

Growing Profitably and Responsibly



SUSTAINABILITY REPORT 2012



Maybank



Maybank

153

EMPLOYEE
VOLUNTEERISM INITIATIVES
ACROSS 15 COUNTRIES
AROUND THE WORLD



178,422

VOLUNTEER HOURS BY MAYBANK'S EMPLOYEES

DEDICATED
INTEGRITY
HOTLINE



RM100 MILLION
IN LEARNING AND
DEVELOPMENT

1.1% OF PATAMI ON
CORPORATE RESPONSIBILITY
EXPENDITURE

52 Years Of Growth



About this Report	4
Awards & Recognition 2012	5
Chairman's Statement	6
President & CEO's Message	8
Corporate Profile	10
Global Network	11
Group Corporate Structure	12
Group Organisation Structure	13
2015 Strategic Objectives	14
Maybank Group Sustainable Corporate Responsibility Policy Statement	16
Strategic Focus	17
Stakeholder Engagement	18
Materiality Analysis	21
Maybank Foundation	24
Group Corporate Responsibility Committee	28
Maybank Foundation in the News	30
Financial Report	32
Corporate Governance	33
Empowering Communities	40
Environmental Diversity	62
Great Workplace	74
Responsible Marketplace	94



85%
EMPLOYEE
ENGAGEMENT INDEX

About this Report

This is our third Sustainability Report. This year's report is to be read together with our Annual Report 2012 for a more comprehensive view of the company's overall financial and non-financial performance.

SCOPE

The report covers Maybank and all subsidiaries as well as our regional offices. It does not include outsourced activities, joint ventures and suppliers. Where possible, we have included regional data. During the year under review, we have committed to further strengthen our sustainability commitment in various aspects of our business. For the purpose of this report, we have attempted to report on all issues that are material to Maybank.

REPORTING PERIOD

The report, which is produced annually, covers the period from 1 January 2012 to 31 December 2012. For selected performance indicators that have been historically tracked, we have included data from the past two years.

AUDIENCE AND DISTRIBUTION

The report is distributed to shareholders and key stakeholders including business partners, regulators, industry groups, media and the community. It is also available online at our website www.maybank.com and www.maybankfoundation.com

NEW APPROACHES

This is our third sustainability report and a reflection of our ongoing progress and commitment in the area.

Doing business responsibly for us is an ongoing journey. It is a journey that is defined by systems, policies and processes. But it is essentially fueled by the belief and passion that as we are growing profitably, we need to be growing responsibly. In 2012, we re-evaluated many of our existing sustainability frameworks, including the monitoring and evaluation of community investments. These changes are reflected in the way we report and how we approach our commitments. It is also seen in the way we report against the GRI G3.1 indicators. Overall, in 2012, we made great progress across all areas of sustainability, demonstrating a bumper financial year in which we also built public trust and sustained linkages with the community.



FEEDBACK ON THE REPORT

We welcome feedback on this Report. To provide feedback, or for more information, please contact:

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

Tel : +603-2070 8833
Fax : +603-2072 2504
Email : publicaffairs@maybank.com.my

Awards & Recognition 2012

We are honoured to be recognised by important organisations and publications for the many ways we have embraced sustainability as part of our mission to humanise financial services across Asia.



MALAYSIA

GRADUAN BRAND AWARDS 2012

- Preferred Employer of the year

MALAYSIA'S 100 LEADING GRADUATE EMPLOYERS FOR 2012

- Winner in the Banking & Financial Services Category

ALPHA SOUTHEAST ASIA AWARDS

- Best SME Bank

NACRA 2012 AWARDS

- Platinum Award for the Overall Excellence Award
- Industry Excellence Award for Finance
- Platinum for Best Designed Annual Report Award
- Gold Award for Best Corporate Social Responsibility
- Silver Award for Best Annual Report in Bahasa Malaysia

PUTRA BRAND AWARDS 2012

- Malaysia's Top Brand in the Finance Category (Gold) Innovation Malaysia Awards 2012
- M2U Mobile Payment App

PRIME MINISTER'S CSR AWARD 2012

- Culture & Heritage Category

SINGAPORE

EMPLOYER AWARD OF THE YEAR - GOLD 2012

- Employer Award of the Year

WORK - LIFE EXCELLENCE AWARD 2012

- Work Life Excellence

CENTRAL SINGAPORE CORPORATE APPRECIATION AWARD 2012

- Excellence Award

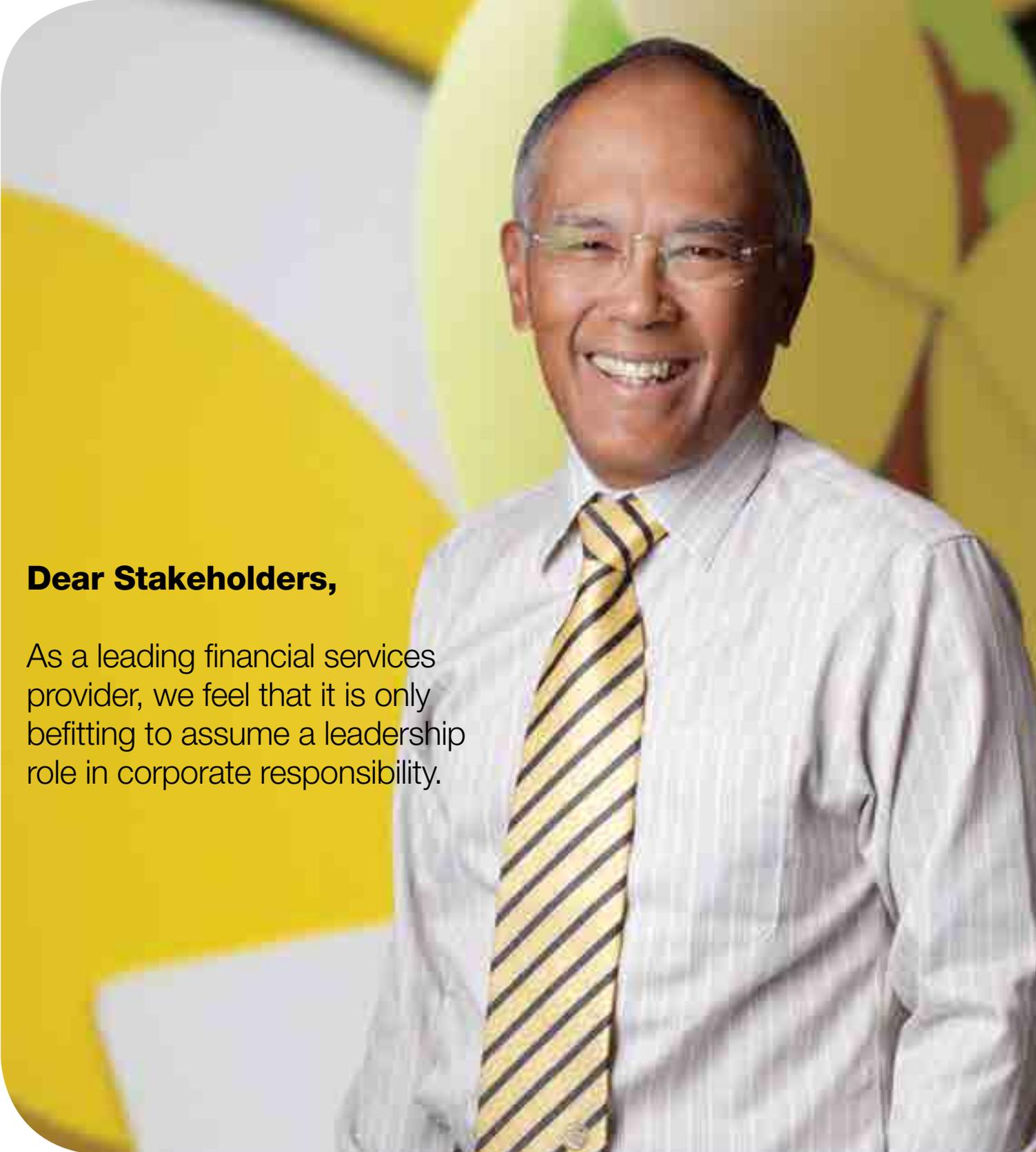
PEOPLE'S ASSOCIATION COMMUNITY SPIRIT AWARDS 2012

- Excellence Award

ASIAN BANKING AND FINANCE AWARDS

- Best Corporate Social Responsibility Programme (Silver)

Chairman's Statement

A portrait of the Chairman, a middle-aged man with glasses, wearing a light blue striped shirt and a yellow and black striped tie. He is smiling and looking towards the camera. The background is a blurred yellow and white pattern.

Dear Stakeholders,

As a leading financial services provider, we feel that it is only befitting to assume a leadership role in corporate responsibility.

In 2012, Maybank delivered 15.6% total shareholder returns and added 7.8% in economic profit compared to the previous calendar year, whilst registering record profit again. At the same time, as a financial services provider, we strengthened our capital base, not just to meet tightening regulatory requirements, but to underpin our future expansion.

Last year, our revenue growth was more broad-based, with 30.2 % coming from outside Malaysia – mainly from the nations of South East Asia – and this success was in no small measure due to our close interaction with our communities in those countries.

Business apart, our continual engagement with these communities including via the Maybank Foundation is grounded on five themes: healthy living, education, community empowerment, environmental diversity and arts and culture. In all five areas and in every country, we focus both our activities and our funding on creating meaningful, measurable and sustainable impacts that differentiate us from our competitors and complement our long-term aspiration to humanise financial services.

Last year, the Foundation's grants to a variety of corporate responsibility initiatives made up 59.5% of the total disbursed by the Group.

In Malaysia, we reaffirmed our commitment to the country's only liver transplant centre at Selayang Hospital, thereby ensuring affordability for patients in need, and giving patients – and especially children – the chance of a fruitful and rewarding future. We are continuing our efforts to ensure the sustainability of the centre by raising funds during our annual Maybank Malaysian Open Golf and Badminton championships.

Meanwhile, in our support for education, we widened our tertiary scholarship awards and for the first time gave scholarships to deserving students in Indonesia. Additionally, through the Promoting Educational Excellence in Rural Schools (PEERS) programme, we are currently reaching out to 4,800 students in rural areas – and hope to extend this to 10,000 students over a three year period.

In Singapore, in collaboration with the Heartware Network and the Singaporean Ministry of Education, we run a Community Leadership programme for academically-challenged children which has already benefitted more than 10,000 youngsters and which we plan to expand in the coming year.

I also feel proud of the strong spirit of volunteerism displayed by Maybankers. Last year through our Cahaya Kasih "Ray of Light" programme, more than 21,000 Maybankers donated over 178,000 hours of their own time to take part in 153 initiatives, to complement funds disbursed to varying causes within their communities.

Natural disasters often wreak havoc on entire communities. Such disasters can range from floods to volcanic eruptions. With each occurrence comes a greater awareness of environmental issues that need to be addressed. But the immediate concern is to lighten the misery suffered by the affected communities and the company

– as well as huge numbers of Maybank volunteers – always and eagerly seize the initiative to help out in every way we can.

Last year BII, our subsidiary in Indonesia, completed a project to assist various NGOs to restore water supplies to seven villages affected by the eruption of Mount Merapi in 2010 and to replant trees on the slopes of the mountain. Maybank also provided disaster relief during the monsoon in the Philippines, the flash floods in Cagayan, as well as floods in Cambodia and Thailand.

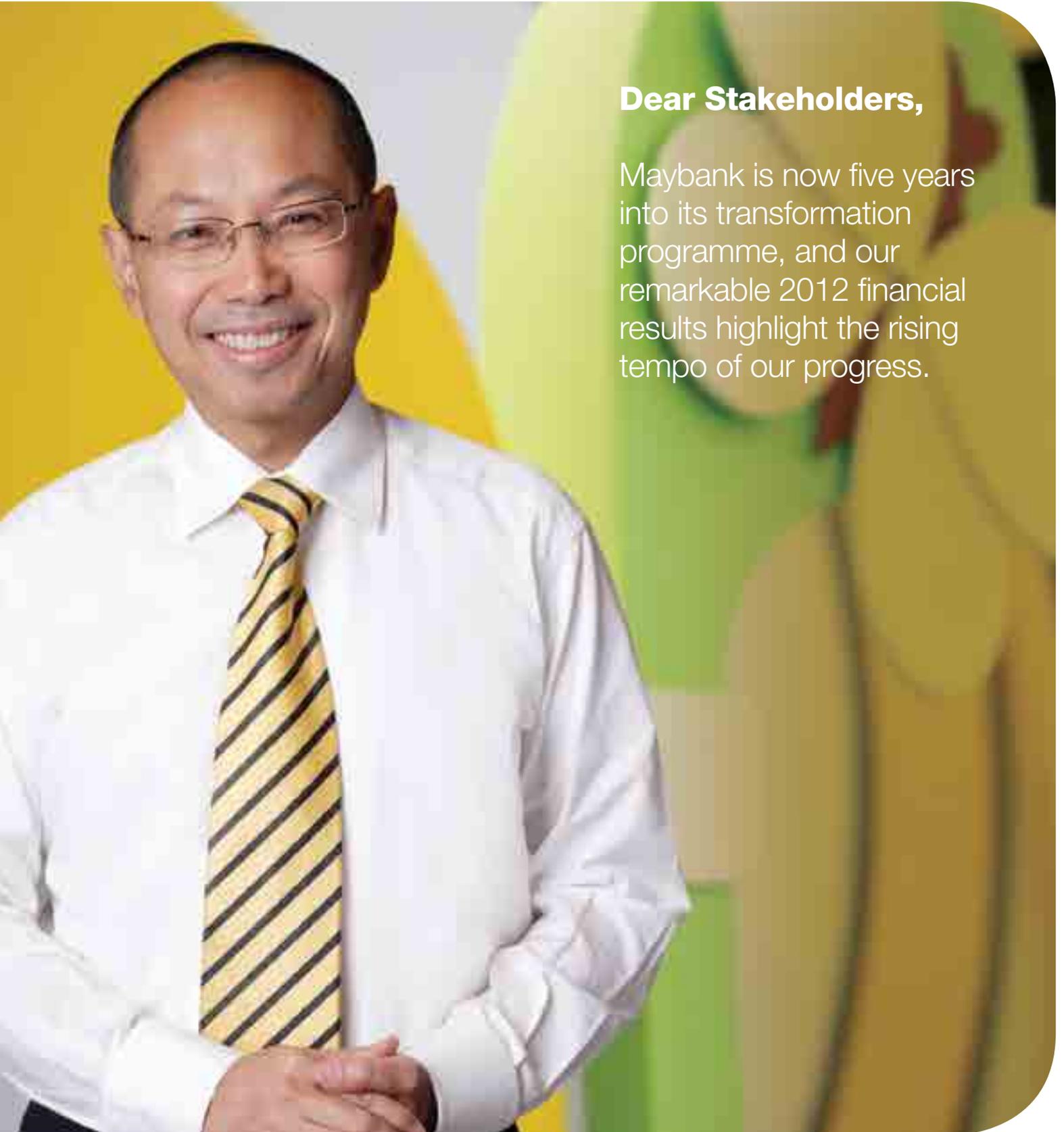
In 2012 – its first full year of operation – the Maybank Foundation learned some useful lessons, especially about the need to better coordinate its activities so as to support the Group's community-building efforts.

Looking ahead, most of Maybank's activities are concentrated in developing countries across the region. As the prosperity of South East Asia – with its population of more than 600 million – increases, it is right that a leading financial institution like Maybank should support initiatives that help its communities achieve robust and sustainable long-term growth.



**Tan Sri Megat Zaharuddin bin
Megat Mohd Nor**
Chairman

President & CEO's Message



Dear Stakeholders,

Maybank is now five years into its transformation programme, and our remarkable 2012 financial results highlight the rising tempo of our progress.

Now is a time of opportunity. A time to consolidate our leadership in Malaysia. A time to expand our regional footprint. And a time to drive best practices in sustainability.

Our sustainability programme rests on four pillars.

In the **Marketplace**, apart from offering fair terms and pricing, we are bent on humanising access to our products and services. This means understanding our customers' diverse needs and finding new and better ways to meet them.

Finance is key in both urban and rural communities. With over 2,200 branches and 22 million customers, we already have ASEAN-wide coverage, but we plan to expand our network still further so as to make regional access seamless. Last year, we launched extra banking services for Malaysia's under-served segments, including a bundled 7-in-1 product called Maybank One Solution. We also formed a strategic partnership with POS Malaysia that enables us to reach out to rural communities without the cost of setting up new offices.

In 2013, we will spur greater efficiency and effectiveness through business process enhancements.

In the **Workplace**, we believe that employees who are engaged achieve a happier and healthier work-life balance, and I am delighted that in 2012 we recorded an Employee Engagement Level of 85%. We equip our people for high performance and help them to upgrade their skills. We embrace diversity and encourage inclusiveness. And we constantly seek to reinforce ethical standards via awareness programmes and campaigns.

We are now sharpening our focus on training and job rotation, and staff movement across the region is fast becoming more fluid and agile. We are also starting to implement and track productivity metrics throughout the Group.

The Maybank Foundation is the key driver of our **Community** engagement. We help raise the standard of education in rural schools, provide scholarships to deserving students, and offer them jobs on graduation. We also run financial literacy programmes that help prepare youngsters for the financial challenges that lie ahead. In the past, we have organised workshops with our partner Money Tree. This year, we are expanding the programme by launching an educational TV cartoon series called Cashville Kidz.

