some 400 women in 4 weaving learning centres located in East Lombok, Central Lombok (West Nusa Tenggara), Sawahlunto and Tanah Datar (West Sumatera).

Laos

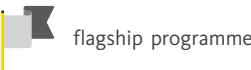
The Maybank Women Eco-Weavers programme was expanded to Laos in 2018 after signing a Memorandum of Agreement with Lao Sericulture Company Ltd (Mulberries) in Xieng Khuang Province in 2017. Mulberries is a social enterprise and cooperative founded by Madam Kommaly Chanthavong, a Ramon Magsaysay Award recipient and Nobel Peace Prize nominee.

We built a hostel to address transportation struggles faced by the new eco-weaver trainees, who have to travel for as long as 2 days to reach the farm to attend the 15-day on-site training. The hostel will be able to accommodate 20 trainees and will have a meeting room for use during the training sessions.

Held in October 2018 at Balai Seni Maybank, a Maybank Women Eco-Weavers Live Exhibition displayed weaving arts from Malaysia, Indonesia, Cambodia and Laos infused with works from artists Shahrul Jamili (Malaysia) and Lugas Syllabus (Indonesia), curated by Khairudin Hori of Chan + Hori Gallery from Singapore.

Input	Target	Outcome	Status
Cambodia Maybank Silk Weaving Training Centre	Increase our support to 50 silk weavers and 70 farmers growing mulberry trees in Cambodia	52 weavers graduated from the Maybank Silk Weaving Training Centre in 2018 90 farmers were supported to plant mulberry trees in 2018	
Indonesia Training, capacity building and microfinancing	Train 400 weavers between 2018 and 2020 Create new markets to connect weavers and cooperatives with wholesalers and retailers Establish four locally managed weaving learning centres in the districts Increase awareness on the importance of using natural dyes and environment-friendly processes	Trained 400 weavers in 2018 Four weaving learning centres located in East Lombok, Central Lombok (West Nusa Tenggara), Sawahlunto and Tanah Datar (West Sumatera)	
Laos	Train 15 weavers 50 on-site training programmes for mulberry tree farmers 50 village experts as training leaders	30 weavers trained and supported 50 mulberry tree farmers in 2018 A hostel was built to accommodate weavers who need to travel far to attend training	




Legend
 Achieved In progress Not achieved



Community Empowerment

Maybank Training & Learning Centre (TLC)

We have supported the building of Training & Learning Centres in the Philippines and Myanmar to benefit disadvantaged young people who have little or no access to formal schooling. At these centres, the youth are provided with:

-  Vocational training
-  Information and exposure to innovative practices
-  Skills training combined with livelihood, health and entrepreneurial training

The first Maybank TLC has been operational in the Philippines since 2016 while the centre in Myanmar was opened in 2017. In 2018, we extended our vocational training programme in Myanmar by sponsoring a 6-month training for 24 selected youths in the Yangon region. This programme was executed through a partnership with the Centre of Vocational Training (CVT) Myanmar. CVT Myanmar is a local non-profit organisation that has been providing vocational and theoretical training to Myanmar youth since 2002. It offers training programmes for five professions: commercial assistant, cabinet maker, electrician, hotel & gastronomy assistant and metal worker. In 2018, we disbursed RM207,000 towards this programme.

Programme Objectives:



Provide relevant vocational skills for young people across ASEAN



Improve capacity-building and create new job opportunities for local communities.

ASEAN Sustainability Programme

The ASEAN Sustainability Programme consists of different ways we support small businesses across the region. It is a structured approach to delivering microfinancing (through partners), mentoring and capacity-building for individual businesses.

Trade[&Give]

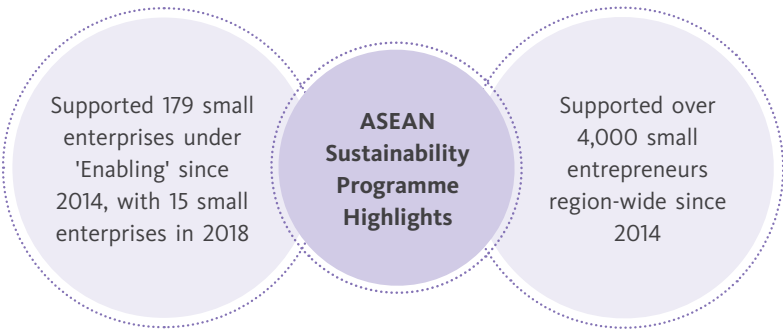
Maybank Kim Eng's Trade[&Give] is an entrepreneurial development programme that supports micro enterprises. A portion of all eligible clients' gross brokerage fees is channelled towards funding the programme. The entrepreneurs who benefit from the programme are called 'sahabat', meaning 'companion' in the Malay language.


As a community bank, we understand the power of small businesses in helping communities thrive. Through Trade[&Give], our clients make it possible for us to provide auxiliary support to small businesses. From every trade our clients make, we set aside a percentage of our fee to help underserved women micro-entrepreneurs advance their small businesses to the next level.

Trade[&Give] has come a long way from supporting 5 entrepreneurs in 2014 – our clients have since supported over 179 small entrepreneurs region-wide. We have also built partnerships with microfinance organisations. In Malaysia, we partner Amanah Ikhtiar Malaysia and regionally, we work through Kiva, an online micro-loan platform.

The most far-reaching initiative of Trade[&Give] ASEAN is through our partnership with Kiva, an internet-based crowdfunding platform that provides safe, affordable access to capital to help small business owners create better lives for themselves and their families.

Through Trade[&Give] ASEAN, our traders can give directly to entrepreneurs in need of capital through vouchers that we provide from our brokerage. This is a landmark partnership in ASEAN and a collaboration that will impact the lives of more than 10,000 underserved entrepreneurs with funds and access to knowledge, ideas, technology and new markets.



 flagship programmes



Community Empowerment

MaybankHeart

MaybankHeart is our digital social crowdfunding platform that enables the public to donate directly to NGOs and charities. Since its launch in 2016, more than RM1 million has been raised through 103 campaigns.

2018 MaybankHeart Highlights



Amongst the NGOs and communities that raised funds through the platform in 2018 were Yayasan Sarana Pendidikan Malaysia (YSPM), Persatuan Kebajikan Kasih (PKK), The Hospis Malaysia and Hear Me Malaysia.

100% for charity – the platform is free for donors and charities	Charity partners are vetted by Maybank	Amount collected is visible to the public
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The Ramadan Campaign encouraged Maybankers to share stories of MaybankHeart beneficiaries on Instagram. This drive garnered support amongst Maybank’s social media followers and raised close to RM30,000.

A MaybankHeart Charity Bazaar was organised at Menara Maybank to raise funds to help beneficiaries prepare for Hari Raya. A group of vendors donated a percentage of their profits to MaybankHeart.

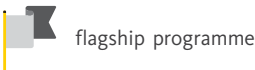
Maybank Child Sponsorship Programme (Phase 5)

This programme is a community initiative implemented in collaboration with the People Improvement Organisation (PIO), a non-profit organisation, to sponsor and support street children and orphans who live and make a living in the city dumping sites and slum areas of Cambodia. The programme focuses on ensuring children attend school and have access to clean food and water as well as basic healthcare, thereby giving an opportunity for a life out of poverty. PIO runs three schools and an orphanage for children who live in garbage dumping sites or collect garbage around Phnom Penh.

Maybank Cambodia implemented this programme from 2012 to 2018:

Phase	Period	Beneficiaries
Phase 1	2012/2013	20 children
Phase 2	2013/2014	20 children
Phase 3	2014/2015	30 children
Phase 4	2016/2017	50 children

In 2018, Maybank supported 52 children pursuing further education. The sponsorship includes a monthly fund allocation to cover basic food and school support as well as regular engagement sessions with Maybank employees. In addition, 350 volunteers were involved in 12 activities during the year. Financial literacy was a key agenda integrated into the monthly engagement sessions with Maybankers and Global CR Day 2018, impacting over 900 children. In addition to this, PIO is one of the schools that benefitted from the CashVille Kidz programme in 2018.



Community Empowerment

ARTS AND CULTURE

We believe that arts and culture are an important component of thriving societies as we continue to support various art programmes around the region.

KataKatha, Maybank Kim Eng’s arts and culture initiative, collects all our efforts in the area of arts and culture under one umbrella. It stems from our belief that there is a synergy between the arts and business, therefore creating a positive impact for the communities. KataKatha consists of two programmes – “Balai” and “Pentas”.

KATAKATHA	
BALAI	PENTAS
<ul style="list-style-type: none">• Aims to reactivate Balai Seni Maybank as an arts space and to bring an eclectic mix of performing and visual arts to Maybankers.• Maybank as an organisation supports the arts and artists. <p>BALAI Programmes in 2018</p> <ul style="list-style-type: none">• Storytelling through Chinese Teochew puppets by Potehi Theatre at Balai Seni Maybank in March told the story of Monkey King Sun Wukong, who journeyed to the West in search of sacred scriptures.• ‘Nostalgia on Gamelan’ featured vocalist Stefano Chen, HANDS Percussion Malaysia and a few guest musicians in May. The ensemble performed favourite classics such as ‘Hati Memuji’ and ‘La Vie en Rose’.• ‘Raya Rhythm’ in June saw musicians performing unique renditions of favourite Hari Raya songs using instruments representing Malaysia’s unique blend of cultures.	<ul style="list-style-type: none">• Aims to unleash creativity of Maybankers and instil a culture of confidence and passion in arts. <p>PENTAS Programmes in 2018</p> <p>Participants were taught the art form of their choice from February to May, coached by Imran Syafiq (ASK Dance Company) and Jack Wan and Siu Yee (HANDS Percussion Malaysia).</p> <p>The lessons culminated in a performance at Balai Seni Maybank.</p>

In August 2018, Maybank partnered with HANDS Percussion Malaysia for the HANDS International Drumming Festival 2018, Kaleidoscope 5 – UNBEATABLE concert, as part of KataKatha, our regional flagship initiative for arts and culture. Held at the Kuala Lumpur Performing Arts Centre (klpac) in Sentul, the concert featured a line-up of local and globally renowned talents including Dhol Alliance (Malaysia), U-Hee Company (South Korea), Abbos Kosimov (Uzbekistan) and Ben Walsh (Australia).

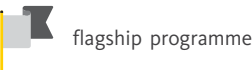
It also featured a Drum For Hope performance by Fugee School students. Drum For Hope is a social project by Maybank Investment Bank, the Fugee School and HANDS that aims to bring healing through drumming to those whose lives have been disrupted.

During the year, Balai Seni Maybank was active in hosting Malaysian and international artists.

BALAI SENI ART SERIES 2018	
Name	Description
RRRWARRR!!!: Maybank’s Emerging Women Artists Show 2018*	Showcased the works of 31 emerging women artists from Malaysia.
‘Art of Tiger’** and ‘MyTIGER Values’ Art Exhibitions	Organised in conjunction with Global Tiger Day, the event aimed to raise awareness of the depleting number of tigers with artwork from 12 artists. Maybank Foundation’s MyTiger Values art competition was participated by design students from seven colleges and universities.
Hidup Bersama: Malaysia @ 55 Art Exhibition*	In conjunction with the National Day and Malaysia Day celebrations, 13 local artists showcased works on the realities of everyday life.
PURE Painting: An Exposition of Non-Figurative Art*	Works from 25 local artists specialising in abstract art were exhibited.
Kuala Lumpur World International Deaf Artist Exhibition*	Themed “Rhythm of a Thousand Colours”, the exhibition featured the works of 18 deaf artists from South-Korea, Vietnam, India, France, Italy, Russia and Malaysia.

* 20% of all displayed artwork sales proceeds was channelled to various charitable organisations supported by Maybank Foundation.

** 20% of artwork sales proceeds were contributed to WWF-Malaysia’s tiger conservation efforts.



CineMAYBANK

Maybank Philippines, in partnership with the Film Development Council of the Philippines (FDCP) and endorsed by the Commission on Higher Education (CHED), organised the second CineMAYBANK Short Film Competition, with the theme “Humanising Financial Services”.

The festival received over 100 submissions from some of the most prestigious film and mass communications schools in the country. The winners were celebrated in a red carpet event held at the Maybank Performing Arts Theater. A Cannes winner, filmmaker Brillante Mendoza served as Artistic Director of the festival.

ENVIRONMENTAL DIVERSITY


The population of the Malayan tiger, pictured in our logo, is dwindling. Once the king of the rainforest, the tiger has been pushed to the brink of extinction due to poaching, habitat loss as well as forest degradation and fragmentation and is now classified as a critically endangered species. WWF estimates that there could be as few as 250 to 340 Malayan tigers left.

We are working with WWF-Malaysia and relevant government agencies to do our part in supporting the conservation of the Malayan tigers. Our partnership aims to increase the number of tigers in the Belum-Temengor Forest Reserve by 2020.


The forest reserve, which is about four times the size of Singapore, is one of the most important tiger habitats in the country. It is estimated that about 40 tigers live in the Belum-Temengor Forest Reserve. The conservation efforts include protection and monitoring of tigers as well as engagement with communities. The four-year partnership, which began in 2016, is subject to an annual review.

As a result of the efforts of Maybank Foundation and WWF-Malaysia, the Perak state government has announced its commitment to register the Royal Belum State Park for the Conservation Assured | Tiger Standards (CA|TS). CA|TS is an accredited scheme to ensure that the registered area has every aspect needed for effective conservation efforts. This commitment means Malaysia is the first country in Southeast Asia to implement CA|TS.


2018 Activities




An **anti-poaching workshop** by WWF-Malaysia with **33 participants**




13 events/meetings to **raise awareness** in the Orang Asli communities, including training on sustainable livelihood




Screening of “On The Brink of Extinction” documentary highlighting the need for greater collaborative efforts to save tigers



6 meetings to lobby for the **implementation of CA|TS** and



23 other major meetings to lobby for other **conservation recommendations**



Production of a series of three videos “The Guardian of the Forest” highlighting the empowerment of Orang Asli in tiger conservation efforts in Belum-Temengor



Areas patrolled on foot
6,384 km
2017: 2,585 km
2016: 1,754 km



Recognition and awards for the tiger conservation programme in Belum-Temengor Forest Complex:

- Global Gold winner in the Green Practices category at the Green World Environment Awards by the Green Organisation.
- Green Apple Environment Awards for Environmental Best Practice.
- ‘Best Bank for CSR’ at Asiamoney Best Bank Awards 2018: Malaysia.



Wild tiger roaming in the jungle (Photo © WWF-Malaysia/Shariff Mohamad)

flagship programme

Community Empowerment

HEALTHY LIVING

We have long been helping underprivileged patients gain access to quality healthcare. At the same time, the Group has seen positive effects of healthy living programmes for our own employees, and we want to equally encourage communities around us to adopt healthy lifestyles. We do this by organising public events, such as the Bali Marathon.

Maybank also has a long history of supporting exceptional sports programmes at junior and professional levels. Apart from the global publicity for our brand, sponsorship of premier sporting events is an important way of extending support for the community and nation-building. This also enables us to run associated fundraising activities which are an important source of support for our partners.

Etika partners with National Cancer Society of Malaysia (NCSM)

Periodic screenings and early intervention are crucial in effectively treating cancer. Etika and NCSM launched the second phase of their partnership at the end of 2018, offering free breast cancer screenings for underprivileged women aged 40 and above.

The RM2.85 million year-long programme is expected to offer 6,000 free mammograms and 3,000 free cervical cancer screenings.

As the first corporation to partner with NCSM to offer mammogram screenings on a large scale, Etika hopes to raise awareness on the importance of early detection to improve breast cancer survival rates. Eligible women will be provided transport to NCSM's centre in Kuala Lumpur or appointed hospitals across Malaysia for free mammograms.

National Heart Institute of Malaysia (IJN)

Maybank Islamic has continued its support for healthcare via Maybank Foundation. In the past, Maybank Islamic has collaborated with IJN to purchase much-needed equipment for the Paediatric & Congenital Heart Centre, as well as contributing medical expenses for patients with low-income background. In 2018, Maybank disbursed RM500,000 impacting the lives of 32 patients at the centre.

Clean Water



The WASH (Water, Sanitation and Hygiene) programme in Kuala Krai, Kelantan by Maybank Islamic was finalised in 2018. Works on the RM1.1 million project commenced just over a year ago and now, 171 households or 855 individuals in 3 villages are able to benefit from fresh water supply from 3 water tanks.

The project was implemented in collaboration with MERCY Malaysia and it included the drilling of a deep well, installation of water tanks and pumps, laying of water supply pipeline, construction of water faucets, repairing the gravity feed system and installation of a rainwater harvesting system. In addition, ventilated pit latrines, refuse pits and communal latrines were constructed, followed by training the villagers on water, sanitation and hygiene while the WASH committee were trained on water system management.



Clean Water Supply Project

The Clean Water Supply Project, initiated by Islamic Aid Malaysia (IAM) and funded by Etika, is a community programme aimed at alleviating the burden of communities across Malaysia facing difficulties getting clean water supply. In 2018, the Clean Water Supply Project implemented projects in Kampung Bungan Besar, Sibul benefitting more than 800 villagers and Kampung Talungan, Kota Kinabalu, benefitting 400 villagers.

flagship programme

Maybank Bali Marathon

Maybank Bali Marathon (MBM) 2018 saw a record-breaking number of over 10,000 running enthusiasts, including 50 wheelchair participants, from 46 countries competing on the scenic rural routes of Gianyar and Klungkung.



DID YOU KNOW?

Since its inception in 2012, MBM has evolved into an official qualifying race for the Boston Marathon – the world's number one marathon. The MBM has been listed as one of the '11 Remarkable Races You Need to Run Before You Die' by The Active and 'The 52 Best Races on Earth 2016' by Runner's World magazine.

This year, Maybank Indonesia involved 4,500 students and 172 teachers in the race. Maybank Indonesia also provided school and sports equipment to 43 schools along the race route. Artworks from artisan weavers of the Maybank Women Eco-Weavers programme and products created by the participants of our R.I.S.E. programme were displayed during the event.

Maybank Championship

The Maybank Championship is one of the leading golf events in the region since it started in 2016. Maybank's 10-year involvement in the sport began with its title sponsorship of the Maybank Malaysian Open, and this commitment has now developed into a passionate drive to elevate this prestigious sport in the region. The Maybank Championship has been designed to enable young Malaysian and ASEAN golfers to compete against the heavyweights from over 30 nations worldwide on a world class stage.

In 2018, Maybank provided 10 Malaysian professionals and one amateur, as well as five ASEAN professionals, with the opportunity to participate in the Championship, offering them the priceless experience of competing in an event that they would otherwise not qualify for. It is with events such as this that we hope to develop and inspire young talents from around the region to strive to achieve world-class standards and to one day make it on their own merit and be crowned Champion.

At the event, Maybank was also able to showcase our ASEAN efforts to spectators who otherwise would not have been privy to what the brand stands for in the community. Maybank Women Eco Weavers, R.I.S.E. Programme, Maybank KataKatha, and MaybankHeart, were all part of the event with each displaying their efforts and contributions in enriching the ASEAN community.

During the year, Maybank also extended our multi-year sponsorship of Malaysian professional golfer, Gavin Green. Green – who was first appointed as Maybank's ASEAN Ambassador in 2015 and went on to become Asian Tour Order of Merit winner of 2017 and also earned a place on the European Tour – will continue to receive support from Maybank to further his career and compete at the international level for another three years.



DID YOU KNOW?

Shubankar Sharma, winner of the Maybank Championship 2018, gained 38 world-ranking points, which helped catapult him up the world rankings and earn him an invitation into The Masters at Augusta National Golf Club. He also earned his European Tour card, and qualified for all four World Golf Championship (WGC) events as a result. These are indeed commendable achievements as he only turned pro in 2017.



Community Empowerment

DISASTER RELIEF








We continue to provide humanitarian aid in disaster-prone areas in the region and support communities in rebuilding their lives.

Lombok suffered a series of devastating earthquakes in 2018. Maybank Foundation donated IDR350 million for Lombok rehabilitation programmes through MERCY and Pos Keadilan Peduli Umat (PKPU). Maybank Indonesia's Sharia Business Unit donated IDR130 million and another IDR50 million together with the Financial Services Authority (OJK) and Financial Services Industry to assist victims.

Maybank Indonesia donated IDR300 million to support the victims of the earthquake and tsunami in Palu and Donggala, Central Sulawesi. The funds were channelled to support the relief efforts initiated by Financial Service Authority (OJK) and the financial industry.

Maybank Foundation contributed RM370,000 in emergency relief funding to MERCY Malaysia to provide medical supplies, safe drinking water and temporary shelter to the flood victims in Attapeu Province, Laos. Due to tropical storm Son-Tinh, about 350 villages in 41 districts of 10 provinces were flooded in July 2018. Collateral flash floods in Attapeu Province, due to water discharge from the Xepien-Xenamnoy Dam, affected downstream villages and disrupted the lives of more than 16,000 people.





YEAR-ON-YEAR PROGRESS AND PRIORITIES


Focus Area	Year-on-Year Tracking				
 Education	Supporting access to education across the region to foster academic and non-academic excellence.				
	Programme	2015	2016	2017	2018
	CashVille Kidz  (number of students) (number of schools)	53,020 241	78,883 330	8,984 23	14,867 40
	Maybank Scholarship Awards (amount disbursed) (RM) (number of scholars)	14.0 million 66	23.0 million 50	26.8 million 255	24.19 million 213
 Community Development Empowerment	Reaching out to communities across the region through empowerment programmes.				
	Programme	2015	2016	2017	2018
	R.I.S.E.  (number of participants)	200	1,411	939*	2,901
	eMpowering Youths Across ASEAN  (amount disbursed, RM)	n/a	1,000,000	820,584	409,000
	Maybank Women Eco-Weavers  (amount disbursed, RM)	1.5 million	1.2 million	771,544	1.7 million
	Maybank Training & Learning Centre (TLC)  (amount disbursed, RM)	n/a	201,000	200,000	207,000
	Microfinance (KOMIDA) (number of women impacted)	2,748	1,131	100	331
	Maybank Family Fund – Matched Savings Initiative* (number of families impacted) (amount reached, RM)	184 184,040	263 187,846	259 251,734	335 260,033
	Maybank-Etiqa ePROTECT family (previously Maybank Family Fund – Maybank-Etiqa Family Shield)* (number of beneficiaries cumulative since 2011) (amount disbursed in policy premium, RM) (policy coverage value cumulative since 2011, RM)	701 125,206 94.6 million	868 146,744 137.1 million	989 160,692 150.2 million	752** 162,227 152.1 million
	* Data is as at 31 st March as the programme is tracked according to this timeline. ** Number of beneficiaries covered reduced as coverage expired for first batch of beneficiaries (FY2011).				

 flagship programme



Community Empowerment

Focus Area	Year-on-Year Tracking				
 Arts and Culture	Promoting and preserving traditional and new forms of art and expression.				
	Year	2015	2016	2017	2018
	KataKatha (amount disbursed, RM)	822,974	n/a*	250,000	524,000
	* n/a due to spending the amount disbursed in 2015.				
 Environmental Diversity	Preserving environmental diversity particularly through tiger conservation.				
	Year	2015	2016	2017	2018
	Tiger conservation efforts (amount disbursed, RM)	481,548	722,321	1.31 million	1.38 million
 Healthy Living	Enabling access to affordable healthcare, supporting premier sporting events in the region and nurturing local talent.				
	Programme**	2015	2016	2017	2018
	Bali Marathon (number of participants)	4,009	6,478	>9,000	>10,000
	(number of countries of participants)	37	>43	44	46
	(number of wheelchair participants)	40	50	52	50
	Save a Child's Heart at IJN Paediatric & Congenital Heart Centre, National Heart Institute of Malaysia (amount disbursed, RM)	349,824*	500,543*	76,954	500,000
	(number of patients)	12*	16*	2	32
	* Restatement of data due to the difference in the timing of patient registration/operation and disbursement across different years. ** Maybank exited the liver transplant programme in 2017 as the programme is now self-sustaining.				
 Disaster Relief	Supporting communities impacted by natural disasters in relief and rebuilding efforts.				
	Year	2015	2016	2017	2018
	Disaster relief contribution (amount disbursed, RM)	1 million	1 million	300,000	370,000
	Note: Our formal three-year partnership with MERCY Malaysia ended in 2016.				

 flagship programme

A Thriving Workplace

HIGHLIGHTS IN 2018



RM131 million invested in learning and development



Over **18,000 employees** in Malaysia were upskilled to the foundational level of digital literacy through e-learning, interactive team sessions and assessments






GO Ahead. Take Charge! platform empowers employees to take charge of their career by reskilling, tailoring their working arrangements (as part of workforce reconfiguration) and embarking on entrepreneurial options



Our employees contributed **134,718 volunteer hours** in numerous activities under the Cahaya Kasih employee volunteerism programme



Over **23,000 Maybankers** across **14 countries** volunteered during the 9th Global CR Day (a day where year-long CK programmes are showcased and spotlighted on)

Commitments	Relevant Material Matter	Link to SDGs	2018 Progress
Employee Engagement Platform	Employee well-being		<ul style="list-style-type: none"> Continued engaging employees via various platforms: <ul style="list-style-type: none"> Employee dialogue sessions with Group EXCO – Conversation Series with C-Suite Employee engagement programmes and initiatives Regular electronic and printed communication (e.g., email and newsletters) Employee engagement and feedback surveys/platforms (e.g., Employee Engagement Survey, electronic “Ask Senior Management”, Group Human Capital Contact Centre)
Talent and Leadership	Creating superior leadership and talent pipeline		<ul style="list-style-type: none"> Continued our leadership interventions and skills-building through our key signature leadership and development programmes Provided employees with impactful training and development programmes to maintain industry-level workplace competence Strengthened mentoring and development programmes for female employees and conducted leadership programmes to empower our talent Formalised Mandatory Job Rotation Policy to enable employees to enhance their career development and explore their interests
Learning and Development	Evolving work skills requirements	  	<ul style="list-style-type: none"> Invested RM131 million in learning and development Rolled out FutureReady Digital Upskilling Programme which created an immediate impact in cost avoidance of RM6 million Over 1,400 line managers were trained to facilitate FutureReady Labs for their teams where over 19,000 employees participated in these labs Strengthened learning and development programmes to include digital skills in existing curriculum including the roll-out of Agility@Work initiative
Diverse and Inclusive Workplace	Employee well-being		<ul style="list-style-type: none"> Continued creating a caring, inclusive, progressive, meaningful and exciting work environment that promotes the performance, health, wellness and safety of employees Drove GO Ahead. Take Charge! platform to enable employees to take charge of their career by reskilling, tailoring their working arrangements (as part of workforce reconfiguration) and embarking on entrepreneurial options
Safety, Health and Well-being	Employee well-being Employee involvement in societal volunteerism		<ul style="list-style-type: none"> Organised wellness activities throughout the year Continued with employee volunteerism programmes via the Cahaya Kasih platform Our employees contributed 134,718 volunteer hours in activities under the Cahaya Kasih programme Over 23,000 Maybankers across 14 countries volunteered during the 9th edition of Global CR Day




A Thriving Workplace

OUR APPROACH


We are in digital times and it is fundamentally transforming the way we live, work and relate to one another. Disruptive innovations will continue to reshape the way financial services are defined, delivered and accessed. Therefore, agility is imperative for our employees to stay competent and relevant. Training and reskilling them will be essential for significantly enhanced employee performance and experience that redefines the nature of work.

