



MAYBANK GROUP SUSTAINABILITY FRAMEWORK

Version 2.0

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Introduction



This Maybank Group Sustainability Framework (“**the Framework**”) is an overarching framework that sets out Maybank Group’s sustainability mission, governance, goals, targets and overall approach to all our activities.

Maybank Group (“**the Group**”) has extensive exposure in all 10 ASEAN countries and globally across multiple business lines. The provision of financial products and services is at the core of what we do as an organisation.

As a responsible ASEAN organisation, the Group’s long-standing commitment to uphold our mission of **Humanising Financial Services** is showcased in a myriad of ways. From developing targeted products and services that cater to the needs of the many, to providing financial relief and support to affected customers and communities across the economic and social diversity of the region.

Our objective is to drive a fair and just transition by integrating sustainable practices in all our activities, engage our stakeholders and the communities that we serve towards a better future and creating impactful change. We believe that how we embed sustainable practices within our organisation will determine the future

of our own business. We are mindful of the impact that our activities have on the environment and our communities as we strive towards a more sustainable future for everyone.

Aligned with our corporate strategy, we aim to infuse the principles of values-based finance as a strategic differentiator to drive not only financial value, but also economic value for the Group and our stakeholders. In line with this, “**myimpact**” is introduced as a distinct brand to distinguish our values-based approach towards **reinforcing our humanising mission as part of our sustainability strategy**. This is a testament to our commitment towards a greater purpose of being **a values-driven platform, incorporating sustainable and responsible considerations into the solutions and offerings to our customers**.

The Framework is supported by other Group policies and procedures which reflect and represent the values we uphold and our vision for the future. As our understanding of the impact that our collective actions have on our communities and natural systems deepens, these policies will continue to adapt.



Deepen “Humanising Financial Services”

By putting people at the centre of all that we do and by acting consistently in accordance with our values, we will continue to build a sustainable future for generations to come

Principles

GOVERNANCE

Board

BSC

ESC

STAKEHOLDERS

Customers

Investors

Employees

Suppliers

Governments & Regulators

Communities

Environment

STRATEGY

Responsible
Transition

Enabling our
Communities

Our House is in
Order & We Walk the Talk

Risk Management Systems, Policies & Practices

Mission, Vision, and Values



In Maybank, we are anchored by our mission of **Humanising Financial Services**. This mission is an integral part of our business and continues to be the guiding force in all that we do.

Against the backdrop of overwhelming challenges that are impacting the environment, lives and livelihoods, our responsibility to uphold this mission by embedding these values within our activities, influencing our stakeholders and enabling the communities that we serve towards a better and more sustainable future, has become even more apparent.

With this in mind, we acknowledge that a pragmatic approach towards sustainability is to be adopted as we move towards advancing our strategic sustainability objectives, given the

diverse needs of our stakeholders, all whilst being resolute in achieving our net zero ambition and overall mission of **Humanising Financial Services**.

Embedding responsible Environmental, Social and Governance (“**ESG**”) considerations and addressing the impact on our communities will drive our decision making towards achieving our goal of a fair and just transition.

Our Corporate Strategy



The Group's corporate strategy aims to steer Maybank on a deeper purpose as encapsulated in our purpose statement "We are a **values**-driven **platform**, powered by a **bionic workforce** that **Humanises Financial Services**". **Values** reflect our aim to sharpen and internalise our Core Values, TIGER, by infusing the principles of values-based financial services as a strategic differentiator that will drive economic value.

Platform refers to our digital aspirations and how we seek to integrate our customer offerings across the region through a common digital infrastructure. **Bionic workforce** focuses on empowering Maybankers, fully unlocking their potential by upskilling and equipping them with the appropriate technological tools and capabilities.

Finally, **Humanises Financial Services** circles back to our mission that guides us to connect with our

customers by providing hyper-personalised solutions to support them through their life journeys, while serving the community as the Force for Good.