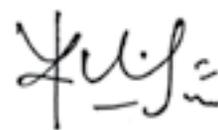
Besides this, as the 'Bank with a Heart' we provide financial aid to various homes and organisations for the underprivileged. Through our flagship Cahaya Kasih programme, we structure, monitor and evaluate the impact of all employee volunteerism. Volunteerism brings teams of Maybankers together, exposing them to new perspectives and experiences. To make our community engagement more sustainable, in 2012 we introduced the Cahaya Kasih Challenge. The Challenge broadens employee participation in the community through longer-term initiatives, and we use our Global CR Day to showcase our people's initiatives.

In support of a greener **Environment**, we studied our carbon impact closely. Our pledge to cut carbon emissions is also reflected by our participation in both the international Carbon Disclosure Project (CDP) and the Dow Jones Sustainability Index (DJSI). For 2012, Maybank received a DJSI score of 60 and was the only participating bank in Malaysia.

This year, we will start tracking our water and waste consumption and will dedicate even greater resources to environmental management.

Meanwhile, in 2012 the Maybank Foundation supported the Kuala Lumpur Eco Film Festival – the only green film festival in Malaysia – which features local and international award-winning eco films, exhibitions, and adults' and children's workshops and forums. Since 2010, Maybank has also been collaborating with the Malaysian Conservation Alliance for Tigers (MyCAT) to raise public awareness and support for tiger conservation efforts.

Moving forward, in our mission to humanise financial services across Asia, we will be guided by our core T.I.G.E.R. values of Teamwork, Integrity, Growth, Excellence & Efficiency and Relationship Building. And at the same time, by building our network and boosting our capabilities, we will drive the sustainability agenda, and deliver high impact, value-creation programmes with lasting results regionwide.



Dato' Sri Abdul Wahid Omar
President & CEO

Corporate Profile

Maybank is Southeast Asia's fourth largest bank by assets. It is listed and headquartered in Kuala Lumpur and is Malaysia's largest company by market capitalisation.

The Maybank Group has a global network of over 2,200 offices in 20 countries including all 10 ASEAN countries. The Group commenced commercial banking operations in Malaysia in 1960 and today operates from its key home markets of Malaysia, Singapore and Indonesia as well as across the Asia-Pacific region and major international financial centres. These include the Philippines, Brunei Darussalam, Cambodia, Vietnam, Laos, Thailand, Myanmar, China, Hong Kong, Papua New Guinea, Pakistan, India, Uzbekistan, Saudi Arabia, Bahrain, United Kingdom and United States of America.

Having over 50 years of experience and an early presence in the global banking market, the Maybank Group offers businesses and investors the ability to tap into its resources and network to meet their financial needs. Its range of services includes corporate and consumer banking, investment banking, insurance & takaful, asset management, Islamic banking, offshore banking, stock broking, venture capital financing and much more.

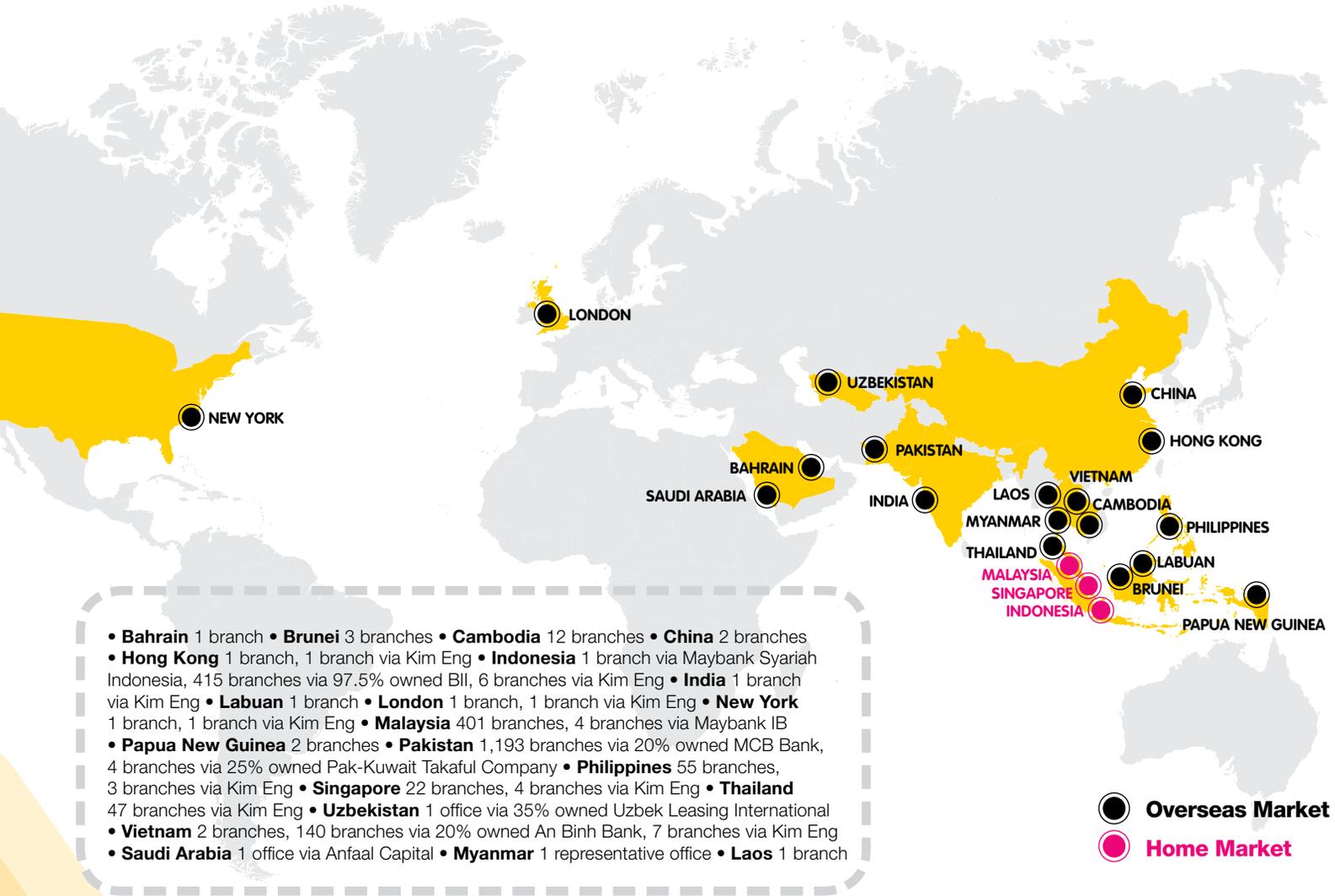
Over the years, Maybank has consistently leveraged on technology for innovation in products and services, as well as enhanced efficiency and built a competitive edge in the region. A host of awards from various regional and international organisations bear testimony to the Group's commitment to excellence. Today, Maybank is not only Malaysia's Most Valuable Brand but is also ranked first among Malaysian banks and among the top 200 global banks by The Banker magazine of UK in addition to being the leading Malaysian company in the FORBES Global 2000 List.

Vision

To Be a Regional Financial Services Leader



Global Network



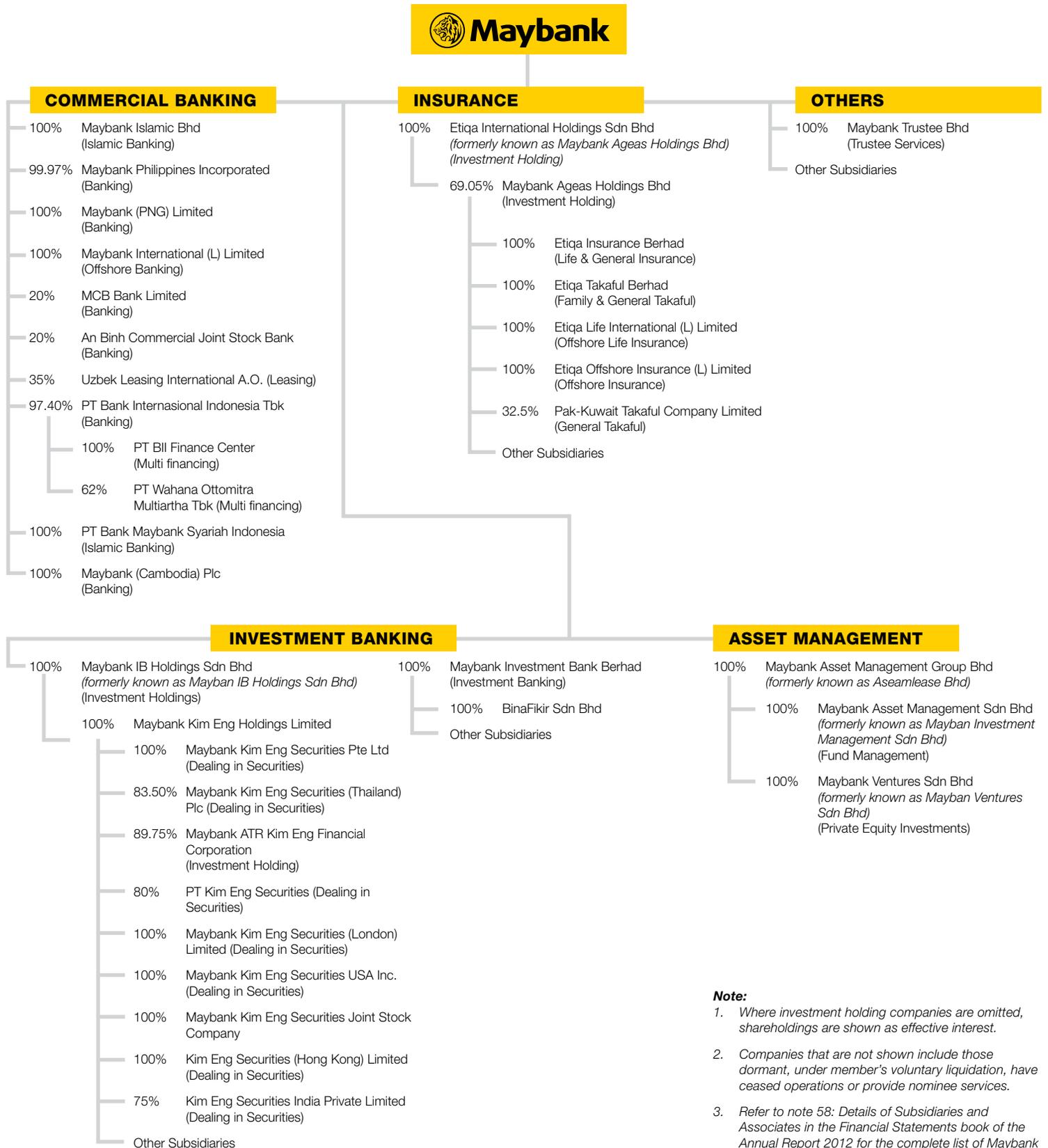
Mission

Humanising Financial Services across Asia



Group Corporate Structure

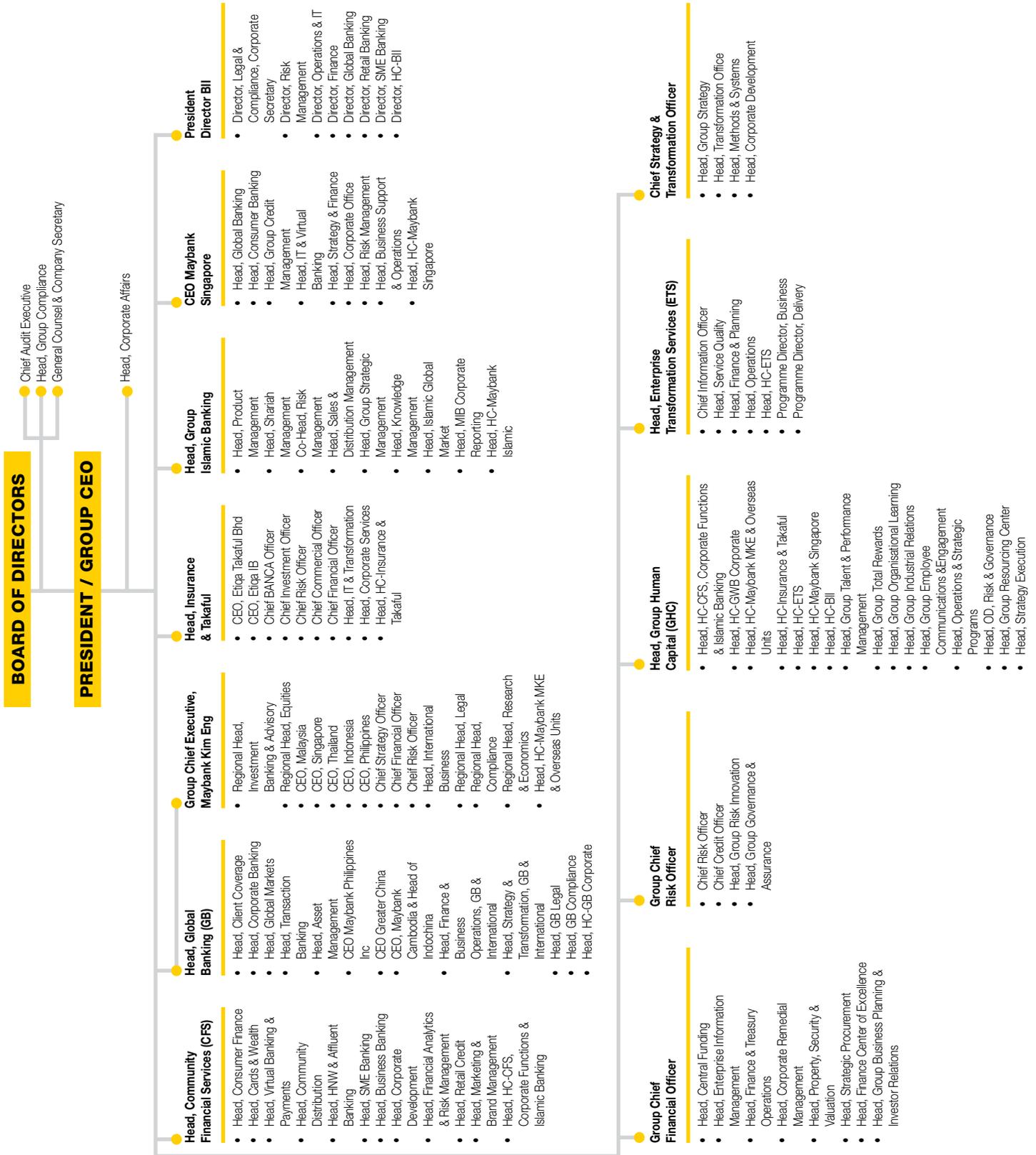
as at 31 January 2013



Note:

- Where investment holding companies are omitted, shareholdings are shown as effective interest.
- Companies that are not shown include those dormant, under member's voluntary liquidation, have ceased operations or provide nominee services.
- Refer to note 58: Details of Subsidiaries and Associates in the Financial Statements book of the Annual Report 2012 for the complete list of Maybank subsidiaries and associate companies.

Group Organisation Structure



2015 Strategic Objectives

**Undisputed No.1
Retail Financial
Services provider in
Malaysia by 2015**

**Leading ASEAN
wholesale bank
eventually expanding
further into the Middle
East, China and India**

**Undisputed Insurance
& Takaful Leader in
Malaysia & Emerging
Regional Player**



**Truly regional
organisation, with ~40%
of pre-tax profit derived
from international
operations by 2015**

**Global leader in
Islamic Finance**



Maybank Group Sustainable Corporate Responsibility Policy Statement

Maybank is committed to being a responsible corporate citizen, delivering a sustainable future for the Asian region. Maybank’s Corporate Responsibility (CR) initiatives are integrated into the Group’s business model.



This is consistent with our vision to become a leading regional company and our mission of humanising financial services.

In achieving this goal, CR activities are anchored across four key pillars of Community, Environment, Workplace and Marketplace. Maybank lives and breathes its Core Values of Teamwork, Integrity, Growth, Excellence & Efficiency and Relationship building. This is better known as ‘TIGER’ values.

For Maybank, sustainability means conducting our business in a way that enhances our performance both today and over the long-term, contributing to the socioeconomic development of the countries in which we operate. We continue to conserve the environment, enrich the livelihood of the community, care for the development and wellbeing of our employees and contribute to good governance.

We believe that building a sustainable CR framework that fully integrates with our business model will drive shareholder value and brand affinity.

Strategic Focus

“Our journey towards sustainability”



CR in Society: Trends & Issues

- Set standards for sustainable financial services
- Identify factors causing financial and social instability
- Calculate the impact of climate change on financial services
- Analyse stakeholder concerns and key issues

Developing CR at Maybank

- Integrate sustainable CR policies into core business operations
- Complement the Annual Financial Report with a Sustainability Report
- Identify key issues in long-term sustainability strategy

Maybank's CR Programme

- Integrate sustainable CR policy into financial products and services
- Help customers, including SMEs and large businesses, to operate more sustainably
- Encourage employee volunteerism
- Expand community investment in long-term, high-impact projects

CR as Part of Our Business



SHAREHOLDERS

- Our goal is to present shareholders with above average returns
- We will build an outstanding brand name in the financial industry



CUSTOMERS

- Our customers' interests come first
- We will provide exemplary customer service at all our touch points



EMPLOYEES

- We will hire the best people for each job
- Our employees will understand the impact of their work



COMMUNITY

- We will contribute to improving the lives of those in our communities
- Giving back to the community is part of our work
- We advocate a greener, healthier environment

Stakeholder Engagement

Our engagement with stakeholders is embedded in the way we do business. We try to understand the expectations of stakeholders who have interest in our business.