In 2018, we continued to offer an enabling, meaningful and exciting work environment and embarked on various initiatives to realise our aspirations of becoming The Digital Bank of Choice. All our efforts are aimed at co-creating a shared future for all and nurturing a high-performance culture that is underpinned by our Core Values, T.I.G.E.R.: Teamwork, Integrity, Growth, Excellence & Efficiency, and Relationship Building.

We aspire to “Develop World Class Talent to Deliver World Class Results” by leveraging our six human capital transformation goals:




Build superior leadership and talent pipelines



Attain world class productivity levels



Create global ethical mindsets



Build a tech savvy workforce that is creative, nimble and agile



Develop thought leaders in financial services



Create a caring, meaningful and exciting work environment

Maybank's Talent Management Strategy focuses on preparing our talent to be FutureReady for superior performance. It comprises three key thrusts:

 <p>Workforce Futurisation</p>	We continuously invest in our employees and grow them via a multitude of flexible and customisable learning and development programmes, opening up opportunities for experience-building to increase ability. This is part of our strong learning culture where emphasis is placed on increasing the capabilities of our workforce to build agility, significantly enhance productivity and accelerate impact delivery. This ensures that Maybank remains relevant and can keep growing sustainably.
 <p>Workplace Futurisation</p>	While upskilling our employees to be FutureReady, we are also committed to creating a future-ready ecosystem and a platform for our employees to perform efficiently and deliver world-class results, by introducing interventions that create experience of new work approaches. Offering a flexible day-to-day working experience while maintaining the highest level of governance ensures that we cater to the diverse needs of our employees and the business. Futurisation of our workplace puts physical and mental wellness of our employees at the forefront of all our initiatives. This approach mirrors Maybank's humanising mission.
 <p>FutureReady Infrastructure / Workforce Reconfiguration</p>	The policies, processes and systems within the organisation are constantly evolved to accommodate the needs of our employees and ensure they are supported by the right infrastructure. Introducing breakthrough policies as well as re-energising existing policies will help the organisation stay current in an ever-changing environment. Simultaneously, investments in our systems with the right technology will enable leaner processes that are more effective. The right infrastructure helps employees to perform, drive and deliver exponential business results responsibly and achieve the Bank's vision, while embedding the desired culture.



Malaysia 

LIFE AT WORK 2018

- Best Malaysian Organisation
- CEO Champion for Malaysian Organisation

Malaysia's 100 Leading Graduate Employers Awards 2018

- Graduate Employer of the Year
- Banking & Financial Services category (Winner)

HR Excellence Awards 2018 (Malaysia)

- Grand Winner
- Employer of the Year – Gold
- Excellence in Corporate Wellness – Gold
- Excellence in Employer Branding – Gold
- Excellence in Graduate Recruitment and Development – Gold
- Excellence in Leadership Development – Gold
- Excellence in Learning and Development – Gold
- Excellence in Talent Management – Gold
- Excellence in Women Empowerment Strategy – Gold

Asia Recruitment Awards 2018 (Malaysia)

- Asia Recruitment Grand Winner – Corporate HR Team
- Best Candidate Experience by a Corporate HR Team – Gold
- Best Employer Branding – Gold
- Best Graduate Recruitment Programme – Gold
- Best Recruitment Advertising Strategy – Gold
- Best Recruitment Innovation by a Corporate HR Team – Silver
- Best Regional Recruitment Programme – Silver
- Best Diversity & Inclusion Strategy – Silver

Graduates' Choice Awards 2018

- Overall Winner
- Banking category (Winner)
- Insurance category (Top 10)

Randstad Employer Brand Awards 2018

- Most Attractive Employer for Banking and Financial Services sector

GRADUAN Magazine

- Most Preferred Employer

SL1M 2017 Diamond Employer Award

- Gold

National Labour Day Celebration 2018

- Anugerah Majikan Berdaya Saing Global

Singapore 

HR Excellence Awards 2018

- Excellence in Graduate Recruitment and Development – Gold

Asia Recruitment Awards 2018

- Best Employer Branding – Gold
- Best Recruitment Advertising Strategy – Gold
- Best Recruitment Innovation by a Corporate HR Team – Gold
- Best Use of Digital Media – Gold
- Best Candidate Experience by a Corporate HR Team – Silver

Tripartite Alliance Award

- Pinnacle Award
- Age Inclusive Practices – Winner
- Fair and Progressive Employment Practices – Winner
- Work-Life Excellence – Winner

Influential Brands

- Top Employer Brand

Indonesia 

Employer Branding Awards

- Indonesia Best Employer Brand
- Dream Employer of the Year
- Chief Human Resources Officer of the Year

HR Asia Awards 2018

- One of the Best Companies to Work for in Asia

A Thriving Workplace

Maybank was named the 'Best Malaysian Organisation', while Group President and CEO, Datuk Abdul Farid Alias was honoured with the 'CEO Champion for Malaysian Organisation' award at Talent Corporation Malaysia Berhad's LIFE AT WORK Awards 2018.

Maybank was awarded the Best Malaysian Organisation for work-life practices that have created synergy between personal life and work, resulting in better productivity.

The Group President and CEO received the award for his strong advocacy of a workplace in which every Maybanker can personally and professionally thrive, as well as for championing initiatives that empower women in areas of leadership and economic development.

Maybank was once again voted the most popular employer and ranked first in the banking and financial services sector for the eighth consecutive year in Malaysia's 100 Leading Graduate Employers Survey, making us the only financial services organisation acknowledged as first in both categories since the awards' inception.

Maybank was voted Top Employer in the Graduates' Choice Award and was honoured as the Grand Winner at the HR Excellence Awards 2018 (Malaysia), sweeping eight Gold Awards.

FUTURING OUR WORKFORCE

Jobs in our industry are changing rapidly, and we believe that people remain the key to unlocking and charting new pathways. We focus intensively on enabling our diverse workforce with the right mind-set, behaviour, skills and tools to create breakthroughs and unlock potential, as well as to be prepared to anticipate customers' preferences and needs.

In line with our 'GO Ahead. Grow' Employer Value Proposition, we are committed to supporting our workforce to become more agile and adaptable, and empower them to maximise their potential via our Talent Management Strategy:

Key Thrust	Focus Areas	Initiatives
Key Thrust 1 – Workforce Futurisation	Upskilling employees to be FutureReady (open up opportunities for experience-building to increase ability) Global Thought Leadership	<ul style="list-style-type: none">• FutureReady Digital Upskilling Programme• Strategy, Artificial Intelligence and Machine Learning• Group Data Science Centre of Excellence Programme• Computational Thinking Challenge• Agility@Work• Leadership and Development Programmes• Women in Leadership• Maybank Risk Academy• Maybank Wealth Management Academy
Key Thrust 2 – Workplace Futurisation	FutureReady ecosystem and platforms (introduce interventions that create experience of new work approaches)	<ul style="list-style-type: none">• Policy Enablers for Higher Performance• Time Out Performance Management• Employee and Strategic Engagements• Cultivating Wellness• Responsible Corporate Citizen
Key Thrust 3 – FutureReady Infrastructure/Workforce Reconfiguration	Breakthrough people policies, processes and systems	<ul style="list-style-type: none">• GO Ahead. Take Charge! platform that includes Flexible Work Arrangement

The challenge facing the Bank is to create deep enough structural changes to “re-wire” and establish the infrastructure needed for a bank with a strong legacy of more than 50 years to go digital. With this in mind, GHC's Talent Management Strategy is focused on building talent and their capabilities to be future-ready for superior and responsible performance.

Our Talent Management Strategy focuses on an agile, innovative and accountable workforce that can steer the Bank beyond the 4.0 economy. The strategy also seeks to help employees look into the long-term future, in preparation of major social, economic and educational shifts and reforms.

A Thriving Workplace

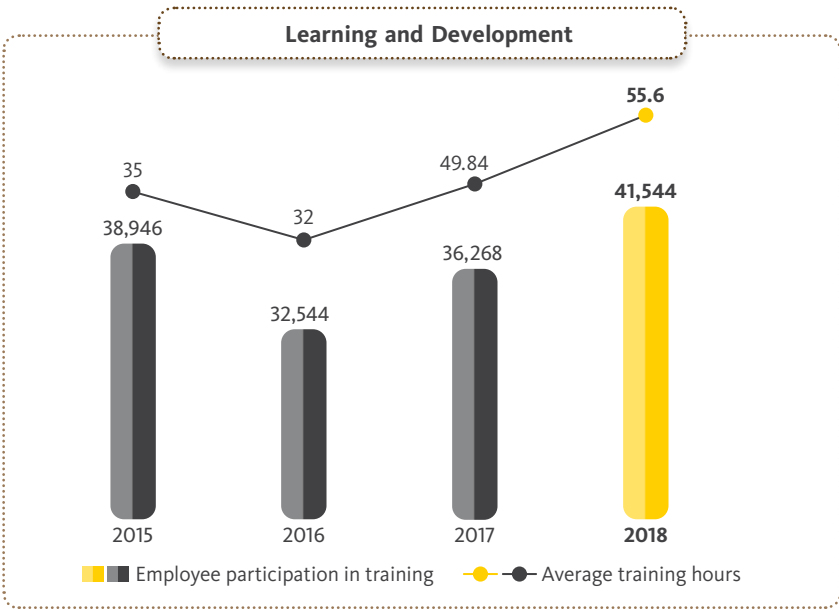
Learning and Development

We strongly believe that continuous learning and development is vital in ensuring our people have the right skills, knowledge and abilities to increase their efficiency and excellence.

We continue to invest in our employees and support them with a multitude of flexible and customisable learning and development programmes. This is part of our strong learning culture where emphasis is given to increasing the capabilities of our workforce to build agility, significantly enhance productivity and accelerate impact delivery. This ensures that Maybank remains relevant and is able to keep growing sustainably.



In 2018, we increased our investment in learning and development by 5.6% from the previous year. Employee participation and average training hours per employee both increased significantly.



Upskilling employees to be FutureReady

Rapid changes and intense competition from new and non-traditional competitors, such as high technology companies, require that we embrace new ways of thinking and doing our jobs to continue as a leader in our sector. Today, high digital literacy is required to compete sustainably in any industry. Hence, in 2018, the Bank rolled out Maybank FutureReady Digital Upskilling Programme for all employees irrespective of job levels.

We have named the upskilling programme “FutureReady” because our employees need to be equipped to continuously learn new skills on their own. Our aim is to have “proactive learners who are continuously learning to be innovative and competitive.”

FutureReady Digital Upskilling Programme

In January 2018, we introduced the first phase of the FutureReady Digital Upskilling Programme to increase employees’ digital literacy and to realise our aspirations of becoming The Digital Bank of Choice.

The objectives of the FutureReady Upskilling programme are:

Objectives & Approaches of Upskilling

FutureReady Knowledge & Skills

Upskilling on six digital skill areas via:

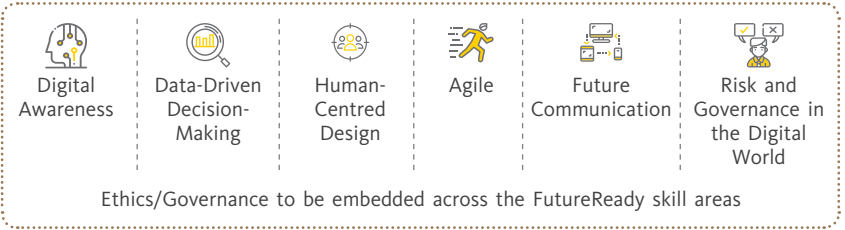
- e-Learning
- Classroom programmes
- Action Learning Projects

FutureReady Mindset

Digital Immersion Programme FutureReady Labs:

- Leadership Role Modelling
- Enabling Culture
- Practice & Habit Development

Six key skill areas were determined based on a comprehensive review of the future skills needed for success. We chose to adapt the 6 digital skill areas by the Institute of Banking and Finance (IBF), Singapore. The 6 digital skill areas are:





We are the first bank in Malaysia to embark on a massive Digital Upskilling Programme.

How we impact employees in an agile and viral manner while creating a strong learning culture

To pique the interest of our employees, we launched ‘Am I FutureReady’ quiz in January 2018, aimed at testing employees’ foundational level digital literacy on the six FutureReady key skill areas.

We subsequently curated in-house foundational e-learning programmes covering the six key skill areas to enable employees to immediately close digital literacy gaps identified by the quiz. All employees in Malaysia, Singapore and the Philippines were enrolled into the new e-learning programmes.

Many organisations address the shortage of talent and skills by hiring externally, but we believe that merely hiring new talent is not sustainable nor is it financially prudent. Instead, we also focus on upskilling talented and experienced employees with new digital skills to lead in building the Digital Bank of Choice.

Our Solution – The FutureReady Labs

We sought to focus on ensuring that employees are able to apply the skills learnt and that they have the skills to keep on learning proactively, as new technologies and capabilities will evolve rapidly. This requires building the DNA for employees to continuously learn.

To achieve these objectives, we developed a unique experiential learning format called the FutureReady Labs, where all managers were trained to be facilitators of learning in their respective teams and departments.

The FutureReady Labs concept is both a learning platform and an agile way of problem-solving business issues. Each team allocates time for frequent discussion sessions on what each of the FutureReady skill areas mean and how the team can learn and apply the FutureReady skills to solve current business problems.

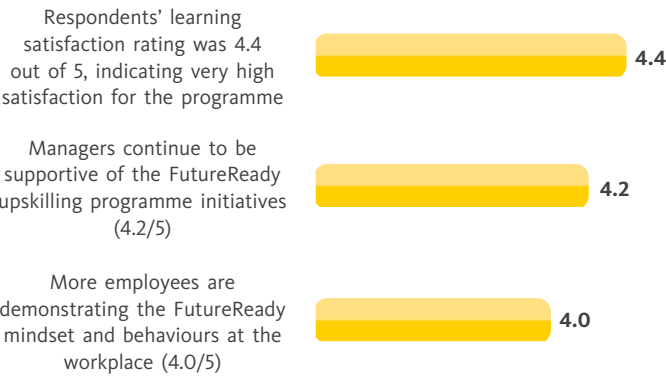


Managers are trained to facilitate learnings for their employees via creating interactive and social learning labs

Results from the Phase 1 (Digital Literacy) FutureReady Upskilling Programme

- > 18,340 employees in Malaysia completed the ‘Am I FutureReady’ quiz, all 8 FutureReady e-learning modules and 10 FutureReady Labs that cover the fundamentals of digital literacy in the 6 FutureReady skill areas
- > Within 2 days of the launch of the quiz, 4,151 employees had completed it. The average age of these early responders was 40. This is two years older than the average age of our population, dispelling the myth that the younger generation is the first to embrace digital changes
- > The average length of service of employees completing the quiz was 15 years, which is 3 years higher than the Maybank average length of service of 12 years, indicating that our senior employees are equally keen to upskill themselves with new digital skills
- > 1,433 line managers were trained to facilitate FutureReady Labs for their teams. The managers started conducting lab sessions and 19,080 employees have now undergone the FutureReady Labs. The Labs cover:
 - Awareness of the FutureReady programme
 - Foundational knowledge on each of the six digital skill areas
 - How to apply digital skills to their jobs to problem-solve in an agile way

In August 2018, we conducted a Pulse Survey on the effectiveness of the FutureReady upskilling programme among 334 managers across Malaysia.



“As a messenger who has been with the Bank for the past 24 years, I'm glad that this programme is for all employees, regardless of our position in the Bank. This programme was really easy to follow and has made me interested to learn new skills to be more digitally savvy and further my career with the Bank.”

Viswanathan Ramachandaran
Messenger, Maybank Ipoh Trade Finance Centre
Region Perak

“The e-learning modules were very helpful for me and my employees to understand how digitalisation is affecting our business and our customers’ needs. Since I joined Maybank, the Bank has given me abundant opportunities to upskill, and I've made the most of these opportunities. As we understand how digitalisation is increasing the demand for quality and efficiency from our customers, we're glad to equip ourselves accordingly through this programme.”

Timbreza, Esperanza C.
Business Manager, Auto Finance
Maybank Philippines

A Thriving Workplace



Strategy, Artificial Intelligence and Machine Learning

Learning takes place at all levels of the organisation. During the year, the Board, Group EXCO and senior management allocated over 500 man-days in intensive classroom learning on Artificial Intelligence (AI) and Machine Learning.

They picked up new skills such as coding and algorithm programming, and most importantly, understood how these skills can be developed in-house. As a result, we identified a number of new projects where leveraging AI and machine learning will increase the profitability and efficiency of the Group. Efforts are now under way to apply and implement new learnings towards creating new digital value propositions and impact.

An early impact of this programme was an increase in confidence and mindset to drive digital projects internally which led to a cost avoidance of RM6 million from newly upskilled employees.



Computational Thinking Challenge

In 2018, we organised two rounds of the Computational Thinking Challenge, where employees were challenged to complete an online training on 'How to Code' and an assessment on computational thinking on MyCampus.

The Challenge was launched to inculcate a digital mindset and embed digital thinking in everything that we do. The thinking process and approach sharpened participants' analytical and predictive skills as computational thinking involves interpreting problems in a way that a computer does and solving them in the fastest way possible using the least amount of resources.

233 employees across Malaysia participated in both rounds.

- The average age of participants was 35 years, with approximately 9+ years of service, indicating that our more experienced employees are keen to upskill themselves
- There was an increase in the number of clerical employees participating in the Computational Thinking Challenge from 11% in the 1st round to 18% in the 2nd round, indicating early interest even among our clerical employees



Group Data Science Centre of Excellence Programme

This programme enables employees to develop their data analytics skills and expertise in data science. The objective is to produce qualified and certified Data Analysts, who will add value to their respective departments and inculcate a data-driven decision-making culture. Employees are given the opportunity to learn about different types of business within the Group and operations in different markets. They also benefit from weekly coaching sessions with the Group Data Scientist.

As a result, new prediction models have been developed, utilising data analytics to identify target customers and determine customer purchase intentions for key products. Participants are also able to contribute new insights to marketing and retail strategies utilising analytics skills.



Maybank Urban Farm: Cultivating survival and entrepreneurial skills

Maybank Urban Farm (UF) demonstrates our commitment to enhance urban environmental management in areas of resource management and waste management. The UF is aimed at providing sustainable survival and entrepreneurial skills to Maybankers and our Cahaya Kasih (CK) beneficiaries, as well as encouraging our employees to appreciate biodiversity and to be the voices of change for a sustainable future among communities.

Showcasing unique farming technologies from vertical farming and fertigation to various types of plants, vegetables and herbs in self-watering pots as well as a germination nursery, the UF sits on a sizeable plot of land at Maybank Academy.

Various activities in support of our learning interventions and corporate social responsibility have been organised for the benefit of employees and the community at large. In 2018, an enhanced UF framework was introduced. In addition to the existing Cahaya Kasih and Learning Hub pillars, GO Ahead. Take Charge! covers the entrepreneurial aspects of UF for those interested. Classes were also conducted for employees who are interested in learning UF skills.

Programme effectiveness received high ratings from participants – from a score of 4.4 to 5.0 out of 5.

Inspired by the Maybank UF idea, some employees from Maybank Group Customer Care (MGCC) joined hands to create their very own rooftop farm to cultivate a 'Grow Your Own Food' effort. Their aim is to raise awareness on the benefits of recyclables and self-sufficiency, and to promote healthy living through farming in unused spaces. In giving back to our communities, the produce from the farm provides a fresh and healthy food supply for the underprivileged.



Agility@Work

This initiative is made up of five different approaches: The Why Method, Ideas, Idea Canvas, Daily Scrum and Ask Your Customer that can be applied in BAU and projects; introducing alternative ways of working to encourage employees to be agile and respond to changes quickly.

Employees received training on Agility approaches and they have applied these approaches in different initiatives across departments to drive change through technology, creativity and innovation. Advocates from various departments also have been trained to drive the approaches within their departments.



Acumen and Analytics Programme

The Power of Data Analytics workshop was incorporated in the Managers Summit organised by Group CFS in 2018. It was designed with the objectives of demonstrating how managers could leverage on SME customers' data to become a better commercial banker and how they could strategise for better branch performance and profitability using the financial statements of their branch. It was attended by 600 managers across the Regions nationwide.

Currently, the programme is being embedded in the sales roll-out training for CFS. So far, 86 sales personnel have been trained by our line trainers from various sectors with an average facilitator effectiveness of 4.5 out of 5.



GLOBAL THOUGHT LEADERSHIP

Leadership and Development Programmes

The right skills, knowledge and abilities can drive greater effectiveness, stronger impact and excellence. We believe this can be achieved only with continuous learning and development. Our learning and development policies follow the 70:20:10 development philosophy, where training is divided into experiential, relationship (mentoring and coaching) and classroom interventions in these proportions.

Creating superior leadership and talent pipeline is an important material issue for us. Under Key Thrust 1, we continued our key signature leadership and development programmes such as Transitioning Leaders to CEOs (TLC), Global Institute for Leadership Development (GILD) Asia, Advancing Women Leaders Programme (AWLP), The Guru Series and Maybank GO Ahead. Challenge (MGAC).