Anchored on this purpose statement, the Group's corporate strategy, fully embeds sustainability as one of its strategic priorities. We aim to drive leadership in sustainability, expanding our scope to embrace and infuse the core principles of **myimpact** into our solutions and practices.



Our Principles

We want to play a leading role in ASEAN. The principles that drive our actions are further outlined in this section. These principles complement and converge with the principles of myimpact which draw inspiration from the values and principles of Islamic finance.

The notable exception between these set of principles is in the area where specific Shariah rules apply, specifically the prohibition of usury/interest, which is permitted in universal financial services practices.

Our Principles

**To place our communities
and their well-being at the
centre of our decision-
making**

**To value our biodiversity
and natural systems,
whilst recognising the
impact of climate change**

**To be fair, equitable and
ethical in all our activities**

**To drive decision making
based on our local
understanding, science,
and data**

**To be long-term partners
of our customers and
stakeholders. We strive to
build ecosystems and
sustainable solutions**

**To be responsible for our
own actions and that our
conduct represents these
values.**



Community Centred Decision Making

We recognise the needs of our communities and place them at the heart of what we do, through the provision of our products and services and in the decisions that we make that may impact them, while promoting positive economic value creation and actively eliminating oppressive, speculative, and harmful activities.

We will also strive for deeper financial inclusion and work to serve and address the needs of all segments, including the underserved and unserved.



Fairness, Equitability, and Ethics.

We seek to make a meaningful and positive difference to our stakeholders, ensuring transparency and fairness in all dealings and minimise the negative impacts by eliminating oppressive, speculative, and harmful activities.



Longstanding Partnerships

We seek to connect and build strong relationships with our stakeholders, supporting, enabling progress and creating opportunities with them. We recognise the value of collaboration, trust, and mutual growth, while continuously promoting the creation of sustainable economic, social and environmental value.

We also strive to provide the highest quality of service in our engagements and offerings to all our customers, ensuring that their needs are met and exceeded.



Valuing Biodiversity

We take environmental and climate change issues seriously and seek to ensure the preservation of our people and our ecosystem. We will prioritise the preservation of the environment and natural resources for the benefit of future generations, including nurturing sustainable practices amongst our all our stakeholders and mobilising our capital towards a just transition.



Data-Backed Decision Making

Our business and operational strategies, decision making processes and management of activities will be based on science and factual data which supports environmentally responsible practices and tailored to meet the diverse needs and delivered in a manner that suits local stakeholders across the countries in which we operate, including economic empowerment initiatives to drive financial inclusivity.



Accountability & Responsibility

We will ensure that we uphold the principles and values that we subscribe to, within our own operations and are accountable for our actions as we commit to responsible actions and integrity in our conduct.

We will not finance nor continue our associations where we believe that our objective of a responsible transition is not aligned. In higher risk activities, including any which have a material impact on our communities and natural systems, we intend to work with partners who have demonstrated their commitment to ASEAN's sustainable future.



Our Commitment

The aforementioned principles are the foundation of our sustainability commitments which are based on the three core pillars of the Group's Sustainability Strategy, i.e. **Responsible Transition, Enabling our Communities and Our House is in Order & We Walk the Talk.**

The commitments reflect our investment in people, processes and systems to deliver stakeholder objectives aligned to the UN-SDGs.

For details on our commitments and our progress, please refer to the latest **Maybank Group Sustainability Report** and **Investor presentations**.

These principles and commitments are entwined with the Group's corporate strategy, underpinned by our overall mission. This involves working with and for our stakeholders in making financial services accessible, building trusted partnerships and ensuring fairness and integrity.



Governance

The Group Board (“the Board”) is the highest governing body responsible for directing and overseeing the business and affairs of the Group. This involves periodically reviewing and approving its overall strategies, significant policies and ensuring the Group’s strategic initiatives support long-term value creation, whilst taking into consideration ESG concerns and corresponding risks and rewards.

