

BANKING

redefined



**64th ANNUAL
GENERAL
MEETING**

Presentation to Shareholders by
President and Group Chief Executive Officer,
Khairussaleh Ramli

25 April 2024

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2023 A Year of Significant Achievements Amid A Challenging Landscape...



Record Financial Performance and Strong Returns

Operating Income Improved
3.3%: NOI up 38.3%
RM27.36 billion
(FY2022*: RM26.49 billion)

Improved Net Credit Charge
Off Rate, Lowest Since 2018
31 bps
(FY2022: 40bps)

Record Net Profit
RM9.35 billion
(FY2022*: RM7.96 billion)

Total Assets Exceed
RM1 Trillion
RM1.03 trillion
(FY2022*: RM948.13 billion)

Strong Loans Growth Across
All Home Markets
+9.2% YoY | RM640.75 billion
(FY2022: RM586.86 billion)

Solid Capital Positions

| | |
|-----------------------------------|-----------------------------------|
| CET1 Capital Ratio | Total Capital Ratio |
| 15.34% (FY2022: 14.78%) | 18.56% (FY2022: 18.20%) |

(Group Level after proposed dividend)

Improved Return on Equity, highest since 2020
10.8%
(FY2022*: 9.6%)

Total Dividend per Share
60.0 sen (full cash)
(FY2022: 58.0 sen)

Solid Shareholder Returns

Dividend Yield
6.7%
(FY2022: 6.7%)

Total Shareholder Return
9.29% vs 3.93% of KLFIN
(FY2022: 11.87%)

Market capitalisation (as at 31 Mar 2024)
RM116.45 billion
(31 December 2022: RM104.87 billion)

...And We Received Significant Accolades Across Customer-centricity, Employer Proposition and Sustainability



Demonstrated Leadership in Key Areas

Customer's Preferred Bank



Bank of the Year in Asia Pacific and in Singapore by The Banker



Platinum for Putra Brand Awards 2024 in the Banking, Investment & Insurance category, 14th consecutive win

Employer of Choice



Graduates' Choice Awards 2023 Overall Winner in Malaysia (sixth consecutive year)



Included in the **Bloomberg Gender-Equality Index (GEI) 2023**, a global recognition given since 2017



Recognised for the **sixth time in the Willis Towers Watson Global High Performing Companies benchmark**, with Sustainable Engagement Index score of 89%

Global Recognition for Sustainability Endeavours



First Malaysian bank to receive Global Finance's "Outstanding Leadership in Sustainability Transparency" - Asia Pacific award. Also won Global Finance's Best Bank for Sustainable Finance - Malaysia award



Only Malaysian corporation to feature among 750 companies in **TIME magazine's World's Best Companies 2023**, with a sustainability ranking of 374

Net Profit Rose 17.5% YoY on Higher Operating Income and Lower Impairment Losses



| RM billion | FY2022* | FY2023 | YoY |
|---|---------|--------|-----------|
| Operating Income | 26.49 | 27.36 | ▲ +3.3% |
| Net Fund Based Income | 20.67 | 19.30 | ▼ (6.6)% |
| Non-interest Income (NOII) | 5.83 | 8.06 | ▲ +38.3% |
| Overhead Expenses | 11.97 | 13.39 | ▲ +11.8% |
| Pre-provisioning Operating Profit | 14.52 | 13.97 | ▼ (3.8)% |
| Net Impairment Losses | 2.78 | 1.68 | ▼ (39.5)% |
| Profit After Tax and Minority Interest (PATAMI) | 7.96 | 9.35 | ▲ +17.5% |
| Earnings Per Share (sen) | 66.5 | 77.6 | ▲ +16.6% |

Financials Highlights

- **Led by increase in NOII** from gains in investment and trading income, foreign exchange and higher core fees
- **Net interest margin (NIM) compressed** by 27 bps on higher funding costs and continued deposit competition
- **Driven by better treasury and markets income and core fees** mainly driven by card-related fees, wealth management, unit trust commission, IB&A fees and underwriting income
- **Led by higher** personnel costs, IT expenses, Right-of-Use assets depreciation and credit card-related fees due to higher billings
- **Net loan provisioning reduced** 16.3% to RM1.83 billion on lower provisions for significant borrowers in 2023; and **net writeback in financial investments and others** of RM145.15 million
- **PATAMI improved** on higher income and lower provisions

*Restated FY2022 comparative information as MFRS 17 has replaced MFRS 4 Insurance Contracts for annual periods on or after 1 January 2023

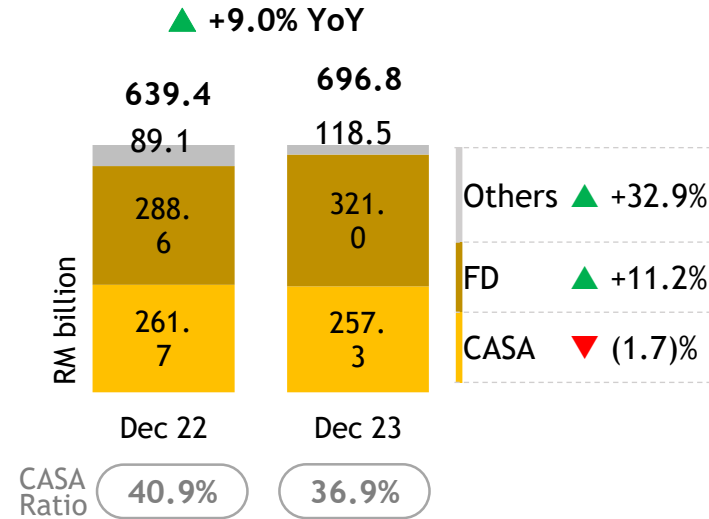
We Achieved Strong Loans Growth But Net Fund Based Income Was Impacted by Higher Funding Cost; Liquidity Position Remains Sound