Transitioning Leaders to CEOs (TLC)

High-potential middle managers were exposed to world-renowned thought leaders in this customised executive education programme. They were also mentored by Group EXCO on how to address strategic business challenges.



80

participants in 2018

35%

promoted to higher grades

Maybank Wealth Management Academy

The regional Maybank Wealth Management Academy (WMA) was established to focus on the competency and continuous education of our wealth managers.

The academy supports Group Wealth Management’s aspiration to achieve an ambitious double-digit growth in overall profits and to be amongst the top 20 wealth management players in Asia-Pacific. It also reinforces our commitment to provide high-level service and exceed our clients’ expectations.

Participants benefit from the Wealth Planner’s toolbox, and learn advanced skills for building relationships with clients and developing wealth planning strategies for High Net Worth clients. The programme also includes practical skills and knowledge on investment terms, wealth management products, trust and other concepts that are important to stay competitive and relevant.

155 Wealth Specialists from Malaysia, Singapore and Hong Kong completed Advanced Wealth Management and Investment Advisory Programmes in 2018.

Maybank is the first Malaysian financial services organisation to partner with Wealth Management Institute (WMI) of Nanyang Technological University Singapore (NTU Singapore) to roll out a regional curriculum of such scale.

Global Institute for Leadership Development (GILD)

Besides undergoing Linkage’s High Impact Leadership Model that revolves around leadership competencies, our top leaders were also given an opportunity to engage with external leaders like Alan Webber from the Harvard Business Review, Neo Boon Siong from Nanyang Technological University (NTU) and many more.

In 2018, we had 145 participants who have experienced different leadership styles and learned about different perspectives that can be applied to real-life challenges.

Maybank Risk Academy

Maybank Risk Academy was set up in collaboration with our in-house Group Risk department to build internal risk expertise. It also aims at realising the full potential of our Risk talent and ensure they have the right skills and recognised accreditation to address emerging risks in a fast-moving marketplace.

Risk professionals can upskill themselves through structured technical training programmes, undergo recognised professional accreditations for continued professional development and be part of the pool for Group Risk’s succession planning.

Learning effectiveness measures are in place to monitor the quality of the programmes. The average programme and facilitator effectiveness ratings were 4.3 out of 5 for three programmes that were rolled-out in 2018 and conducted by internal Risk Specialists.

The Guru Series

The Guru Series continues to be one of our platforms to share deep expertise by global thought leaders on current and strategic topics such as Unleashing Human Potential in 4.0 Digital Economy, Demystifying AI and Machine Learning as well as Future Proofing the Team to Lead in a Digital Environment. Employees also attended hands-on workshops with the thought leaders to address current challenges and implement new techniques that can be applied to our business for enhanced performance.



A Thriving Workplace

Maybank GO Ahead. Challenge (MGAC)

MGAC was developed to empower the region's human capital growth, by creating world-class future business leaders and competent financial experts in the region. Themed #YourFutureYourCall, MGAC 2018 provided a series of thought-provoking and intense case challenge scenarios.



Close to
10,000
applicants

80
nationalities

Global Maybank Apprentice Programme (GMAP)

GMAP is our entry-level programme that offers training and two-year rotational opportunities, including an international assignment to Maybank offices worldwide. In 2018, we recruited 20 Global Maybank Apprentices and currently have a total of over 40 Apprentices of different nationalities and educational backgrounds.

Our training portfolio is varied and customised according to the needs of employees and the business:

Our online learning platform, **MyCampus**, is now available in all countries except Maybank Indonesia, which is leveraging on its own internal learning platform.

It was used for over 431,000 hours in 2018. In comparison, it was used for over 265,000 hours in 2017.

We conducted 510 teaching and learning sessions, known as **Leaders Teaching Leaders (LTL)**, as a way for Group EXCO role modelling.

The **Maybank Mentoring Programme** provides focused development support for our high-potential talent. Mentoring addresses our long-term leadership demands and helps strengthen the leadership culture.

In 2018, 40 employees from TLC Batch 10 and AWLP were enrolled in this 12-month programme.

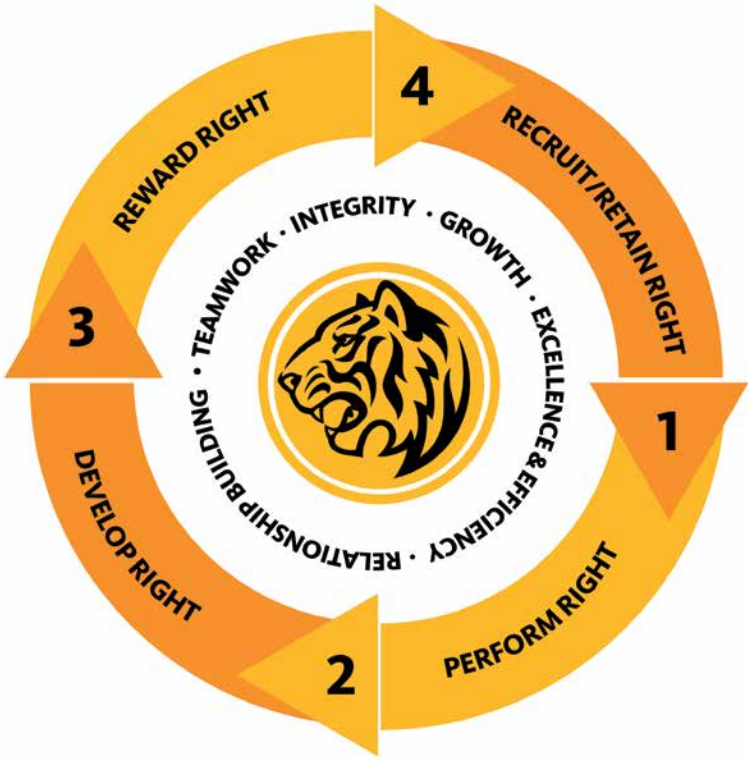
We increased the use of our own internal Subject Matter Experts to conduct and contextualise learning materials for our employees to increase transfer of newly acquired knowledge to the job.

The percentage of **Internal Line Trainers** increased to 96% in 2018 from 89% in 2017 and 63% in 2016.

BUILDING CAREERS

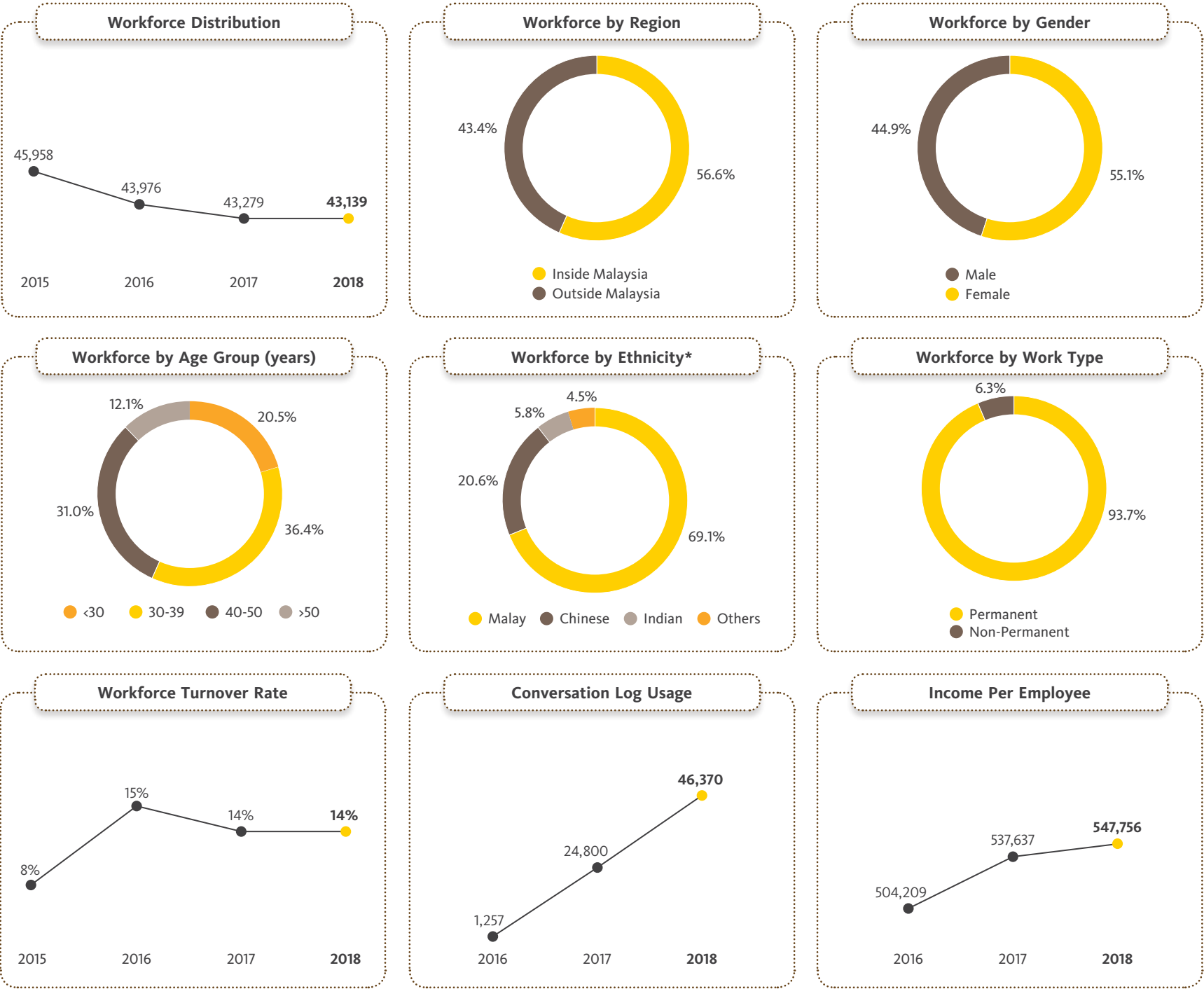
Maybank's commitment to growing and nurturing our talent is evident in our learning and development programmes, that encompass all career stages from entry level to top tier, harnessing the capability of our diverse workforce and equipping them with leadership skills, business acumen, technical expertise, as well as the skills needed to adapt to changing business needs.

Our Talent Management Framework is made up of four areas: Recruit, Perform, Develop and Reward. It guides us in maintaining a sustainable talent pool by continuously attracting, developing and retaining the right talent. The framework is complemented by a range of tools that helps us identify strengths, weaknesses and critical gaps as well as design suitable pipeline programmes for different levels and specialities.



A Thriving Workplace

Our Workforce



* Malaysia operations only

Being an industry leader, our performance levels are of utmost importance to us. To sustain our achievements, we nurture a culture of high performance that generates growth and can deliver our aspirations. We have redefined the way we enable breakthrough performance and placed significant importance on our people taking ‘Time Out’ – performance improvement conversations that support our Performance Management system.

‘Time Out’ allows employees to improve, minimises work disruption, preserves company morale and protects our business by having meaningful conversations. It can take place anywhere and anytime and is not confined to conventional mid-year reviews and year-end assessments.

Through real-time corrective feedback, immediate actions for improvement will therefore be agreed upon, acted on and tracked for impactful outcomes delivered individually and collectively as a winning team.

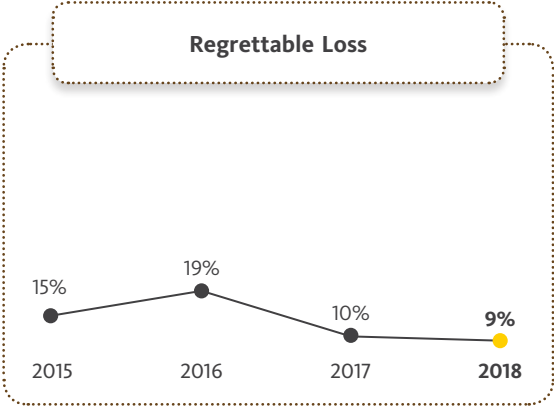
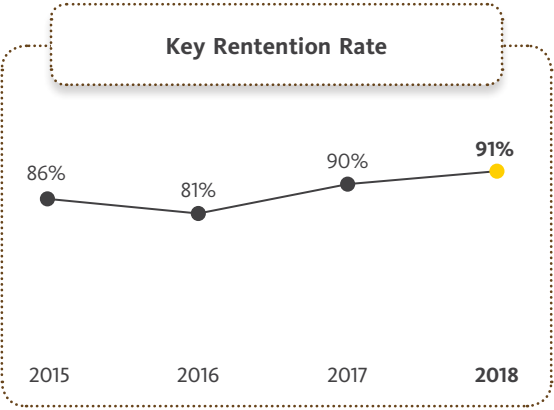
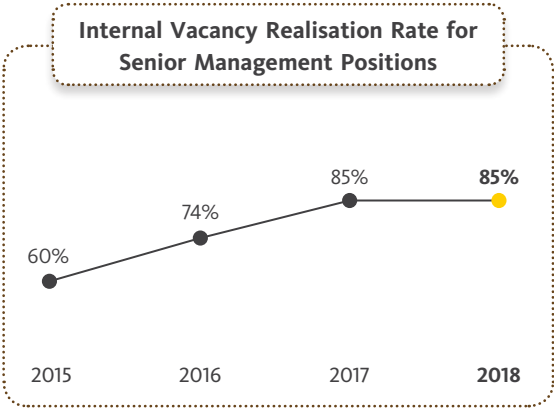
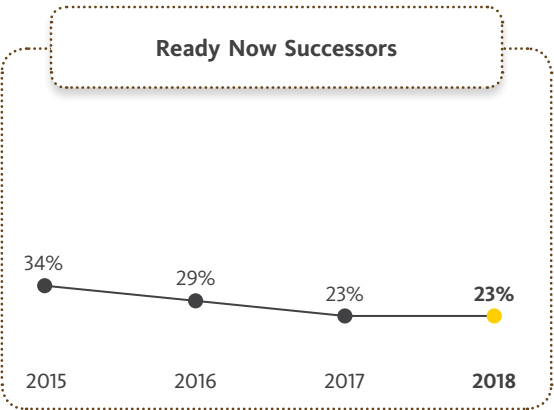
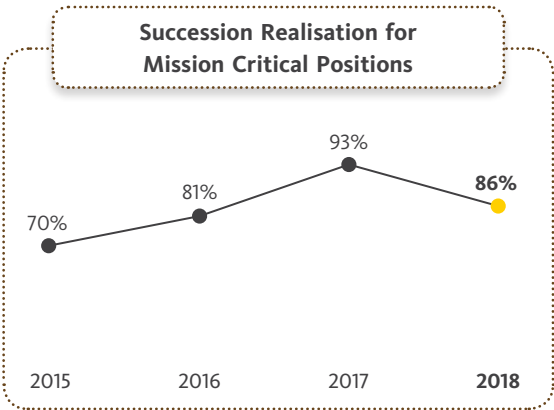
We also measure employees’ productivity through performance appraisals and productivity-enhancing initiatives, as well as by the metrics of profit before tax per employee and income per employee.

A Thriving Workplace

Succession Planning


Talent management has always been a key strategic function for us, with the objective of having the right talent to drive the current business plan and future of the Bank. We have an extensive curriculum that provides our talent with many learning and development opportunities required to accelerate their careers into management and leadership roles. Talent progression is consistently tracked and reviewed through multi-level talent reviews and execution of individual development plans.

Our continued efforts to recruit the right talent and develop our employees with world-class best practices continue to show encouraging results. By the end of 2018, we recorded:



Rewards and Remuneration

Maybank's total rewards philosophy goes beyond tangible rewards. We embrace an integrated rewards strategy that focuses on the right remuneration, benefits and career development as well as progression opportunities at the right time for our employees' personal and professional aspirations. The key elements of the rewards are aligned to the Maybank Group strategy, Maybank Group Human Capital strategy, culture and T.I.G.E.R. values – all critical to sustaining employee engagement levels, productivity and business growth.

 Further details of our Group's Total Rewards Framework and Remuneration Practices can be found in the Annual Report 2018 from pages 76-77.

Grievance Mechanisms

A large, regional organisation like ours needs functional channels for solving any grievances our people may have. Issues such as dissatisfaction about employment conditions, relationships with colleagues or supervisors, or discrimination can be raised through our grievance mechanism.

When a grievance report is filed, an investigation is conducted with due process. If no agreement is reached in a mediation between the parties, the complaint is then escalated to the next level with a trade union representative attending the negotiations. The final level of negotiations is with the union standing committee at the national level. Unresolved complaints will be referred to the Ministry of Human Resources. The formal grievance escalation and reporting process is confidential.

In 2018, 15 grievances were filed and closed. Four cases that were not resolved in 2017 were also resolved in February 2018.

Newly appointed Branch Managers, Assistant Branch Managers and Sales employees are briefed and guided on how to handle reports or instances of bullying or harassment during Regional Briefing sessions.

The following Collective Agreements were concluded for the period 1 January 2018 to 31 December 2020:

- Between Maybank and Association of Maybank Class One Officers (AMCO)
- Between Maybank and Association of Maybank Executives (AME)
- Between Maybank and Kesatuan Pengawal-Pengawal Keselamatan Malayan Banking (KPPKMB)
- Between Malayan Commercial Banks' Association (MCBA) and National Union of Bank Employees (NUBE)
- Between Sarawak Commercial Banks' Association (SCBA) and Sarawak Bank Employees' Union (SBEU – Sarawak)
- Between Sabah Commercial Banks' Association (SCBA) and Sabah Banking Employees' Union (SBEU – Sabah)

EMPLOYEE ENGAGEMENT PLATFORMS

We have a number of channels to ensure two-way engagement with our employees. In 2018, we focused on shaping our workforce to be FutureReady and dynamic. We also support our people as they navigate the uncertainties in today's business landscape and deal with the fast-changing social and global landscape.

Our Group EXCO and leaders play a key role in ensuring regular, two-way dialogue with employees. They spend a significant amount of time with our employees at, amongst others, dialogue sessions such as the Group EXCO led Roadshows with Middle to Senior Managers, Maybank Group Townhall/Sectorial Townhall, Conversation Series and Group EXCOs Leaders Teaching Leaders sessions.

We also use various platforms such as the Employee Engagement Survey (EES), electronic 'Ask Senior Management' and Group Human Capital Contact Centre to solicit employee feedback and act on it. The established system for H.O.T. (Honest, Open and Trusting) conversations and open communication are part of our Group culture.

Strategic Engagement

We regularly engage with various external stakeholders, such as employer associations, think tanks and formal networking groups to create an ecosystem that enables all to thrive in preparation of the IR4.0 economy. We also partner with various student bodies to promote better industrial collaboration and the exchange of best practices between universities and employers.

Through these engagements, we aim to provide thought leadership in shaping micro and macro policies responsibly and collectively by identifying and sharing new ideas to support sustainable economic growth.

DIVERSE AND INCLUSIVE WORKPLACE

As a regional organisation with over 43,000 people operating in 18 countries, Maybank has a rich diversity of employees. Maybankers of different backgrounds, talent and experiences have given our business higher flexibility when adapting to dynamic markets. Inclusivity is embedded in our culture – where diversity and differences are valued and employees are treated fairly and with respect.

Embracing diversity and inclusion is a means for a more sustainable future. It also promotes creativity and innovation by providing a wider range of ideas and perspectives necessary for meeting the needs of customers more effectively.

Whether in helping women achieve their ambitions or calling for gender-balanced leadership, respect or value differences, all that we do reinforces a more inclusive and flexible culture as we strive to root out bias at the workplace.

Recruitment, retention, full participation and advancement of women are all business imperatives to us. We particularly encourage and empower women leaders to accelerate their development and performance, and balance the demands of their careers and personal lives.

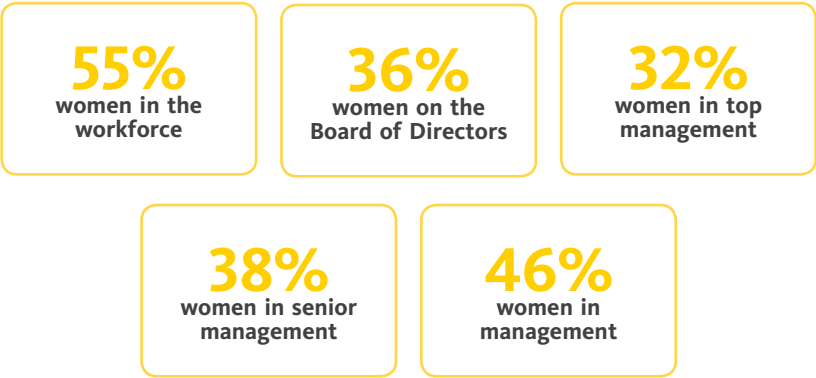
Group Inclusiveness and Diversity Agenda

Maybank is committed to the positive promotion of equality, diversity and inclusion in the organisation. We show the same respect, guided by the principle of meritocracy and fairness, and provide equal opportunities for everyone.

The Group has made tangible developments from the start of our people transformation journey in 2009, to ensure Maybank and its employees embrace diversity and inclusion. With the introduction of Maybank's Group Inclusiveness and Diversity Agenda (GIDA), efforts were accelerated and sustained, and the framework is monitored through measures reflected on the Group EXCO scorecard.

Maybank's Diversity and Inclusion Policy governs all aspects of employment practices, which clearly prohibits discrimination or harassment, and are based on the rule of meritocracy. These values are embedded in our HR strategy and policies, and are practised in our dealings with all stakeholders.

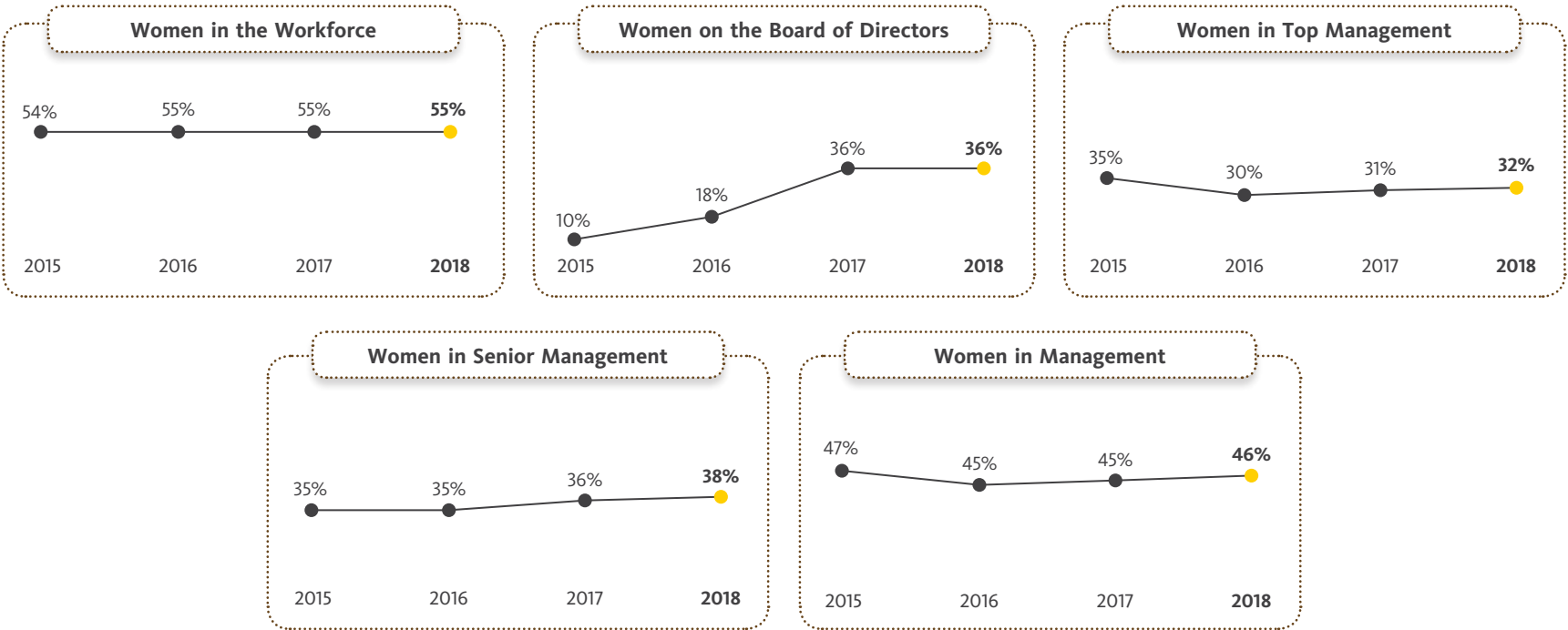
Maybank's GIDA also frames the aspirations of the development of women talent within the Group. The key indicators are:



Maybank celebrates International Women's Day as part of our commitment to acknowledge women's contributions to the organisation, embracing our philosophy of diversity and inclusivity in the workplace

A Thriving Workplace

Women Representation in the Workforce



Maybank Women Mentor Women (WMW) Council

The Maybank Women Mentor Women (WMW) Council supports the professional development of women across the Group, including increasing the representation of women in top management. It also supports the business in improving the delivery of products and services to female consumers.