Our Principles of Engagement

Inclusivity

We consider our stakeholders to be those who have a direct interest in our business and those who have an interest in how we manage our business.

Materiality

Our extensive stakeholder engagement process with both internal and external stakeholders allows us to track and manage current and emerging issues.

Responsiveness

We continually monitor the changing environment in which we operate to ensure stakeholder concerns are captured and managed on an on-going basis. This is because material issues can be very complex with conflicting stakeholder expectations. We endeavour to manage these expectations in a transparent and fair way.

Our aim is to engage with local stakeholders to develop a CR framework that resonates with our employees, customers, communities, governments and regulators wherever we operate. For us, community impact must be regionally significant, yet locally relevant.

Eliza Mohamed
Head, Corporate Affairs

Constructive engagement with our diverse stakeholders helps us to make responsible and sustainable decisions as a Group.

As we evaluate and manage our key impacts, we develop a better understanding of how inter related they are and how an integrated approach to stakeholder engagement leads to multiple impact areas. We engage with our stakeholders in many ways and at many levels, from the queries that reach us via our website to face-to-face meetings with investors, governments and regulators, customers, employees, community groups and others.

Our extensive stakeholder engagement process with both internal and external stakeholders allows us to track and manage current and emerging issues. These considerations include not only our own direct impacts but also those of the companies and sectors we lend to. As an industry, our environmental and resource impacts can be seen as being lighter than other industries. Nevertheless, we bear significant indirect impacts through the companies that we do business with. Our stakeholder engagement process allows us to take these impacts into consideration.

Maybank's Stakeholder mapping:



Main Stakeholders	Method of Engagement	Maybank's approach with respect to stakeholder
Customers (Consumer/Business)	Customer satisfaction survey, customer feedback management, customer due diligence (customer privacy), product transparency and disclosure.	Maybank monitors fair terms of pricing and accessibility in its products and services offerings. It protects its customers' privacy and security of their personal information. Maybank continues to deliver access to finance to diverse customers. We are also improving service delivery.
Local Communities	Community engagement via Maybank Foundation to support various NGOs in terms of donation, education and social welfare.	Maybank through its Foundation supports various social and environmental initiatives throughout the region. Moving forward, the programmes need to be more targeted and regionally significant.
Shareholders/Investors	Annual General Meeting (AGM), Extraordinary General Meeting (EGM), Annual Report, shareholder updates, quarterly financial announcements, investor roadshows and conferences, investor meetings and corporate website. Maybank maintains effective two-way communication with individuals and institutional investors.	Maybank is constantly developing products and services that address individual and institutional investors' expectations. Maybank keeps its shareholders informed through various resources and dialogues. There will be more targeted outreach to investors in the coming year.
Employees (Current employees, employees' families)	Employee engagement survey, talent management, employee awards and recognition, performance management, training and awareness raising initiatives.	Maybank implements initiatives to nurture talent. We hire the best people for the job and strive to retain, motivate, empower and reward them for their contribution. Processes and policies are monitored to ensure engagement is ongoing.
Government Authorities and Regulators	Compliance with relevant government legislative frameworks and report on our performance status.	Maybank communicates with Government authorities and regulators regarding commercial, policy, regulatory and other relevant matters. There is a need to work with more regional authorities.
Industry Peers	Conferences, meetings, industry workshops and networking events.	Maybank is a member of financial industry specific associations. Issues impacting the financial industry including regulation, market trends and services development are closely monitored.
Suppliers	Procurement management, training and communication.	Maybank regularly engages with suppliers during and after the contract. We include an ethical supplier management relationship in our policy guidelines. Procurement policies are being monitored to include sustainability assessments.

Materiality Analysis

For our third CR reporting in FY2012, we will focus on the issues that are most material to our business and our stakeholders. We identified the relevant areas and have used a materiality matrix to map these issues and focus on each area according to the following criteria:

- 

High

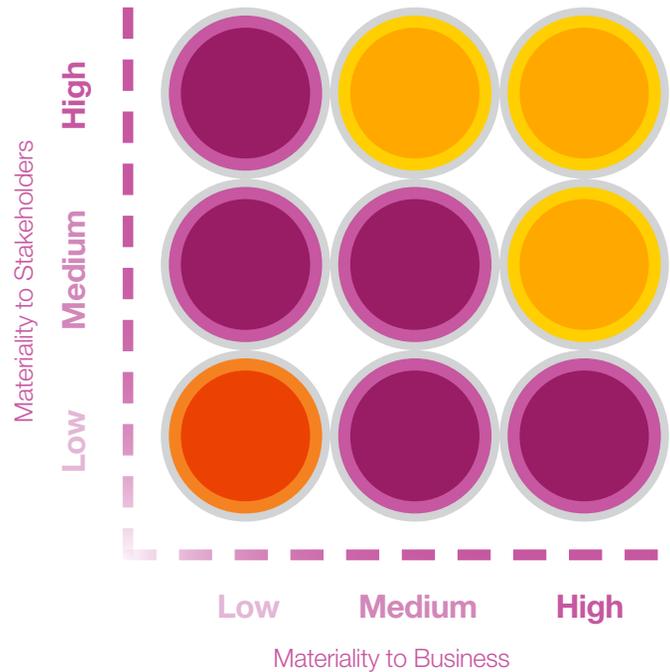
We report the issues that are most relevant and have high current/potential impact on our business and stakeholders.
- 

Medium

These issues are reported but not necessarily with quantitative indicators. Some issues have only partial impacts on the business and stakeholders.
- 

Low

These issues are of low materiality and are not reported in detail.



Identifying Key Issues

Having identified the areas of significant impact to our operations and of most concern to our stakeholders, we have formulated the Maybank Sustainability framework and reporting approach. In this report, we emphasise our priority areas, highlighting our commitment and performance in each area. These issues have been reviewed and approved by our senior management as part of our CR framework. We have attempted to identify key issues according to the three categories specified by GRI G3.1 which are Economic, Social and Environment. We aim to integrate our materiality matrix into future stakeholder engagement processes to align our business and stakeholder concerns more effectively.

For the short term, our focus is to review and consolidate policies and programmes across the four pillars of workplace, marketplace, environment and community. In the medium and long term, we want to fully integrate our entire approach regionally and truly embed sustainability with our 2015 goals.

Materiality Analysis

SECTION	IMPORTANCE OF MATERIALITY	ISSUES	IMPACT ON MAYBANK AND OUR APPROACH
Community	High	Education	Maybank supports access to education for students in rural areas. This has a great impact on community wellbeing, social inclusion and business productivity.
Workplace	High	Career Management and Employability	We provide our employees with a rewarding work environment. We are responsible for providing healthy working conditions and employability.
Marketplace	High	Sustainable Finance	Our business units within Maybank are active in developing environmental products and services. We provide financing solutions for SMEs and other groups of customers through education and assistance programmes.
Corporate Governance	Medium	Risk Management	Maybank's risk management covers our most significant risk exposures as well as its prevention and control.
Environment	Medium	Biodiversity and Climate Change	Maybank has a significant opportunity to mitigate the impact of climate change by energy efficient initiatives at Menara Maybank. We also focus on supporting tiger conservation and invest in various programmes to enhance green lifestyles.
Marketplace	Low	Supply Management	Maybank has an ethical supply management system and structured procurement policy.
Workplace	Low	Human Rights and Non-discrimination	Maybank's human rights and non-discrimination policies and practices are generally covered in our daily workplace.
Workplace	Low	Occupational Health and Safety	Maybank conducts health and safety training and the topic is also covered under collective agreements.
Community	Low	Supporting Heritage, Arts and Culture	We are refurbishing the Gallery Space at Menara Maybank and will invest further in arts and culture.

The changes we initiate today will last


a lifetime.



In 2010, we set up the Maybank Foundation, a charitable body which has special responsibility for formulating and implementing our community initiatives.

The Maybank Foundation has its origins in 1990 when a trust fund called Tabung Kebajikan Kumpulan Maybank (TKKM) was set up. Beginning with medical and social welfare, the Fund soon found other ways in which it could contribute to positive change by nurturing sustainable economic and community development, heritage preservation and environment conservation. In 2010, in conjunction with the Group's 50th anniversary, the Maybank Foundation was initiated as the main vehicle for corporate responsibility across the Group.

Initially, a pledge of RM50 million was made to the Foundation for the purpose of disbursement over three years. However, after two years, it was decided that in order to realise our objectives, more funding was required to sustain the increasing number of programmes the Foundation was supporting. Funding is not only provided for programmes located within Malaysia but everywhere we operate across the region. Guided by Maybank's mission to humanise financial services, the Foundation focuses specifically on empowering communities and conserving the environment.

RM
50
MILLION INITIAL FUNDING

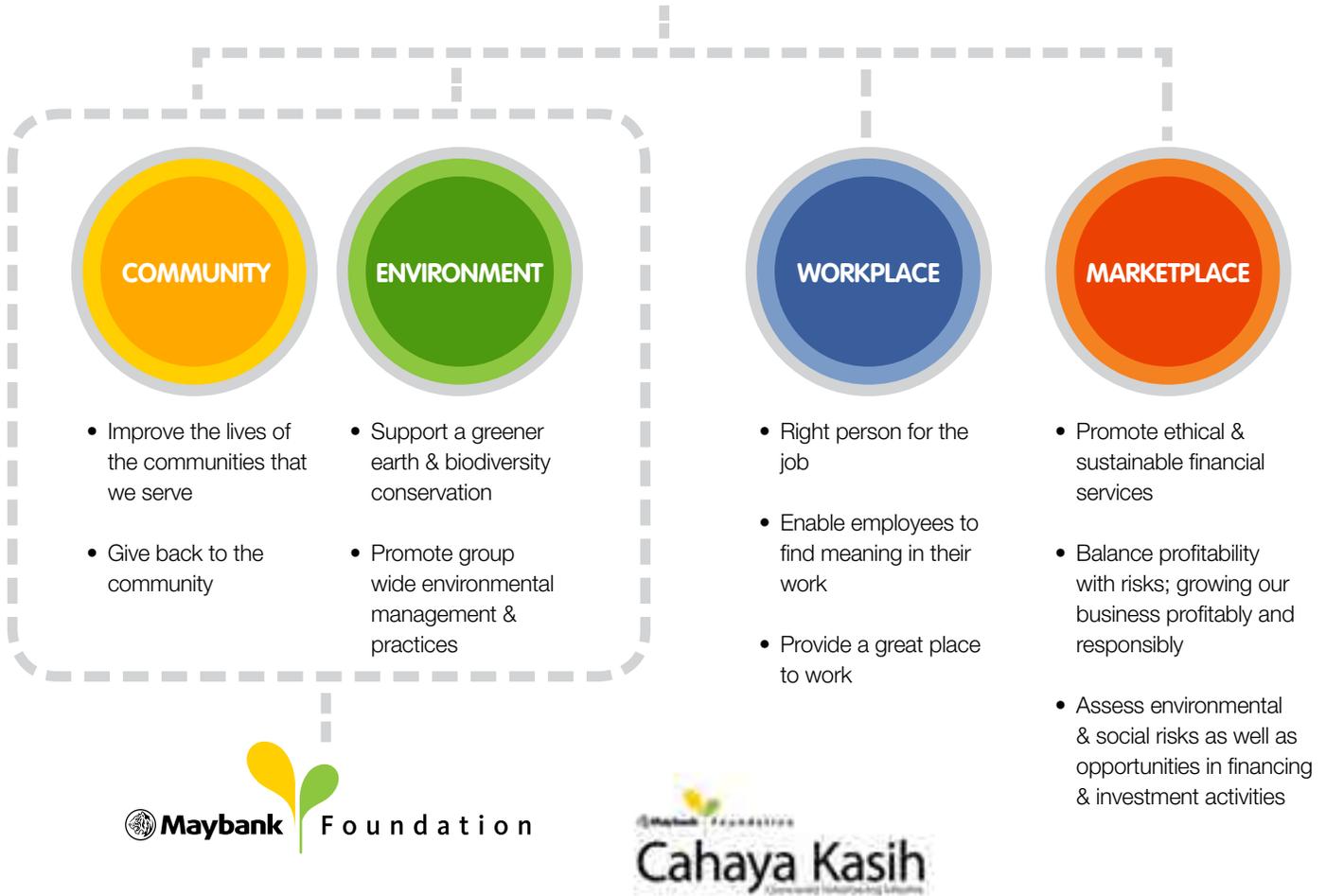
for Maybank Foundation Programmes

As well as leading by example, the Foundation aims to be a partner of choice, forming strategic partnerships with local stakeholders and NGOs to initiate meaningful programmes with lasting impact. Operating via strategic partnerships with local stakeholders and NGOs has allowed us to deliver tangible results and a better quality of life in areas such as community development, education, arts, wellness and health.

The Maybank Foundation embodies our belief that philanthropy is the basis of developing goodwill and a 'social license' to operate. At the same time, there needs to be a sustained and holistic approach to responsibility efforts. We need action plans, targets on improvement and clear end-goals.

We utilise a results-oriented monitoring and evaluation framework that informs how we evaluate and measure the input, output and impacts of our programmes. Every grant and contribution is tracked to identify ways to ensure success and understand the magnitude of outreach, what worked and the strategies to move forward. This framework helps us define more clearly the results we seek in each of our core focus areas.

Through the Maybank Foundation, we have taken a holistic and targeted approach to our corporate responsibility programmes.



Some of our Partners



Maybank Foundation - Governance Structure

The Foundation is governed by a distinguished Board of Trustees. Each trustee brings a breath of expertise and capabilities that span the areas of governance, business and community work. The composition and balance of Trustees provide the Foundation with transparency and objectivity.



Dato' Sri Abdul Wahid Omar

Chairman of Maybank Foundation Board of Trustees

Dato' Sri Abdul Wahid Omar was appointed as the President & CEO and Executive Director of Maybank on 1 May 2008. A Fellow of ACCA, he has held various executive positions prior to joining Maybank including Group CEO of Telekom Malaysia Berhad and Managing Director/Chief Executive Officer of the UEM Group Berhad and UEM World Berhad. He currently serves as Chairman of the Group Executive Committee and as a member of the Credit Review Committee of the Board of Maybank. Dato' Sri Wahid has been instrumental in driving change through the various community programmes in Maybank.



Pak Umar Juoro

Pak Umar Juoro has held several key positions in various institutions including Advisor to the Indonesian Parliament for Industry and Trade and later on Mining and Energy. He is currently Commissioner of Bank Internasional Indonesia (BII). Pak Umar is also actively involved in the areas of economic research, policy reviews and risk management. As Chairman of the Supervisory Board of Bank Indonesia, he assists the Indonesian Parliament (DPR) in supervising Bank Indonesia. He is also a Senior Research Fellow at the Asia Competitiveness Institute of Lee Kuan Yew School of Public Policy, National University of Singapore and a member of the National Economic Committee (KEN), appointed by the President Republic of Indonesia.



Mr Spencer Lee Tien Chye

Mr Spencer Lee has served the Maybank Group for more than 30 years, having started in 1975. A Fellow of the Institute of Chartered Accountants (England and Wales), he has held various executive positions in various countries where Maybank has a presence. Aside from being on the Maybank Foundation Board of Trustees, he is also a member of the Malaysian Institute of Certified Public Accountants and the Malaysian Institute of Accountants.

Maybank Foundation - Governance Structure

**Datin Paduka Marina Mahathir**

Datin Paduka Marina Mahathir is known to wear many hats - writer, women's rights and HIV/AIDS activist and TV producer. During the 100th anniversary of International Women's Day in 2011, Datin Paduka Marina was one of only two Malaysian women listed under the 100 Most Inspiring People Delivering for Girls and Women by WomenDeliver.org

**Dato' V. Danapalan**

Dato' V. Danapalan has an exemplary public service record, having held the positions of Deputy Director of National Institute of Public Administration, Deputy Secretary General of the Ministry of Social and Community Development, Secretary General of the Ministry of Science, Technology and the Environment, Senior Vice President of Multimedia Development Corporation (MDC) and Chairman and CEO of Malaysian Communication and Multimedia Commission (MCMC).

Group Corporate Responsibility Committee

Our aim is for Maybank Foundation to be seen as cutting edge in its investment for the community by drawing on our core business competencies to make a difference in peoples lives. We continue to strive to find the most effective ways to serve the diverse community needs across the region.

The Board is supported by a Group Corporate Responsibility Committee (CRC). The CRC reports to the Board of Trustees, with Maybank's Head of Corporate Affairs as the Head of the CRC.

The CRC consists of employees from all over Maybank, including Corporate Affairs, Group Human Capital, Community Financial Services, Maybank Islamic and Etiqa. CRC also consists of regional teams to ensure that Foundation operations and activities are aligned to end goals and reach the various geographic regions.

The CRC is authorised by the Board of Trustees to review activities that fall within the ambit of Foundation as well as to seek any pertinent information it requires from management to fulfil this task. The Head of the CRC is responsible for ensuring that all relevant information is made available to the Committee. In discharging its duties, the Committee is authorised to obtain external independent professional advice and, where necessary, the attendance of any third parties the Committee deems qualified. The CRC meets on a quarterly basis.