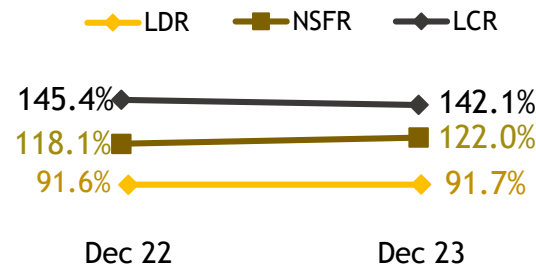
Group loans driven by growth in Singapore, Malaysia and Indonesia

| | 31 Dec 2022 (Restated) | 31 Dec 2023 | YoY |
|---------------------------------|------------------------|--------------|---------------|
| Group Gross Loans | 586.9 | 640.8 | ▲ 9.2% |
| Malaysia (RM billion) | 362.9 | 387.2 | ▲ 6.7% |
| Retail | 222.6 | 237.5 | ▲ 6.7% |
| Non-Retail | 55.8 | 60.8 | ▲ 9.0% |
| Global Banking | 84.3 | 89.3 | ▲ 5.9% |
| Singapore (SGD billion) | 43.7 | 47.5 | ▲ 8.7% |
| Retail | 17.9 | 17.3 | ▼ (3.2)% |
| Non-Retail | 6.8 | 7.8 | ▲ 15.0% |
| Global Banking | 18.5 | 21.5 | ▲ 16.0% |
| Indonesia (IDR trillion) | 110.8 | 117.7 | ▲ 6.2% |
| Retail [^] | 39.0 | 43.5 | ▲ 11.5% |
| Non-Retail [^] | 28.2 | 30.8 | ▲ 9.3% |
| Global Banking | 42.7 | 43.0 | ▲ 0.8% |

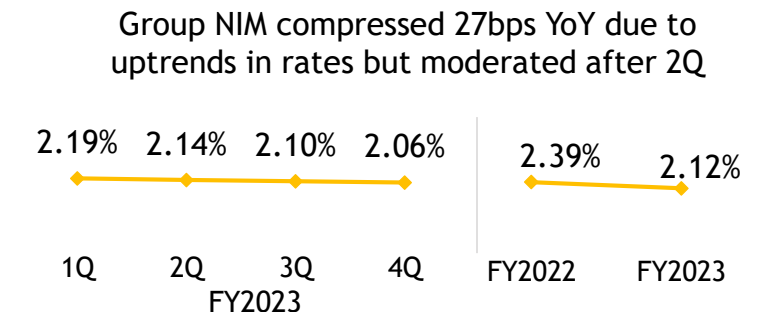
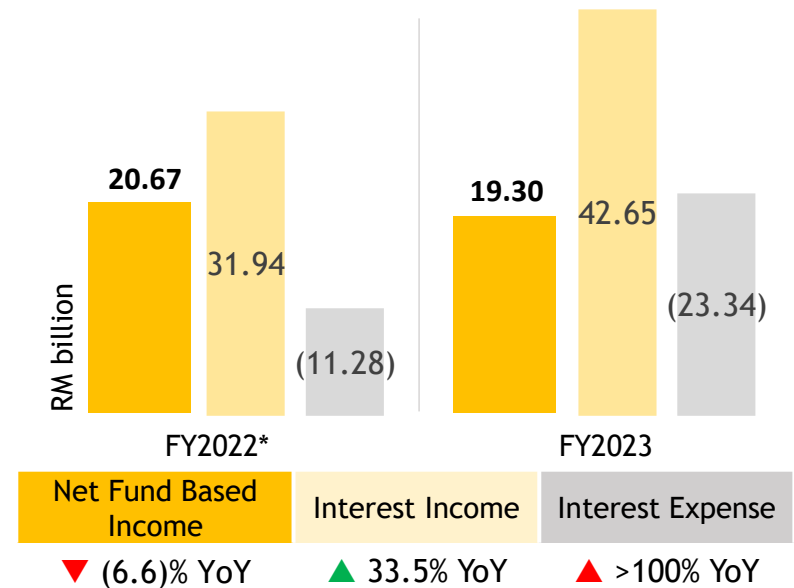
Group deposits driven by growth in Singapore, Indonesia and Malaysia



Healthy liquidity ratios with NSFR and LCR levels above regulatory requirements



Net Fund Based Income



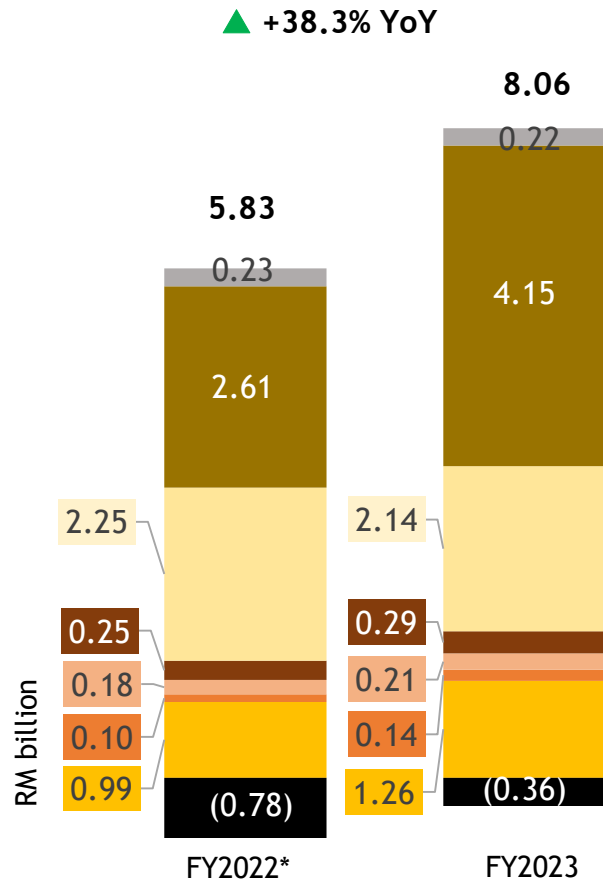
*Restated FY2022 comparative information as MFRS 17 has replaced MFRS 4 Insurance Contracts for annual periods on or after 1 January 2023