The WMW Council's Advancing Women Leaders Programme (AWLP) is an important platform to increase women's leadership, strengthen diversity and inclusion, and contribute to Maybank's strategic goals. Designed and executed by Group Human Capital and championed by the WMW Council, this programme was created to focus on the development and acceleration of selected women leaders' capabilities. The AWLP addresses key competency areas such as Strategic Visioning, Innovation & Change and Engaging & Developing Talents.

In 2018, Group Human Capital and Maybank Kim Eng, together with active support from senior leaders, provided participants with a series of leadership interventions and skill-building programmes including Linkage's Global Institute for Leadership Development Asia (GILD Asia) immersion-learning leadership development programme, one-to-one personal coaching and mentoring, as well as the Leadership Conversation Series.

The first group of AWLP participants graduated in 2018. 35 women leaders from across ASEAN completed the year-long programme.

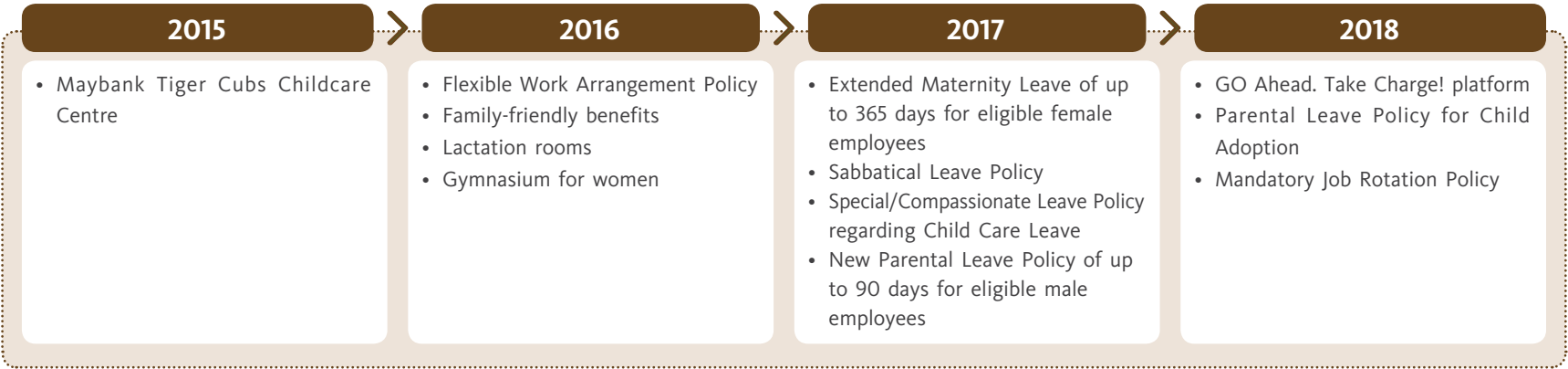


Supporting Work-Life Integration

Maybank has long supported employees in managing their work-life integration at all stages of their lives. We know there is no one-size-fits-all solution when it comes to flexible work, but by finding the right fit for each of our employees and what works best for their teams, flexibility can have vast benefits and be a true win-win situation for all.

Maybank continues to introduce innovative solutions to create an enabling and caring workplace. We also ensure that our people policies and practices are aligned with our promise to humanise people management and development.

Our journey in the past four years:



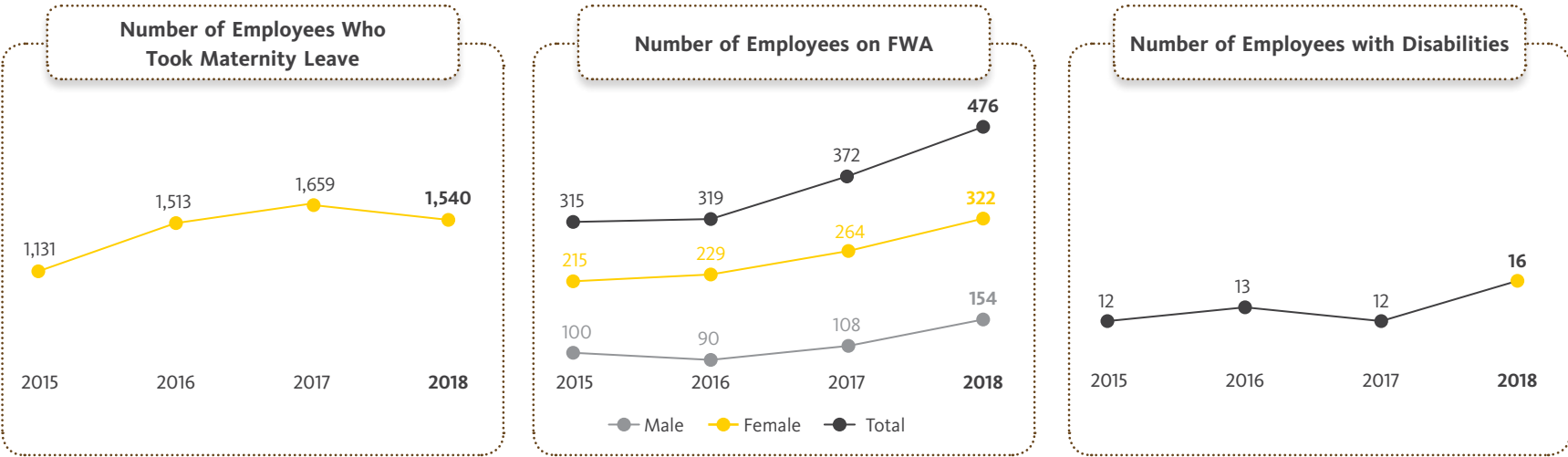
GO Ahead. Take Charge!

Globalisation and the pervasive digital revolution have brought about complexity at the workplace. Navigating it responsibly requires a growth mindset, resilience and the relevant skills. Multiple progressive and meaningful solutions have been initiated through the different stages of Maybank’s transformation, designed to enable employees to continue to grow and thrive.

In 2018, we drove the ‘GO Ahead. Take Charge!’ (TC) platform to enable our employees to take charge of their career by reskilling, tailoring their working arrangements (as part of our workforce reconfiguration) and embarking on entrepreneurial options, as well as to realise their career aspirations. It is another example of how we keep a pulse on employee feedback and needs to enable them to grow responsibly and professionally.

TC is a platform consisting of the various FutureReady initiatives and solutions designed to help employees adapt and be agile in the changing workplace environment. It is also to enable our employees to find sustainable livelihoods within or outside the Group.

Available in four pillars: Reskill & Redeploy, Flex In, Flex Out and Entrepreneur, TC is reflective of our promise to humanise people management and development for increased productivity.



A Thriving Workplace



“Uncle” Koh Moo Yang: Age is no barrier

Mr. Koh Moo Yang, fondly known as ‘Uncle’, is 66 and a Maybanker for 45 years, straight out of school. A well-known character in the Maybank community, he often jokes that he does not know how to write a job application letter, as he has never had to submit one.

Uncle proves that age is no barrier when it comes to making a positive contribution to the Bank. He has much to share with his extensive experience in branch operations, internal audit, process improvement and human resource management. No wonder he is sought after for his advice and knowledge of the Bank’s operations. Approach him and you will always find a ready and willing consultant with wise words to offer.

In this digital age where things are going at the ‘speed of light’, there is no slowing down for Uncle either, even after going on the ‘Flex 3 Days’ Flexible Work Arrangement (FWA) programme early last year. Uncle decided a 3-day work week would allow him to achieve a better work-life balance – he will be able to spend more time with his family, something he greatly values, especially after the arrival of a new family member – his grandson.

“You must have a passion for the job. The commitment to create value in whatever we do is key,” he said. “I always advise my team to think out of the box, do things differently with the customers’ interests at heart and you will create value for the organisation.”



Suriati Sulaiman: A perfect balancing act

Ever wondered how a working mother balances her work commitments with her family needs? Very often it is a tough act, especially when both require your full attention.

Suriati Sulaiman, who has worked at Group Collateral – Finance, Methods and Risk Management, Group Operations since 2007, couldn’t agree more. With her oldest child sitting for UPSR this year and her younger one needing long-term medical attention, she found herself struggling.

Her first thought was to take a nine-month sabbatical to accommodate extra classes, afternoon tuition and hospital appointments for her children. After consulting with her line manager and Business Human Capital, however, Suriati decided to take charge of her situation and her career, and apply for the ‘Flex 4 Me’ Flexible Work Arrangement (FWA) where she would work half days. By working in the mornings, she could tend to her family needs in the afternoons.

Suriati is actively involved in projects both on the domestic front and in overseas units of the Bank, in addition to leading the operational governance of the Malaysian portfolio. What is the key to her success in juggling work deliverables whilst working part-time?

“In two words – prioritisation and communication. I complete tasks on my priority list while I’m in the office. The less important ones are handled during my off-time in the afternoons in between my children’s pick-up times,” she said.

And how does she feel about handling work matters during her time off?

“On urgent matters, I communicate with my stakeholders via phone calls, emails or even WhatsApp. In this digital era, technology connects us so effortlessly. The FWA is a step towards a future-ready workplace where effective collaboration is no longer bound by physical location and that is great for those who need to balance their work with prevailing family needs,” she said.

What are Puan Zailan Mohamed, Suriati’s line manager’s thoughts on FWA?

“It’s always a give-and-take situation when it comes to balancing the needs of the employee and organisational objectives. When Suriati approached me with her situation, I had to weigh the available options that would meet her needs without compromising on our operational processes and productivity levels. In my opinion, FWA is a great tool to bridge the gap between the often conflicting objectives of the employee and line manager, and it gives that much-needed versatility for the employee to meet their family needs whilst creating a win-win situation for both parties.”



A Thriving Workplace

Volunteerism through Cahaya Kasih and beyond

We have long incorporated the pursuit of societal good and maximising positive impacts from our initiatives with communities. Our employees have been encouraged to dedicate energy, skills and imagination to tackling socio-economic and environmental issues since 2006, via our Cahaya Kasih Employee Volunteerism Programme. The programme brings different teams of employees together as agents of change, exposing them to new experiences and perspectives. This supports their personal and career development as well as boosts their sense of well-being, on top of building long-term relationships with each other and with the communities. The CK initiative is part of our strategy to create the Employer of Choice experience for our employees who can take pride in the organisation that they work for – a humanising corporate that cares for society.

CK projects and causes follow Maybank's Corporate Responsibility Focus Areas:



2018 was the first of the two-year Cahaya Kasih Challenge (CKC) 2018/2019 initiative, first launched in 2012 to encourage the sustainability of Group-wide CK initiatives. Our approach involves giving back to the communities through long-term partnerships and volunteer efforts guided by our sustainability toolbox which is anchored on Maybank's Corporate Responsibility Focus Areas.

The annual highlight of the CK programme is the Maybank Global Corporate Responsibility (CR) Day (a day where year-long CK programmes are showcased and spotlighted on). During the 9th Global CR Day held on 22 September 2018, our employees acted as agents of change by volunteering in various initiatives through our adopted causes across communities.

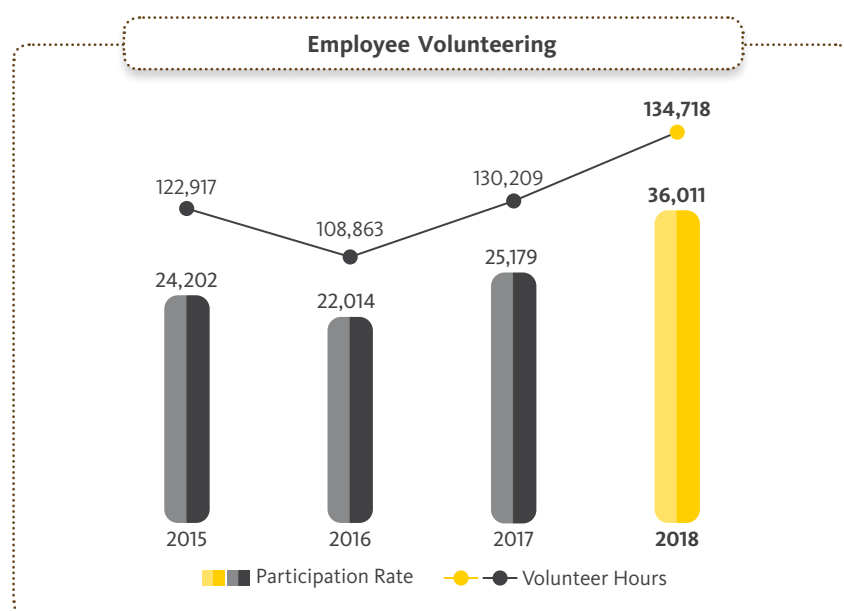


Our employee volunteerism engagements nurture a strong sense of pride and belonging to the Maybank brand – a truly humanising and caring corporate that cares for its employees and communities

A total of
23,193
employees

Across
14
countries

Volunteered in
110
initiatives



River of Life

About 500 volunteers, Kampung Kasipillay residents and Maybank employees took part in a river clean-up and educational activities. The event was organised under the umbrella of River of Life Public Outreach Programme (ROLPOP) Phase 5 in partnership with Maybank Group Risk, the Kampung Kasipillay community, Department of Irrigation and Drainage (DID) Wilayah Persekutuan Kuala Lumpur, Dewan Bandaraya Kuala Lumpur (DBKL) and Global Environment Centre (GEC).

Maybank Philippines' Environment Challenge

Maybank Philippines adopted the Kapitan Eddie Reyes Integrated School in Manila for their CK 2018/19 initiative to create awareness on environmental conservation efforts among the younger generation. A total of 43 volunteer teams (1,075 volunteers) came together to conduct CR activities at 32 sites, contributing 5,375 hours.

The teams were from Head Office Groups, stand-alone Branches, Business Centres (combination of Branch and Operations, or Branch and Lending Centres) or Zones (comprising several branches). We partnered with Cornerstone, the education arm of Couples for Christ Angkop that offers tutorial classes in elementary schools nationwide.

A total of 28 public schools, 1 day care centre and 3 barangays/communities became our volunteer sites. At all the sites, the kids were treated to a short storytelling session on the importance of caring for the environment and a host of fun activities.



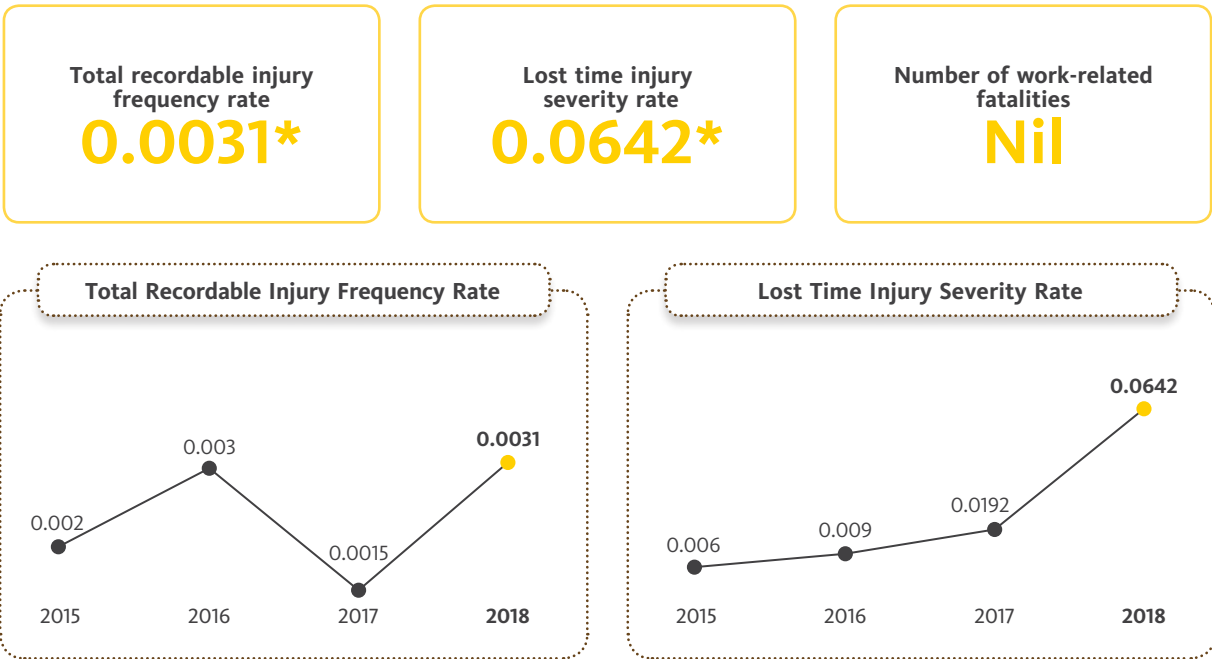
A Thriving Workplace

SAFETY, HEALTH AND WELLNESS

Maybank places top priority on occupational safety and health (OSH) matters. We recognise the importance of impactful health, wellness and safety programmes in increasing employee satisfaction and improving productivity.

We have an OSH unit that implements OSH guidelines and practices as well as ensures compliance with the national OSH regulations. We also have a structured three-tier OSH Committee nationwide, consisting of OSH Central Committee, Regional Offices OSH Committee and Branches OSH Committee. The OSH Committee strives to ensure a safe, healthy and pleasant working environment with strict compliance to the OSH Act 1994 and Factories and Machinery Act 1967 as well as other relevant regulations.

We are also guided by a solid OSH Policy which structures guidelines and practices as well as ensures these are closely monitored and adopted. In Maybank, we believe that occupational safety and occupational health not only encompasses our employees and customers, but also all who are involved in our business operations, such as contractors and vendors. The NIOSH-Maybank Safety Passport (NMSP) programme was adopted in collaboration with the National Institute of Occupational Safety and Health (NIOSH) to ensure that all safety and health aspects are taken care of whenever contractors and vendors are working at Maybank's premises.



* Data represents Maybank Malaysia including Maybank Kim Eng and Maybank Islamic Berhad, excluding Group Insurance & Takaful, which are covered in separate submissions.

Cultivating Wellness

At Maybank, we conduct wellness activities throughout the year to cultivate and nurture wellness as part of our Workplace Futurisation. We foster wellness and well-being through various fitness and wellness programmes that include knowledge sharing and avenues for employees to adopt healthy lifestyles.

For more effective positioning of our wellness strategy, in 2018, we leveraged on engagements such as festive celebrations, International Women's Day, Maybank Anniversary celebration, World Cup Carnival, Jersey Day and the launch of SmartSave by incorporating wellness and fitness elements into these events.

We also introduced a self-leadership approach towards healthy living via the LiveWell Campaign. Maybankers were encouraged to dedicate at least one day a month to their own well-being. We equipped managers with monthly guides on how to organise their own LiveWell Day. Employees took part in a wide range of fitness classes and sporting activities, with over 74,000 participation rate across the Group in 2018.

We also organised 3 Group-wide challenges under the Keep Fit Campaign: the 30-day Step Challenge, the Weight Drop Challenge and 7-minute Daily Workout Challenge. Participants were educated on how to use an app to track and measure progress, as well as obtain tips on how to maintain a regular exercise routine. We established a virtual connect group called Maybank GenFit, where employees can post images and videos, and source for inspiration from other like-minded Maybankers in their journey towards a healthy and active lifestyle. There was an increase of postings using #MaybankGenFit from 700 posts in early 2018 to over 3,700 posts by the end of 2018.









Maybank won the **Gold Award in the Excellence in Corporate Wellness** category at the HR Excellence Awards 2018. This is a testament to our commitment to promote a healthier lifestyle for all employees.

Fitness, Health and Wellness Programmes

LIVE WELL, WORK WELL

The LiveWell Campaign was launched to improve employee well-being across the organisation. Through this campaign, Maybankers are encouraged to dedicate at least one day every month to their health and wellness.

Programmes within the LiveWell Campaign include:

-  Eat Healthy April
-  Good Posture May: noon talks on spine care and posture, stretching exercises and Good Posture Carnival
-  Be Positive June: Stress busters such as laughing exercise and yoga
-  Outdoor July: Urban forest walk, picnics and Magic of World Cup
-  Thrifty August: Financial management talk
-  Party September: Maybank's 58th Anniversary Poke Bowl Party

Various teams across the Maybank Group have started making changes by starting wellness initiatives of their choice. Many have found that the journey towards a healthier lifestyle is easier and more enjoyable when experienced with like-minded colleagues.

Maybank Indoor Games 2018 – The Spirit of Cohesion

Teamwork is crucial for the success of any business. Great teamwork can be the force that makes things happen. This was evident at the Maybank Indoor Games 2018, held in Kuantan and attended by 662 players across Sectors, Regions and from Maybank Singapore. Teams battled in a series of traditional and modern indoor games such as Batu Seremban, bowling, carom, checkers, chess, congkak, darts, snooker and newly-introduced e-games.

After three months of intense training and giving their best during the games, the Menara Maybank team triumphed over the 14 other teams and was crowned the overall champion in the 18th edition of Maybank Indoor Games that continues to be a valuable engagement opportunity for Maybankers.

Maybank's FIT Tigers Day 2018

In conjunction with Hari Sukan Negara (National Sports Day), Maybank's FIT Tigers Day is celebrated annually to emphasise the importance of leading a healthy lifestyle. This year's FIT Tigers Day saw 3,035 Maybankers across Malaysia coming together to learn more about the benefits of exercise and taking part in activities ranging from aerobics and football to rock-climbing and Zumba. This initiative was well received by Maybankers, reinforcing that we're all in this together – pulling for and supporting each other in work and in play.

The Maybank employee welfare fund, Tabung Kebajikan Kakitangan Kumpulan Maybank (TKKKM) offers financial assistance to employees and family members for emergency needs that are not covered under the employee benefits. In 2018, TKKKM disbursed RM491,554 to 208 eligible employees in Malaysia. We also recognise academic excellence among our employees' children, mainly through the Maybank Group Staff's Children Academic Excellence Award. In Malaysia, 510 children of employees received a total of RM229,000 under this award.

OUTLOOK & PRIORITIES FOR 2019

Group Human Capital will remain the catalyst that drives transformation, higher performance and productivity, as well as institutionalises new and appropriate ways of working. We will continue to further upskill employees so they can keep up with the digital shift and advance talent for significantly higher business performance.

Our Six Strategic Imperatives will guide us in achieving GHC's transformation goals and the 20/20 Sustainability Plan, as well as supporting the Bank's mission of Humanising Financial Services:



Digital Age Leaders



Exponential Productivity Enhancement



Workforce Futuring



Workplace Futuring



Unleashing Power of People Data




Workplace Health and Well-being

A Thriving Workplace

YEAR-ON-YEAR PROGRESS AND PRIORITIES

20/20 SP
Commitment


Year-on-Year Tracking


Employee
Engagement
Platforms

Engaging employees on issues that matter most to them is key to unlocking a values-based organisation with an agile and competitive regional talent pool.


Year	2015	2016	2017	2018
Percentage of employees appraised (based on employees who are eligible to participate in the year-end appraisal) (%)	100	100	100	100
Percentage of Employee Engagement Survey Results (%)	Not administered	Not administered	SEI:88% EEI:84%	Not administered

Note:
For 2017, Maybank Group's Sustainable Engagement Index (SEI) at 88% is high against internal and external benchmarks: +3% vs 2014; +5% vs Willis Towers Watson (WTW) Global Financial Services norm; +2% vs WTW Global High Performing Company norm. Maybank Group's Employee Engagement Index (EEI) at 84% remained high against internal and external benchmarks: +2% vs 2014; +4% vs WTW Global Financial Services norm; -1% vs WTW Global High Performing Company norm.