In addition, the Board is responsible for overseeing existing Board-level committees that have oversight of specific sustainability-related areas.

The Board Sustainability Committee (“BSC”) is responsible for overseeing and endorsing the Group’s overall sustainability strategy and monitoring the execution of this strategy. This includes reviewing and monitoring the

sustainability governance structure, principles, priorities and targets as well the integration of sustainability considerations across the Group. The Committee comprise members of the Maybank Board and the President and Group Chief Executive Officer (“President & Group CEO”).

The EXCO Sustainability Committee (“ESC”) is chaired by the President & Group CEO and comprises the Executive Committee and Senior Management, representing Business and key Group functional responsibilities such as Compliance and Risk.

Governance

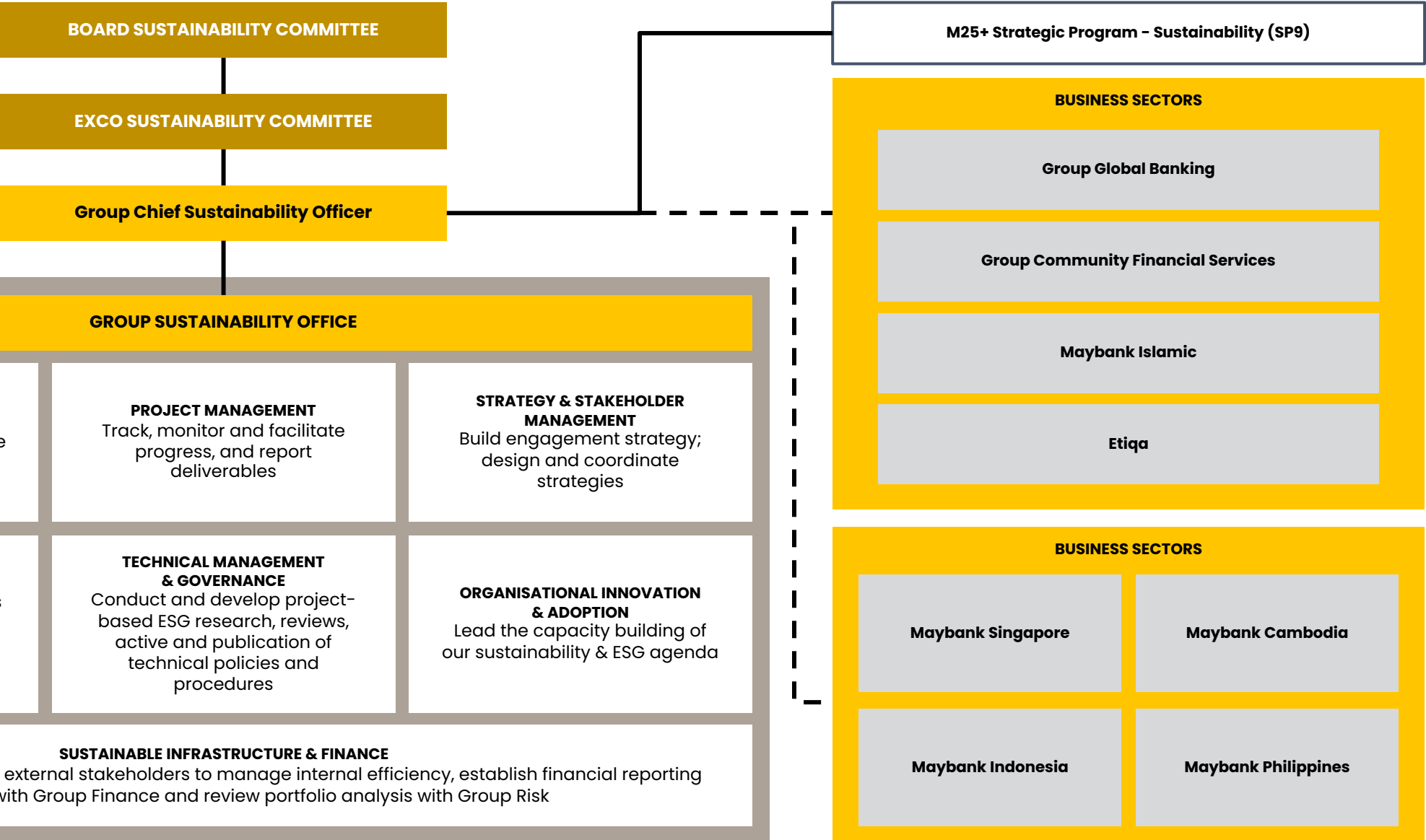


The ESC is responsible for steering, coordinating and ensuring the effective implementation of the Group's Sustainability Agenda in line with the Group's commitment towards sustainability. This includes developing and executing the sustainability strategy, framework, policies and procedures for embedding sustainable practices throughout the Group, reviewing and endorsing plans and guidelines in relation to sustainability, monitoring and advising on the implementation of sustainability initiatives and directly executing transformation programmes, where required. The ESC is also tasked with forming partnerships that

are consistent with our values, codes of conduct and sustainability strategy.

The Group Chief Sustainability Officer heads the Group Sustainability Office, which comprises seven key units responsible for embedding and integrating sustainability across the Group.

Sustainability Structure



- - - Dual Reporting



Governance

Over and above this, sustainability considerations are incorporated across the Group with existing Board-level committees responsible for overseeing specific aspects relating to sustainability, these include:

- Compliance Committee of the Board
- Audit Committee of the Board
- Risk Management Committee
- Credit Review Committee

To facilitate the Board-level committees' oversight, the related Management-level committees are also responsible for ensuring the implementation of the sustainability related elements within their mandate.

Independent oversight is also provided by the Board of Trustees of Maybank Foundation in managing the Group's community programmes to ensure alignment to strategic priorities.