[^]Maybank Indonesia's loans breakdown is mapped in accordance to its local regulatory reporting requirements

NOII Was Significantly Higher from Gains in Investment and Trading income, FX and Higher Core Fees



Non-Interest Income (NOII)



| | |
|--|------------------|
| Others | ▼ (2.3)% |
| Treasury & Markets | ▲ +59.2% |
| Total Core Fees | ▲ +7.4% |
| Other Core Fees^ | ▼ (4.5)% |
| IB&A fees and Underwriting Income^ | ▲ +14.2% |
| Unit Trust Commission^ | ▲ +25.9% |
| Wealth Management Fees^ | ▲ +44.0% |
| Card (Commission, Service Charges & Fees)^ | ▲ +27.8% |
| Group Insurance & Takaful^ | ▲ (53.3)% |

- **Higher treasury & markets income:** Favourable movement in FX gain and higher realised capital gain on financial investments; offset by lower derivative trading income in Group Global Market
- **Higher core fees:** Mainly from card commission, service charges and fees (+27.8%), wealth management fees (+44.0%), unit trust commission (+25.9%), IB&A fees and underwriting income (+14.2%)
- **Group Insurance & Takaful:**
 - NOII losses narrowed on positive impact from yield curve movement
 - PBT grew to RM0.98 billion (FY2022: RM0.19 billion) as Life & Family Takaful business improved on higher interest income, unrealised gains from equities and fixed income portfolio, as well as stronger annualised premium growth (+31% YoY)

*Restated FY2022 comparative information as MFRS 17 has replaced MFRS 4 Insurance Contracts for annual periods on or after 1 January 2023

^This relates to Insurance and Takaful NOII excluding NII

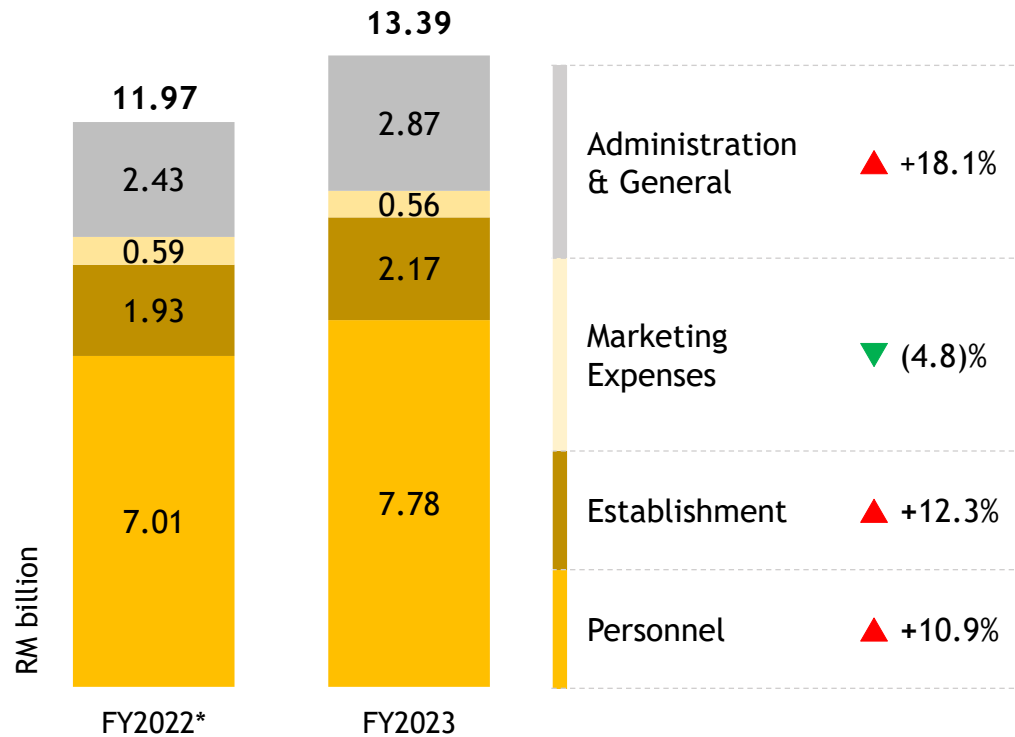
@ Breakdown of core fees are approximate figures based on internal classifications

Overhead Expenses Increased Due To Personnel and Revenue-related Expenses



CIR 45.2% → 48.9%

Cost ▲ +11.8% YoY



- **Cost increase of 11.8% due to:**

- **Higher personnel costs:** Includes the conclusion of collective agreements in 2023
- **Higher establishment costs:** Mainly from higher IT expenses and Right-of-Use asset depreciation
- **Higher admin. & general expenses:** Mainly due to higher credit card-related fees on higher billings and merchant volume as well as other general expenses
- **Offset by lower marketing costs:** Lower expenses to RM0.56 billion from RM0.59 billion