Talent and
Leadership

Nurturing talent by providing the appropriate support for growth and the opportunity to excel in the organisation.

Year	2015	2016	2017	2018
Profit before tax per employee (RM)	199,129	201,120	233,330	252,703
Income per employee (RM)	462,116	504,209	537,637	547,756
Succession Cover Ratio (number of successors over Mission Critical Positions)	4.57:1	4.3:1	4.3:1	4.1:1
International mobility (number of talent taking up international positions after taking part in mobility programmes)	167	159	133	101


Learning and
Development

Investing in the long-term development of our people and improving capabilities across the organisation.

Year	2015	2016	2017	2018
Learning and development spend (RM million)	114	129	124	131
Average training hours per employee	35	32	49.84	55.60
Percentage of training sessions conducted/facilitated by employees (%)	31	63	89	96

A Thriving Workplace

20/20 SP Commitment

Year-on-Year Tracking



Diverse and Inclusive Workplace

Embracing and nurturing employees' needs and requirements within a single group culture, which guides how we do business, how we work together, and how we collectively deliver value across the Group.

Year	2015	2016	2017	2018
Women in top management Band D and above (%)	35	30	31	32
Women in management Band G and above (%)	47	45	45	46
Age group by workforce (%)				
– <30	27	23	22	21
– 30-39	37	37	37	36
– 40-49	27	30	30	31
– >50	9	10	11	12
Total participation rate	24,202	22,014	25,179	36,011
– Global CR Day	16,559	15,267	20,780	23,193
– Other volunteerism efforts	7,643	6,747	4,399	12,818
Total volunteer hours	122,917	108,863	130,209	134,718
– Global CR Day	89,806	77,361	105,140	107,975
– Other volunteerism efforts	33,111	31,502	25,069	26,743
Number of Cahaya Kasih (CK) initiatives Group-wide	102	89	87	89
Total number of employees on Flexible Work Arrangement (FWA)*	315	319	372	476
– Male	100	90	108	154
– Female	215	229	264	322

* Malaysia



Safety, Health and Well-being

Improving safety and work-life balance.


Year	2015	2016	2017	2018
Total recordable injury frequency rate (%)*	0.002	0.003	0.0015	0.0031

* Maybank Malaysia (including Maybank Kim Eng and Maybank Islamic Berhad, excluding Group Insurance & Takaful, which are covered in separate submissions). Data from our report is submitted to the Department of Operational Safety and Health (DOSH) Malaysia on 31 January every year




Our Commitment to the Environment


HIGHLIGHTS IN 2018



A recorded carbon footprint of Maybank Malaysia and Singapore operations of **76,274 tCO₂e**



339,289kg of paper recycled across Maybank Malaysia and Singapore selected branches



Menara Etiqa in Malaysia achieved dual green building accreditation – **Green Building Index (GBI) Gold rating** and **GreenRE Platinum rating**

Pillar	Commitments	Relevant Material Matter	Link to SDGs	2018 Progress
 Access to Products and Services	Commitment to the Environment	Supporting the transition to an economy that limits global warming Managing our environmental impact	 	<ul style="list-style-type: none">Task Force on Climate-related Financial Disclosure will be based on baseline reporting of FY2018The scope of our carbon footprint calculations continue to strengthen Group-wide

We recognise the need to understand and work towards climate change solutions through our financing products and services. We also have a responsibility to the communities we serve to support greener living.

Our environmental agenda focuses on the following key issues:

Resource scarcity – The planet’s natural resources are finite and rising competition has the potential to limit economic growth and business opportunities. Our response is to make our internal processes more efficient and reduce our usage of paper and electricity.

Climate change – The impact of climate change is increasing and climate-related policies have consequences for business. Our ESG lending guidelines provide the framework for responsible lending.

ENVIRONMENTAL INITIATIVES

We recognise that we can play a role in limiting climate change by improving the environmental efficiency of our operations. We are taking a phased approach to identifying and managing climate risk. This means that we focus on having the right policies in place, understanding risk and contributing to low-carbon initiatives. This is the first year that we have incorporated a baseline from the Task Force on Climate-related Financial Disclosures (TCFD).

We have been measuring and reporting on our environmental footprint since 2001. In 2018, we continued to implement initiatives as part of our 20/20 Sustainability Plan.



Operating performance

Resource management

- Paper consumption
- Water consumption
- Water recycling

Energy and GHG management

- Energy consumption
- Carbon emissions
- Business travel (air travel and fuel)

Waste management

- Amount of waste generated
- Amount of waste recycled
- Amount of e-waste recycled



Management performance

Green management education

- Awareness programmes
- Cahaya Kasih

Green products and services

- Responsible lending
- Green Technology Financing Scheme (GTFS)

Social contribution

- Community and Citizenship

Our Commitment to the Environment

The most effective way of managing the direct impact of our operations on the environment is to be mindful of how our business premises utilise resources and how our employees manage business travel. Apart from our carbon footprint, the scope of our environmental management programme includes water and paper consumption as well as waste recycling.

We follow and monitor statutory and regulatory requirements related to the environment, including:

- Environmental Quality Act 1974 and its subsidiary regulations
- Occupational Safety and Health Act 1994
- Efficient Management of Electrical Energy Regulations 2008
- Local Government Act 1976 on waste dumping policy

Climate-related Disclosure



Governance

- Maybank established Responsible Lending Guidelines in 2015, ESG Management Framework in 2017 and ESG Policy in 2018.
- Climate-related considerations are integrated into our Risk Management Framework as sustainability risk. The Group EXCO and the Board have oversight of these through the Risk Committee and 20/20 Sustainability Plan.



Risk Management

- ESG risk is integrated into lending assessments.
- We are in the process of integrating ESG into the Risk Acceptance Criteria (RAC) across the business.



Metrics and target

- In line with Maybank’s sustainability strategy, the 20/20 Sustainability Plan, we track direct environmental impacts such as our carbon footprint in Malaysia and have expanded the tracking to include Singapore (Scope 1, Scope 2 and Scope 3 for business air travel).
- We have defined metrics to measure the footprint of resources used internally such as electricity and paper consumption.

For further information on our indirect environmental performance and lending towards environmental solutions, please refer to Product Stewardship on page 82.

While supporting our customers to achieve sustainable outcomes, we strive to reduce the environmental footprint of our own operations. We measure and track our environmental impact across our main markets, Malaysia and Singapore. This ensures we can identify and prioritise areas for improvement in our environmental performance. We also continue to undertake environmental initiatives that make sense to our customers, employees and business.

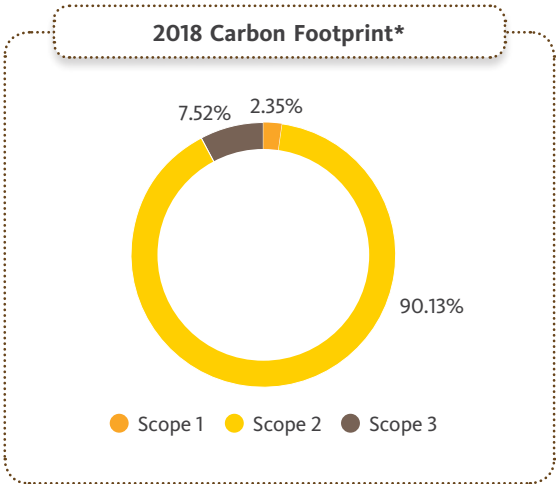
Carbon Emissions

Every year, we improve the tracking of our environmental impact. In 2017, selected premises in Singapore were included in our carbon footprint monitoring. In 2018, we improved our data tracking methods.

Monitoring our carbon footprint is one of the key areas of tracking our impact. We have participated in the CDP (formerly the Carbon Disclosure Project) for seven years, and are committed to this process. In 2018*, we were awarded with a 'D' score, after CDP updated the questionnaire last year by adding questions on governance and strategy. Moving forward, we will improve our environmental management in line with the recommendations of CDP and TCFD.

2018 Carbon Footprint*		
		Tonnes of carbon dioxide emissions
Scope 1	Direct emissions (petrol and diesel consumption from company-owned vehicles, diesel consumption from diesel generator, fire extinguishers and air conditioning)	1,791 tCO ₂ e
Scope 2	Indirect emissions (electricity consumption)	68,750 tCO ₂ e
Scope 3	Other indirect emissions (business air and road travel)	5,733 tCO ₂ e
Total		76,274 tCO ₂ e

* Data covering all branches and six strategic buildings in Malaysia and selected branches and premises in Singapore

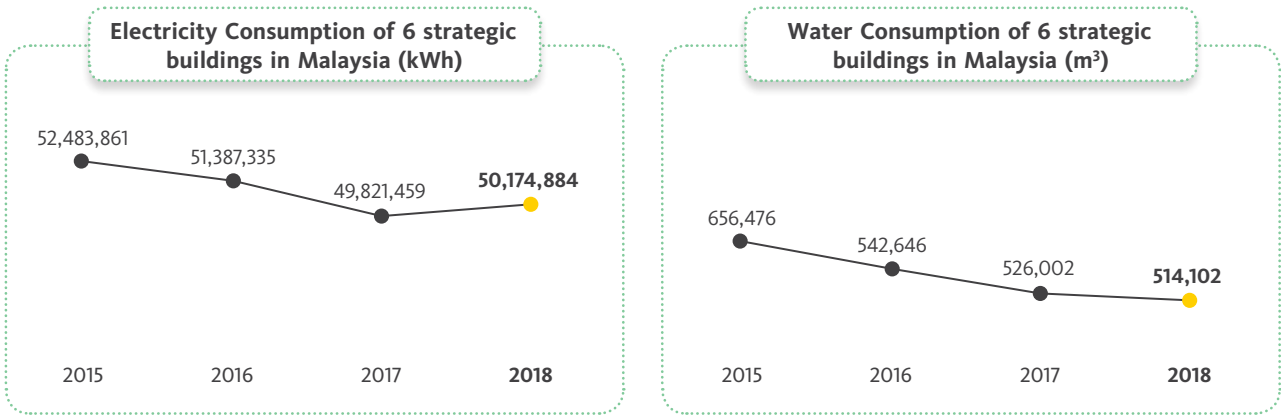


Our Commitment to the Environment

We have identified emission sources from company activities using an operational approach with reference to the Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition) and included data for existing operations only:

Scope	Boundaries
Scope 1	<p>Data was collected from all relevant departments and selected vendors. Emissions from diesel generators, fire extinguishers and air-conditioning refrigerants were calculated using a conservative approach of multiplying the amount of substances refilled by their respective global warming potential.</p> <ul style="list-style-type: none">• Diesel generators cover six strategic buildings in Malaysia and selected operations in Singapore*• Diesel and petrol consumption of company-owned cars is limited to Menara Maybank, Dataran Maybank and all branches and premises of Maybank Singapore*• Air-conditioning data covers all branches and six strategic buildings in Malaysia and selected operations in Singapore*• Fire extinguishers cover all branches and six strategic buildings in Malaysia and selected operations in Singapore*
Scope 2	<p>The data covers selected branches and six strategic buildings in Malaysia and selected operations in Singapore*</p>
Scope 3	<p>Regarding air travel data, due to insufficient information from myHR2u airfare-related claims, our Scope 3 calculation is limited to bookings made via our travel agency, amounting to 58% of all air travel for Maybank Malaysia in 2018. We used the International Civil Aviation Organisation's Carbon Emissions Calculator to quantify our carbon emissions as a result of business air travel (www.icao.int/environmental-protection/CarbonOffset/Pages/default.aspx). Singapore's Scope 3 air travel includes only selected operations in Singapore*. Road travel data covers 100% of travel in Malaysia as captured via myHR2u.</p>

* Data covers all branches and premises of Maybank Singapore excluding Singapore offices of Maybank Kim Eng, Etiqa Singapore, Maybank International and Maybank Asset Management.



Menara Etiqa's GBI Certified Building

The new Menara Etiqa in Kuala Lumpur was designed and constructed with conservation of the environment in mind. Environment-friendly construction materials, a green wall facade and energy saving lighting are some of the measures taken to ensure a green workplace for our occupants.

Etiqa embarked on this project as part of our core business strategy to optimise the long-term sustainable returns of our valued customers by diversifying our investment assets to include real estate.

Etiqa has gone the extra mile in ensuring a green building in its bid to achieve dual green building accreditation – Green Building Index (GBI) Gold rating and GreenRE Platinum rating.

Green features that ensure high-energy efficiency such as reusing power generated by lifts for other electrical systems and providing rainwater harvesting to reduce water usage have been incorporated into the building's specifications.

Maybank Sustainability Report 2018

OVERVIEW
PG. 02-13

TRUST AND INTEGRITY
PG. 14-31

COMMUNITY EMPOWERMENT
PG. 32-48

Our Commitment to the Environment

Paper Consumption

We continue to emphasise disciplined management of paper usage and encourage customers and employees alike to move towards a paperless environment. We strive to harness digital technology that reduces paper usage and creates less waste. We track our paper usage at our Malaysia and Singapore operations.

We are moving towards paperless banking in all the countries we operate. Digital solutions, like moving some of our internal processes to mobile platforms has contributed to reductions in paper consumption. The move from printed to electronic statements for retail customers in 2016 has been the single most impactful change.

In 2018, we further reduced the number of printed statements by 63% for business banking customers and by 56% in the credit cards segment, compared to 2017.

Paper consumption tracking

Year	2015	2016	2017	2018
Malaysia (sheets)	263,846,748	262,570,998	269,742,006	266,240,810
Singapore (sheets)	Started tracking for reporting in 2016	28,874,465	37,072,315	35,584,220
Total paper consumption	–	291,445,463	306,814,321	301,825,030

Waste Management and Recycling


We ensure that most of our premises in Malaysia have effective systems for collection, recycling and disposal of waste. Waste is collected by appointed licensed contractors to ensure compliance with government requirements. Old IT equipment is also disposed of appropriately by appointed contractors. Many of our documents contain private financial information and we need to ensure customer data privacy is maintained in the process of waste management, including transportation to appointed recycling centres. All sensitive data is shredded before disposal.

Year	2015	2016	2017	2018
Total amount of paper recycled (kg)	44,029	191,891	301,863	339,289
Boundaries	Data covering Menara Maybank only	Data covering selected branches in Malaysia	Data covering all branches and six strategic buildings in Malaysia	Data covering all branches and six strategic buildings in Malaysia and selected branches and premises in Singapore

YEAR-ON-YEAR PROGRESS AND PRIORITIES

20/20 SP Commitment

Year-on-Year Tracking



Commitment to the Environment

Managing our environmental impacts.

Year	2015	2016	2017	2018
CDP (score)	71	C#	C##	D##
Carbon footprint (tCO ₂ e)	46,575*	91,528**	78,909***	76,274****
Total paper consumption (sheets)	263,846,748	262,570,998	306,814,321	301,825,030

* Malaysia operations with limited boundaries. For further details, please refer to Sustainability Report 2015 page 54.

** Malaysia and Singapore operations with limited boundaries. For further details, please refer to Sustainability Report 2016 page 67.

*** Malaysia and Singapore operations with limited boundaries. For further details, please refer to Sustainability Report 2017 page 74.

**** Malaysia and Singapore operations with limited boundaries. For further details, please refer to page 69.


Data covering Malaysia operations.

Data covering Malaysia and Singapore operations.




Access to Financial Services


HIGHLIGHTS IN 2018




Industry leader in customer experience with a Maybank Malaysia **Net Promoter Score** (NPS) of **+22**




New client-centric digital innovations such as **Maybank QRPay**, **Maybank Trade**, and **E-CLEVA**







A **growth of mobile monetary transactions 173%** YoY due to enhanced user interface (UI) and user experience (UX) design on Maybank2u mobile platform



Introduced innovative products such as HouzKEY to address demand for home ownership solutions



Progress in **strengthening our environmental financing** commitment with investment of **RM1.3 billion**

20/20 SP Pillar	Commitments	Related Material Matters	Link to SDGs	2018 Progress
 Access to Products and Services	Focus on Customers	Bettering customer experience, support and access	 	<ul style="list-style-type: none">NPS +22 up 15 points YoY. Industry leader for three consecutive yearsRetained industry lead position for the third consecutive year83% of customers are satisfied with our digital platform convenienceReduction of 33% in recurring complaints and a dip of 10% in overall complaints receivedEtiqa is the No. 1 digital insurance player in Malaysia with total premium contributions of more than RM100 millionProviding access to finance, Maybank Philippines introduced the R.I.S.E. Savings Account, which caters specifically to participants who have completed the Maybank R.I.S.E. entrepreneurship and financial training programme. A total of 151 R.I.S.E. accounts had been opened by the end of 2018Granted RM4.46 billion worth of new retail SME loans, benefited more than 12,000 customers across the region. In Malaysia alone, our total retail SME financing was RM17.1 billionMaintained our support for SMEs through RM2 billion financing under the Portfolio Guarantee SchemeWe increased access to microcredit facilities for small enterprises that do not always have access to conventional financial services. We disbursed RM40.9 million to micro businesses, benefitting up to 961 customersMaybank Building Capacity & Capability (MBCC) programme has reached 1,657 participants and 98 loan applications amounting to RM62.1 million were approved in 2018
	Digitalisation	Introducing innovative digital products and services		<ul style="list-style-type: none">5.91 billion online transactions, 5.99 million active Maybank2u users covering Malaysia, Indonesia, Singapore, the Philippines and CambodiaQRPay feature was included in the Maybank mobile app in 2018, enabling seamless cashless payment and mobile transfers via QR codes for Maybank customersIntegrated simple financial planning tools into Maybank2u web, including Goal Savings Plan, Spending Tracker and Insurance DashboardLaunched new ASNB service to enable customer to top up their units via the Maybank2u online banking and mobile platform in real-time
	Product Stewardship	Responsible Lending Financial Inclusion		<ul style="list-style-type: none">Expanded Group ESG Framework to an ESG Policy and worked towards further integrating ESG impact on the Group's operations, products and servicesMaybank executed a number of major green deals in the region through Green Bond, Green Sukuk and Green Loan in Malaysia, Indonesia and SingaporeFinanced 5 projects under the GTFS with a total investment of more than RM25 millionCorporate Banking financed approximately RM1.3 billion in renewable energy projectsContinued to support first-time home buyers and launched a new mortgage scheme, Maybank MaxiHome Ezy, that offers an option for lower monthly repayments in the first 5 years. A total of 277 mortgage loans/financing amounting to RM163.8 million were accepted

Access to Financial Services

OUR APPROACH

Our approach to financial services access is to remain relevant through the transition to a digital economy while focusing on our customers. In this digital age, our customers want electronic platforms that provide user-friendly, safe, secure and fast financial services that meet their needs. But being the Digital Bank of Choice goes beyond launching new apps and online services. It also means complex analysis of customers' behaviours and needs, digitalisation of our own processes, as well as investing in the right infrastructure and talent. At the same time, our fiduciary duty requires us to ensure that our electronic platforms adhere to governance and compliance requirements.

As digitalisation of services progresses, we are compelled to re-evaluate sustainable income streams and existing cost structures to remain relevant, without jeopardising access to finance – one of our core principles.

Ensuring that our operations have low impact on the environment is also crucial. As an industry leader, we also have an indirect impact through the companies and industries we finance. Our commitment to integrating ESG issues into our lending and investment processes is driven from the top. We strive to understand our clients' businesses, including the social and environmental issues of the sectors that we finance. Funding the small businesses that fuel growth and livelihoods in our region remain high on our agenda.

We are committed to promoting sustainable development and are always exploring ways that can help us contribute to the SDGs, particularly in the areas of financial inclusion and green financing.

FOCUS ON CUSTOMERS

As outlined in our Maybank²⁰²⁰ Strategy, our aspiration to be the Digital Bank of Choice will be reached by putting our customers' preferences first and delivering next-generation customer experience. The challenge we face is to keep up with the speed and demand for innovation to meet rapidly evolving customer expectations in a competitive environment.

Our strength lies in our strong foundation – Maybank Group's mission of Humanising Financial Services guides every decision that we make and we believe in the importance of doing the right thing. We have always, and will continue to, focus on building sustainable, long-term relationships founded on mutual respect.

The Maybank Customer Service Charter Service Standards, updated in 2017, includes the various channels for customers to contact us while informing them what they can expect in dealings with us. In 2018, Group Customer Experience Management (GCEM) continued to evolve and strengthen our customer centric efforts, spurred by our service vision of Passionately Creating Consistent Customer Delight.

Improving Customer Experience

We strive to continuously innovate new products and services to meet the evolving needs of our customers and find ways to improve our service delivery. We measure our performance through NPS which indicates how likely customers are to recommend us to their friends and family. Our strong results reaffirm that our customers value their relationships with us. In 2018, we further strengthened our leading position. We ranked 1st among 14 competitor banks, with customers citing our responsiveness and trustworthiness as our key strengths.



**NPS +22 up 15 points YoY.
Industry leader for three
consecutive years**



**Retained industry
lead position for third
consecutive year**



**83% of customers are
satisfied with our digital
platform convenience**



The External Customer Engagement Survey (ECES) 2018 result reaffirms that Maybank is continuously raising the industry benchmark in customer centricity by leaps. This is the result of our sustained efforts to leverage data analytics and customer insights to drive higher efficiency across our business units.

Shaikh Munir Ahmad

Head, Group Customer Experience Management



Voice of Customer

We measure customer experience by using a system called Voice of Customer (VOC). Interactions are recorded, providing us with valuable input that feeds into the improvement of our products and services. This has resulted in a reduction of 33% in recurring complaints and a dip of 10% in overall complaints received.

Complaint Handling

We aim to deliver complaint resolution at optimal speed and efficiency. To achieve this, we regularly engage with our front liners to maximise opportunities to get it right the first time, every time. As a result, the volume of complaints successfully resolved at first contact reached 85% in 2018, indicating continuous growth in front liners' expertise in service recovery.



98%
**of complaints resolved
within promised time
frame for 3 years
running**



Access to Financial Services

In 2018, we continued with 2 major internal transformations, namely, people transformation led by GHC to upskill all employees on digital platforms and service transformation to upgrade service to the customers. We are transforming the organisation from a transactional one to one with a strong focus on customer experience.

To help us in these transformations, a set of guiding questions – AWESOME – was developed as priorities for all Maybankers in 2018:

- Are we doing **THE RIGHT THING**
- Is it the **BEST & FASTEST** way
- Is there **ANYTHING ELSE**

The objectives of the AWESOME project are to provide service differentiation to our customers by being more customer centric, improving NPS and reducing valid complaints and escalations.



A customer called in to check the Treat Points expiry date for one of his active cards. Customer Service Executive Mohamad advised the customer accordingly and ended the call – it was a straight-forward enquiry, similar to many others the CSEs receive daily.

However, after the call ended, Mohamad checked the customer's other cards and noticed that the customer had a balance of approximately 500,000 points that were about to expire. Mohamad went on to investigate the matter and referred the case to Card Biz in order to transfer the 500,000 Treat Points to the customer's active card. He then called to notify the customer about the transfer. The customer was pleasantly surprised and later wrote a letter complimenting and thanking Mohamad for his exceptional service.

We are proud to highlight how employees are going beyond customer service to deliver the best customer experience by asking: "Is there anything else we should be doing for the customer?"

Physical Touchpoints

Our physical touchpoints remain relevant in our quest to serve the community and make banking easy and accessible. We remain invested in our branch banking experience. Last year, we engaged with customers as well as third party professionals to gauge our readiness and effectiveness in serving walk-in customers. We received strong validation on both fronts, with high satisfaction ratings on the professionalism of our front liners and how they complement our digital offerings.