In addition, the Group has embedded sustainability into corporate strategy and business practices, in our efforts to achieve the organisation's long term strategic goals. This includes integrating sustainability across all subsidiaries, departments and functions within the Group.

Stakeholder Engagement



Stakeholder engagement is a cornerstone of our sustainability strategy. The breadth of our footprint requires us to continuously engage our stakeholders at the domestic and regional levels to understand, assess and respond to material issues.

We conduct materiality assessments with both our internal and external stakeholders to understand the material issues they believe Maybank should address. This is essential to ensure that our sustainability strategy is reflective of what is important to our stakeholders and enable us to prioritise issues of focus in order to make a meaningful difference.

These engagements aim to address a broad range of ESG issues, challenges and opportunities. The material issues that are seen as critical are integrated into and drive our sustainability strategy. This includes identifying areas of risk that need to be strategically managed and mitigated, as well as creating strategic opportunities that enable us to make a positive impact for our communities.

Stakeholder Engagement



Our stakeholder engagements reflect what we want to achieve:

**A fair and just
transition**

**Sustainable
solutions**

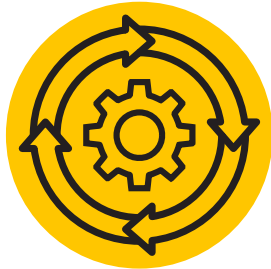
**Manage the impact
on the environment
and the communities
we serve**

Quality service

Sustainability Strategy



Our sustainability strategy was initially developed following an external and internal stakeholder engagement in 2020. The strategy covers 3 broad areas: our commitment to Responsible Transition; our commitment to our Communities; and, our commitment to best practices in our Own Operations.



RESPONSIBLE TRANSITION

Enabling transition to a low-carbon economy by balancing environmental and social imperatives with stakeholders' expectations.

- Supporting the Transition to a Low-Carbon Economy
- Developing Sustainability-Focused Products and Services
- Systemic Risk Management
- ESG Integration in Financial Analysis
- Engaging our People in Sustainability
- Business Ethics



ENABLING OUR COMMUNITIES

Building community resilience across ASEAN and undertaking responsive promote economic development and social well-being.