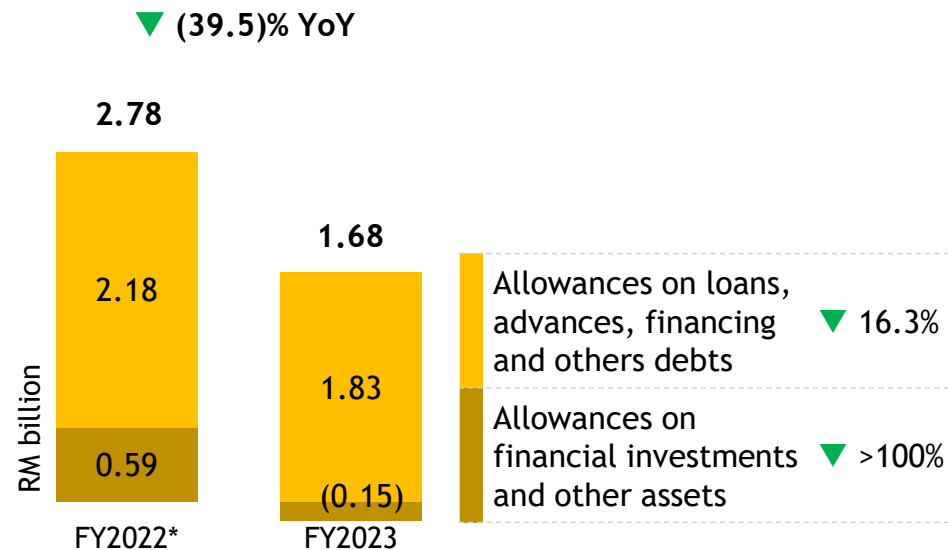
- Excluding M25+ Opex expenses, cost increased by 10.3% YoY with CIR at 48.2%

*Restated FY2022 comparative information as MFRS 17 has replaced MFRS 4 Insurance Contracts for annual periods on or after 1 January 2023



Asset Quality Improved As Impairment Decreased 39.5% and NCC Improved To 31 bps

Net Impairment Losses



- Improved NCC rate on lower pre-emptive provisioning and writebacks for corporate borrowers
- Maintained management overlay of RM1.7 billion on balance sheet with 60% allocated to retail and RSME portfolios for potential impact from emerging risks
- GIL ratio decreased due to write-offs, recoveries and reclassification of accounts to non-impaired loans

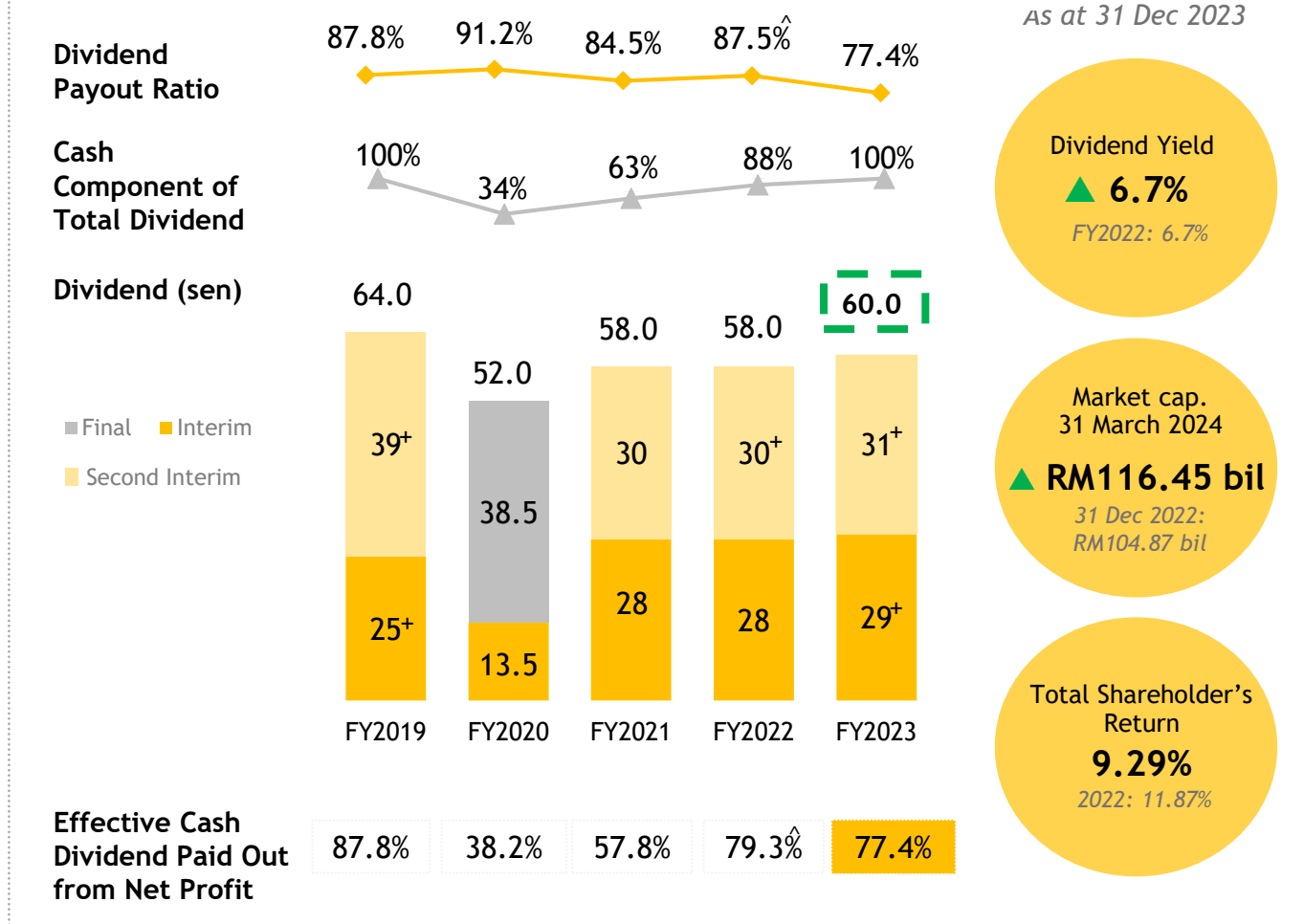
| | | |
|----------------------------------|----------|------------|
| Net Credit Charge Off (NCC) Rate | (40) bps | ▼ (31) bps |
| Gross Impaired Loans (GIL) Ratio | 1.57% | ▼ 1.34% |
| Loan Loss Coverage (LLC) | 131.2% | ▼ 124.9% |