Corporate Responsibility Committee

- | | | |
|-----------------------------------|--------------------------------------|---------------------------|
| 1. Eliza Mohamed | 6. Corrinne Tan Ai Ngee | 11. Banita K. Sandhu |
| 2. Sharifah Nur Izma Syed Izaddin | 7. Surin Segar | 12. Abd Aziz Atan |
| 3. Esti Nugraheni | 8. Azahary Kamarulzaman | 13. Ezanee Mohamed Zahudi |
| 4. Geraldine Kamalanathan | 9. Sharifah Sarah Syed Mohamed Tahir | 14. Vivienne Beh |
| 5. Azni Ariffin | 10. Datin Orked Ahmad | 15. Eric H Montelibano |

Maybank Foundation in the News

Ajar kami berdikari

Maybank kumpul 18,000 kakitangan jayakan Hari CSR Global 2012

KUALA LUMPUR 22 Sept. - Maybank berjaya mencipta rekod tersendiri apabila 18,000 kakitangannya di seluruh rangkaian antarabangsa beramai-ramai menjayakan Hari Tanggungjawab Sosial Korporat (CSR) Global 2012 hari ini.

Nah Presiden Eksekutif Kanan Maybank, Mohd. Haniff Saadi berkata, sambutan ini merupakan inisiatif tanggungjawab korporat yang terbesar pernah dilaksanakan oleh syarikat Malaysia di peringkat dunia pada masa dan tarikh sama.

"Kami berpuas hati dapat menjayakan sambutan Hari CSR Global ini kerana banyak aktiviti yang diatorkan untuk memberi impak kelainan dalam tanggungjawab sosial dan pada masa sama, ia pun dapat membuat kepada masyarakat."

"Selagi sebuah institusi yang dilatih sentiasa memberi pinjaman dan bauxan, nilai-nilai 'member'

adalah yang menjadi nadi kepada Maybank selama ini dan kami mahu terus memenuhinya terhadap masyarakat," katanya.

Beliau berkata demikian ketika ditemui selepas turat hadid bersejuta lebih 1,500 kakitangan Bahagian Perkhidmatan Kewangan Komuniti (CFI) Maybank memertikan sambutan tersebut yang berlangsung di Task Training di sini.

Mesraut Mohd. Haniff, selain kakitangan Maybank di Malaysia, sambutan juga berlangsung di New York, London, Hong Kong, Indonesia, Thailand, Filipina, Vietnam, Kemboja, Brazil, China, Bahrain, Papua New Guinea dan Singapura.

Program CSR terbesar itu turut melibatkan sukrosa dari Peratuan Orang Cacat Penglihatan Islam Malaysia, Peratuan Orang Cacat Malaysia dan Peratuan Orang Buta Malaysia.

>>Oleh MOHD AZAM SHAH YAACOB

mohtazam@theiran.com.my

HULU SELANGOR: "Program ini bukan sekadar meningkatkan taraf hidup Orang Asli di sini, sebaliknya mengajar kami berdikari dengan cara moden," kata Tok Batin Kampung Ulu Melaka, Serendah, Hiking Seria.

Beliau berkata demikian mengenai projek Fertigasi Tanaman Rock Melon yang dijalankan Yayasan Salam Malaysia (Salam) dengan kerjasama Bahagian Perhubungan Korporat Maybank.

Projek fertigasi itu turut mendapatkan sokongan Lembaga Pemasaran Pertanian Persekutuan (Fama), Jabatan Kemajuan Orang Asli (Jakoa), Universiti Putra Malaysia (UPM) dan Jabatan Kemajuan Islam Malaysia (Jakim) itu dilihat sebagai kaedah terbaik bagi membuktikan masyarakat Orang Asli juga

mampu berjaya jika diberi peluang.

Hiking berkata, walaupun majoriti Orang Asli di situ menerima arus kemodenan apabila tinggal di rumah batu, mendapat bekalan air terawat dan bekalan elektrik, namun kebanyakannya tidak berpelajaran dan hanya mengharapkan hasil hutan atau bekerja di sektor pertanian.

"Kami memang gembira dan mengalu-alukan sangat program begini kerana ia mengajar kami cara untuk meningkatkan pendapatan kami secara moden."

"Jika tiada program sebegini mungkin kami akan terus mundur dan bekerja dengan gaji yang sedikit," katanya ketika ditemui dalam pelancongan program Fertigasi Tanaman Rock Melon di sini, semalam



BERSEKUTU menjaya Maybank memulakan aktiviti dan bauxan kepada masyarakat di Task Training, Kuala Lumpur, semalam.



Members of Orphan for Children Foundation are seen participating in the festive program at the Howard...

Maybank lends help to

BY PAULINE WONG newsdesk@theiran.com

PETALING JAYA: More than 18,000 Maybank employees worldwide recently participated in the Maybank Global Corporate Responsibility (CR) Day, a synchronised initiative with the aim of lending a helping hand to the underprivileged. In Malaysia, more than 350 employees from Maybank Group Human Capital (GHC), led by Maybank chairman Tan Sri Megat Zaharuddin Mawaz Mohd Nor and

"We are there again in this year we have lined initiatives that benefits and by the same time, last Saturday. The theme Life's an Educ support the br children from physical, social perspective. The GHC participative M

Bites of Delights set to be a musical treat

KUALA LUMPUR: Bites of Delights has nothing to do with food but everything to do with "twirly whirly tales from the Spice Trail". The Music Theatre event featuring a cast of 25 young people will premiere on Nov 15 until Nov 23 at the Temple of Fine Arts in Brickfields here. A gala performance will be held on Nov 20 to coincide with Universal Children's Day. "Bites of Delights is a unique Malaysian musical experience combining the traditions of gamelan

with contemporary theatre and the charms of young talent. A must-see for all who love the arts," said patron Datin Paduka Marina Mahathir. The production by the award-winning contemporary Malaysian gamelan group Rhythms in Bronze is in collaboration with children's theatre advocate Jumping Jellybeans. The event is presented by Maybank Foundation and supported by the United Nations Children's Fund (Unicef).

Maybank chairman Tan Sri Megat Zaharuddin Mawaz Mohd Nor and



HIJAU... Ketua Pegawai Operasi Yayasan Salam Malaysia Md Ghani Ibrahim (tengah) bersama Ketua Perhubungan Awam Maybank Eliza Mohamed menunjukkan cara menanam pokok 'Rock Watermelon' kepada peserta.



Antara aktiviti yang diadakan di pameran Nakhla, di Petronas Maybank, Batu Caves ini.

Peningkatkan kerja dengan... (text is partially obscured and difficult to read)

Maybank Foundation in the News

செலாயாங் மருத்துவமனையின் கல்வீரல் மாற்று அறுவை சிகிச்சை மையத்தின் மேலே போங்க் அறுவாரியம் ௭௭.162,000 வழங்கியது

எ.சி.எம். சிபிஎஸ்
 செலாய், ஜூன் 28 - செலாய் மருத்துவமனையில் கல்வீரல் மாற்று அறுவை சிகிச்சை மையத்தின் மேலே போங்க் அறுவாரியம் ௭௭.162,000 வழங்கியது. இதில் 150,000 ரொஸ்லி செ மைய அறுவாரியத்தின் மூலமாகவும் ௨௨,000 ரொஸ்லி செ மைய அறுவாரியத்தின் மூலமாகவும் உதவிடப்பட்டது.



கல்வீரல் மாற்று அறுவை சிகிச்சை மையத்தின் மேலே போங்க் அறுவாரியம் ௭௭.162,000 வழங்கியது.



செலாய் மருத்துவமனையின் கல்வீரல் மாற்று அறுவை சிகிச்சை மையத்தின் மேலே போங்க் அறுவாரியம் ௭௭.162,000 வழங்கியது.

22清贫优秀生受惠 马银行基金颁逾千万奖学金



22名清贫优秀生受惠 马银行基金颁逾千万奖学金

Twirly whirly tales with gamelan music

KUALA LUMPUR: When the twirly whirly tales of a musical ensemble early this week, the did not realize that the Twirly Whirly Tales from the Twirly Tales Foundation, a traditional Indonesian musical performance.

Although she was nervous during the audition, she showed confidence to sing and dance the Twirly Tales, a traditional Indonesian musical performance.

Twirly Whirly Tales is one of the 20 twirly whirly tales who will be performing in front of Twirly Whirly Tales from the Twirly Tales Foundation, a traditional Indonesian musical performance.

The Twirly Whirly Tales is one of the 20 twirly whirly tales who will be performing in front of Twirly Whirly Tales from the Twirly Tales Foundation, a traditional Indonesian musical performance.

Maybank sweeps NACRA awards

KUALA LUMPUR: Malayan Banking Bhd (Maybank) was the big winner at the National Annual Corporate Report Awards (NACRA) 2012, bagging Platinum in the Overall Excellence Award besides sweeping the highest number of awards.

The Gold and Silver awards for Overall Excellence went to Public Bank Bhd and Telekom Malaysia Bhd, respectively.

Public Bank also emerged as the top winner for the Best Annual Report in Bahasa Malaysia by winning the Platinum award.

The Platinum award for Best Corporate Social Responsibility was won by Nestle (Malaysia) Bhd.

NACRA's objective is to promote excellence in corporate reporting, greater transparency and accountability by respective parties their financial reporting.

The awards are to acknowledge and recognise high quality corporate reporting.

NACRA is open to all companies incorporated or registered in Malaysia as well as public sector and other organisations established in Malaysia.

Themed "Towards Excellence in Accountability", the competition is reflective of the need to create a corporate Malaysia that exceeds global benchmarks and cultivates greater confidence in our economy.

Maybank takes top honours for overall excellence

KUALA LUMPUR: Malayan Banking Bhd, Public Bank Bhd and Telekom Malaysia Bhd have topped the National Annual Corporate Report Awards (NACRA) 2012 Overall Excellence Awards.

Maybank emerged as the overall excellence award winner in the Platinum category, while the Gold and Silver awards for the overall excellence award went to Public Bank and Telekom Malaysia respectively.

Periklanan Indonesia Deposit Malaysia (PIDM) was the special award for non-financial organisations, while Nestle (Malaysia) Bhd won the Platinum Award for best corporate social responsibility.

All awards were presented by Deputy Trade, Co-operative and Consumption Minister Datuk Seri Ismail Sabri Yaakob.

"Today, having an understanding of current issues and having a clear strategy in place to respond to the changing business landscape is essential to maintain a competitive edge.

"This is where corporate and financial reports are a crucial platform to communicate these strategies to stakeholders.

"Today, more information doesn't mean it's more relevant.

Warga Maybank buat amal di PDK Tanah Liat



children

...to participate yet...
 ...to deliver sustainable...
 ...to bring value to society at...
 ...to participate in...
 ...to deliver sustainable...
 ...to bring value to society at...
 ...to participate in...
 ...to deliver sustainable...
 ...to bring value to society at...



Financial Report

Statement of financial position of Tabung Kebajikan Kumpulan Maybank (TKKM) as at 31 December 2012

	Note	31.12.2012 RM	31.12.2011 RM	1.1.2011 RM
CURRENT ASSETS				
Cash and bank balances		9,898,733	5,538	10,776
Deposits with other financial institutions	3	294,070	251,041	165,025
Sundry debtors		-	216	216
Held-for-trading investments	4	2,578,907	2,445,752	2,355,495
Amount due from brokers		5,073	-	-
		12,776,783	2,702,547	2,531,512
CURRENT LIABILITIES				
Provision for taxation		80,898	80,898	39,233
Amount due to a related company	5	7,565,516	-	-
Amount due to brokers		16,054	-	-
		7,662,468	80,898	39,233
NET CURRENT ASSETS		5,114,315	2,621,649	2,492,279
REPRESENTED BY:				
Accumulated funds		5,114,315	2,621,649	2,492,279

Statement of income and expenditure of Tabung Kebajikan Kumpulan Maybank (TKKM) for the year ended 31 December 2012

	Note	2012 RM	2011 RM
INCOME			
Donation		14,378,322	-
Interest income		155,177	100,755
Dividend income		11,339	13,657
Gain on disposal of held-for-trading investments		48,587	15,538
(Loss)/gain on fair value changes of held-for-trading investments		(2,690)	50,652
		14,590,735	180,602
EXPENDITURE			
Contribution for charitable expenses:			
Scholarships		7,565,516	-
Education		2,584,159	-
Conservations		200,000	-
Healthcare		235,962	-
Arts and culture		600,000	-
Other corporate social responsibility expenses		862,220	-
Travelling expenses		7,463	-
Professional fees		11,112	-
Meeting allowance (Trustees)		27,000	-
Other operating expenses		4,637	8,537
		12,098,069	8,537
Surplus of income over expenditure before taxation		2,492,666	172,065
Taxation	6	-	(42,695)
Surplus of income over expenditure for the year		2,492,666	129,370

The accompanying notes form an integral part of this statement.

Corporate Governance

Our Corporate Governance structure provides an oversight of our financial and non-financial targets, to ensure that our performance is transparent and accountable.



APPROACH TO GOVERNANCE

For us, compliance and governance are infused in every aspect of our business. Our commitment in instilling good governance is underscored by an extensive system of policies, processes, training and communications. This has set the tone for better governance and performance throughout the organisation.

To ensure that we are operating as a sustainable business in every sense of the word, our Board continually works towards achieving the highest standards of business integrity, ethics and professionalism. Towards this end, the Board keeps a keen oversight on the executive leadership, strategy and internal controls in risk management. Every decision taken at Board level is underlined to further our mission of humanising financial services.

We are constantly working towards improving the regulatory environment, especially as it has potential to create greater efficiency and choices for our customers. Good regulatory practices are a part of our 'license to operate' as we increase our footprint across the region.

Roles and Responsibilities of the Board

As a financial institution, Maybank is subject to the scrutiny of several different regulators and our Board abides by various requirements and guidelines. Overall, the Board is responsible for oversight of strategy, targets, performance and reporting. The Board's committee's are Audit committee, Credit Review Committee, Risk Management Committee and the Nomination and Remuneration Committee. Some of the Guidelines and Manuals that frame Board decision making include:

- Revised Malaysian Code on Corporate Governance
- Bank Negara Malaysia Revised Guidelines on Corporate Governance for Licensed Institutions
- Bursa Malaysia Securities Berhad Main Market Listing Requirements
- Green Book on Enhancing Board Effectiveness
- White Book on Regulatory Effectiveness
- Corporate Governance Guide by Bursa Malaysia
- Minority Shareholder Watchdog Group (MSWG) Corporate Governance Guideline.
- Bank Negara Malaysia Directors Code of Ethics

The Board continues to monitor best practice developments in corporate governance across all relevant jurisdictions.

A Board Manual provides guidelines on the Board's role, powers, duties and functions. The manual is an outline of processes and procedures to ensure transparency and effectiveness. The content includes terms of references, authority limits for the Board and its committees, as well as the various internal policies. In fulfilling their duties, the Board has full access to all information regarding Maybank's businesses as well as the advice and services of the senior management of the Group. In fact, independent professional advice can be obtained by any individual director, at Maybank's expenses, in furtherance of their duties in accordance with the Bank's Policy and Procedure on Access to Independent Professional Advice.

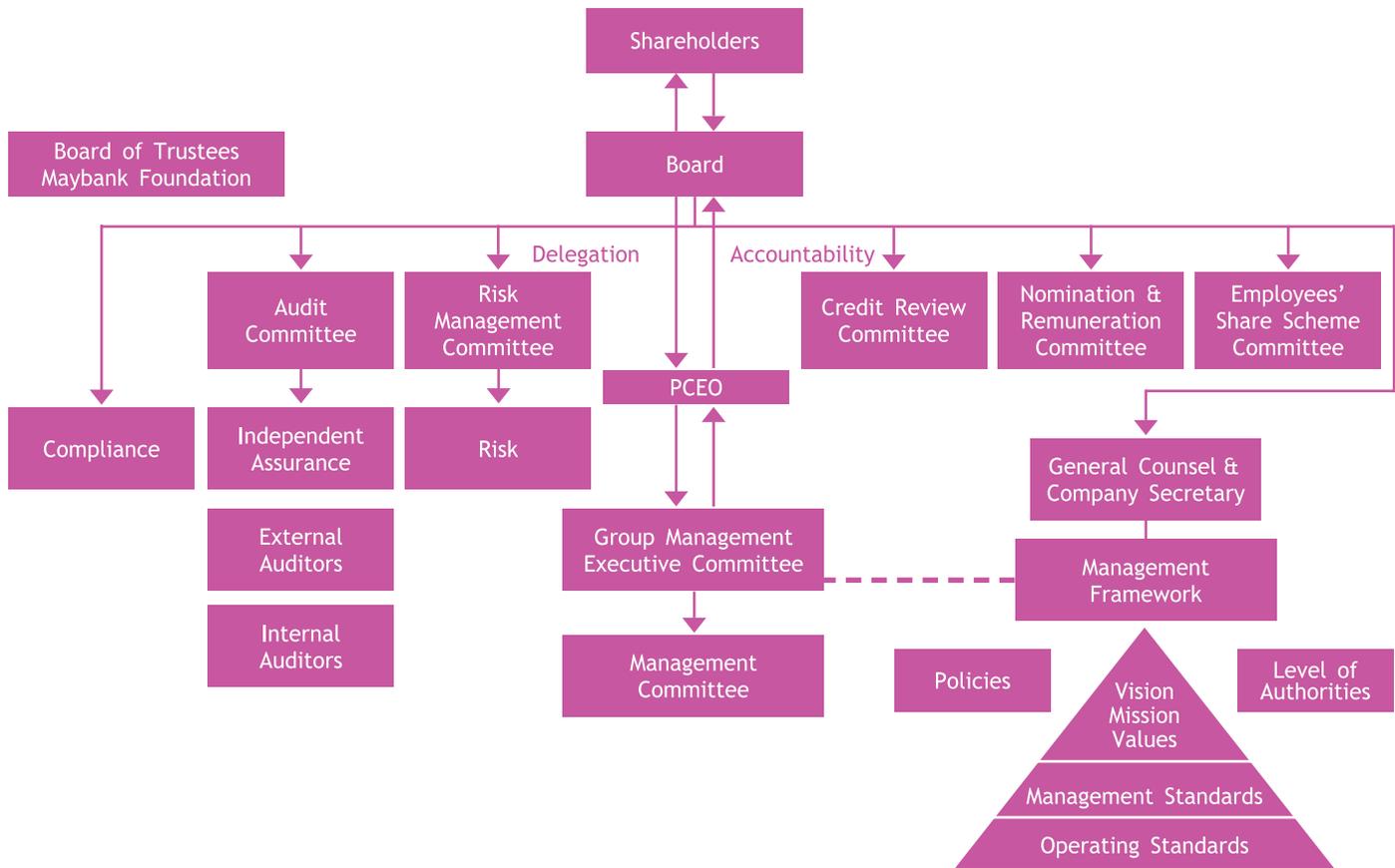
Upon the completion of every financial year, the Nomination and Remuneration Committee undertakes a formal and transparent process to assess the effectiveness of individual Directors, the Board as a whole and its committees, as well as that of the President and CEO, pursuant to the Board and Peer Annual Assessment exercise. Strict controls ensure that Board members are able to perform under the best circumstances.