78%
customers are satisfied
with the convenience and
the wide self-service
terminal (SST) footprint



Detailed Indicators

Year	2015	2016	2017	2018
Overall customer satisfaction				
– The Philippines	76%	87.2%	80.12%	55%***
– Singapore	71.9	72.5	73.6	73.5
– Cambodia*	4.42	4.05	4.16	4.10
– Indonesia**	n/a	7.82	7.6	7.46
Number of complaints received				
– The Philippines	5,260	2,951	3,315	3,634
– Indonesia	29,783	20,291	19,668	21,227
– Cambodia	n/a	138	105	92
Number of complaints resolved				
– The Philippines	5,260	2,951	3,315	3,634
– Indonesia	27,990	19,136	18,090	19,859
– Cambodia	n/a	138	105	92

* ≤3 Unacceptable, ≤3.25 Need improvement, ≥3.25 On Target, ≥3.85 Exceed Target, and ≥4.25 Exceptional

** Relationship Strength Index (RSI) scoring method

*** Refers to NPS. Only branches were surveyed in 2018

Access to Financial Services

Leveraging Technology and Operations for Greater User Experience

We utilise our technology and operations functions to improve service delivery. Group Technology helps the organisation explore, embrace and deploy cutting edge technologies to achieve business outcomes at speed, while Group Operations aims to improve the operational throughput and working environment for better service delivery while strictly complying with rules and regulations.

We have invested significant effort into customer service delivery through automation, particularly in credit processes, branch operations, remittances and trade services. Our focus has been on digitising the back office by migrating transactions into e-channels, interfacing the relevant processing systems and implementing technologies such as robotic process automation (RPA) and application integration for identified processes. These will result in higher straight through processing (STP) rates and significantly improve turnaround time for specific processes.

In line with the global banking industry's practices, we commenced implementation of SWIFT Global Payments Innovation, which will provide clients with certainty and visibility into each payment transacted. We will also further reinforce the plan to increase STP rates for both local and foreign remittances by migrating remittance transactions from branches to our online payments platform.

As technological adoption rises, the risk of cyber threats and fraud becomes even more prevalent. Customers are increasingly exposed to phishing attempts as banking services become easier to access. Conscious of these risks, we have employed Security Information and Event Management (SIEM) technology that allows Maybank to perform real-time monitoring to detect and quickly respond to any internal or external cyber attack. Meanwhile, we have also enhanced our security monitoring by setting up a Regional Security Operations Centre.

We also continue to build our internal capabilities, for example by establishing an offshore development centre in Bangalore, India. The centre provides us with better access to digital talents with the necessary data science and modelling skills to address the fast-paced digital banking needs. We have also set up a universal data lake for Maybank Group to effectively house and mine the vast data within Maybank in a secure manner.

Customer Experience at Etiqa

Etiqa aspires to be the Leading ASEAN Insurer. With a brand promise of Humanising Insurance and Takaful, we aim to make buying insurance and settling claims a fast and easy experience for our customers.

An important part of Etiqa's business is interacting with customers and providing financial advice to them. Etiqa is the No. 1 digital insurance player in Malaysia, with total premium contributions of more than RM100 million.

Etiqa has a presence in Malaysia, Singapore, the Philippines and Indonesia. In 2018, we increased the number of Etiqa branches to 46 from 24 in 2017 and our Bancassurance distribution network now has 490 outlets (via Maybank branches and third-party banks, cooperatives and brokers) compared to 350 in 2017. Etiqa's agency force comprises over 8,100 agents across our Service Centres in Malaysia.

Customer Service at the Core

The core of what we do is to assist our customers achieve lifetime financial security and live healthier lives. We place a lot of emphasis on understanding customer needs and how we can deliver the best experience at touchpoints across different markets. Exceptional customer service has always been our aspiration.

We are continuing with our efforts to ensure that dealing with Etiqa is "Fast and Easy" – the motto of our operations. In 2018, we implemented several industry-firsts:

- E-CLEVA, a real-time video assisted claims care for motor and fire insurance customers which processes claims settlement within 15 minutes
- DERAS car accident claims approval within 30 minutes, and
- CAPSME, Claims Advance Payment for SMEs to be approved within 24 hours.

Our data analytics team also worked on big data applications to detect fraud and expedite the processing of non-suspicious claims. Our underwriting and claims processes were also improved and currently have a turnaround time of 24 hours, compared to the industry average of 7 days. Our ultimate aim is to ensure all aspects of a customer's experience with Etiqa are fast and easy.

To respond to the fact that the uninsured account for almost half of Malaysia's population, we undertook a campaign to raise awareness on the importance of having insurance and takaful coverage. Celebrities joined our shared cause to improve general awareness on the need for insurance/takaful products for different life stages and needs.



Access to Financial Services

Product Innovation

In 2018, Etiqa introduced new products, such as:

- Smart Wealth, a regular premium investment plan that helps customers plan their legacy for their children while growing their wealth for retirement. It covers death and Total and Permanent Disability (TPD) until the age of 100 and 69 respectively, with either full or limited premium payment term options.
- TripCare 360, a comprehensive travel insurance or takaful for local and international travels.
- Buddy Personal Accident, a comprehensive personal accident coverage.
- SmartSave, an investment-linked plan with a medical benefit add-on, giving Maybankers the opportunity to save and enjoy medical coverage upon retirement.

We will continue to grow our online presence. Given the increase in the usage of smartphones and the internet, agency and bancassurance channels will continue to support the growth, thanks to their value-added advisory services. Data analytics will play a bigger role in the growth of insurance companies.

SmartSave/SmartSave Takaful – Medical for Retirement for Maybankers

Maybank provides extensive medical coverage for all its employees. However, when they retire, they leave their medical coverage behind. With SmartSave, an investment-linked plan and a medical benefit add-on, employees can save today and start their medical coverage only when they retire. This way, employees are guaranteed medical cover at retirement whilst continuing to enjoy their employment benefits. Activation 60 ensures employees are medically covered when they retire at the age of 60.

Access to Financial Services

Maybank has a presence in 18* countries, including 10 ASEAN countries, with Malaysia, Singapore and Indonesia being our home markets. We have 2,601 retail branches and 78 brokerage branches worldwide.

Financial services play a crucial role in a functioning society, by enabling people and businesses to plan for their future and prepare for the unexpected. In our region, however, the availability of banking services is often limited to urban areas. Maybank Group’s mission of Humanising Financial Services means that providing financial services to the underbanked and unbanked segments is our priority. It also means that in the delivery of our products and services, we uphold sustainable practices that consider the wider impact we have on all our stakeholder groups – customers, business partners, communities, investors, our people and regulators.

Note:

* The non-ASEAN countries are China, Hong Kong, Saudi Arabia, India, Pakistan, UK, USA and Uzbekistan.



Detailed Indicators

Multiple Touchpoints

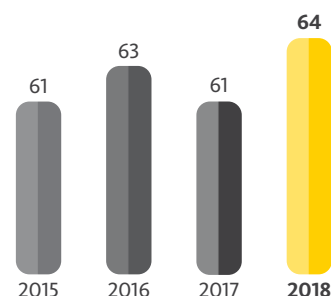
Year	2015	2016	2017	2018
Number of branches				
Malaysia	344	363	356	355
Singapore	22	22	21	20
The Philippines	79	80	74	74
Cambodia	21	21	21	21
Indonesia	–	428	407	386
Number of self-service terminals (ATMs, Cash Deposit Machines, Smart Recycler Machines and Cheque Deposit Machines)				
Malaysia	4,441	4,272	4,137	3,686
Singapore**	73	79	78	77
The Philippines**	95	96	91	93
Cambodia**	38	38	38	38
Indonesia**	–	1,633	1,510	1,609

** Data excludes Cheque Deposit Machines.

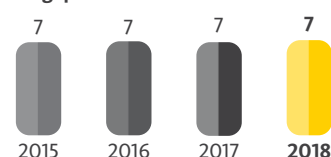
Access to Financial Services

Number of Disabled-Friendly Branches

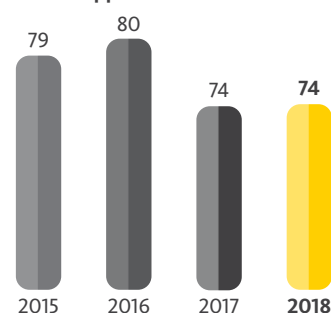
Malaysia



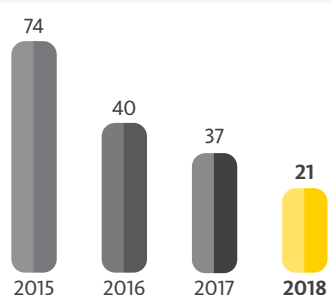
Singapore



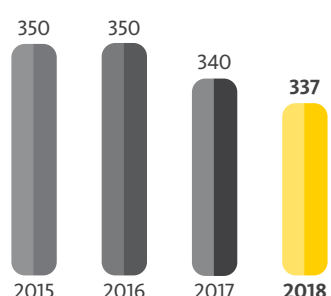
The Philippines



Number of Maybank One Kiosks in Malaysia



Number of Touchpoints Through POS Malaysia



New market segment: financial inclusion

In 2018, Maybank Philippines introduced the R.I.S.E. Savings Account, which caters specifically to participants who have completed the Maybank R.I.S.E. entrepreneurship and financial training programme. Unlike a regular savings account, the R.I.S.E. Account only requires a minimum opening and maintaining balance of PHP500. A total of 151 R.I.S.E. accounts were opened by the end of 2018.

Our Commitment to SMEs

A community bank at heart, Maybank has been helping SMEs grow locally and across ASEAN for over 50 years. In recent years, SMEs have moved to the core of our business strategy. Particularly in the ASEAN economies, the SME sector is a key driver to growth and an important employer, particularly for youth and marginalised groups.

We regularly engage with small businesses and provide them with an interactive platform to share best practices or industry insights. We also provide a Total Solution Package that caters to the evolving business life cycle of SME customers. In Indonesia, we have integrated the SME supply chain business model with an internet-based transaction medium to initiate their journey towards a cashless community. In Malaysia Maybank QRPay helped micro SME to embrace digital mobile payments. In 2018, we were recognised as the Best SME Bank in Malaysia by Alpha Southeast Asia and the Best UMKM Bank by Bank Indonesia.

Moving forward, we will continue to play an important role in stimulating the SME economy, in line with Malaysia's objective of increasing the contribution of SMEs towards the GDP to 41% by 2020.

Retail SMEs

We have developed the way we work with retail SMEs to better respond to their needs. Our services include touchpoints for improved access, faster loan processing turnaround time, innovative but simple product packaging and hassle-free processes. We have one of the fastest loan processing turnaround times in the industry. We continue to grow this segment through financing support as well as educational initiatives such as roadshows, seminars and financial literacy programmes. Our Retail SME Banking has over 510,000 customers, of which about 35,000 are borrowing customers.

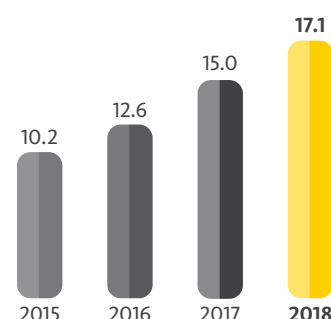
In 2018, we granted RM4.46 billion worth of new retail SME loans, benefited more than 12,000 customers across the region. In Malaysia alone, our total retail SME financing was RM17.1 billion.

Portfolio Guarantee Scheme

We continued to increase our lending to SMEs in 2018. Under our ongoing strategic partnership with Credit Guarantee Corp Bhd (CGC), we pledged RM2 billion of funding to be channelled via CGC's portfolio guarantee (PG) scheme that offers SMEs financing without collateral. This represents another step in our long-standing collaboration with SMEs.

Maybank has won two awards – the CGC Top Financial Institutions Partner Award and the Best Financial Partner Award at the CGC SME Award 2018. In terms of contribution to total retail SME financing, 17.8% (RM3.05 billion) was contributed by loans guaranteed by CGC.

Retail SME Financing (RM billion)



Access to Financial Services

Microfinance

With the growing microcredit market, we have chosen to approach it as part of our corporate responsibility, in line with our philosophy of empowering people and communities towards financial independence. Our microcredit segment targets businesses with a turnover of up to RM300,000 or fewer than 5 full-time employees. Microcredit is available to businesses and individuals, and does not require a processing fee or collateral. Our 10 Microcredit Hubs in Malaysia process micro business loans and provide capacity building. Microfinancing programmes are also available for eligible people with disabilities as part of our R.I.S.E. programme. In 2018, we increased access to microcredit facilities for small enterprises who do not always have access to conventional financial services. In 2018, Maybank disbursed RM40.9 million to micro businesses, benefitting up to 961 customers.

SME Banking Group-wide also has a differentiated microfinance business model to serve small entrepreneurs by defining their needs and delivering customised financial solutions. In the 3 years since the launch, we have provided financing access to more than 5,000 microfinance businesses with outstanding loans of more than RM110 million.

Engagements with SMEs

The annual Maybank Building Capacity & Capability (MBCC) programme was introduced in 2014 and serves as a platform to educate SME customers on the financing facilities provided by Maybank SME Banking. In 2018, the programme reached 1,657 participants with 98 loan applications amounting to RM62.1 million approved. We also work closely with internal and external stakeholders to further strengthen and extend our reach in the SME community, including start-ups, micro SMEs, Small-Medium and Medium-Large SMEs. A total of 4,575 participants attended these Maybank SME sessions during the year.

“

In SME Banking, we are highly motivated by strong growth for our bottom line. We reach out to the SME Community and share good practices and knowledge. We want SMEs to move forward and further strengthen their businesses. Efforts to engage our counterparts and online marketing experts have attracted the community. Our programme was fully supported by government agencies, such as Bank Negara Malaysia, MATRADE and CGC.

”

Adnan Sharif
Head, SME Banking
Group CFS

DIGITALISATION

One of the strategic objectives of our value-creation strategy is anchored on our aspiration to be the Digital Bank of Choice. To achieve this, we put our customers’ preferences first and transform to deliver next-generation customer experience. But we cannot lead in the marketplace without our talents, and we make sure they are upskilled to lead in a digital economy. New innovations help us improve customer experience, expand our reach and bring our financial services closer to customers. As customers become increasingly confident with transacting over digital platforms, we continue to encourage over-the-counter customers to start conducting transactions online.

Constantly Creating New Digital Firsts

We are the first bank in Malaysia to introduce a cashless payment solution using QR codes via Maybank QRPAY. Meanwhile, the refreshed and optimised Maybank2u website also includes a first-of-its-kind digital financial planner.



Access to Financial Services

Building A Cashless Economy

Malaysia is one of the leading proponents of building a cashless community, with Bank Negara championing the cause. According to statistics, cash handling and services cost RM1.8 billion a year to the banking industry. Electronic payments may result in savings amounting to up to 1% of a country's economy due to lower retail payment cost.

Malaysia is poised to rapidly move towards a digital-first economy thanks to a combination of technological innovation and progressive policies, such as the Malaysian Financial Sector Blueprint 2011-2020, that aims to increase the number of annual electronic payments per capita to 200 by 2020.

Maybank has been at the forefront in helping build a cashless society in Malaysia through its online banking and cards business as well as by pioneering products and services such as Maybank QRPAY and MaybankPay. The Group has leading market shares in both the cards and online banking businesses in Malaysia. Our mobile banking transaction market share was 67% during the reporting year.

Charting New Frontiers Through Digitalisation

Our new cashless payment solution QRPAY enables merchants to reduce their physical cash holdings while staying in control of their business with real-time payment notifications. QRPAY has contributed to the growth in monetary transaction value of mobile banking in Malaysia, which has doubled to RM49.50 billion.

The QRPAY feature was included in the Maybank mobile app in 2018, and it enables seamless cashless payment and mobile transfers via QR codes for Maybank customers. The new service is versatile as it allows any merchant to accept QRPAY transactions from Maybank customers regardless of whether their account is with Maybank or not.

In the Philippines, we seamlessly integrated banking into our customers' lifestyle via the STP-enabled opening of a savings account. Over 4,478 customers opened a savings account without physically visiting a Maybank branch.

In 2018, Maybank entered into a partnership with KFC Malaysia to enable Maybank QRPAY payments, making the brand the largest quick service restaurant chain in Malaysia to offer the convenience of payment using QR codes. The digital payment service was rolled out to selected KFC restaurants during the year and it will be made available progressively at all KFC points of sale nationwide by the first quarter of 2019.

Reimagined Maybank2u

In 2018, the new Maybank2u website was launched to provide customers with a single view of their financial holdings. A joint initiative between Group Community Financial Services and Group Technology, the website is now more intuitive and ensures that customers have a consistent experience across various electronic devices.

Research has indicated that up to 40% of Malaysians do not plan ahead financially so we ensured the Maybank2u web portal and app are user-friendly and offer simple financial planning tools. The financial planning tools for Maybank2u customers include Goal Savings Plan, Spending Tracker and Insurance Dashboard.

New features of Maybank2u include:

- First-of-its-kind digital financial planner within Maybank2u to support goals-based savings habits. The launch of our Goal Savings Plan saw over 21,800 goals established with total upfront deposits of over RM5 million.
- Credit Card Spending Tracker provides customers with better insights on their spending habits by displaying expenses in 14 categories, including transportation, utilities, food and beverage, telecommunication, entertainment and education.
- All-in-one insurance dashboard for customers to view their Etiqa Takaful Life and general insurance policies online.

Maybank Islamic doubled every ringgit donated by customers via M2U for Cash Waqaf under Waqaf Perak Ar-Ridzuan. The total donation amounted to approximately RM1.16 million.



Access to Financial Services

Maybank Mobile App

In 2018, we improved the biometric login of the Maybank mobile app in Malaysia and the Philippines to support Apple's facial recognition system (Face ID) and Touch ID authentication. The biometric login was launched in 2017. We are the first bank in Malaysia to offer Face ID and Touch ID.

We also worked on standardising the user experience and interface of the Maybank mobile app across the region. The app was adopted by Maybank Philippines and it will be rolled out to Indonesia, Singapore and Cambodia soon.



Detailed Indicators

Year	2015	2016	2017	2018
Number of Maybank2u registered online users (million)	8.3	9.8	11.07	11.89
Malaysia	8.3	9.8	10.5	11.2
Indonesia	–	–	0.24	0.33
Singapore	–	–	0.25	0.27
The Philippines	–	–	0.06	0.07*
Cambodia	–	–	0.02	0.03
Number of Maybank2u registered mobile users (million)	2.1	2.8	3.8	4.73
Malaysia	2.1	2.8	3.6	4.4
Indonesia	–	–	0.24	0.33
Total online transactions – individual (billion)	2.07	2.90	4.33	5.91
Malaysia	2.03	2.87	4.28	5.85
Indonesia	20.55	27.13	32.39	39.15
Singapore (million)	10.02	11.46	12.35	14.70
The Philippines (million)	2.15	2.43	2.48	2.35**
Cambodia (million)	0.56	0.96	1.45	2.1
Total amount of online transactions – individual (RM billion)	173.6	260.91	341.8	417.51
Malaysia	173.6	237.4	318.7	389
Indonesia	–	8.76	8.26	9.14
Singapore	–	14.14	14.0	17.7
The Philippines	–	0.22	0.2	0.2
Cambodia	–	0.39***	0.69	1.47
Internet Banking for Business (Excluding Sole Proprietors)				
Number of Maybank2u Biz active users (3 months)	62,792	82,864	104,759	127,154
Total number of monetary transactions (million)	1.88	3.81	6.62	10.19
Malaysia	1.88	3.81	6.31	9.81
Singapore	–	–	0.31	0.38
Total number of monetary transactions (billion)	5.48	12.24	35.3	53.7
Malaysia	5.48	12.24	21.8	35.2
Singapore	–	–	13.5	18.5
Maybank2u (Indonesia)				
Number of customers	–	502	2,004	2,723
Total transactions volume	–	202,722	389,894	612,653
Total transactions (IDR trillion)	–	20.774	32.8	62.25

Notes:

* Exact figure: 76,867 registered online users in 2018. Active users: 11,966, including mobile. No data on mobile users alone.

** Exact figure: 2,351,492 total online transactions in 2018, including financial transactions. Financial transactions only: 247,945.

*** Restatement of data from calibrated tracking.



Access to Financial Services

Grab Partnership

Technology disruptors now offer lifestyle propositions based on high-volume daily needs such as ride-hailing and food delivery services. Group Digital has explored opportunities to form partnerships with these disruptors to ensure Maybank remains the preferred financial services provider for customers in Malaysia.

One such partnership is with Grab, the leading on-demand transportation platform in Southeast Asia. Grab customers will be able to use their new cashless payment method, GrabPay mobile wallet, at Maybank's key merchants. Maybank customers will have the option of paying via Maybank QRPAY at GrabPay merchants. In addition, consumers will soon be able to top-up cash to their mobile wallet via Maybank2u.



Michael Foong, Group Chief Strategy Officer; Datuk Abdul Farid Alias, Group President @ CEO; Anthony Tan, Group CEO @ Co-Founder, Grab; and Oii Huey Tyng, Managing Director, GrabPay Singapore, Malaysia and the Philippines at the signing ceremony between Maybank and Grab on 21 May 2018

Amanah Saham Nasional Berhad (ASNB) Investments Via Digital Channels

We continued our collaboration with Amanah Saham Bumiputera (ASB) unit trust fund, managed by Permodalan Nasional Berhad (PNB), in promoting paperless loan processing.

This year, Permodalan Nasional Berhad (PNB) and Maybank launched two new services that allow ASNB customers to make investments via Maybank's digital channels. Customers can now invest in ASNB units via Maybank2u and our network of 2,700 ATMs and Self-Service Terminals around the country.

With this, Maybank became the first bank in Malaysia to offer real-time viewing and top-up of ASNB accounts. In addition, it is the first to enable customers to view their ASNB account balances and history of last five transactions (including dividends and transfers) instantly via Maybank2u.

Currently over three million ASNB transactions are conducted over our counters a year, of which around one million are deposits. Through this partnership, we can offer a more convenient and flexible way of making these transactions while also offering significant savings in paper usage. We expect that some 50% of deposit transactions will move to the digital platforms, and we expect to see an increase in ASNB investments.

In addition, SMEs are now able transfer funds on behalf of their employees to ASNB via Maybank2u Biz. This service will be made available at M2E by March 2019. Another new feature is the ability to apply for an ASB loan via Maybank2u, to be made available in 2019.

As ANSB is a wholly-owned subsidiary company of PNB, a government investment institution, ASNB manages the funds launched by PNB.

ASNB has 14 unit trust funds and manages 235.96 billion units in circulation owned by more than 13.74 million account holders. With these new electronic channels, it will be easier for unit holders to undertake their transactions and make sound investments.

Maybank Trade Apps

The Maybank Trade mobile app, developed in-house, was launched in January 2018 for the Malaysian market. We achieved 90% customer engagement and maintained a recurring user base, with 89% being active Maybank Kim Eng customers who are using this app as at October 2018.

In Singapore, we rolled out KE Trade, smart personalised app notifications based on data-driven insights on clients' profiles and preferences. These notifications allow clients to make more informed decisions.

Our sales force in Thailand was empowered with digital tools to increase their productivity and provide better service through the use of data analytics. This resulted in greater efficiency as the sales team offered precise information tailored to each client.

Making Digital Funds Transfer Even Easier for Retail and Corporate Customers, with PayNow

In July 2017, Maybank Singapore was one of nine banks that participated in The Association of Banks in Singapore's launch of PayNow, a peer-to-peer funds transfer service that enables retail customers of the participating banks to send and receive Singapore Dollar funds from one bank to another in Singapore by using just their mobile number or Singapore NRIC/FIN.

Following the successful launch of PayNow to retail customers, we extended this service to corporates in August 2018. PayNow Corporate enables corporates to pay and receive Singapore Dollar funds instantaneously by linking their Unique Entity Number (UEN) to their Singapore bank account. With PayNow Corporate, retail customers of participating banks can transfer funds to corporates and vice versa.

In addition to the use of mobile number, NRIC/FIN and UEN, we introduced the option of scanning a PayNow QR code which customers with existing mobile bank apps can use to scan and make payments.

To further enhance the banking experience for our Retail SMEs and Business Banking customers, we teamed up with Malaysia-based Fintech company, Financio, to create invoices with QR codes. This QR Code is embedded with the company's UEN, payer name, invoice number and payment amount and is linked to the PayNow system. This digital initiative continues from our 2017 introduction of Financio's cloud-based accounting software to start-ups and micro-SMEs.

In 2018, about 30,000 customers registered with PayNow.

Digital Innovations at Etiqa

We continued to digitalise our services to maintain our position as the top online insurer in Malaysia and the best digital insurer in Singapore. We developed an Application Programming Interface (API) to allow us to widen our online distribution channel through third parties like RinggitPlus and MyEG.