*Restated FY2022 comparative information as MFRS 17 has replaced MFRS 4 Insurance Contracts for annual periods on or after 1 January 2023

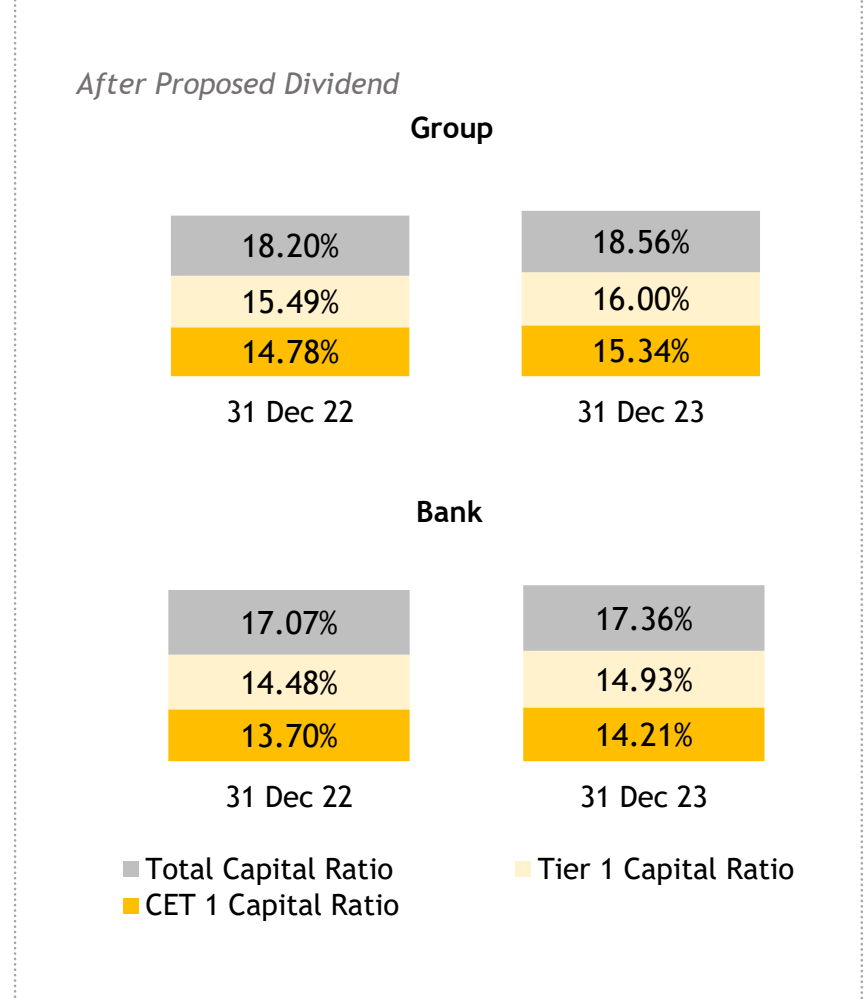
We Rewarded Shareholders with Strong Returns For FY2023, At The Same Time Improved ROE and Strengthened Capital Levels



Highest Total Dividend Declared Post Pandemic at 60 sen per Share



Robust Capital Position



+ Dividend paid fully in cash

^ Restated for the impact of adoption of MFRS 17 Insurance Contracts

M25+: Propelling Us From Good to Great



M25+

Our Purpose:

We are a **values**-driven **platform**, powered by a **bionic workforce** that **Humanises Financial Services**



Group Strategic Thrusts

- ST1** Intensify Customer-centricity
- ST2** Accelerate Digitalisation and Technology Modernisation
- ST3** Strengthen Maybank's Position Beyond Malaysia
- ST4** Drive Leadership in Sustainability Agenda
- ST5** Achieve True Global Leadership in Islamic Banking



Executed through 13 Strategic Programmes (SPs)

We See Good Traction from Focused Journeys Across All Segments Through Ecosystem Play



Investments To Date

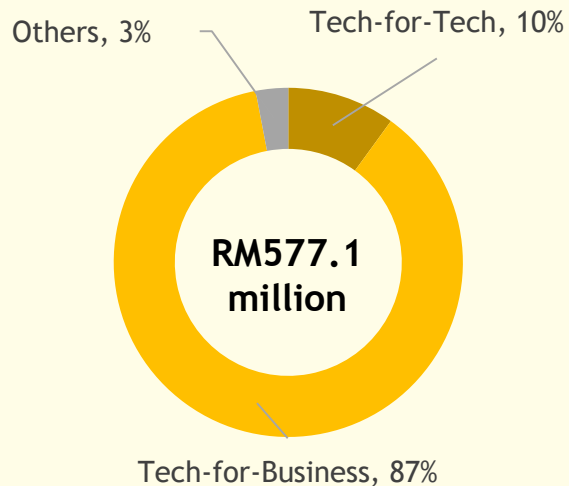


FY2023 Investment Spend
(CAPEX & OPEX)

RM304.72 million

Deployed 231 Minimum Viable Products (MVPs)

Total M25+ Committed
Investments (Opex and Capex)