Corporate Governance

Board Composition

The Board consists of 12 Directors from a variety of background, each with diverse expertise, skills and experience. There are eight Independent Non-Executive Directors, three Non-Independent Non-Executive Directors and one Non-Independent Executive Director.

All Directors go through a rigorous selection process. Appointments are guided by the Group’s Policy on Fit and Proper Criteria for Appointment for any Board role. Any appointment will first be assessed by the Nomination and Remuneration Committee.



Corporate Governance Structure

Role of the Chairman

The Chairman and PCEO are separate roles. The clear hierarchical structure with its focused approach aims to devolve authority. It also facilitates efficiency and expedites informed decision-making. The Chairman plays an important leadership role. He monitors the performance of the Board and effectiveness of individual contributions. He also manages ongoing dialogue with the PCEO. The Chairman is a respected ambassador for Maybank.

Conflicts of Interest

Each Director has the responsibility to determine a potential or actual conflict of interest in relation to any material matter that comes before the Board. Such a situation may arise from external associations, interests or personal relationships. Under the Directors Disclosure of Interest Protocol and Procedures for Handling Conflict of Interest, a Director may not exercise any influence over the Board if an actual or potential conflict of interest exists. In such circumstances, unless a majority of other Directors who do not have an interest in the matter resolve to the contrary, the Director may not be present for Board deliberations on the subject and may not vote on any related Board resolutions.

Corporate Governance

Investor Meetings

The Investor Relations unit frequently meets investors, analysts and potential investors to provide communication with the investment community. Senior management are also present in some of these meetings and road shows. We engage with our Indonesian office to coordinate investor relations activities for analysts and investors who are keen to meet BII.

Legal and Compliance

We have adopted robust legal and compliance standards to ensure that our policies are applied properly and consistently throughout the region. We maintain a dynamic system of internal controls and procedures designed to ensure financial integrity and transparent reporting.

Operating a regional business entails challenges of applying our standards in a range of local conditions and legal frameworks. Our legal and compliance team serves the regional business in a seamless manner, ensuring rigour and consistency in compliance, acquisitions, employment issues and dispute resolution. Our team includes compliance leaders at each business segment. Principal compliance leaders meet frequently to support and monitor our Maybank-wide compliance programme.

Code of Ethics

Our code of ethics underlines the principles upon which all staff are guided.

The purpose of the code is to uphold our values and maintain public confidence in Maybank. It also maintains public confidence in the security and integrity of the banking system. Internally, it upholds the high standards of personal integrity and professionalism of every employee.

As a regional entity, our Code serves to build impartial and unbiased relationships. It also helps to ensure that we avoid violating human rights or being complicit towards the abuse of human rights. Essentially, the code supports the development of a culture of respect in the way we treat our employees, work with our customers and suppliers and contribute to the communities where we operate.

An Ethical Workplace

The Malaysian Corporate Integrity Pledge is a public declaration that our company supports and upholds. This is in line with our continual efforts to ensure a corruption-free business.

In 2012, we reinforced the importance of maintaining a high standard of ethical behaviour and conduct through a series of Code of Ethics campaigns. As custodians of public funds, we hold ourselves accountable to the highest level of ethics.

**Staff should:**

- Ensure the integrity and accuracy of records and/or transactions.
- Ensure fair and equitable treatment in all business dealings on behalf of the Bank.
- Maintain the highest standard of service in their relationship with customers.
- Maintain confidentiality of all relations and dealings between the Bank and its customers. However, confidential information concerning a customer may be given or made available to third parties with the prior consent of the customer or when disclosure is authorised.
- Manage their financial matters well and not be subjected to pecuniary embarrassment.
- Observe and comply with laws and regulations relating to the operations of the Bank.

**Staff should NOT:**

- Engage directly or indirectly in any business activity that competes or is in conflict with the Bank's interest.
- Misuse or abuse their positions in the Bank for their personal benefit or for the benefit of other persons.
- Misuse information.

Corporate Governance

FRAUD...



Through 'Integrity Week 2012', we strengthened the message of 'integrity' within the organisation. We believe that integrity should be embedded into the DNA of the organisation given the breadth and depth of our businesses as well as the various levels of accountability accorded to our people. Our campaigns have been executed through a combination of reinforced and targeted messages. The campaign involved a series of booths, promotions, talks and forums to embed the value of integrity amongst employees.

To commemorate the Corporate Integrity Pledge in 2012, we rebranded the "Fraud Reporting Hotline" to "Integrity Hotline" and launched a new Anti-Fraud poster. The Integrity Hotline is our whistleblowing mechanism that has been implemented since 2004. All employees have multiple channels to raise concerns regarding any misconduct or wrongdoing such as fraud, criminal activities, dishonesty and malpractice. Furthermore, any reported concerns on accounting, auditing or internal controls can be communicated directly to the Audit Committee of the Board.

Integrity Hotline Channels:

- Toll free Message Recording Line at 1-800-38-8833
- Overseas phone line number is 603-2026 8112
- Protected Email Address at integrity@maybank.com.my
- Secured P.O.Box Mail Address at P.O.Box 11635,50752 Kuala Lumpur, Malaysia

The new anti-fraud poster highlights the six anti-fraud rules to ensure Maybankers uphold the highest ethical standards when discharging their duties:

1. Obligation to report
2. Be mindful
3. Comply with controls and procedures
4. Protect customer confidentiality
5. Secure your work area
6. Your password is confidential

In addition, the Anti-Fraud Rules were configured to appear as a screen saver at all employee desktops/laptops for one week to serve as a reminder of their responsibilities. We want employees to be on FRAUD A.L.E.R.T. at all times. We are committed to ensuring that fraud does not impact our customers, business partners or employees thereby sealing our reputation as an organisation that maintains and practices integrity in all aspects of our operations.



A good initiative that gives us more information of the issues related to integrity such as fraud, corruption and our core values. We are more aware of the role of each sector in promoting integrity as well as that of other agencies such as MACC in combating corruption.

Nurfatin Shahira
Global Banking

Competition

Pursuant to the Competition Act 2010, a Group Antitrust Steering Committee was set up and chaired by the President & CEO to oversee the implementation of our commitment to adhere to fair and equitable competition. We have reviewed our business processes and created awareness amongst employees with regards to the purpose of the legislation. In 2012, a Joint Secretariat to the Maybank Group Antitrust Steering Committee consisting of representatives from Corporate and Legal Services as well as Compliance was formed. The Joint Secretariat developed a Guide to the Competition Act 2010 which has been shared with the Board and will be disseminated through the internal e-portal.

The Guide is intended to assist all Maybankers in understanding the basic elements of the Act and competition law to ensure that business operations and conduct is not anti-competitive. The Guide highlights two key prohibitions under the Act, namely horizontal and vertical competitive agreements as well as abuse of dominant position.

Anti-Money Laundering/Counter Financing of Terrorism (AML/CFT)

Our commitment to adhering to the highest standards of compliance of the Anti-Money Laundering/Counter Financing of Terrorism (AML/CFT) requirements can be seen in the robust and comprehensive procedures and processes for prevention and detection of money laundering and terrorist financing activities. The Customer Due Diligence emphasises the screening of all customer identities and established chain of movement during on boarding. A sophisticated filtering and effective detection system to scrutinise customer transactions is also in place. This system allows for reporting of suspicious activities to the financial intelligence unit of Bank Negara Malaysia on a timely basis. As AML training needs to be enhanced and customised, we will be looking at reinforcing AML/CFT through specific training and certification programmes in the future. Our AML/CFT Policy Statement provides a brief description of the general principles and key measures to which the Group adheres. There is also an AML/CDD questionnaire which provides overview of the Group’s practices.

Best-in-class Regulatory Practice

We aim to adopt best-in-class regulatory practices to raise the standards of conduct in engaging with regulators and other stakeholders. Regulatory management is a continuous exercise that requires top management involvement. We proactively link regulatory objectives with the overall corporate strategy and build fact-based approaches to support our position on key regulatory issues. In doing this, we have moved away from a reactive mindset to a proactive approach to regulatory management. In fact, all employees across the Group attend mandatory compliance programmes as part of this practice.

Compulsory training programmes for staff

1. Banking and Financial Institutions Act (BAFIA) related programmes on banker-customer relationship

2. Anti-Money Laundering Act related programmes

3. Business Continuity Management

4. Integrity Hotline

5. Operational Risk Awareness

Corporate Governance

MANAGING RISK

Risk Transformation Programme

It is good governance and effective risk management that enabled us to forge ahead in our improved services and expansion plans. Improving our governance and risk management standards therefore remains a key focus.

Some of the risks that we face include the changing regulatory landscape, external competitive environment and the wider economic landscape. With the Risk Transformation Program (RTP) in place, we are able to better plan, monitor and respond to internal and external risk factors. With the RTP, our global risk management process is also better managed in all markets that we operate. This is key in enabling us to be a market and thought leader.

Improving our governance and risk management standards therefore remain a key concern as we expand regionally.



 Risk Appetite defines the quantum of risk the Bank is willing to accept based on its business model, target rating, target share price, etc.

 The desired Risk Profile of the Bank is managed by the limits set

 Risk Taking Capacity ('RTC') is the maximum amount of risk the Bank's capital base is able to withstand, which are in turn linked to its limit setting, etc.

 The Bank's actual Risk Profile utilisation of limits

HUMAN RIGHTS

Supporting the protection of human rights within our sphere of influence is fundamental to being a good business entity. Respecting human rights is rooted in our values and practice as a business and any breach of human rights in our activities is unacceptable. Preserving the dignity, individual liberty and personal equality of our employees and those we deal with has to be our minimum standard, for the benefit of all our stakeholders.

As a business, we believe that there is a need to increase our efforts to engage with all stakeholders to better understand our impact on human rights and take any appropriate action.

Human rights is a complex, wide ranging topic which is full of dilemmas. We focus on risks that are most material to our business and stakeholders. As such, compliance of human rights issues is reviewed regularly, to ensure that we address in a timely manner the new challenges that arise as our business develops or when changes in legislation take place. Due to the nature of our business, we have no cases of violation of child or bonded labour or any known violation of indigenous rights.

In terms of our employees, we have policies to promote a workplace of 'equal opportunities', including a policy on sexual harassment. We recognise the right of our staff to join in-house unions. As an equal opportunity employer, our disciplinary processes are subject to the highest principles of natural justice. In 2012, we carried out an average of 20 induction training courses to educate our employees on their rights.

Every member of our in-house security force is subject to the highest levels of training, including human rights and non-discrimination. In 2012, we have also upgraded the professionalism of our security force which required them to undergo the Auxiliary Police Basic Course before being commissioned as Auxiliary Police staff. The additional certification boosts their skills and ability to better handle and execute their roles. The security personnel are now entrusted with similar authority in accordance to the Malaysian police personnel, including making arrests for criminal offences.



Empowering

Communities

For more than 50 years, we have been a bank of the people - be it to our customers, investors, partners, employees or the communities we serve. Now, as we move to the next level of our community engagement, we are investing for greater impact. We want a high social return on investment for our business and for the communities we empower.



1.1%
OF PATAMI
SPENT
ON CORPORATE RESPONSIBILITY
COMPARED
TO 0.4% IN 2011

10,000
STUDENTS IN OUR
FINANCIAL LITERACY PROGRAMMES



RM1.8 MILLION
SCHOLARSHIPS

FOR THE ASIAN
UNIVERSITY FOR
WOMEN 

MICROFINANCE FOR
1,250  WOMEN THROUGH
BII BERBAGI

153 CAHAYA KASIH
PROGRAMMES
AROUND THE WORLD

AT A GLANCE

Our Approach

Overall approach towards community engagement

- Shared Aspirations
- Towards Impact Investment

Driving Education at All Levels

Supporting access to education across the region to foster academic and non academic excellence

- Maybank Foundation Scholarship Awards
- BII-Maybank Scholarship Awards
- Asian University for Women Scholarship
- Promoting Educational Excellence in Rural Schools (PEERS)
- Maybank Financial Literacy Programme

Our Common Heritage, Arts and Culture

Leadership in promoting and preserving traditional and new mediums of art and expression

- Musical Theatre-Gamelan
- Maybank Photography Awards

Empowering Communities

Reaching out to our communities across the region with empowerment programmes and disaster relief

- Microfinance in Indonesia
- Zakat
- Disaster Relief
- Employee Volunteerism - Cahaya Kasih

Healthy Living

Developing access to affordable healthcare

- Liver Transplant Centre - Hospital Selayang

Sports

Supporting premier sporting events in the region and nurturing local talent

- Golf
- Badminton
- Tennis
- Athletics



Students and teachers from schools in the southern region, including those from Promoting Educational Excellence in Rural Schools (PEERS) were invited to visit the newly opened Legoland

Our Approach

Our Corporate Responsibility (CR) efforts are an extension of our mission to humanise financial services. We have steadily built strong regional roots by focusing on the fundamentals of a healthy balance sheet and profitability, whilst connecting with the community. We care about the communities that sustain our business and we work at giving back through partnerships, volunteer efforts, targeted social investments and other forms of engagement.

At this juncture, our regionalisation journey has brought forward regional community challenges that will take significant effort, time and innovation to address. Although this seemed daunting at first, we adapted our existing business approach to evaluate community issues, responded and tracked them as we would our business performance indicators.

As a business, we want to unlock social value in communities. This is a win-win strategy as we will benefit and gain value as much as our communities. Our employees are already equipped with the skills and aptitude needed to drive our engagement process. By linking our social investment initiatives with the scope of our business, we are continually trying to push the boundaries of our impact. Our approach to community engagement is not to simply align charitable giving with business objectives or merely create annual programmes across our core identified areas. Instead, we aim to synthesise our fundamental values and the Maybank Foundation goals into our community strategy.

5 FOCUS AREAS

EDUCATION

ARTS, CULTURE AND HERITAGE

COMMUNITY EMPOWERMENT

ENVIRONMENTAL DIVERSITY

HEALTHY LIVING & SPORTS

Shared Aspirations

We realise that the magnitude of community issues are so big that we cannot address them all. To address them well and achieve the desired impact, we will have to leverage on partnerships with other organisations. This need for interconnectedness has pushed us to work with regional offices, partners, customers and other stakeholders to drive together broader shared aspirations.

As a result, we have been able to craft community programmes that are globally significant, yet locally relevant. It is important for us to continue building the circle of trust and goodwill that we have earned over the years.

For us, corporate responsibility initiatives contribute to enhancing reputation, brand value and economic opportunities. In 2012, the Group decided its differentiation would be covered across five themes: education, arts, culture and heritage, community empowerment, environmental diversity and healthy living and sports. RM68.9 million was utilised for corporate responsibility activities, carried out either by each company in the Group or in collaboration with Maybank Foundation which received an initial funding of RM50 million in 2011 (to be utilised over 3 years). Maybank Group's CR expenditure itself was approximately RM46.2 million. Maybank Foundation contributed another RM22.7 million

Towards Impact Investment

The majority of spend in community programmes in 2012 was in education, sports and community investment. Our focus on scholarships for underprivileged students across the region will continue and we hope that our investment in this area will increase in the coming years. Sports is an important component of our community engagement. The impact is seen in terms of building sporting excellence, driving unity across the region and building our strong brand presence.