- Empowering Communities
- Financial Inclusion
- Climate Resilience
- Transparency and Trust
- Diversity, Equity and Inclusion



OUR HOUSE IS IN ORDER & WE WALK THE TALK

Leading by example with good management practices and ensuring that Maybank's ESG strategy is based upon a strong foundation.

- Governance and Compliance
- Privacy
- Our Supply Chain
- Our Environmental Impact



Sustainability Strategy

Building upon the previous materiality assessment conducted, our material topics were reviewed and updated in 2022 to ensure their continued relevance to key ESG standards and industry trends. The assessment took into account updates to sustainability frameworks such as the Global Reporting Initiative (“**GRI**”) and the Sustainability Accounting Standards Board (“**SASB**”), as well as sustainability ratings. In addition, our material topics were reviewed against our corporate strategy, and materiality assessments of our peers.

Through this assessment, we found that the material matters identified remain aligned with our overall sustainability strategy. We will continue to review these issues in shaping our sustainability strategy.



PILLAR I **Responsible Transition**



Our approach towards responsible financing is based on an industry and partnership focus. ASEAN's regional economic and social diversity requires solutions reflecting global and regional trends together with local market structure and dynamics.

We therefore develop industry positions for high ESG risk sectors reflecting both opportunity and risk in the context of ASEAN markets and sustainable product and transition financing frameworks to support the mobilisation of capital towards sustainable practices. We also believe forming corporate partnerships can accelerate the drive towards sustainable growth.



RESPONSIBLE TRANSITION

Industry Approach

The complexities of managing our environmental impact in the region means we are developing policies and strategies that take into account the impact to our communities even as these industries need to decarbonise.

We understand that the strength of our transition efforts is a reflection of our customers' transition efforts and hence, our approach is to use our values and science in all that we do in order to work towards a fair and responsible transition.

We will support sustainability focused innovations and projects through our financing capabilities.

Industry Approach



- a) Even as we raise expectations of our customers, we are mindful that within this region they have diverse sustainability maturity levels.

Recognising this, we see ourselves as being able to engage our stakeholders and partner with them as we continue to increase their awareness and receptiveness in adopting stronger sustainability practices.

This would involve us providing research, data and insights to our stakeholders. We intend to work with them towards verifiable commitments and sustainable progress;

- b) Our industry positions and Risk Acceptance Criteria (“RACs”) will address the pressure points faced along the value chain, taking into account the nuances of the sectors within the region;

- c) Taxonomies and principles to address “high risk” and other sectors continue to be updated. These policies include exclusionary sectors or activities and other exclusionary criteria and the bases for these stances;

- d) Our sector decarbonisation pathway and strategy, tools and capability building, will support our transition efforts and that of our clients;

- e) We will continue to assess, monitor and report our material risks and exposures, with additional due diligence assessments covering industry, customer and transactions;

- f) Our risk management systems continue to integrate ESG metrics and will be aligned to the standards set by the Task Force of Climate related Financial Disclosures; and

- g) We will be transparent by disclosing our portfolio financed emissions and intend to set portfolio emissions targets consistent with societal goals.



RESPONSIBLE TRANSITION

Corporate Partnerships

We believe the corporate sector can play a key role in enabling a just transition in the region. We intend to form a coalition with clients as well as peers in our home markets with the goal of setting joint environmental and social targets based on shared values.

The targets reflect our intention to set a pathway towards a more sustainable and responsible growth trajectory. The challenges we face will require joint investments in research, initiatives, new technologies and the mobilisation of ASEAN's young demographics and cannot solely rest on the public sector.



PILLAR II

Enabling Our Communities

Our communities are at the centre of our decision-making. The countries we are active in are at vastly different phases of development and with different institutional infrastructures. Our engagement starts with the flexibility to understand and serve community needs and to ensure that we focus on measurable impacts tied to the UN SDGs.