SP1 - Supercharge Global Banking's Mid-Cap Segment Growth

- Penetrate mid-cap segment by offering dedicated end-to-end capabilities, resulting in higher penetration rate and growth:

Dec'22 vs Dec'23

+139%

Total deals pipeline growth since May 2023 with dedicated team

+13.9%

Overall share of wallet increase for top 20 mid-cap clients

+11.2%

Mid-cap loans growth (YoY) in MY (FY2022: -21.5%)

SP3 - Expand GCFS Consumer's Ecosystem

- Expand homeownership ecosystem by embedding Home²u Mortgage platform into partner's ecosystem, enabling Home²u access to sales force, building dedicated sales team at branches and boosting secondary market:

Dec'23

RM23.2 bil

Loans originated via Home²u (46% of total mortgage origination; FY2022: 5%)

+48%

Secondary market MY mortgage loans origination by accounts (YoY) (FY2022: +11%)

+10.4%

Total MY mortgage growth (YoY) (FY2022: 6.8%)

- Straight through e-KYC processing for 6 CASA products:

40%

of new CASA accounts opened digitally (20% as at Dec'22)

- Drive regional capabilities with enhanced real-time cross-border transactions in MY & SG via Regional Viewing and Regional Transfer with preferential FX rates:

+43%

Transaction volume between MY & SG increased (YoY)

We See Good Traction from Focused Journeys Across All Segments Through Ecosystem Play (cont'd)



SP4 - Scale Up SMEs Across Markets

- **Single Commercial Banking Centre in MY and increased limits for SMEs**, resulting in higher loan growth and salesforce productivity:

Dec'22 vs Dec'23

+20%

Increase in MY SME loans origination to RM17.0 bil from RM14.2 bil

+34%

Average origination per sales person per month increased to RM65.3 mil from RM48.8 mil

- **SME Re-segmentation in SG (from April 2023) & IDN (from June 2023)**: Increased SME loan limits for expanded access to funding and customer base

Progress as at Dec 2023

Average Mthly Sales **+186%** in SG (SGD22 mil → SGD64 mil)
Productivity **+26%** in IDN (IDR1.4 tri → IDR1.7 tri)

Mthly Loan Approval **+242%** in SG (SGD13 mil → SGD45 mil)
+42% in IDN (IDR998 bil → IDR1.4 tri)

SP5 & 7 - Build Global Islamic Finance Leadership via Islamic Wealth Management and Halal Ecosystem

- **Strong traction from Islamic beyond banking propositions** (Islamic Financial and Shariah advisory, EzyWasiat, EzQurban, etc.) **and services within the Halal ecosystem** for businesses (Halal4ward, Halal Facilitation and Halal Assurance)

Dec'22 vs Dec'23

+39%

GIWM fee income growth from RM146 mil to RM202 mil

+84%

Increase in GIWM customers acquired from 62,249 to 114,668

+77%

Increase in number of Halal certified companies from 2,200 to 3,897

RM618 mil

Disbursement made from Halal4ward 2.0

- **Drive fee income through Shariah Wealth Management (SWM)** in Indonesia:

Dec'22 vs Dec'23

+49%

Increase in AUM to IDR4 tri (RM1.2 bil) from IDR2.7 tri (RM0.8 bil)

+54%

Increase in fee-based income to IDR54.1 bil

- **First bank in SG to offer end to end IWM solutions via IWM regional offshore hub** for customers' different life stages

We See Good Traction from Focused Journeys Across All Segments Through Ecosystem Play (cont'd)



SP6 - Enhance Insurance's Customer-centricity

- **Personalise solutions through algorithm-driven BANCA 2.0 - EASE tool**, featuring automatic population of customer biodata and financial data in the BANCA EASE app:

72% (Avg Jan-Dec'23)

Improved average active sales person using BANCA EASE (Previous average 55% for Jan-Jun 2023)

RM230 mil

Total premium uplift (from June to Dec 2023)

- **Improve convenience for motor insurance vehicle renewal:** Shortened renewal process time to three minutes from eight minutes previously via 'One-Click Renewal':

+382%

Daily auto renewal premium increase (Jan 2023 vs Dec 2023)

>32k policies

Generated RM30 mil in premium as at Dec 2023

SP11 & SP12 - Driving Hyper-Personalised Solutions

- **Enable cross-selling through targeted customer hyper-personalisation and lead generation** for Unit Trust, Share Trading & Motor and Travel Insurance:

4x

Customer engagement rate for unit trust initiative. Penetration rate for Unit Trust sold via M2U increased from 4% to 9% (Jul - Oct'23)

- **Faster time to market via our API approach:**

3x

faster roll out of products regionally, from 12 to 18 months previously to <6 months now

- **Fraud insights:** Reduced time taken for Cybersecurity team to retrieve customer information with Secure2u dashboard in place, preventing more customers from falling for scams

8,490

Customers prevented from falling for scams due to callback performed more efficiently

We Champion Sustainability Leadership Through Ambitious Commitments and Global Recognition



Exceeded FY2023 Sustainability Targets



Sustainable Finance Mobilised
RM34.11 billion

FY2023 Target: RM16.83 billion

Cumulative: RM68.48 billion
FY2025 Target: RM80 billion



Household Lives Improved
498,529

FY2023 Target: 403,344

Cumulative: 1.37 million
FY2025 Target: 2 million



Carbon Emissions Position
49.0% reduction

FY2023 Target: 43.5% reduction*

2030 Target: Carbon Neutral
2050 Target: Net Zero



Sustainability Hours Achieved
1,937,632

FY2023 Target: 1 million hours

FY2025 Target: 1 million sustainability hours p.a.