We will also continue to invest in community empowerment activities as well as arts, culture and zakat. Zakat is the purification of wealth and contributed largely through Maybank Islamic and Etiqa. Our zakat contributions benefit educational and welfare needs of the community. Community investment is about the future and how we invest will determine the type of future we envision. To achieve the impact we hope for through our investments, it is important for us to show leadership in community engagement by converting our vision into long term, tangible results. Monitoring and evaluation therefore play a large role in ensuring not only the success of our social goals, but also in determining the broader community's perception of progress made.

As we move forward, we are keen to ensure that our CR footprint is enhanced outside Malaysia, especially in countries where business growth is likely to be fastest.

Arts and Culture

RM655,000*

Community Empowerment

RM5,011,081*

Disaster Relief

RM419,295*

Donations and Sponsorships

RM2,640,961*

Education

RM20,006,681*

Environmental Diversity

RM502,025*

Healthy living

RM1,912,239*

Sports

RM30,500,000*

Zakat

RM7,203,434*

Total

RM68,850,716*

* Not inclusive of all countries and subsidiaries

Embedding the Community in Our Business Strategy

Driving Education at All Levels

Maybank Foundation Scholarship Programme

In 2012, over 29.0% of spend was in education amounting to over RM19 million. The Maybank Scholarship Award Programme for tertiary education is central to our educational initiatives and is part of the Group's Human Capital Development strategy as Maybank aspires to become a regional financial services leader and a top quartile employer in each of the markets we serve by 2015.

In 2012, Maybank Foundation expanded its local scholarship programme to include sponsorship at pre-university levels. Nineteen scholarships were awarded to local universities and twenty two scholarships to overseas universities. The Programme aims to build human capital within the financial services sector by:

- assuring promising students of a quality education through financial assistance
- providing additional skills training through a mentoring programme, internship opportunities and training workshops
- providing employment for scholars within the Maybank Group when they complete their studies

We take a holistic approach to the scholarship programme by providing additional learning and development initiatives, such as internships within Maybank and a Mentorship Programme to nurture our scholar's professional and personal development.

Moving forward, the total number of scholarship awards under the Maybank Foundation Scholarship Awards Programme will be increased to 50 in 2013.

We believe that by investing in higher education for girls, we will achieve long term impact. The World Development Report 2012 provides evidence based data that investments and outcomes in human development — namely health, education, social protection and labour are shaped by gender equality. There are interlinkages between gender equality and economic growth which means that investing in the further education of girls is an investment in the future development of Asian countries.

We particularly focused on higher education because much of the spotlight on girls' education issues globally has been on gender parity in early learning. Yet, the World Bank's education strategy 'Learning for All'

indicates that higher educated women tend to be healthier, participate more in the formal labour market, earn more income, have fewer children and provide better healthcare for their children. The World Development Report 2012 also reveals that the output per worker could be 7 to 18 per cent higher if female workers were to work in the same sectors or jobs. Helping girls from disadvantaged backgrounds and rural areas to further their studies will be an important driver for this programme.

Moving forward, we intend to attract the most promising scholars from across the region to enable them to fulfil their potential. We will continue to expand on our scholarship programmes.



Dato' Sri Abdul Wahid Omar with a group of newly minted Maybank scholars

BII-Maybank Foundation Scholarship Awards Programme

In November 2012, BII and Maybank Foundation launched a scholarship programme aimed at qualified underprivileged students from 33 provinces in Indonesia. The scholarship covered university fees at one of 11 universities in Indonesia, Malaysia and Singapore, subsistence and book allowance, a computer, insurance and travel.



Dato' Khairussaleh Ramli (center), CEO of BII and Pak Umar Juoro (right), Commissioner of BII officiating the BII-Maybank Scholarship Awards launch

Scholarship Awards for the Asian University for Women

In 2012, we launched the Asian University for Women scholarship programme. It provides full-board 5-year scholarships to promising first-born daughters of underprivileged families from Indonesia and Malaysia at the Asian University for Women (AUW) in Chittagong, Bangladesh. The first batch of students from Indonesia and Malaysia will be enrolled for the August 2013 intake. We invested RM1.8 million in this initiative.



At the launch of the BII-Maybank Foundation Scholarship Awards



Students at the Asian University for Women



Students engaging in a discussion with a facilitator at AUW

Schools Adoption Programme:

Promoting Educational Excellence in Rural Schools (PEERS)

Maybank has always supported access to education particularly for children in rural areas who have various disadvantages and tend to be left behind in terms of educational performance.

We have been a Programme Partner of the PINTAR initiative which was launched by the Government, Khazanah Nasional Berhad (KNB) and the Putrajaya Committee on Government-Linked Companies High Performance (PCG). PINTAR, which stands for Promoting Intelligence, Nurturing Talent and Advocating Responsibility, is a collaborative social responsibility initiative whereby GLCs and private corporations in Malaysia adopt schools in under served areas nationwide to foster academic and non-academic excellence.

In 2012, we continued the collaboration with PINTAR but expanded our adoption to an additional 12 rural schools and created a new brand name, PEERS (Promoting Educational Excellence in Rural Schools). The programme now has additional goals of:

- Improvement in overall UPSR passing rates, with an emphasis in English
- Improvement in the methodology of teaching in English
- Improvement in attendance rate amongst students by promoting engaging programmes
- A competitive environment which celebrates academic achievement and excellence

We are currently reaching out to 4,800 students. We hope to extend this to 10,000 by 2015.

To build the capacity of these schools, our involvement often includes ongoing voluntary employee participation in various projects including engagement sessions with parents and school teachers, providing remedial and extra tuition classes, literacy projects, motivational talks, educational clinics and skills building workshops. These are based on four core modules:

- Motivation and team-building
- Educational and exam support
- Teacher and parent capacity building
- Reducing vulnerabilities and social issues

To complement this school adoption programme, we also sponsored the NSTP School Times section with content provided

by our programme partners such as the British Council, Money Tree and the Perdana Leadership Foundation.

A Teachers' Development Programme in partnership with the British Council will provide training and support to the English teachers at all adopted schools. The 'Fun Times with English' programme was developed in partnership with Learning Vista Sdn Bhd. 'Fun Times with English' will be rolled out in all 14 adopted schools. Educational programmes related to ICT empowerment and motivational activities for the schools will also be organised.

Moving forward, we plan to adopt more schools to reach our target of impacting 10,000 students. We also hope to expand and replicate the programme at our key markets.



Students of Sekolah Kebangsaan Sungai Duri, Pulau Pinang working together in group educational activities.

UPSR Results

A comparison of 12 of our PEERS schools' performance in the Ujian Peperiksaan Sekolah Rendah (UPSR) can be seen below.

UPSR RESULTS FOR 2012 UNDER PEERS PROGRAMME

No.	School	Total of Candidates in 2012	Overall Pass Rate (%) in 2012	No. of students achieving				
				7As	6As	5As	4As	3As
1	SK Kesang Tasek, Johor	27	84.6	-	-	3	1	5
2	SJKT Batu Arang, Selangor	61	42.6	3	2	3	3	8
3	SK Lahar Kepar, Penang	55	65.4	-	-	3	5	1
4	SK Kundasang, Sabah	48	55.17	-	-	-	2	6
5	SK Bukit Marak, Kelantan	131	73.28	-	-	26	13	8
6	SJKC Chong Boon, Mukah, Sarawak	74	67.57	-	3	2	2	3
7	SK Pulau Tuba, Langkawi, Kedah	44	59.09	-	-	1	2	1
8	SJKT ladang Strathisla, Chemor	10	50	1	0	0	1	3
9	SK Kampung Kenang Sg Siput, Perak	44	11.36	-	-	-	-	-
10	SK Bukit Rok, Pahang	32	40	-	-	-	2	1
11	SK Sungai Berua, Terengganu	2	50	-	-	-	-	-
12	SK Sungai Duri, Penang	131	63.36	-	-	11	9	10
13	SJKC Jenjarom, Selangor	320	50.31	21	28	23	-	-
	TOTAL	979		25	33	72	40	46

UPSR Pass Rate



Maybank Foundation aims to help all the schools under our school adoption programme in terms of available resources, skills and support. We want schoolchildren to get a good foundation in life and we believe that it starts with basic education. Education is the basis of individual and community empowerment and we plan on working closely with our partnering schools, both new and familiar, to help benefit the students, teachers, parents and the community at large.

Financial Literacy Programme

Children and young people need the skills to make good decisions about money which in turn provide them with the capability to plan and meet their future goals and security.

We entered into a major partnership with MoneyTree (M) Sdn Bhd to educate school children on financial management and promote entrepreneurship among youths through the Young Entrepreneurship Startup (Y.E.S.) Challenge. More than 10,000 students were impacted through this programmes. We were also the principle sponsor for the "Live & Inspire Series". All our adopted schools were exposed to a number of financial education workshops which were endorsed by the Malaysian Ministry of Education.

For 2013, Maybank Foundation aims to push learning boundaries further by introducing an educational television animated series called CashVille Kidz. CashVille Kidz is a 24 episode series that will air on Astro TVIQ and Astro On-The-Go beginning February 2013. Selected schools will receive accompanying Teacher Handbooks and Student Workbooks. The show will teach young schoolchildren good spending habits and financial management skills. In addition to the episodes and workbooks, schools will produce content-related projects and students will compete in an English Writing Competition related to financial literacy.

The number of schools involved in this programme will also be increased from 120 to 800. Our programme partner, MoneyTree, will work with the Malaysian Technology Development Corporation to introduce e-stores in schools. These e-stores will be part of the 'Business District' in the CashVille Kidz Portal. Profits made will then be divided between the students, their schools and their chosen charity. Students will be able to use points gained to get discounts on other e-store items, where every purchase will earn them even more points.

Moving forward, we hope to scale our financial literacy programme at a regional level.

OUR PARTNERSHIP WITH MONEYTREE MALAYSIA

Maybank runs three financial literacy programmes with Money Tree (M) Sdn Bhd, with the endorsement from the Malaysian Ministry of Education.



MoneyTree's philosophy is to provide a learning environment which evolves around creating lessons which are grounded in "true-to-life" situations and a fun-filled environment that encourages the student to seek more information voluntarily. MoneyTree was started out of a passion to design and deliver new and never tried before methods of delivering and teaching content. MoneyTree programmes have reached more than 17,000 students.

The Maybank MoneyTree Financial Literacy Programme (FLiP)

is aimed at children in three age groups - 6-8 years olds, 9-12 years olds and 13-17 years olds. They are taught basic financial concepts such as inflation and interest rates, responsibility and decision-making skills by running their own 'mini-economy' complete with cash, credit cards, banks, job scopes, promotions and demotions. Upon successful completion of the workshop, students earn both a certificate and core curriculum points. FLiP reached 3,035 primary school students in 2010, 3,500 students in 2011 and 4,225 in 2012.

The Maybank MoneyTree Idea

Exchange Programme (MIX) is aimed at undergraduates (17-24 year olds), from 15 Universities and Colleges around the Klang Valley. The programme gives them the opportunity to pitch their business ideas to investors and potential employers. These include CEOs of multinational corporations,

representatives from grant providing agencies, industry experts and successful entrepreneurs. The programme aims to build understanding and confidence in what is required for a successful pitch and how to generate ideas which are commercially viable. MIX reached a total of 2,480 young people in seven colleges and universities and more than 12,500 undergraduates via Facebook on the respective MIX FB Pages of universities and colleges during the period 2011-2012.

The Maybank MoneyTree Young Entrepreneur Start-Up Challenge (YES)

aims to fine-tune the skills of would-be young entrepreneurs from understanding the mindset and characteristics of successful entrepreneurs, developing research, presentation and pitching skills, to startup cashflow and people management, marketing and branding. YES reached 1,850 young entrepreneurs in 2010, 2,520 in 2011 and 6,520 in 2012.

Other Educational Initiatives Community Leadership Programme in Singapore

This is a programme that reached out to academically challenged children in Singapore neighbourhoods. Run by Maybank Singapore in collaboration with the Heartware Network and Ministry of Education of Singapore, the programme aimed to help students who were less academically inclined. Youth volunteers functioned as mentors who organised free tuition and motivation. The programme has benefitted 10,000 children and will be expanded in 2013.

Maybank Singapore's Get-to-School Transport Grant

The grant is aimed at alleviating the financial burden of low income families. Schools have reported that students from low income families are skipping school as the transportation costs were prohibitive for them. Sixty five students were awarded the grant in 2012, allowing them to attend school without the worry of straining their families financials.

Moving forward, we aim to reach out to more needy students from the Madrasahs. We are also looking to include a mentorship programme which includes Maybank staff. This provides our staff an opportunity to interact with the students and contribute to the community.



A young child donating money to the Get-to-School Transport initiative

YAYASAN PENERAJU PENDIDIKAN BUMIPUTRA



We have provided support to Yayasan Peneraju Pendidikan Bumiputra which is a foundation promoting education under the Unit Peneraju Agenda Bumiputra (TERAJU). The foundation aims to undertake various initiatives to support the educational needs of underprivileged Bumiputra students such as through scholarships as well as capability and capacity building. The mandate of the

foundation is to increase the quality, quantity and relevance of Bumiputera talents through academic and vocational education.

The Foundation is part of TERAJU's mission to strengthen the participation of Bumiputras in the economy in line with the Malaysian government's aim to make the country a developed nation with a high income by 2020.

EDUCATION AND LEADERSHIP

Our leaders have made conscious effort to participate in various sharing sessions with diverse audiences in 2012. Participation in such events is important because it enriches our experience with stakeholders. It is also part of our responsibility as a leading organisation in the region.

Dato' Sri Abdul Wahid Omar, our PCEO is a popular and inspirational speaker. Some of his sessions in 2012 included:

- *CNBC Summit in Malaysia*
Topic : *How is the Malaysian Economy Faring in the Current Economic Climate given the Global Headwinds?*
- *Transforming Leaders at Taylor's Lakeside Campus organised by The Edge Billion Ringgit Club*
Topic : *Transforming a leader*

Pn Nora Manaf, EXCO member, participation included:

- *Young Corporate Malaysians (YCM) 4th Annual Summit*
Topic : *Shattering the Glass Ceiling - Managing Diversity in Leadership and organisation*
- *IBM Smarter Women Conference*
Topic : *Gender and Transformational Leadership*

Tengku Dato' Zafrul, CEO of Maybank Investment helmed several sessions in 2012 including:

- *The International Bar Association's 3rd Annual Asia Pacific Conference 2012*
Topic : *Plenary Session on The General Economic Prospects for South East Asia 2013*
- *Perdana Leadership Foundation CEO Forum*
Topic : *The Global Economic Outlook & New Growth Drivers for Malaysia 2012 and beyond*

Our Common Heritage, Arts & Culture

Maybank's commitment to supporting heritage, arts and cultural projects spans more than a decade.

In 1988, we launched the Maybank Numismatic Museum to promote awareness of Malaysia's distinctive monetary history. The first of its type in the country, the museum displays a collection of rare coins and currencies from the 15th century Malacca Sultanate to the present day and includes 'coin trees' and monetary tokens in the form of elephants and hats.

We also established the Balai Seni Maybank at our Head Office in Menara Maybank in 1988 and over the years, accumulated a valuable art collection in our support for the work of first generation artists such as Latiff Mohidin, Ibrahim Hussein, Khalil Ibrahim, Syed Ahmad Jamal and Chang Fee Ming and second generation abstract expressionists like Sharifah Fatimah Zubir, Tajudin Ismail and Awang Damit.

Our gallery space is used to promote aspiring new artists from Malaysia and abroad and to highlight special community efforts by disabled artists, children and other community groups.

In 2012, we sponsored an art exhibition at Balai Seni Maybank by People with Disabilities (PWD) in collaboration with Universiti Kebangsaan Malaysia and the Malaysian Council of Rehabilitation. The exhibition, entitled 'Nukilan Jiwaku' was aimed to empower people with disabilities to become economically self-sufficient. In addition to raising RM20,000 for the organisation, the exhibition provided participants with skills and business training to help them run their own businesses.

This was a Cahaya Kasih Challenge (CKC) project undertaken by employees of Maybank's Group Risk and Credit Management Department as part of their employee volunteerism project. The initial capital to start the project was provided by Maybank Foundation.

We are currently drafting plans to consolidate the Numismatic Museum and Balai Seni Maybank into one gallery space with the aim of increasing the number of visitors and provide an outreach platform to educate visitors about Malaysian culture and heritage. The gallery will be called The Maybank Foundation Gallery and will be maintained by the Foundation. We will be looking forward to renewed engagement in arts and culture with the enhanced gallery space in 2013.

Our intention in undertaking the Nukilan Jiwaku Project is to provide the PWD with the opportunity to use their skills and build a livelihood. The quality of the works were amazing and we are thrilled with the response.

Dr John Lee Hin Hock
Group Chief Risk Officer, Maybank



Dr. John Lee Hin Hock admiring a painting at the Nukilan Jiwaku exhibition

Empowering Communities

Musical Theatre - Gamelan

In November 2012, Maybank Foundation sponsored a children's musical theatre event at the Malaysian Temple of Fine Arts called 'Bites of Delight'. It featured a talented cast of 27 children between the ages of 8 and 18, a 21-member production team comprised primarily of arts professionals from Kuala Lumpur and 30 Maybank volunteers through the Cahaya Kasih programme. The children both acted and played the accompanying gamelan music.