Enabling Our Communities



Our community and social responsibility execution strategy is decentralised allowing individual CEOs to address local challenges. Our regional strategy that is centralised under Maybank Foundation, considers and develops projects working towards empowering communities, particularly marginalised segments as well as people with disabilities, of which there are over 60 million in the region. Moving forward, we aim to target specific SDGs to achieve greater impact.

APPROACH

Even as we raise expectations of our customers, we are mindful that within this region they have diverse sustainability maturity levels.

IMPACT EMPHASIS

The geography of ASEAN demands a deeper understanding of our natural systems and the impact of climate change on our communities. As data improves, we will continue to develop both quantitative and qualitative models to assess impact. The results of these are used to shape our products to mitigate risk and provide our communities with a more sustainable future.

DIGITISATION & EMPOWERMENT

We see digitisation as a critical tool in reducing barriers to financial products for both the under-banked and un-banked. We have targets for new products and funding towards Small and Medium Enterprises (“SMEs”), the backbone of the ASEAN economy. Our strategy includes the setting up of marketplaces on our platform in order to facilitate growth of the SME.

ENVIRONMENTAL IMPACT



PILLAR III

Our House is in Order and We Walk The Talk

We see ourselves as standard bearers for the region. We continue to invest in our people and champion our diversity.

Our commitment to be carbon neutral by 2030 and net zero carbon equivalent by 2050 is part of our effort to support the transition to a low carbon economy. Our sourcing policy will continue to pivot towards locally sourced impact driven solutions.

Operations Supply Chain

Our sourcing policies and processes will actively target communities to support their growth, and in particular, SMEs, minority groups, and sourcing locally where possible.

We are also working towards establishing full traceability for our supply chain through digital, data and analytics and target to gradually build our suppliers' capabilities and compliance to ESG best practices and standards.



Operations Carbon Neutral and Net Zero

ASEAN's energy is set to be fossil fuel dependent for many decades to come.

While we commit to a carbon neutral position for Scope 1 and 2 emissions as well as a net zero carbon equivalent position by 2050, we will continue to work towards identifying and implementing key milestones in achieving these targets.

We will continue to release the progress of our emissions, energy intensity as well as waste and water use.



OUR STANDARDS

Ethics Charter and Technology Policy



We recognise transparency and trust are what allows us to work with our communities towards shared goals. Our Business Ethics Charter details our approach.

For further details on the **Business Ethics Charter** refer to

https://www.maybank.com/corporate_new/my/en/about-us/corporate-profile/corporate-governance/corporate-governance-framework/Business-Ethics-Charter.page

We believe technology can be a great enabler. As we move towards greater digitisation, we are mindful of the impact this has. As we collect more data on our customers, business partners and employees, we are aware that these need to be used fairly and not only to avoid harm, but also to help communities that may have been held back.

In that respect, we ensure that the fundamental principles for our data management and sufficient security measures are in place to protect data privacy. Our Responsible Use of Technology principles goes beyond regulatory standards.

Human Rights Policy



The Group recognises that as a corporation and good corporate citizen, it is our responsibility to uphold and respect human rights as outlined in the United Nations Guiding Principles on Business and Human Rights 2011 (UNGPs).

The principles set out in the said policy seeks to mitigate the infringement of human rights in our business operations and across our value chain. This covers our employees, clients, suppliers, and other parties directly linked to our operations, products and services.

The policy seeks to enable the conduct of effective due diligence processes through the evaluation of mechanisms to address, track, mitigate, remedy and communicate human rights risks and violations.

To ensure accountability on the effective implementation of the Group's corporate responsibility to respect human rights, the **Human Rights Working Group ("HRWG")**, which is a senior management-led cross-function team is established.