Advancing Our Commitments in 2023



First Malaysian bank to launch a Transition Finance Framework (TFF) - a first-of-its-kind framework in ASEAN



Developed Maybank Group Human Rights Policy, reaffirming our commitment to respect human rights aligned to the United Nations Guiding Principles on Business and Human Rights 2011

Finalising sector-specific transition pathway for power and palm oil. Currently working on oil and gas, commercial real estate, automotive and construction material

Advancing value-based banking with first-of-its-kind solutions, Maybank myimpact credit cards, that combine sustainability and Shariah principles

Launched Financed Emissions Calculator so users can gauge emissions upfront from new financing and impact to the existing portfolio

Developed Client Engagement Guidebook for relationship managers to have meaningful ESG-related engagements with clients, build forward-looking strategic and operational thinking capabilities, and bespoke solutions

Key Recognitions



Improved **Carbon Disclosure Project (CDP)** rating to **B for 2023** from C, **highest rating received by a bank in Malaysia** and placing us above the Asia and Global average of C

Continued to be included in **the Bloomberg Gender Equality Index** and **FTSE4Good Bursa Malaysia Index**

Obtained an overall entity rating of **2** by **RAM Sustainability Rating**, indicating **very low risk on E, S and G pillars**

Maintained MSCI ESG Ratings of AA for the fourth consecutive year

*Reduction in Scopes 1 and 2 emissions (against 2019 baseline)

We Continue To Make Profound Impacts To The Communities We Serve Through Maybank and Maybank Foundation, Embracing Our Mission of Humanising Financial Services



Empowering Education

Uplifted > 38,000 Youths

Cashville Kidz
38,334
beneficiaries

Maybank Group
Scholarship
Programme
69 scholars

ASEAN Maybank
Scholarship
5 scholars

Math For
Rural Kids
500 students

Community Empowerment

**Supported > 37,000
Women, PWDs & Communities**

R.I.S.E.
10,276
beneficiaries

Empowering Youth
Across ASEAN
21,629
beneficiaries

Maybank Women
Eco Weavers
774 weavers &
farmers

Maybank Work
Placement
Programme
100 PWDs

Maybank Urban
Farming
4,400
beneficiaries

ETIQA i-CARE
OKU
25 PWDs

Environmental Diversity

**Strengthening Tiger
Conservation in the Belum-
Temengor Forest Complex**

Tiger Conservation
16,342 KM
of dense forest covered

Identified
21 adult tigers and **7**
cubs cumulatively

Deployed
100 rangers

Banking Initiatives**

RM33.7 bil financing mobilised to 457k individuals & 100k SMEs

Beyond Banking Initiatives***

83 ongoing B40 initiatives (cumulative 620k recipients, RM96 mil contribution)

FY23 Zakat Contribution
RM26 mil

Other Solutions
i TEKAD: IKHWAN Credit Card
& First Home Scheme

We Redefine Digital Offerings Through Customer-centricity and Agile Ways of Working



Going Beyond Traditional Banking



Improved the way we serve by leveraging Agile Ways of Working and next-gen technology



Intensified E2E customer journey via holistic ecosystems that go beyond banking (i.e. Home Ecosystems, One-stop integrated ecosystem for SMEs, Halal facilitation, etc.)



Regionalised Maybank digital experience across ASEAN (i.e. Seamless regional account opening MY-SG, trades across the region via Maybank Trade app, cross-border DuitNow QR payments, etc.)

Seamless and Simplified Services



Agile Customer Experience (CX) @ Branch

-70% reduction of average account opening time (51 minutes to 15 minutes)

-60% reduction in handling time at branch (30 minutes to 12 minutes)

Enhanced Experiences

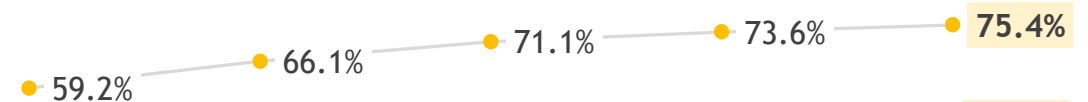


Net Promoter Score
+37 (95th percentile)
(FY2022: +24 95th percentile)

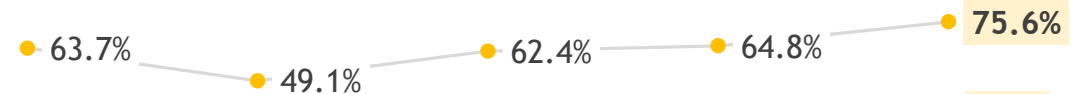
Transactional Net Promoter Score
+97%
(Previously: +84%)

Greater Digital Usage for GCFS

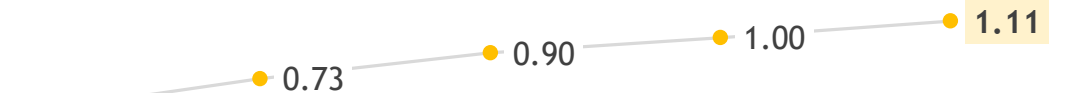
Digital customer Penetration



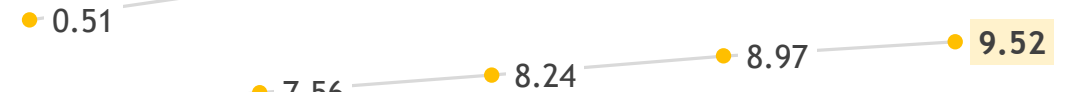
Digital sales penetration



Digital monetary Transaction Value (RM trillion)



3-month active digital users (million)





We Continue To Invest and Develop Next-Gen Talents

Developing A Bionic Workforce



Investments in upskilling

RM129.89 million

FY2022: RM110.90 million

For Maybankers to be future-ready and Agile

M25+ Unlimited Potential programme

RM12.30 million invested

to upskill leaders Group-wide



Established skills-based framework

501 unique skills identified

of which 294 tech and 221 emerging next-gen skills are required for a sustainable future