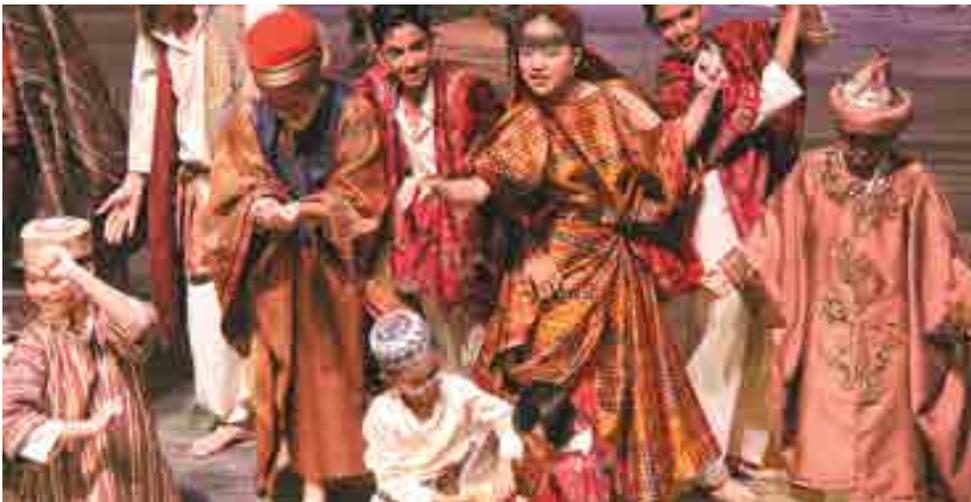
The musical play was about a group of storytellers journeying through the 'Spice Trail' countries, taking the audience through a series of fascinating stories from Asian folklore. The live gamelan music was a seamless part of each storytelling session. The performance provided insights on the Malaysian gamelan and Asian folk stories, while the young performers learned not only about the gamelan and performing arts, but also about professional theatre production.

Approximately 4,500 members of the public enjoyed the performance during the 10-show run in November 2012. The production by the award winning contemporary Malaysian gamelan group Rhythm in Bronze, in collaboration with children's theatre advocate Jumping Jellybeans, was supported by UNICEF, with the Gala Performance coinciding with Universal Children's Day on 20 November, 2012.

As a secondary event, an Arts and Craft exhibit-cum-auction was held alongside the musical performance. It featured artworks by a group of children diagnosed with varying degrees of autism. The featured artworks were available for purchase and five paintings fetched about RM10,000 at the auction event.

The effort involves inculcating awareness of contemporary gamelan amongst our Malaysian children towards a greater understanding of how the diversity of our people here helps to build a wonderful Malaysia

Tan Sri Dato' Megat Zaharuddin Megat Mohd Nor,
Chairman of Maybank



The young performers entertaining the audience with their talent



We are honoured to be a part of an initiative that embraces a child's right to participate in cultural life and the arts. Artistic pursuits help children develop qualities such as empathy, compassion and humaneness through creativity, while exploring the wonders of their own imagination.

Wivina Belmonte,
UNICEF's Representative to Malaysia.

Maybank Photography Awards

The Maybank Photography Awards was an initiative to establish a gold standard for photographic excellence. A collaborative effort between Maybank, Leica, Profoto and HP, the competition looked to showcase the values that make us what we are and who we are through the power of images.

The theme for 2012 was "Being Human". The awards was driven by the believe that images have the ability to spur social development and cultural understanding. This is because the images can reflect on our common humanity and thus uniting us as a people. All submissions received were shortlisted for final judging and public voting. A total of 4,890 registrations were received for the competition. The awards were well received and during the competition period, a total of 1,065 photos were shared on Facebook. It was also downloaded widely and covered by leading Malaysian bloggers.

WINNER (Mohamad Saleh bin Dollah)



Empowering Communities

1ST RUNNER UP (Kumaraguru Krishnan)



2ND RUNNER UP (Siah Ann Khong)



3RD RUNNER UP (Mohd Fazli bin Abdul Rahim)



Empowering Communities

Microfinance in Indonesia

Of the 32.35 million people living in poverty in Indonesia (Central Bureau of Statistics 2009), 70% are women. This was enough to raise BII's concern, which resulted in the launch of a Microfinance programme in West Java, Central Java and Yogyakarta. The programme aims to alleviate the region's poverty level by empowering women to be more independent, thus enabling them to earn income with improved knowledge and skills.

Under the scheme, BII provided revolving funds of RM337,300 (IDR 1 billion) to Yayasan Mitra Dhuafa (YAMIDA) who, through Koperasi Mitra Dhuafa (KOMIDA), will disburse loans to 2,000 women in the areas of Jonggol (West Java), Sragen (Central Java) and Kulon Progo (Yogyakarta) over three years. The programme adopts the Grameen Bank model whereby every beneficiary will have to attend training for five days before receiving the fund. BII volunteers taught basic accounting for the beneficiaries at the launch while KOMIDA provided further training on financial monitoring, savings and loans every week thereafter.

By the end of December 2012, RM243,800 (IDR 755,700,000) was lent to 742 women, out of which 18.5% went on to set up food retail businesses, 18.2% in ranching, 15% opened small shops, 13.6% invested in agriculture, 9% sold vegetables and 25.7% started handicraft, traditional medicines and investment businesses. The average loan given is IDR 1 million per beneficiary with a tenure of 50 weeks and an interest rate of 2% payable every week.

BII is also planning to start a RM520,000 micro-financing scheme with loans disbursed through Baitul Maal Wa Tamwil (BMT) Cooperatives.

Moving forward, BII will further advance these programme to other districts in Indonesia.



At the launch of the BII Berbagi programme, with guest of honour Women's Empowerment and Child Protection Minister, Linda Amalia Sari

Through this programme, we hope that we will be able to help alleviate poverty levels by empowering women to be independent, earn more income and improve knowledge. Ultimately, this empowering program aims to help the beneficiaries to become bankable communities.

Dato' Khairussaleh bin Ramli,
President Director BII

Empowering Communities

Zakat

As the leading Islamic services provider in the region, we have the ability to choose distinct zakat activities for deserving causes. In 2012, our zakat contribution amounted to RM7,203,433. Our contribution benefits various organisations and the underprivileged, including Islamic Higher Education institutions, Islamic NGOs, religious schools, orphanages, suraus and mosques.

Disaster Relief

Our work in disaster relief aims to alleviate communities affected by natural calamities. Apart from humanitarian assistance, our employees often volunteer during these trying times.

Monsoon in the Philippines

The Philippines was hit by a monsoon in July 2012, peaking with a non-stop deluge that lasted more than 48 hours. It submerged 80% of the National Capital Region as well as vital rice-growing areas in Luzon. Maybank Foundation, through Maybank Philippines Inc. (MPI), donated USD100,000 for the rehabilitation of communities severely affected by the flood brought about by the Habagat rains. The funds were distributed to the general community (not including Maybank employees) through Sagip Kampamilya, a programme organised by ABS-CBN Foundation Inc. that extends emergency humanitarian assistance to families affected by calamities. The donation went to affected families and to the Frances Elementary School which was severely damaged during the calamity. MPI staff also made personal contributions.

Xavier Ecoville Community Centre, Cagayan do Oro City

Cagayan de Oro City was one of the areas severely hit by flash floods brought by Typhoon Sendong in December 2011. Maybank Foundation made a contribution to Xavier University which is responsible for establishing Xavier Ecoville, a 5-hectare eco-friendly resettlement community for Sendong survivors, which accommodates approximately 600 families displaced by the typhoon. The Maybank Community Centre will be a multipurpose venue with toys, a library, Chapel and space for events and community-building. In 2013, we intend to provide further capacity building and training for the families to have a better life.



Xavier Ecoville Community Centre at Cagayan do Oro City



Donation of USD 100,000 to ABS-CBN Foundation Inc.

Mount Merapi Rehabilitation Project

As part of a rehabilitation programme for communities living in the shadow of the volcano Mount Merapi in Central Java, BII sponsored the building of clean water installations for seven villages in Muntilan, providing clean water to more than 1,360 Merapi residents. They also donated farming equipment such as tractors, a corn grinding machine, padi and grass thresher machines as well as water pumps to be used by these seven villages. At the same location, members of BII Board of Directors, Commissioners and employees also planted trees, initiating BII's programme in planting 10,000 trees in the Mount Merapi area. This follows on from the 2011 Merapi Rehabilitation Programme where BII provided three clean water installations for more than 450 residents in three villages as well as a rehabilitated irrigation system and road construction for several villages in Magelang.

Maybank also donated towards disaster relief operations in Cambodia and Thailand over the course of 2012.

Moving forward, we hope to intensify humanitarian assistance should such unfortunate disasters occur.

Employee Volunteerism - Cahaya Kasih

For the past few years, Cahaya Kasih has been the Maybank Group's banner for employee volunteerism. It is a channel where employees are able to engage directly with the community through regional offices, sectors and overseas operations where the Group has a presence.

In 2012, the number of volunteers grew with 21,147 employees, spending 178,422 volunteers hours participating in 153 community initiatives. Maybank provides employees with three days unrecorded leave annually to encourage volunteerism. This year, we decided to kick it up a notch by challenging Maybankers to come up with original and creative initiatives that will make a positive difference in the lives of their chosen community. Over 200 project proposals were received for this Cahaya Kasih Challenge (CKC). Each proposal was given an initial grant to kick-start their project. The Top 20 Projects were granted an additional allocation of RM20,000 to further benefit their beneficiaries.

At the end of the challenge, each project was judged by the output and impact of their initiatives. The initiatives had to demonstrate results and long-term impact. The best implemented programmes in each respective category were then given monetary rewards to further develop their project. Some of the programmes included "Child Sponsorship - Way Out of the Dump" in Cambodia and Project "KREATIP" in Indonesia. A full list of the projects are available at the Maybank Foundation website.

Moving forward, we intend to continue with the Cahaya Kasih programme as a flagship volunteerism programme across the Group. We hope that the programme will deliver further impact to the community as well as benefit our employees.



Maybankers with students of the Stung Mean Chey School in Phnom Penh, Cambodia during the Global CR day

It was a wonderful experience to be part of the team of judges and as I have already said, to me all the participants were winners. They were dedicated and took their tasks seriously. I would like to compliment Maybank Foundation for coming out with such a good idea and for its support to the teams.

Nor Faridah Abd Rashid

Editor, Foreign Desk

Bernama

CKC Final Assessment Judge

CHILD SPONSORSHIP: A WAY OUT OF THE DUMP (WINNER OF THE CAHAYA KASIH CHALLENGE 2012)

BACKGROUND

Stung Mean Chey is located on the southwestern outskirts of Phnom Penh. It is the site of Cambodia's largest dumpsite. Many of Phnom Penh's poorest families consider the mountains of trash the source of their livelihood. Children as young as four are forced to spend a majority of their childhood surrounded by rubbish. Most if not all, are malnourished. Maybank partnered with the People Improvement Organisation (PIO) a non-governmental organisation (NGO) that works with underprivileged children from Phnom Penh. PIO focuses its efforts on children from the dumpsites and gets them to go to school. PIO runs the Stung Mean Chey School for the children from the area.

Our sponsored children

We selected 20 children with the hardest life situation yet with the highest potential to excel for a year-long sponsorship programme. Through the sponsorship, their monthly education costs are covered, as well as school, food, hygiene and other basic supplies. Maybank volunteers served as role models that are in many cases missing in the lives of the children – this helps them to stay motivated, focused and excited about education and the opportunities that it offers. Apart from financial contribution to the family of the children and our employee volunteering sessions, we also organised customer donation drives as well as peer group sessions. On Maybank Global Corporate Responsibility Day 2012, 150 Maybankers turned up to clean the school. 472 children from the PIO Stung Mean Chey School also enjoyed a carnival - a day of games and fun with Maybank employees, a day to be a normal child. In 2013, we are hoping that our customers will participate in this programme. They can join the 'Donate-a-Book' donation drive, which aims to collect books for the PIO library. Buying a book is beyond the children's means and the PIO library is the only place where they can read a variety of books and learn new things. Customers are also encouraged to participate in the 'Sponsor a Child' initiative, helping us expand to benefit more than the 20 children currently in the programme. We aim to partner with and leverage other NGOs in order to give the children a more wholesome experience.

PROJECT "KREATIP"

BACKGROUND

Yayasan Wisma Cheshire is a residential, vocational training programme for People with Disabilities (PWD) in Jakarta. It is home to PWDs whose families are not able to care for them. The programme assists residents to become financially independent, by having them produce various handicraft and woodwork items.

Working with PWDs

Our employees wanted to enhance the standard of living of Yayasan Wisma Cheshire which relies mainly on donations and sales from the shop. The aim is to increase handicraft production, promote handicraft and conduct capacity building for economic development. BII-Maybank donated 10 units of sewing machines as well as tools and one unit of over-lock machine to assist the residents. Through this programme, Maybank volunteers learnt that PWDs can blossom when provided with opportunities and challenges just like everyone else, such as training and skills education and support. In 2013, we intend to expand the project by involving and collaborating with several other project partners to further raise public awareness, increase participation and foster networking among partners.

Healthy Living

Liver Transplant Centre, Hospital Selayang

Maybank is actively involved in promoting public healthcare development and in particular, helping underprivileged patients gain access to quality medical services and care.

We entered into a unique partnership with Hospital Selayang more than 10 years ago to support the establishment and running of its Liver Transplant Centre via a contribution amounting to RM5 million.

The centre, which was established in 2002, helps provide affordable liver transplants as an alternative to the more expensive private hospitals.

As a show of continuing support, Maybank Foundation pledged RM150,000 in 2012 to the Centre during the Maybank Malaysian Open Badminton and Golf events, with an additional contribution of RM12,000 that was raised by the public. This fund will be used to purchase and maintain a vehicle for organ procurement within Malaysia.

To date, the Centre has carried out 53 transplants. It is estimated that about six to ten patients undergo liver transplants at the Centre annually. With the support of Maybank Foundation, the number is expected to increase to 15 patients a year. We will continue to support the Liver Transplant Centre at Hospital Selayang by organising fundraising events at the Maybank Malaysian Open Badminton Championships 2013 and the Maybank Malaysian Open Golf Tournament 2013.

Moving forward, Maybank Foundation will support the centre with a further funding of RM1 million and various other fund raising initiatives.



A former liver transplant patient with her parents



Tan Sri Megat Zaharuddin visiting a patient at Hospital Selayang



Chairman of Maybank with the young patients of Hospital Selayang's Liver Transplant Centre

Sports

Sporting activities develop competitiveness and excellence. It builds individual tenacity and team spirit. It also serves as a great unifying factor, both at national and regional levels.

Our involvement in sports has built friendship and goodwill within Maybank and outside.

Apart from the global publicity of our corporate brand, the sponsorship of premier sporting events also provides a strong platform for Maybank to demonstrate its role in the development of these sports and nurture of local talent. Sporting stars can be inspirational role model figures crucial for youth development, community pride and national unity.

Golf

Maybank began sponsoring the nation's premier golf tournament in 2006 and is committed to doing so until 2015. Over this period, the Maybank Malaysian Open has become an increasingly prominent event in the European Tour calendar. This year, the tournament attracted 2010 Open Champion Louis Oosthuizen, 2011 Masters Champion Charl Schwartzel and 2010 PGA Championship winner Martin Kaymer.

The tournament also provides an opportunity for golfers and spectators to help the less fortunate through a number of charity activities organised by the Maybank Foundation. This year, proceeds from the Charity Putt Challenge and Maybank Sky Rider, a unique pressurised balloon ride with an aerial view of the tournament, went to the Liver Transplant Centre in Hospital Selayang.

Maybank, which support golf in Malaysia across Junior, Amateur, and Professional levels, has expanded its junior programme this year with both Maybank Junior Golf Clinic and the creation of the Maybank Junior Golf-Champions Academy. The Maybank Junior Golf-Champion Academy trains young Malaysian golfers between the ages of 6 and 12 years old, developing their natural talent and teaching them the skills they need to become the next generation of winners.

Badminton

Badminton is one of the eight core sporting activities that the Malaysian Government promotes as a means of nation-building.

Maybank began sponsoring the Malaysian Open in 2011 and is committed to doing so until 2016 in partnership with the Badminton Association of Malaysia (BAM).

Through a digital interactive badminton game, we managed to raise funds for the Hospital Selayang's Liver Transplant Centre, which complemented Maybank Foundation's own pledge of RM100,000 to the Centre. The funds collected went for the purchase of a reliable and safe transportation vehicle for organ transfer.

In collaboration with the Badminton Association of Malaysia (BAM), we have organised training clinics and tournaments to develop young badminton players. This would also be a platform where national players will be able to share their expertise and inspire the younger generation of players, ultimately elevating our country's status in the sporting arena.

Tennis

Maybank sponsored the 2012 BMW WTA Malaysian Open. Maybank Foundation organised a coaching clinic for Malaysian wheelchair tennis players in support of the Malaysian Paralympics tennis team and to create awareness on the achievement of our Paralympics athletes during the event.

Athletics

The BII Maybank Bali Marathon was the country's first full-fledged international marathon in 20 years. According to estimates, the influx of participants and their companions brought in at least USD3 million in revenue to the Balinese economy during the two-day event. BII's efforts roped in 700 volunteers for the event.

As part of the marathon, 17 schools in the Gianyar region were given aid for sports equipment and study materials for the construction of a new clinic at Banjar Nyuh Kuning, Ubud, Bali. We also donated to Yayasan Bumi Sehat, established by Robin Lim who was recently recognised as a CNN Hero, for the construction of Klinik Bumi Sehat

at Banjar Nyuh Kuning, Ubud, Bali. Robin Lim has spent the last two decades assisting the community's expectant mothers and infants. The clinic provides 24-hour general, maternity and acupuncture services. A further amount was donated for the construction of a Reading Centre at the Yayasan Bumi Sehat facility for children living around the clinic.