For further details on the **Maybank Group Human Rights Policy**, refer to <https://www.maybank.com/iwov-resources/documents/pdf/annual-report/2023/Maybank-Group-Human-Rights-Policy.pdf>



OUR STANDARDS

Our People



The values that have guided us for over 60 years continue to shape our response to our people, our customers and the communities in which we operate. Sustainable, equitable and responsible growth is central to who we are as an organisation. Our ambition is to nurture a sustainability-led culture and internalisation of myimpact principles, where our people are enabled and empowered to use their strengths and next-gen capabilities to provide financial services that enrich lives, empower individuals and uplift the wellbeing of communities.

To achieve our sustainability goals, we are committed to our long term purpose of becoming a “Values-Driven Platform, Powered by a Bionic Workforce that Humanises Financial Services”. Our people strategy continues to be guided three strategic key thrusts to shape a thriving, diverse and inclusive workplace that enables employees to be engaged, future-ready as well as mentally and physically fit.

Our workplace practices are guided by Maybank’s core values and valuing the overall wellbeing of our people, nurturing a sustainability-led culture demonstrative of consistently strong ethics, trust and transparency, strong governance and a healthy respect for diversity, inclusion, equity, belonging and privacy.

Our People



We hold Diversity, Equity, Inclusion and Belonging (“DEIB”) as critical and central to our mission and our impact. Our DEIB framework outlines our commitment to ensuring that different nationalities, varying age groups, and socio-economic levels are represented in our dynamic workforce and is reflected in our talent management framework and stakeholder experience. Through this framework, our efforts and outcomes are closely monitored.

In line with our commitment, this DEIB Policy sets out to continuously build a future-ready workforce and workplace by integrating the principles of DEIB where all our employees are treated right, fairly, equitably, with dignity and without discrimination in all aspects of employment and people practices. In doing this, a sense of inclusivity will be cultivated where employees feel a sense of belonging and are valued for their individual contributions, leading to an increase in performance.

Our People



The transition to a digital sustainable financial services group will need a flexible and agile organisation with skillsets and domain knowledge and opportunities reflecting the challenges and opportunities. The complexity of sustainability challenges means building capacity and understanding is a core pillar of our learning strategy.

To this end, we continue to invest in the potential of our people, educating our people about sustainability as well as to create systems and processes that make it easier for employees to integrate sustainability into business decisions.

Increasing their understanding and knowledge also fosters creative solutions to business problems through a sustainability lens. This way, we effectively empower all our people to initiate and drive our sustainability initiatives.

We aim to equip and empower our people to be forces for good and able to balance between sustainable and inclusive economic development on one hand, and impact on the communities that we are in, which includes the environment and communities' well-being, for the benefit of a sustainable future for generations to come.



OUR STANDARDS

Whistleblowing Policy



We hold ourselves accountable to the standards we set. Our Whistleblowing Policy allows all our stakeholders, internally and externally, from our customers to our colleagues, to engage with us either directly in person or anonymously. We report all material grievances and resolutions across the many lines of business.