We also improved the stability of our direct sales portal and our corporate website, to provide a better customer experience for everyone, including the visually impaired. The portal also offers road tax renewal and delivery for our motor insurance customers in selected areas in the Klang Valley. This service will be offered in other regions in the future.

Our Singapore entity, Etiqa Insurance Pte Ltd, introduced new solutions such as Straight Through Processing (STP) of travel claims, auto claims processing for flight delays, real-time claims payment via eWallet and DBS Ideal Rapid in collaboration with DBS Bank, and policy cancellations via robotics process automation (RPA).

Moving forward, we will continue to improve our suite of innovative solutions that benefits our current customers and attract new clients. One such innovation is the newly-launched lifestyle-themed e-wallet named MAE, available in Malaysia from March 2019. It is the first ever product that enables users to open an account via their mobile phone. Anyone above the age of 12 can open a MAE account without a pre-existing Maybank account. Such solutions will widen our customer reach and encourage the migration to a cashless economy.



Access to Financial Services

Innovation

Maybank Smart City Banking Hackathon: Building Tomorrow's Banking Today



The SmartCity Banking Hackathon organised in 2018 challenged teams to imagine what banking would look like in a future Smart City environment. A 3-day hackathon was organised by Maybank and Cyberview, where 16 teams of 72 participants came together to design future banking solutions for Cyberview's upcoming Smart Retail Entrepreneur Centre (SREC).

What is a Smart City?



A Smart City is an urban area that uses different types of electronic data collection sensors to supply information that is used to manage assets and resources efficiently. This includes data collected from citizens, devices and assets, that is processed and analysed to monitor and manage traffic and transportation systems, power plants, water supply networks, waste management, law enforcement, information systems, schools, libraries, hospitals and other community services.

Maybank and Cyberview are exploring how some of these solutions can be implemented at the SREC when it is launched in 2019.

The Winning Ideas

Maybank Smile		Solution Strategic Payday Loans & Pay with Smile Kiosks
		What is it? A payment kiosk with facial recognition technology that enables users to make payment by smiling at the camera
"Saya Ingin Tahu Informasi"		Solution Chatbot with Banking Features
		What is it? A solution for chatbot assisted payments
Smart Distributed Energy Generation		Solution Smart Energy Towards Lean and Green Future
		What is it? An innovative energy distribution system that helps decrease energy wastage and cut electric bills

PRODUCT STEWARDSHIP

We want to offer our customers exceptional service by providing products and services that meet their individual needs. As part of our responsible banking approach, we give our employees the tools that allow them to help customers understand our products and have smooth access to our services.

Product stewardship for us is about responsible products and minimising the environmental impact of our operations. Financial institutions can support sustainable economies, provide access to finance and encourage behavioural change.

Responsible Lending

Maybank's Responsible Lending Guidelines have been in place since 2015. The ESG Framework was approved by the Board in 2017, and consequently expanded to ESG Policy. This ESG Policy was operationalised throughout the Group in 2018. We have incorporated ESG principles and issues into our financing practices across our businesses in all countries to effectively mitigate the ESG risk for new credit applications. Periodic reviews are also performed.

Group Risk has also established and incorporated the RAC for palm oil which have been rolled out to businesses and countries across the Group for implementation. RAC for other ESG high risk sectors have also been developed (Oil and Gas, Forestry and Logging, Mining and Quarrying). To improve consistency, we are also in the midst of developing FAQs and capacity building exercises for relationship managers to ensure that there is clarity in communications and implementation.

Further details on our ESG practices are available in the Approach to Risk Management section on page 25.

Access to Financial Services

Green Financing and Supporting Responsible Infrastructure Financing

Global concerns on how rapid economic growth can adversely impact the environment have led to an increased emphasis on sustainable development. Consequently, demand for sustainable infrastructure in the region, particularly for green financing, grew last year. Maybank executed a number of major green deals in the region.

Responsible Infrastructure Financing



Green Bond introduced in Indonesia

In Indonesia, we helped to structure PT Sarana Multi Infrastruktur's IDR120 billion Green Bond, Indonesia's first IDR-denominated Green Bond. The state-owned infrastructure financing company issued green bonds and Sukuk, under a shelf registration issuance scheme worth IDR3 trillion (US\$209 million) each.

The funds obtained from the debt paper issuance will be used to finance projects that contribute to several SDGs and Shariah-based infrastructure projects in the country. The turnover from the green bond issuance will be used to finance projects such as light rail transit (LRT) in Palembang, mini hydro power plants in South Sulawesi and West Sumatera, a water treatment project in Cilegon, Banten and renewable energy development projects across Indonesia.



Maybank Supports Green Sukuk in Malaysia

In Malaysia, Maybank was the Shariah adviser for UiTM Solar Power Sdn Bhd's RM240 million Green SRI Sukuk. UiTM Solar Power is the project owner of a greenfield solar power plant with a capacity of 50MWac in Gambang, Pahang. The project was 94% completed as of 7 November 2018, according to the independent consulting engineer and is expected to start commercial operations by February 2019 following a 4-month delay from the initial scheduled COD.

We also participated in HSBC Amanah Sdn Bhd's RM500 million Sukuk, the first UN SDG Sukuk in the world. Maybank Investment Bank Berhad acted as joint lead manager on this transaction.



First Syndicated Secured Green Loan in Singapore & Southeast Asia

Maybank Singapore is among the mandated lead arrangers and lenders of the first syndicated secured green loan in Singapore and Southeast Asia for Frasers Tower. The S\$1.2 billion green loan follows the establishment of a Green Loan Framework under the Green Loan Principles. The Green Loan Principles were established by the Loan Market Association and Asia Pacific Loan Market Association in March 2018.

Located in Singapore's central business district, Frasers Tower comprises a completed 38-storey Premium Grade-A office tower which received the Singapore Building and Construction Authority (BCA) Green Mark Platinum Award.

Green Financing

We are involved in Malaysia's Green Technology Financing Scheme (GTFS) that facilitates lending to green technology companies. In 2018, we financed 5 projects under the GTFS with a total investment of more than RM25 million.

Corporate Banking financed approximately RM1.3 billion in renewable energy projects in 2018.

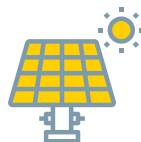
Amount of funds disbursed



Hydro

**RM962.24
million**

2017: RM1.91 billion



Solar

**RM338.07
million**

2017: RM400.8 million



Waste to Energy

**RM4.25
million**

2017: RM3.5 million



Access to Financial Services

Responsible Consumer Lending

We recognise our duty concerning responsible lending and continue to lead the market and follow best practices in consumer lending. We strive to offer our customers the best possible consumer lending products available, whether it is to help manage cash flow, purchase a home or enable an investment for the future of their family.

Our house purchase initiatives HouzKEY and MaxiHome Ezy are part of our efforts to help address the current challenge of home ownership and in supporting Malaysia's national agenda on home ownership.



Supporting home buyers

As a major provider of housing finance, we have facilitated many customers' move up the housing ladder. In addition to typical housing loans, we provide financing for houses in the 1Malaysia People's Housing (PRIMA) scheme that offers affordable housing for middle-income families in key urban centres.

In 2018, Maybank Islamic rolled out a new product, HouzKEY, to the general public. It is an innovative rent-to-own (RTO) product, first-of-its-kind to be offered by a financial institution in Malaysia. HouzKEY is Maybank Islamic's response to the growing demand for housing products that meet the needs of first-time home buyers and home upgraders.

HouzKEY is the result of thorough research in the home ownership market. We found that in Malaysia, middle-income customers are hindered by high upfront payment and long financing. We wanted to develop an alternative solution that did not require any down payment, while offering a locked-in price which can be flexibly arranged to cater to our consumers' lifestyle changes.

The end result was HouzKEY, a rent-to-own product that was developed based on the Ijarah concept, a Shariah principle of leasing that includes an option to purchase at a pre-agreed rate after servicing one year's rental. The leasing structure provides more flexibility to consumers as the ownership and its associated costs are firstly borne by the Bank and not the consumers.

The HouzKEY product runs on a fully digital platform to cater to consumers' lifestyles that demand for immediate accessibility. The end-to-end digital business also helps us connect with Malaysians residing overseas who want to purchase a home for their family.

We have now embarked on phase 2 of HouzKEY, and expanded it to cover properties on the secondary market. Maybank Islamic will further develop its role to streamline the property transaction process and effectively link real estate agents with buyers.

Maybank MaxiHome Ezy

We also launched a new mortgage scheme – Maybank MaxiHome Ezy – which offers the option of lower monthly repayments for the first five years. This new scheme is a part of our efforts to provide home buyers, particularly first-timer buyers, with greater flexibility and affordability to own a home. This mortgage scheme, offered by conventional and Islamic banking, allows customers to service only the interest/profit of their mortgage for the first five years, with full instalments commencing from the sixth year.

Indicator	2018
Number of mortgage loans/financing accepted	277
Amount of mortgage loans/financing accepted	RM163.8 million

“

We are constantly looking at introducing products which offer better value proposition to our customers. HouzKEY promotes financial inclusion by offering an alternative path to home ownership. We take pride that it is the first such product in the market.

Dato’ Mohamed Rafique Merican
CEO, Maybank Islamic

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Global Leadership in Islamic Finance

Maybank Group's Islamic Banking (MGIB), continues to be a leading global Islamic financial institution, providing client-centric universal financial solutions. Our global leadership agenda is premised on preserving the values of our ASEAN roots whilst creating a strong global presence, enhancing financial profitability through responsible and sustainable measures, becoming a leader in innovation and contributing to the Islamic finance industry through Thought Leadership.

Maybank Islamic Centre of Excellence (MIB COE) was established to be the reference point on Shariah matters and on best practices for industry players, academia, regulators and the general public. It contributes to the development of Islamic finance professionals globally and makes Malaysia the Islamic finance centre of excellence.

In 2018, MIB COE hosted several discussions and forums for delegates from IBA Pakistan, Trustbank Amanah Suriname, Tadhamon International Islamic Bank of Yemen, First Community Bank Kenya, Cooperative Bank of Oromia Ethiopia and The University of St. Gallen, Singapore at its head office in Dataran Maybank.

Value Based Intermediation

Maybank Islamic, together with Bank Negara Malaysia and other members of the Community of Practitioners (CoP) are working towards incorporating a more sustainable finance framework through the adoption of the Value Based Intermediation (VBI) initiative.

The VBI aims to re-orient Islamic finance business models towards realising the objectives of Shariah that generate positive and sustainable impact to the economy, community and environment, in addition to financial returns to shareholders.

The adoption of VBI into the local Islamic finance industry was first announced by Bank Negara in 2017. The intended outcomes of VBI are broadly similar to the objectives set by frameworks such as the ESG, Sustainable, Responsible, Impact Investing (SRI) and ethical finance. VBI is rooted in Shariah, which determines its underlying values, moral compass and priorities. With the adoption of VBI, practitioners will need to consider the impact of their activities and actions not only to banking consumers, but a wider range of stakeholders.

Access to Financial Services

Initiatives by Maybank Islamic

The focus for the Bank moving forward is to integrate the VBI principles into our fundamentals:

- Collaborated with Maybank Foundation to offer access to a microfinance scheme for R.I.S.E. participants.
- Collaborated with Waqaf Perak Ar-Ridzuan with Maybank Islamic as the appointed fund manager managing the investment of the waqaf fund whilst Majlis Agama Islam Perak (MAIPk) is the waqaf trustee monitoring it.



Detailed Indicators

Indicator	2015	2016	2017	2018
Shariah Centre of Excellence (SCOE)				
– Number of publications	13	6	5	3
– Scholarly/Intellectual events	<i>Began tracking for sustainability reporting in 2018</i>			5
Human capital development				
Islamic finance scholarship				
– Total value of scholarships disbursed	RM137,581	RM168,650	RM187,500	RM31,800
– Number of scholars supported	4	6	6	2
Zakat and Waqaf developments				
Ramadhan Relief				
– Amount disbursed	RM500,000	RM500,000	RM2,000,000	RM2,200,000
– Number of families supported	3,800	3,811	57,000	14,660
Education support				
– Amount disbursed to asnaf	RM657,000	RM3,100,000	RM2,602,000	RM5,778,400
– Number of asnaf beneficiaries supported	233	2,000	2,012	4,276*
Academic tuition class for underprivileged				
Number of students involved	353	235	237	219

Definitions:

* local higher institutions – 300

Asnaf – categories of beneficiaries who are eligible for zakat

Zakat – obligatory payment made annually under Islamic law on certain kinds of property and used for charitable and religious purposes

Waqaf – an endowment made by a Muslim to a religious, educational or charitable cause

This year's Maybank Islamic Regional Ramadhan Relief kicked off at Kampung Sampan (Cong Koh Village), located on the riverbank of Mekong River, Cambodia. This satellite event was held to hand over food supplies to 290 families, some of whom live in the sampans along the river. Regional Ramadhan Relief is Maybank Islamic's flagship CR programme which covers 10 ASEAN countries, benefitting 14,000 underprivileged families during the fasting month. Through this programme, essential food supplies such as rice, cooking oil, flour and sugar worth RM2.2 million were contributed.



Access to Financial Services

Strategic Procurement

We empower local suppliers as much as possible and require our suppliers to adhere to our principles. We remain committed to advocating for a strong ethical performance across our supply chain. We strive to ensure that we have a responsible and diverse network of suppliers who share our values and implement responsible practices. Suppliers are expected to have guidelines, policies and practices that are communicated throughout their organisation.

Such policies and practices should include:

- Sustainability performance
- Health and safety policies and performance
- Human rights and labour practices, including child or forced labour
- Code of conduct and policies on ethics, anti-bribery, anti-corruption


We support local suppliers as much as possible. In Malaysia, 93.06% of procurement spent was on local suppliers. In 2018, we spent RM962,849,348 on buying products and services from them, hence fuelling local economies.

Year	2015	2016	2017	2018
Percentage of spending on local suppliers (%)	96.6	95.9	93.4	93.06
Number of electronic purchase orders via e-procurement (per month)	5,726	5,308	4,960	4,351

YEAR-ON-YEAR PROGRESS AND PRIORITIES

20/20 SP
Commitment


Year-on-Year Tracking



Focus on
Customers

Understanding the interaction of social issues and financial products to develop effective and affordable solutions for the community.

Year	2015	2016	2017	2018
Customer experience	Retained leading position in the Market on both Net Promoter Score (NPS) and Relationship Strength Index (RSI)	Remained among the top five leading banks in terms of our customer loyalty and relationship strength	Maintained our lead position as the preferred financial institution in the country	Sustained a runway lead as the preferred financial institution
Retail SME financing in Malaysia (RM billion)	10.2	12.6	15.0	17.1




Digitalisation

Enabling technology to fulfil the increasingly complex requirements of a growing and more sophisticated customer base.

Programme	2015	2016	2017	2018
Number of Maybank2u active users# (million)	2.97*	3.93*	4.73*	5.99*
Number of online transactions (billion)	2.07*	2.90*	4.33*	5.91*
Amount (RM billion)	173.6	260.5*	341.8*	435.6*

* Data covering Malaysia, Indonesia, Singapore, the Philippines and Cambodia.

New indicator (three-months active).



Product
Stewardship

Leading bank in responsible lending practices.

Year	2015	2016	2017	2018
Responsible Lending	Established Responsible Lending Guidelines	Reviewed approach towards assessing ESG risks	Established Maybank Group's ESG Risk Management Framework	Established and incorporated ESG Policy across Maybank Group
Zakat contributions (RM million)	17.84	19.98	23.68	40.92

Performance Data – Workplace

DESCRIPTION	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Employees											
Total number	43,139	43,279	43,976	45,958	47,041	47,771	47,233	42,693	26,548	24,910	24,773
Inside Malaysia	24,398	24,325	24,659	25,377	26,272	26,728	26,473	25,841	23,925	22,535	22,370
Outside Malaysia	18,741	18,954	19,317	20,581	20,769	21,043	20,760	16,852	2,623	2,375	2,403
Executive	31,315	30,432	30,287	30,988	31,096	31,702	26,746	28,578	16,675	14,564	14,021
Non-executive	11,824	12,847	13,689	14,970	15,945	16,069	16,456	14,115	9,873	10,346	10,752
Executive	73%										
Non-executive	27%										
Full-time	43,139	43,279	43,976	45,958	47,041	47,771	47,233	42,693	26,548	24,910	24,773
Female	23,776										
Male	19,363										
Part-time	–	–	–	–	–	–	–	–	–	–	–
Female	0										
Male	0										
Permanent	40,416	40,124	40,595	42,421	42,986	43,904	40,660	39,487	25,344	24,126	24,244
Female	22,798										
Male	17,618										
Inside Malaysia	23,825										
Outside Malaysia	16,591										
Non-permanent Employees	2,723	3,155	3,381	3,537	4,055	3,867	2,542	3,206	1,204	784	529
Female	978										
Male	1,745										
Inside Malaysia	573										
Outside Malaysia	2,150										
Gender											
Female	23,776	23,755	24,138	24,976	25,285	25,498	23,415	22,845	15,691	14,554	14,488
Male	19,363	19,524	19,838	20,982	21,756	22,273	19,787	19,848	10,857	10,356	10,285
Union Members (For Maybank and ETIQA only)**	9,053	8,833	9,113	8,966	9,054	12,563	10,328	10,015	9,907	11,676	11,822
Non-Union Members (For Maybank and ETIQA only)**	13,958	13,578	13,644	12,442	13,237	14,165	16,145	13,052	11,457	13,234	12,951
Age Group											
<30	8,828	9,686	10,096	12,371	13,355	14,262	13,108	13,481	7,116	6,400	7,083
30 – 39	15,687	15,847	16,482	17,168	17,686	18,121	16,962	17,177	11,178	11,208	10,924
40 – 50	13,388	13,079	12,968	12,414	12,054	11,913	10,311	9,491	6,221	5,655	5,336
>50	5,236	4,667	4,430	4,005	3,946	3,475	2,821	2,544	2,033	1,647	1,430
Diversity											
Malay	16,867	16,850	17,194	17,651	18,342	18,578	19,560	18,201	17,735	16,499	16,654
Chinese	5,024	4,992	4,967	5,173	5,351	5,536	5,394	5,189	6,021	5,466	5,257
Indian	1,407	1,389	1,381	1,415	1,416	1,400	1,381	1,355	1,298	1,221	1,203
Others	1,100	1,094	1,117	1,138	1,163	1,214	1,138	1,096	1,494	1,724	1,659
Employee Turnover Rates											
Global	6,044	6,181	6,688	3,800	6,606	6,045	4,978	5,274	2,354	2,099	2,039
In Malaysia	1,740	1,923	1,977	2,504	2,101	1,921	1,950	1,742	1,866	1,800	1,559
Outside Malaysia	4,304	4,258	4,711	1,296	4,505	4,124	3,028	3,532	488	299	480
Global	14%	14%	15%	8%	14%	13%	11.52%	12.35%	8.87%	8.43%	8.23%
In Malaysia	7%	8%	8%	10%	8%	7%	7.37%	6.74%	7.80%	7.99%	6.97%
Outside Malaysia	23%	22%	24%	6%	22%	20%	18.10%	20.96%	18.60%	12.59%	19.98%
Female	2,669	2,805	2,846	1,920	3,103	2,786	2,291	2,267	1,275	1,122	1,148
Male	3,375	3,376	3,842	1,880	3,503	3,259	2,687	3,007	1,079	977	891
Female	44%										
Male	56%										

Performance Data – Workplace

DESCRIPTION	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Age Group											
<30	2,592	2,624	2,818	1,849	3,035	3,272	2,803	3,095	1,340	1,191	1,178
30 – 39	2,246	2,051	2,522	1,000	2,243	1,735	1,428	1,529	540	487	523
40 – 50	737	867	847	451	973	608	382	368	194	153	150
>50	469	639	501	500	355	430	365	282	280	268	188
<30	43%										
30 – 39	37%										
40 – 50	12%										
>50	8%										
New Hires											
Inside Malaysia	1,781										
Outside Malaysia	4,062										
Inside Malaysia	30%										
Outside Malaysia	70%										
Female	2,626										
Male	3,217										
Female	45%										
Male	55%										
Age Group											
<30	3,837										
30 – 39	1,622										
40 – 50	322										
>50	62										
<30	66%										
30 – 39	28%										
40 – 50	6%										
>50	1%										
Women in Management											
% Women in management (Band G and above)	46%	45%	45%	47%	46%	42%	43%	40.87%	43.26%	38.23%	37.11%
% Women in top management (Band D and above)	32%	31%	30%	35%	31%	31%	31%	22.70%	18.99%	15.68%	16.66%
Training											
Employee participation in training	41,544	36,268	32,544	38,946	26,591	26,723	26,041	24,909	21,985	20,660	22,078
Average training hours per employee	55.6	49.84	32	35	33.68	45.31	41.44	47.97	38.34	34.5	50.9
Average Training Hours											
Female	55										
Male	56										
Average Training Hours											
Executives	68										
Non-executives	22										

Performance Data – Workplace

DESCRIPTION	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Total training hours	2,399,228.40	1,908,781.07			974,059.28	1,210,858.33	1,104,166.48	1,379,602.18	1,016,270.52	797,635.75	1,152,784.14
% met statutory requirement (by Bank Negara Malaysia)	2.50%	2.72%	2.52%	2.74%	2.76%	2.78%	3.17%	3.34%	2.79%	2.51%	3.25%
Total spent (RM)	131 mil	124 mil	129 mil	114 mil	120 mil						
Performance Review towards Career Enhancement											
% Employees who are formally appraised (at least annually)	100%*^	100%*^	100%*^	100%*^	100%*^	100%	100%	100%	100%	100%	100%
% Employees who are formally appraised (during Mid-Year Review)	N/A Introduced Time Out where Mid-Year Review is changed to Mid-Year Checkpoint	75%*^	94%*^	83.5%*^	87.5%*^		n/a	n/a	89%	86%	68%
One-on-one performance review for year-end evaluation	100%*^	100%*^	100%*^	100%*^	100%*^		On-going	On-going	59%	61%	63%
Occupational Safety and Health (OSH)											
Total recordable injury frequency rate	0.0031	0.0015	0.003	0.002	0.005	0.006	0.041	0.032	0.07	NIL	NIL
Absenteeism rate	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Lost time injury severity rate	0.0642	0.0192	0.009	0.006	0.012	0.038	0.888	0.704	3	0	0
Fatal accident rate	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Employee Engagement Survey Results	NA	84%	NA	NA	82%		85%	86%	87%	83%	77%
Human Rights											
% Employees who received Human Rights training	100%	100%	100%	100%	NA		NA	NA	NA	NA	NA
% Security personnel trained on Human Rights issues	100%	100%	100%	100%	NA		NA	NA	NA	NA	NA
No. of disabled employees	16	12	13	12	9		4	4	4	8	NA

Employee Benefits

Benefits provided to full-time employees that are not provided to temporary or part-time employees by major operations.