Equipped Our Bionic Workforce

Large scale desktop and laptop replacement exercise with system upgrades, impacting ~10,000 Maybankers in Malaysia



Drive Future Workforce

Initiated groundwork to narrow the skills gaps for Data, Digital, and IT functions across our enterprise; *(identified baseline, deployed assessments from pre-employment stage to upskilling existing talent pool)*

Highly Engaged Workforce



Sixth recognition in Willis Towers Watson's High Performance Companies benchmark, underscores our commitment to both financial excellence and superior people practices

Sustainable Engagement Index
89%
(Above global average of 88%)

Employee Engagement (Teamwork & Collaboration)
88%

Next-Gen Population



Next-gen Roles

↑ 20.8%

(FY2022: 12.8%)

FY2025 Target: 25%-30%

Digital, Technology and Analytics Population

9%

FY2027 Target: 27%

Greater Diversity and Inclusivity



Youth: Launched #MYouth Council and GenM Global Summit, generating 400+ GenM ideas in key markets

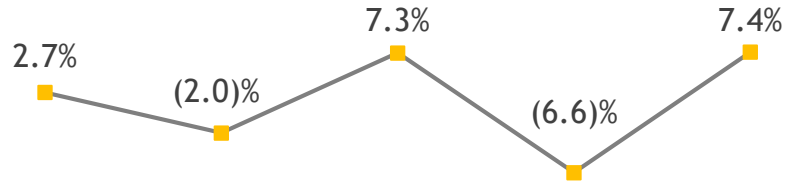
People with Disabilities: Launched Maybank Work Placement Programme for persons with disabilities (~100 trainees participating)

Retirees: Refined and improved MaybankerX ecosystem and Retirement-Readiness Programme

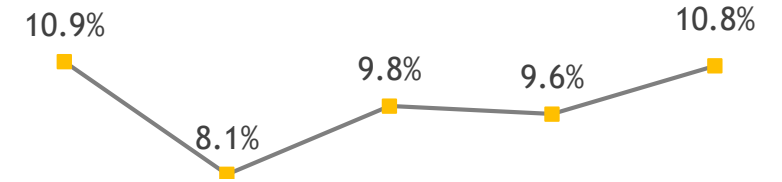
We Are Making Commendable Progress Over The Years and Remain Committed To Improving Our Performance



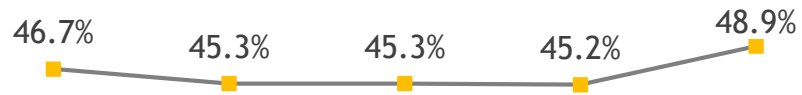
Core Fees Income Growth (YoY)



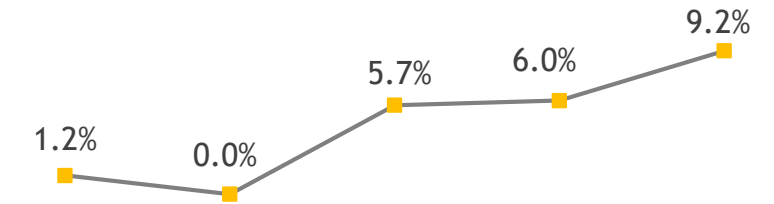
Return on equity



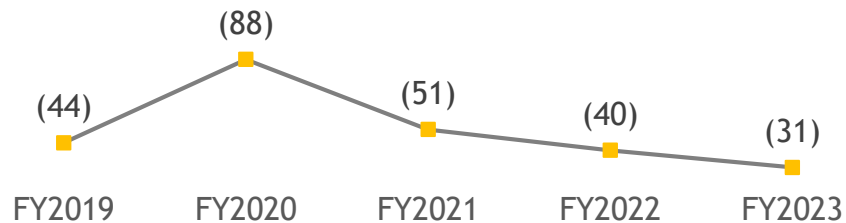
Cost to Income Ratio



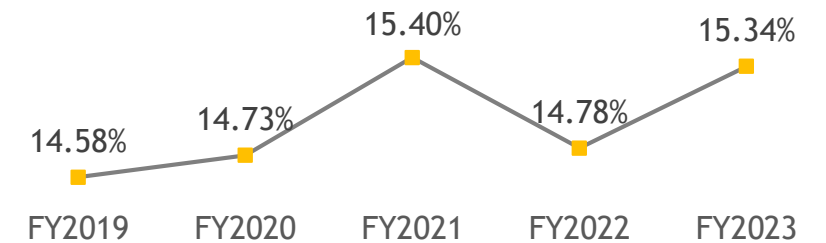
Loans Growth (YoY)



Net Credit Charge Off Rate



CET 1 Capital Ratio



Our Focus For FY2024 Remains On Driving Growth and Profitability, and Ensuring Stable Asset Quality, To Continue To Reward Shareholders



Expected Improvement in Economic Growth in Home Markets
with Potential Interest Rate Reductions in Singapore and Indonesia. However, Geopolitical Situation Remains Volatile

| Malaysia | | Singapore | | Indonesia | |
|-------------|-------|-------------|-------|----------------|-------|
| GDP | 4.4% | GDP | 2.2% | GDP | 5.1% |
| System loan | 5.1% | System loan | 3.1% | System loan | 9.5% |
| OPR | 3.00% | 3M SORA | 3.15% | Reference Rate | 5.25% |



Maybank's guidance for FY2024

| | | |
|-----------------|---|-------------------------------|
| NIM | : | Compression of up to five bps |
| CIR ratio | : | <49% |
| NCC rate | : | Up to 30 bps |
| ROE | : | 11% |
| Dividend Payout | : | 40%-60% |

THANK YOU

Humanising
Financial Services