For more information on our Whistleblowing Policy, please refer to

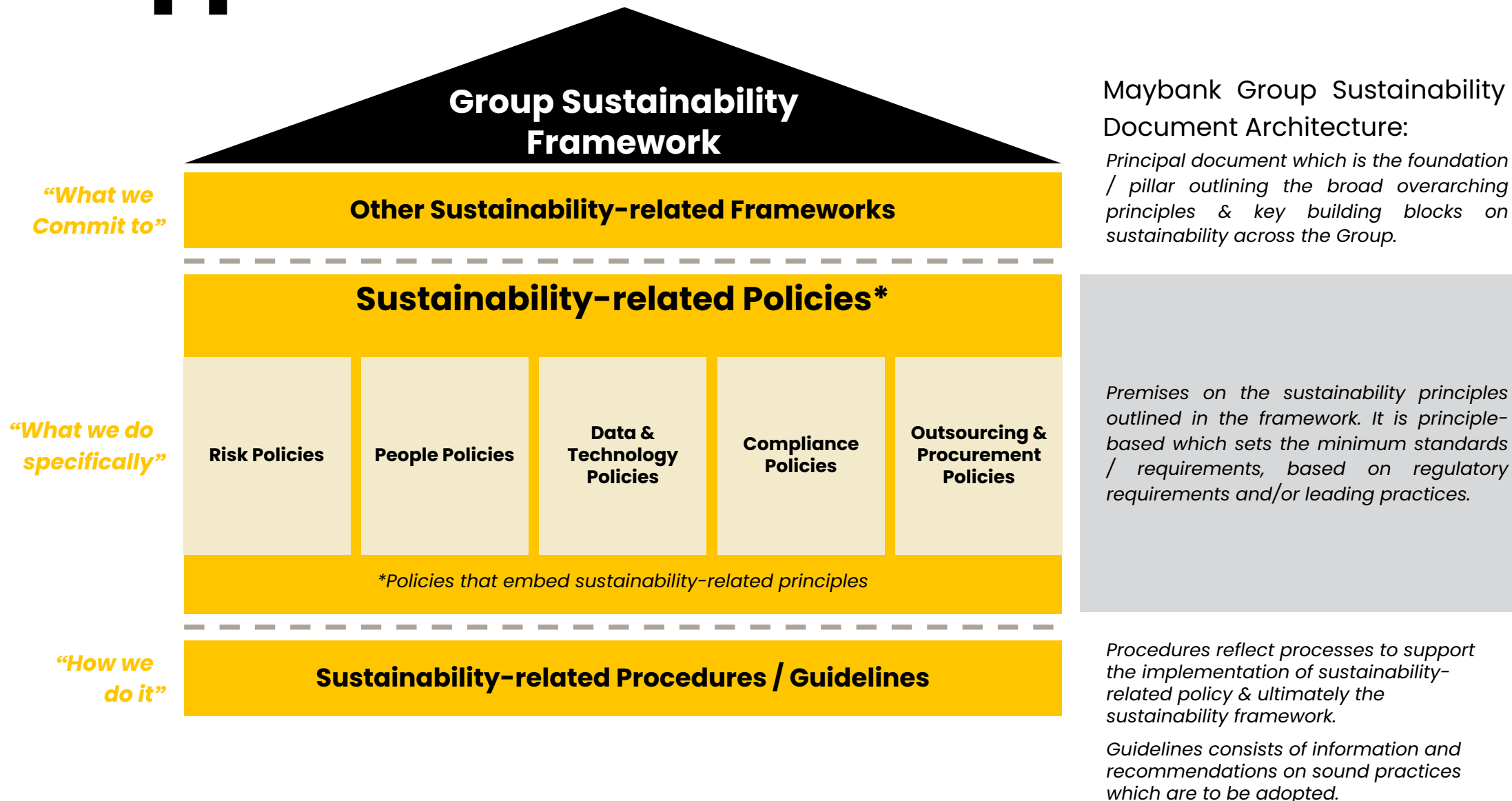
<https://www.maybank.com/en/about-us/corporate-governance/compliance.page#whistleblowing>

Glossary



No	Item	Definition
1	Carbon Neutral	Making or resulting in no net release of carbon dioxide into the atmosphere, especially as a result of carbon offsetting.
2	Framework	Principal document which is the foundation/pillar outlining the board overarching principles and key building blocks.
3	Net Zero	Reduce emissions with the goal of balancing emissions produced and emissions removed from the atmosphere.
4	Policy	Premised on principles outlined in the framework on what we do specifically. It is a set of minimum standards/requirements, based on regulations and/or leading practices.
5	Positions	Provides the direction for the organisation by describing the arguable viewpoint. It includes a description, with support of evidence of the position taken on the issue and the background of the issue. It usually covers the target market, category, differentiator and payoff.
6	Standards	Criterion established reflecting a set of rules.
7	Taxonomy	Classification including the principles underlying the classification

Appendix



Approved by :
EXCO Sustainability Committee

Humanising
Financial Services