Labour/Management Relations

Percentage of employees covered by collective bargaining agreements

* Based on Online Declaration of the one-on-one Conversation and Performance Management made by employees and Line Managers on myHR2u system

^ Based on employees who are eligible to participate in the year-end appraisal

Legend:

Group

Malaysia only

Excluding Maybank Kim Eng and Maybank Indonesia

Excluding Maybank Indonesia and ALGA (Etiqa Philippines)

Maybank Malaysia including Maybank Kim Eng and Maybank Islamic Berhad, but excluding Group Insurance & Takaful, which are covered in separate submissions

GRI Content Index

For 'In Accordance' Option – Core



GRI Standard	Disclosure	Description	Page Number(s)	References	Omission
GRI 101: Foundation 2016					
GRI 102: General Disclosures					
Organisational Profile					
GRI 102: General Disclosures 2016	102-1	Name of the organization	4	Overview – Strategic Business Units	–
	102-2	Activities, brands, products, and services	4-5	Overview – Strategic Business Units	–
	102-3	Location of headquarters	13	Overview – About This Report – Feedback	–
	102-4	Location of operations	3; 5	Overview – Who We Are; Overview – Strategic Business Units	–
	102-5	Ownership and legal form	6	Overview – Group Corporate Structure	–
	102-6	Markets served	2–3; 4–5	Overview – Who We Are; Overview – Strategic Business Units	–
	102-7	Scale of the organization	2–3; 4–5	Overview – Who We Are; Overview – Strategic Business Units; Annual Report 2018 (Corporate Book) – Highlights of 2018 (P6) https://www.maybank.com/iwov-resources/corporate_new/document/my/en/pdf/annual-report/2019/Maybank_AR2018-Corporate_Book.pdf	–
	102-8	Information on employees and other workers	87-89	Performance Data – Workplace	–
	102-9	Supply chain	86	Access to Financial Services – Strategic Procurement	–
	102-10	Significant changes to the organization and its supply chain	6	Overview – Group Corporate Structure	–
	102-11	Precautionary Principle or approach	25-31	Trust and Integrity – Approach to Risk Management; Trust and Integrity – Good Business Conduct	–
	102-12	External initiatives	7; 12; 28-30; 36	Overview – Key Awards and Recognition; Overview – About This Report; Trust and Integrity – Good Business Conduct; Community Empowerment – Building Partnerships and Linkages	–
	102-13	Membership of associations	37-38	Community Empowerment – Financial Industry Collective Outreach	–
Strategy					
	102-14	Statement from senior decision-maker	8-11	Chairman and GPCEO's Message	–
	102-15	Key impacts, risks, and opportunities	8-11; 25-26	Chairman and GPCEO's Message; Trust and Integrity – Approach to Risk Management	–
Ethics and Integrity					
	102-16	Values, principles, standards, and norms of behavior	2; 28-31	Overview – Who We Are; Trust and Integrity – Good Business Conduct	–
	102-17	Mechanisms for advice and concerns about ethics	28-31	Trust and Integrity – Good Business Conduct	–
Governance					
	102-18	Governance structure	23-24	Trust and Integrity – Governance	–
	102-19	Delegating authority	24	Trust and Integrity – Governance – Sustainability Roles Within Maybank	–
	102-20	Executive-level responsibility for economic, environmental, and social topics	24	Trust and Integrity – Governance – Sustainability Roles Within Maybank	–
	102-21	Consulting stakeholders on economic, environmental, and social topics	16-19	Trust and Integrity – Our Approach to Sustainability	–
	102-22	Composition of the highest governance body and its committees	23	Trust and Integrity – Governance; Annual Report 2018 (Corporate Book) – Board of Directors (P78-81) https://www.maybank.com/iwov-resources/corporate_new/document/my/en/pdf/annual-report/2019/Maybank_AR2018-Corporate_Book.pdf	–
	102-23	Chair of the highest governance body		Annual Report 2018 (Corporate Book) – Corporate Governance Overview Statement – Board Leadership and Effectiveness (P90) https://www.maybank.com/iwov-resources/corporate_new/document/my/en/pdf/annual-report/2019/Maybank_AR2018-Corporate_Book.pdf	–

For the GRI Content Index Service, GRI Services reviewed that the GRI content index is clearly presented and the references for all disclosures included align with the appropriate sections in the body of the report.

GRI Content Index

For 'In Accordance' Option – Core

GRI Standard	Disclosure	Description	Page Number(s)	References	Omission
GRI 102: General Disclosures					
Governance					
GRI 102: General Disclosures 2016	102-24	Nominating and selecting the highest governance body		Annual Report 2018 (Corporate Book) – Corporate Governance Overview Statement – Board Leadership and Effectiveness (P90-91) https://www.maybank.com/iwov-resources/corporate_new/document/my/en/pdf/annual-report/2019/Maybank_AR2018-Corporate_Book.pdf	–
	102-26	Role of highest governance body in setting purpose, values, and strategy	24	Trust and Integrity – Sustainability Roles Within Maybank; Annual Report 2018 (Corporate Book) – Board Leadership and Effectiveness (P90) https://www.maybank.com/iwov-resources/corporate_new/document/my/en/pdf/annual-report/2019/Maybank_AR2018-Corporate_Book.pdf	–
	102-27	Collective knowledge of highest governance body		Annual Report 2018 (Corporate Book) – Corporate Governance Overview Statement – Board Leadership and Effectiveness (P90-92) https://www.maybank.com/iwov-resources/corporate_new/document/my/en/pdf/annual-report/2019/Maybank_AR2018-Corporate_Book.pdf	–
	102-28	Evaluating the highest governance body's performance		Annual Report 2018 (Corporate Book) – Corporate Governance Overview Statement – Board Leadership and Effectiveness – Nomination and Remuneration Committee (P91) https://www.maybank.com/iwov-resources/corporate_new/document/my/en/pdf/annual-report/2019/Maybank_AR2018-Corporate_Book.pdf	–
	102-29	Identifying and managing economic, environmental, and social impacts	17-19; 24	Trust and Integrity – Materiality; Trust and Integrity – Key sustainability topics reviewed by the Board in 2018	–
	102-30	Effectiveness of risk management processes	23-24; 25-26	Trust and Integrity – Governance; Trust and Integrity – Approach to Risk Management	–
	102-31	Review of economic, environmental, and social topics	24	Trust and Integrity – Sustainability Roles Within Maybank	–
	102-32	Highest governance body's role in sustainability reporting	24	Trust and Integrity – Sustainability Roles Within Maybank	–
	102-35	Remuneration policies		Annual Report 2018 (Corporate Book) – Remuneration (P76-77); Annual Report 2018 (Corporate Book) – Corporate Governance Overview Statement – Board Leadership and Effectiveness – Nomination and Remuneration Committee, NED Remuneration Framework (P91-92) https://www.maybank.com/iwov-resources/corporate_new/document/my/en/pdf/annual-report/2019/Maybank_AR2018-Corporate_Book.pdf	–
	102-36	Process for determining remuneration		Annual Report 2018 (Corporate Book) – Corporate Governance Overview Statement – Board Leadership Effectiveness – Nomination and Remuneration Committee, NED Remuneration Framework (P91-92) https://www.maybank.com/iwov-resources/corporate_new/document/my/en/pdf/annual-report/2019/Maybank_AR2018-Corporate_Book.pdf	–
	102-37	Stakeholders' involvement in remuneration		Annual Report 2018 (Corporate Book) – Corporate Governance Overview Statement – Board Leadership and Effectiveness – Nomination and Remuneration Committee, NED Remuneration Framework (P91-92) https://www.maybank.com/iwov-resources/corporate_new/document/my/en/pdf/annual-report/2019/Maybank_AR2018-Corporate_Book.pdf	–

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GRI Standard	Disclosure	Description	Page Number(s)	References	Omission
GRI 102: General Disclosures					
Stakeholder Engagement					
GRI 102: General Disclosures 2016	102-40	List of stakeholder groups	16-17	Trust and Integrity – Our Approach to Sustainability – Stakeholder Engagement	–
	102-41	Collective bargaining agreements	30; 58	Trust and Integrity – Good Business Conduct – Human Rights; A Thriving Workplace – Building Careers – Grievance Mechanism	–
	102-42	Identifying and selecting stakeholders	16; 17	Trust and Integrity – Our Approach to Sustainability – Stakeholder Engagement; Trust and Integrity – Our Approach to Sustainability – Materiality	–
	102-43	Approach to stakeholder engagement	16; 17; 73-74	Trust and Integrity – Our Approach to Sustainability – Stakeholder Engagement; Trust and Integrity – Our Approach to Sustainability – Materiality; Access to Financial Services – Focus on Customers	–
	102-44	Key topics and concerns raised	16-17	Trust and Integrity – Our Approach to Sustainability – Stakeholder Engagement	–
	Reporting Practice				
	102-45	Entities included in the consolidated financial statements	6; 12	Overview – Group Corporate Structure; Overview – About This Report	–
	102-46	Defining report content and topic Boundaries	12; 17-19	Overview – About This Report; Trust and Integrity – Our Approach to Sustainability – Materiality	–
	102-47	List of material topics	19	Trust and Integrity – Our Approach to Sustainability – Material Matters	–
	102-48	Restatements of information		Significant restatements of data compared to prior years are noted in the section where they appear	–
	102-49	Changes in reporting	12	Overview – About This Report	–
	102-50	Reporting period	12	Overview – About This Report	–
	102-51	Date of most recent report	12	Overview – About This Report	–
	102-52	Reporting cycle	12	Overview – About This Report	–
	102-53	Contact point for questions regarding the report	13	Overview – About This Report	–
	102-54	Claims of reporting in accordance with the GRI Standards	12	Overview – About This Report	–
	102-55	GRI content index	12; 90-95	Overview – About This Report; GRI Content Index	–
	102-56	External assurance	12; 96-99	Overview – About This Report; Independent Assurance Statement	–

GRI Content Index

For 'In Accordance' Option – Core

GRI Standard	Disclosure	Description	Page Number(s)	References	Omission
GRI 200: Economic					
Economic Performance					
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	2-3	Overview – Who We Are	–
	103-2	The management approach and its components	20-22	Trust and Integrity – 20/20 Sustainability Plan Progress 2018	–
	103-3	Evaluation of the management approach	20-22	Trust and Integrity – 20/20 Sustainability Plan Progress 2018	–
GRI 201: Economic Performance 2016	201-1	Direct economic value generated and distributed	2-3; 8-11; 39	Overview – Who We Are; Overview – Chairman and GPCEO's Message; Community Empowerment – Community Empowerment; Annual Report 2018 (Financial Statements) – Financial Performance – Five-Year Group Financial Summary (P4-8) https://www.maybank.com/iwov-resources/corporate_new/document/my/en/pdf/annual-report/2019/Maybank_AR2018-Financial_Statements_Book.pdf	–
	201-2	Financial implications and other risks and opportunities due to climate change	8-11; 25-27; 69	Overview – Chairman and GPCEO's Message; Trust and Integrity – Approach to Risk Management; Our Commitment to the Environment – Environmental Initiatives – Climate-related Disclosure	–
Indirect Economic Impacts					
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	35	Community Empowerment – Our Approach – Investing for Collective Solutions	–
	103-2	The management approach and its components	20-22; 35	Trust and Integrity – 20/20 Sustainability Plan Progress 2018; Community Empowerment – Our Approach – Investing for Collective Solutions	–
	103-3	Evaluation of the management approach	20-22; 35	Trust and Integrity – 20/20 Sustainability Plan Progress 2018; Community Empowerment – Our Approach – Investing for Collective Solutions	–
GRI 203: Indirect Economic Impacts 2016	203-1	Infrastructure investments and services supported	35	Community Empowerment – Our Approach – Investing for Collective Solutions	–
	203-2	Significant indirect economic impacts	5; 21; 35; 77; 78-82; 82-85	Overview – Strategic Business Units – International Operations; Trust and Integrity – 20/20 Sustainability Plan Progress 2018; Community Empowerment – Our Approach – Investing for Collective Solutions; Access to Financial Services – Our Commitments to SMEs; Access to Financial Services – Digitalisation; Access to Financial Services – Product Stewardship	–
Procurement Practices					
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	86	Access to Financial Services – Product Stewardship – Strategic Procurement	–
	103-2	The management approach and its components	86	Access to Financial Services – Product Stewardship – Strategic Procurement	–
	103-3	Evaluation of the management approach	86	Access to Financial Services – Product Stewardship – Strategic Procurement	–
GRI 204: Procurement Practices 2016	204-1	Proportion of spending on local suppliers	86	Access to Financial Services – Product Stewardship – Strategic Procurement	–
GRI 300: Environmental					
Materials					
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	68	Our Commitment to the Environment	–
	103-2	The management approach and its components	68	Our Commitment to the Environment – Environmental Initiatives	–
	103-3	Evaluation of the management approach	71	Our Commitment to the Environment – Environmental Initiatives – Paper Consumption	–
GRI 301: Materials 2016	301-1	Materials used by weight or volume	71	Our Commitment to the Environment – Environmental Initiatives – Paper Consumption	–

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GRI Standard	Disclosure	Description	Page Number(s)	References	Omission
GRI 300: Environmental					
Energy					
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	68	Our Commitment to the Environment	–
	103-2	The management approach and its components	68	Our Commitment to the Environment	–
	103-3	Evaluation of the management approach	69	Our Commitment to the Environment – Environmental Initiatives – Carbon Emissions	–
GRI 302: Energy 2016	302-1	Energy consumption within the organization	69-70	Our Commitment to the Environment – Environmental Initiatives – Carbon Emissions	Energy consumption within the organization is purchased from sources external to the organization with the supply sources determined by the government of the respective country. The organization does not generate energy for sale. Hence, 302-1b, d, e, f and g is not applicable for the boundary.
Biodiversity					
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	20; 35	Trust and Integrity – 20/20 Sustainability Plan Progress 2018; Community Empowerment – Our Approach – Investing for Collective Solutions	–
	103-2	The management approach and its components	20; 35	Trust and Integrity – 20/20 Sustainability Plan Progress 2018; Community Empowerment – Our Approach – Investing for Collective Solutions	–
	103-3	Evaluation of the management approach	20; 35	Trust and Integrity – 20/20 Sustainability Plan Progress 2018; Community Empowerment – Our Approach – Investing for Collective Solutions	–
GRI 304: Biodiversity 2016	304-3	Habitats protected or restored	45	Community Empowerment – Environmental Diversity	–
Emissions					
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	21; 68; 69-70	Trust and Integrity – 20/20 Sustainability Plan Progress 2018; Our Commitment to the Environment; Our Commitment to the Environment – Environmental Initiatives – Carbon Emissions	–
	103-2	The management approach and its components	21; 68; 69-70	Trust and Integrity – 20/20 Sustainability Plan Progress 2018; Our Commitment to the Environment; Our Commitment to the Environment – Environmental Initiatives – Carbon Emissions	–
	103-3	Evaluation of the management approach	21; 68; 69-70	Trust and Integrity – 20/20 Sustainability Plan Progress 2018; Our Commitment to the Environment; Our Commitment to the Environment – Environmental Initiatives – Carbon Emissions	–
GRI 305: Emissions 2016	305-1	Direct (Scope 1) GHG emissions	69-70	Our Commitment to the Environment – Environmental Initiatives – Carbon Emissions	–
	305-2	Energy indirect (Scope 2) GHG emissions	69-70	Our Commitment to the Environment – Environmental Initiatives – Carbon Emissions	–
	305-3	Other indirect (Scope 3) GHG emissions	69-70	Our Commitment to the Environment – Environmental Initiatives – Carbon Emissions	–
Effluents and Waste					
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	21; 68	Trust and Integrity – 20/20 Sustainability Plan Progress 2018; Our Commitment to the Environment	–
	103-2	The management approach and its components	21; 68	Trust and Integrity – 20/20 Sustainability Plan Progress 2018; Our Commitment to the Environment	–
	103-3	Evaluation of the management approach	21; 68	Trust and Integrity – 20/20 Sustainability Plan Progress 2018; Our Commitment to the Environment	–
GRI 306: Effluents and Waste 2016	306-2	Waste by type and disposal method	71	Our Commitment to the Environment – Environmental Initiatives – Waste Management and Recycling	–

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GRI Standard	Disclosure	Description	Page Number(s)	References	Omission
GRI 400: Social					
Employment					
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	20; 50	Trust and Integrity – 20/20 Sustainability Plan Progress 2018; A Thriving Workplace – Our Approach	–
	103-2	The management approach and its components	20; 50; 58	Trust and Integrity – 20/20 Sustainability Plan Progress 2018; A Thriving Workplace – Our Approach; A Thriving Workplace – Building Careers – Grievance Mechanisms	–
	103-3	Evaluation of the management approach	20; 50	Trust and Integrity – 20/20 Sustainability Plan Progress 2018; A Thriving Workplace – Our Approach	–
GRI 401: Employment 2016	401-1	New employee hires and employee turnover	87-88	Performance Data – Workplace	–
	401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	58; 60-62; 64-65	A Thriving Workplace – Building Careers – Rewards and Remuneration; A Thriving Workplace – Diverse and Inclusive Workplace – Supporting Work-Life Integration; A Thriving Workplace – Safety, Health and Wellness – Cultivating Wellness	–
	401-3	Parental leave	60-62	A Thriving Workplace – Diverse and Inclusive Workplace – Supporting Work – Life Integration	–
Training and Education					
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	20; 50; 51-54; 55; 56-58	Trust and Integrity – 20/20 Sustainability Plan Progress 2018; A Thriving Workplace – Our Approach; A Thriving Workplace – Futuring Our Workforce; A Thriving Workplace – Global Thought Leadership; A Thriving Workplace – Building Careers	–
	103-2	The management approach and its components	20; 50; 51-54; 55; 56-58	Trust and Integrity – 20/20 Sustainability Plan Progress 2018; A Thriving Workplace – Our Approach; A Thriving Workplace – Futuring Our Workforce; A Thriving Workplace – Global Thought Leadership; A Thriving Workplace – Building Careers	–
	103-3	Evaluation of the management approach	20; 50; 51-54; 55; 56-58	Trust and Integrity – 20/20 Sustainability Plan Progress 2018; A Thriving Workplace – Our Approach; A Thriving Workplace – Futuring Our Workforce; A Thriving Workplace – Global Thought Leadership; A Thriving Workplace – Building Careers	–
GRI 404: Training and Education 2016	404-1	Average hours of training per year per employee	52-54; 88-89	A Thriving Workplace – Futuring Our Workforce – Learning and Development; Performance Data – Workplace	–
	404-2	Programs for upgrading employee skills and transition assistance programs	51-54; 55	A Thriving Workplace – Futuring Our Workforce; A Thriving Workplace – Global Thought Leadership	–
	404-3	Percentage of employees receiving regular performance and career development reviews	58; 89	A Thriving Workplace – Building Careers – Succession Planning; Performance Data – Workplace	–
Diversity and Equal Opportunity					
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	20; 50; 59-63	Trust and Integrity – 20/20 Sustainability Plan Progress 2018; A Thriving Workplace – Our Approach; A Thriving Workplace – Diverse and Inclusive Workplace	–
	103-2	The management approach and its components	20; 50; 59-63	Trust and Integrity – 20/20 Sustainability Plan Progress 2018; A Thriving Workplace – Our Approach; A Thriving Workplace – Diverse and Inclusive Workplace	–
	103-3	Evaluation of the management approach	20; 50; 59-63	Trust and Integrity – 20/20 Sustainability Plan Progress 2018; A Thriving Workplace – Our Approach; A Thriving Workplace – Diverse and Inclusive Workplace	–
GRI 405: Diversity and Equal Opportunity 2016	405-1	Diversity of governance bodies and employees	49; 59-63; 87-88	A Thriving Workplace; A Thriving Workplace – Diverse and Inclusive Workplace; Performance Data – Workplace	–

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For 'In Accordance' Option – Core

GRI Standard	Disclosure	Description	Page Number(s)	References	Omission
GRI 400: Social					
Security Practices					
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	50	A Thriving Workplace – Our Approach	–
	103-2	The management approach and its components	50	A Thriving Workplace – Our Approach	–
	103-3	Evaluation of the management approach	50	A Thriving Workplace – Our Approach	–
GRI 410: Security Practices 2016	410-1	Security personnel trained in human rights policies or procedures	89	Performance Data – Workplace	–
Human Rights Assessment					
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	50	A Thriving Workplace – Our Approach	–
	103-2	The management approach and its components	50	A Thriving Workplace – Our Approach	–
	103-3	Evaluation of the management approach	50	A Thriving Workplace – Our Approach	–
GRI 412: Human Rights Assessment 2016	412-2	Employee training on human rights policies or procedures	89	Performance Data – Workplace	–
Local Communities					
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	20; 35-36	Trust and Integrity – 20/20 Sustainability Plan Progress 2018; Community Empowerment – Our Approach – Investing for Collective Solutions	–
	103-2	The management approach and its components	20; 35-36	Trust and Integrity – 20/20 Sustainability Plan Progress 2018; Community Empowerment – Our Approach – Investing for Collective Solutions	–
	103-3	Evaluation of the management approach	20; 35-36	Trust and Integrity – 20/20 Sustainability Plan Progress 2018; Community Empowerment – Our Approach – Investing for Collective Solutions	–
GRI 413: Local Communities 2016	413-1	Operations with local community engagement, impact assessments, and development programs	36-47; 63; 84-85	Community Empowerment – Community Empowerment, Education, Arts and Culture, Environmental Diversity, Healthy Living, Disaster Relief; A Thriving Workplace – Diverse and Inclusive Workplace – Volunteerism through Cahaya Kasih and beyond; Access to Financial Services – Product Stewardship – Global Leadership in Islamic Finance	–

INDEPENDENT ASSURANCE STATEMENT

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 Malayan Banking Berhad (hereafter referred to as Maybank) to perform an independent verification and provide assurance of the Maybank Sustainability Report 2018. The main objective of the verification process is to provide assurance to Maybank and its stakeholders of the accuracy and reliability of the information presented in this report. This was confirmed through checking and verifying claims made in the report. The verification audit by SIRIM QAS International covered all sustainability-related activities which had been included in the Maybank Sustainability Report 2018.

The management of Maybank was responsible for the preparation of the Sustainability Report. 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 Maybank Sustainability Report 2018.

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

Methodology

The verification process was carried out by SIRIM QAS International between May and June 2019. It 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 Report of Maybank and its overall presentation against the GRI Standards requirements.

During the verification process, issues were raised and clarifications were sought from the management of Maybank relating to the accuracy of some of the data and statements contained in the report. The report was subsequently reviewed and revised by Maybank in response to the findings of the verification team. It can be confirmed that the changes that have been incorporated into the final version of the report satisfactorily address 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 Maybank Annual Report 2018;
- 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;
- Only the corporate office in Jalan Tun Perak was visited as part of this assurance engagement. The verification process did not include physical inspections of any of Maybank's operating assets;
- The verification team did not review any contractor or third party data.

Materiality

The materiality assessment process allowed Maybank to gain information on topics pertinent to their stakeholders. Maybank continued to review the materiality assessment to ensure that it was timely, relevant and the efforts made were aligned with Maybank's strategic objectives.

In 2018, several improvements were noted as an enhancement to the existing materiality assessment process. For the first time, Maybank combined financial and non-financial matters into the assessment. Maybank had expanded the stakeholder group from Board of Directors, senior management, employees, investors and the media to new stakeholders groups such as the retail and corporate customers, business partners, community partners, suppliers and employee representative. Apart from the inputs from the stakeholders group, Maybank has also reassessed list of potential material matters from internal sources i.e. employee engagement surveys, investor queries, external frameworks like the UN Sustainable Development Goals and Global Reporting Initiative, as well as emerging trends in global financial services industry. And last but not least, material issues and priorities identified through this assessment were presented to senior management for validation and for them to address issues deemed material for the year.

Greenhouse Gases (GHG) emissions and Carbon Footprint

Maybank's GHG emission reporting in year 2018 had covered Scope 1 – Direct Emission, Scope 2 – Indirect Emission and Scope 3 – Other Indirect Emissions. Specific boundary for each scope has been clearly stated in the Maybank Sustainability Report 2018 and the verification was carried out in accordance with the requirements of ISO 14064-3:2006. Based on reviewed information, the following was verified:

Greenhouse gas emissions (tCO ₂ e)		
Scope 1	Scope 2	Scope 3
1,791	68,750	5,733

Conclusion

Based on the scope of the verification process, the following represents SIRIM QAS International's opinion:

- The level of accuracy of data included in the Maybank Sustainability Report 2018 is fair and acceptable;
- The Sustainability Report was prepared in accordance with the GRI Standards : Core Option;
- The overall report content and quality were well established. The level of sustainability performance information in the report was found to be acceptable;
- The information has been presented in an appropriate manner;
- Most of the personnel responsible were able to demonstrate the origin(s) and interpretation of data contained in the report;
- Maybank has satisfactorily addressed, in the final version of the report, all issues that had been raised during the verification audit;
- The report provides a reasonable and balanced presentation of the sustainability performance of Maybank.

Prepared by:


AERNIDA ABDUL KADIR
Verification Team Leader
Management System Certification
Department
SIRIM QAS International Sdn. Bhd.

Date : 18 June 2019

Approved by:


MOHD HAMIM BIN IMAM MUSTAIN
Senior General Manager
Management System Certification
Department
SIRIM QAS International Sdn. Bhd.

Date : 18 June 2019