In 2013, we will continue to leverage our sports sponsorship programmes to support Maybank Foundation's charity initiatives, particularly to drive fund raising activities.



A young boy participating in the Charity Putt Challenge



Dato' Khairussaleh Ramli, CEO of BII at the Klinik Bumi Sehat donation event, in conjunction with the BII Maybank Bali Marathon

Moving Forward:

- Focus on long term, tangible results in community programmes.
- Increase community initiatives in key regional markets.
- Develop flagship programmes that are regionally significant, yet locally relevant.

A grayscale background image showing several people engaged in planting saplings in a field. The people are wearing light-colored shirts and dark pants, and are using tools like shovels and stakes. The field is filled with rows of young trees, and the background shows more trees and a bright sky.

Environmental

Diversity

Our environmental commitment is reflective of our role as an integral part of the economy and society. This extends to how we understand, monitor and reduce the direct and indirect impacts of our operations. We also take our position in supporting environmental conservation very seriously.



C CARBON
DISCLOSURE
PROJECT
SCORE: **58**

RM200,000
FOR TIGER CONSERVATION IN
MALAYSIA

EARTH HOUR:
ACROSS THE GROUP

TOWARDS
PAPERLESS
PRODUCTS

SUPPORTING
MAYBANK
KUALA LUMPUR
ECO FILM FESTIVAL

AT A GLANCE

Our Environmental Commitment

Overall philosophy and approach

- Making Progress

Managing Our Direct Impacts

Our direct impacts are diverse and needs to be closely monitored and tracked

- Energy consumption and Greenhouse Gas (GHG) emissions
- Business Travel
- Water Consumption and Conservation
- IT as an Enabler
- Carbon Disclosure Project
- Compliance

Environmental Diversity

We are committed to supporting conservation efforts and promoting programmes for a greener future

- Tiger Conservation
- Maybank Kuala Lumpur Eco Film Festival



Goay Yeap Siang (center), Maybank Regional Director for the northern region and Maybank employees planting bamboo to stop soil erosion

Our Environmental Commitment

Investing for a better business and better community means taking a holistic approach to our environmental impact.

As awareness of sustainability grows throughout the countries in which we operate, our stakeholders increasingly expect us to have a clear view on climate change and to consider our direct and indirect impact on the environment. Our ecological footprint is significant, especially as we create indirect impact through our lending and investment decisions. At the same time, as we grow our roots regionally, our direct impact is increasing. It is indeed becoming urgent that Maybank and the financial services industry as a whole play a role in addressing the looming climate crunch and the transition to a low carbon economy.

Our direct environmental impact relate to the daily operational aspects of our business and take the form of:

- **Greenhouse Gas (GHG) Emissions**
- **Energy Consumption & GHG Emissions**
- **Business Travel & GHG Emissions**
- **Water Consumption and Conservation**
- **Waste Generation and Management**

Making Progress

We are making progress with monitoring, understanding and reducing the direct and indirect impact of our operations and business and we continue to be committed to our tiger conservation programme in recognition of how important it is to preserve biodiversity and our ecosystems. We have made a commitment to reduce our direct environmental footprint through energy efficiency, water conservation and waste reduction initiatives but we recognise that we are at the beginning of this journey. We still have a long way to go to fully implement all that we would like to do across our operations.

In an effort to go green, employees at Menara Maybank decided to switch from T8 fluorescent tubes with the more energy efficient T5 fluorescent tubes. The first phase of this initiative was completed in May last year and the energy savings achieved from June to December 2012 is estimated to be around RM184,590. The second phase is expected to start in May 2013 and expected savings from this is approximately RM46,000 per month.

Overall, as our operations expand and employees increase, our impact on energy, water and GHG emissions will increase. We have in place several plans to address these impacts including embarking on a total building audit in 2013.

Maybank Singapore's Let's Switch Programme

Through the programme, Maybank Singapore provides free energy efficient light bulbs to low-income households which will enable them to reduce their energy consumption and lower utility bills.

Maybankers going green



Managing Our Direct Environmental Impact

Energy Consumption and GHG Emissions

GHG Emissions from Energy consumption has been tracked at Menara Maybank since 2007 and we have been part of the Carbon Disclosure Project (CDP) since 2011.

In 2012, the absolute amount of emissions decreased by approximately 13% from 2007 levels, but this represents an increase of just over 1% from 2010 levels and 5.5% from 2011 levels, as our electricity consumption went up by 1.16 GW compared to the previous year due to business expansion and increased working hours over the course of 2012.

However, the intensity figure per unit revenue and FTE employee shows a reduction of 0.03% in 2012 from the previous year. Maybank has set an absolute GHG emissions reduction target of 10% from 2011 levels by 2015. In order to reach this target, we intend to:

- Pre-cool our premises with sprinkler systems on the top of the building, complete with ambient temperature sensors so that the system can be deployed quickly to sustain a comfortable temperature for staff and customers with a minimal increase in air-conditioning. We retrofitted chillers from 2007-2009, resulting in electricity consumption due to air conditioning steadying at 46%. We hope to continue retrofitting efforts in 2013.
- Track the performance of cooling systems and increase regular maintenance schedules.
- Provide green landscaping at ground level and roof areas to reduce the urban heat island effect.
- Increase awareness of the impact of climate change, report and publish ambient temperature through the employee e-portal along with internal greening action plans.
- Prioritise employee training on carbon reduction and energy management techniques.
- Devise a green procurement policy which includes efficient business travel options and chlorine-free refrigerants and cleaning supplies.
- Deploy an integrated building management system that tracks the sun's position and makes necessary adjustments, optimises energy efficiency and enables rain-water harvesting. Investigate rearranging working hours, particularly during the hot weather season.
- Aggressively execute energy efficiency and green policies which comply with Efficient Management of Energy Regulations 2008 and the National Energy Efficiency Policy 2011 to drive innovation in working practices. We also intend to procure energy efficient IT equipment and to make mandatory the employment of a resident energy manager at every branch with regular reporting to the Properties division.

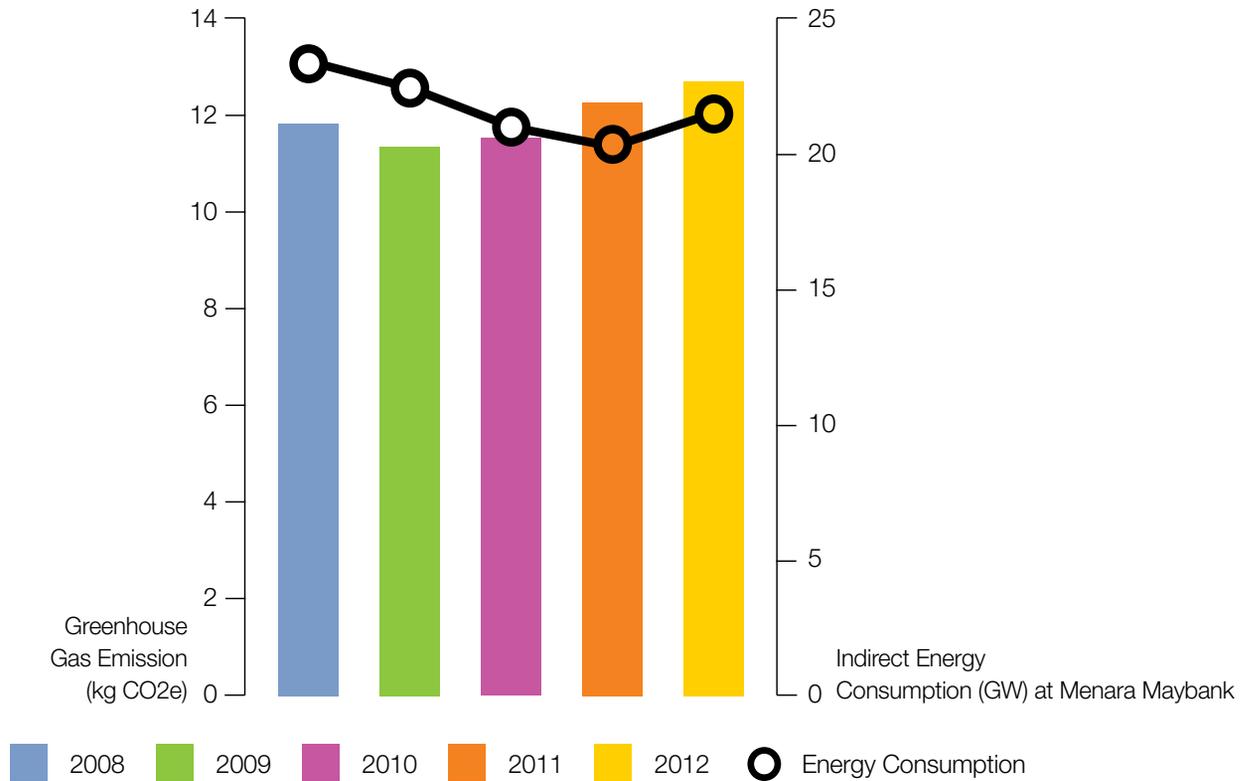


Menara Maybank, located in Jalan Tun Perak, Kuala Lumpur

Environmental Diversity

	2008	2009	2010	2011	2012
Indirect Energy Consumption (GW)	23.79	22.87	22.06	21.14	22.30
Greenhouse Gas Emission (kg CO2e)	12.78	12.28	11.84	11.35	11.98

Indirect Energy Consumption (GW) and Greenhouse Gas Emissions (kg CO2e) at Menara Maybank

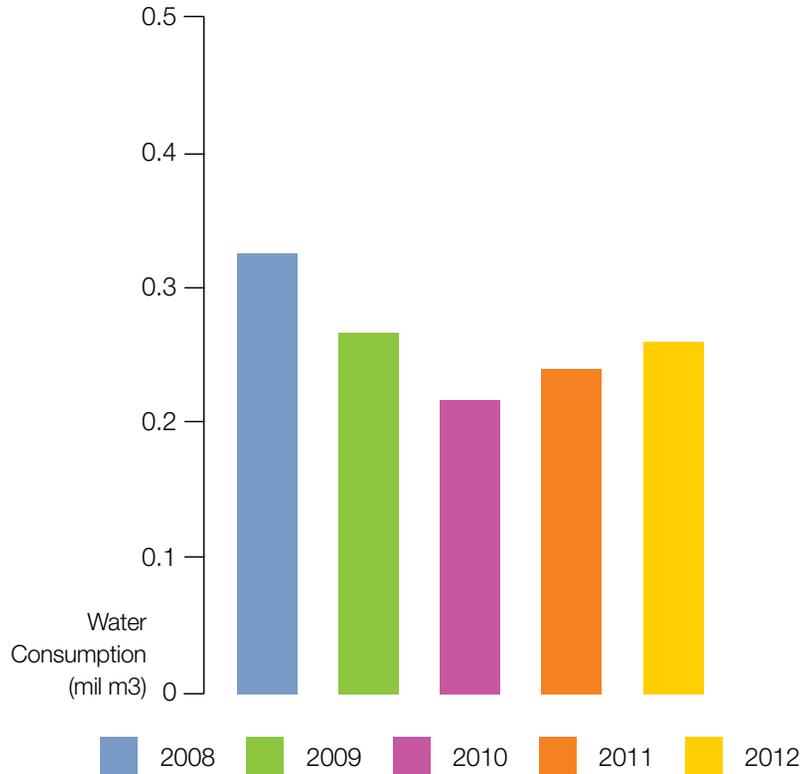


Business Travel and GHG Emissions

As preparation for reducing our emissions related to business travel, we have calculated a baseline emission figure from employees commuting to and from Menara Maybank. This is an estimation based on total car and motorcycle parking spaces and average vehicle emissions for a typical commuting distance of 21.33 km. This year, our estimates reveal an increase in more than 30 million tonne of CO2 from staff commuting due to the increase in working hours compared with the year before. We hope to measure the impact further in 2013

	2008	2009	2010	2011	2012
Water Consumption (mil m3)	0.338	0.262	0.218	0.248	0.258

Water Consumption (mil m3) at Menara Maybank



Water Consumption and Conservation

Although water usage is not a major direct environmental impact in the daily operations of our industry, several recent studies have indicated that water conservation is a crucial issue which cannot be ignored.

A National Water Resources Study has shown that domestic and industrial water demand for Peninsular Malaysia will double by 2020 from 2000 levels and triple by 2050, while at the same time, a study by WWF-Malaysia has shown that water resources have been steadily depleting - from 64% in 1992 to 33% in 2002. It is not surprising, therefore, that a study by the Economic Planning Unit foresees a water crisis in Selangor and other industrial states by 2014.

Facing the prospect of limited water resources, we have started to take steps to conserve water by educating employees on effective water usage. We also have an internal committee supervising our water management system and we consult with Jabatan Bekalan Air (JBA) on water conservation issues.

Menara Maybank performed well between 2008 and 2010 - with a 16.8% decrease in water consumption in 2010 following the optimisation of our cooling towers. In 2011, however, usage jumped by 13.8% due to an increased number of employees, burst water pipes and maintenance work carried out over the year. In 2012, despite our best efforts, usage increased by a further 4.5% due to a further increase in occupancy of the building.

Our newly-installed rain-water harvesting system at Menara Maybank now provides approximately 5% of our total water usage and we hope to find ways of increasing this figure. We also have plans to retrofit our toilets with low-flush toilets and water-efficient urinals.

Environmental Diversity



Menara Etiqa at Bangsar

Waste Generation and Management

In a resource-constrained world, a traditional linear economy (take, make, use, dispose) is no longer viable and needs to make way for a circular economy in which we keep resources in use for as long as possible, extract the maximum value from them while in use and then recover and regenerate products and materials at the end of each service life. Diverting waste from going to landfill sites prevents the generation of methane (a greenhouse gas 23 times more potent than CO₂) from biodegradable waste and helps control waste disposal problems - for every ton of paper recovered from recycling, about 3 cubic meters of landfill space is saved.

Our waste management efforts are ongoing. In 2012, Etiqa conducted a 6 month long waste campaign at Dataran Maybank specifically on paper. A total of 4811kg of recyclable paper and waste was collected. The campaign will be extended in 2013.



Etiqa's recycling bins-educating employees to think before they throw

IT AS AN ENABLER

One of the functions that the IT revolution has enabled is a vast reduction in our reliance on paper. Customers continue to be encouraged to switch to online statements instead of receiving printed copies and to utilise electronic bill payment services. Our latest promotion on facebook got over 10,500 likes and our Regional Branch Solutions (RBS) initiative holistically reduces processing time, customer waiting time and paper transactions. In 2012, internet banking was launched in Cambodia, Vietnam and Papua New Guinea. M2U Mobile takes online banking advantages a step further by placing a whole suite of transactions in our customers' hands at anytime.

Moving forward, we expect our IT Transformation Program (ITTP) to provide the innovation required for the ongoing transformation towards a more environmentally-friendly and responsible suite of services.

Compliance

We monitor our corporate risk on non-compliance of statutory and regulatory requirements related to the environment, including:

- Department of Environment code of practice IAQ1994
- Environmental Quality Act 1974 on pollution prevention and control
- Occupational Safety and Health Act 1974
- Regulations of Efficient Management of Electrical Energy 2009
- Road and Transport Act 1987 on noise and black smoke emission
- Local Government Act 1976 on waste dumping policy
- Street, Drainage and Building Act 1974 on spillage management

During FY2011/2012, we did not face any penalties for violations of environment-related laws and regulations. Maybank complies with all significant environmental requirements under the Department of Environment's legal regulations. There were no significant fines or penalties incurred for environmental non-compliance during the course of operation.

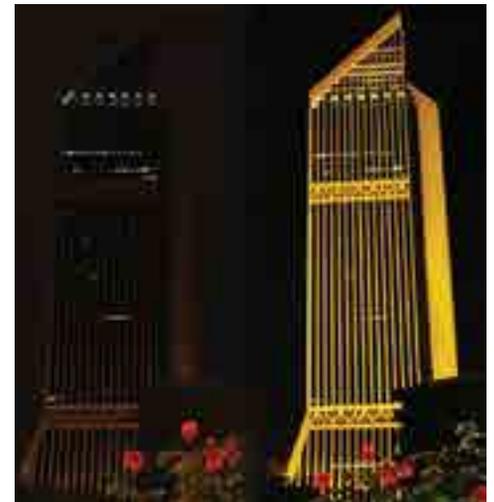
Carbon Disclosure Project (CDP)

CDP is the Global Standard for measurement and reporting of climate change information. Its scoring indicates the level of commitment and experience of a company's climate change mitigation efforts and provides investors with an analysis of an organisation's areas of management (e.g. Governance, Strategy, Targets), risks, opportunities and emission (e.g. Methodology, Data Accuracy and Verification). This information is made available to the public and is often referred to by stakeholders, shareholders and corporations.

In 2012, we received a total score of 58 compared to a previous score of 37 in 2011. We hope to improve our carbon performance and score in the coming year. We are the only financial institution in Malaysia to have participated in the CDP in 2012.

58 IN 2012

Earth hour across the region



Menara Maybank



BII Indonesia

Tiger Conservation in Malaysia

The continuous decline in wild tiger populations worldwide has an adverse impact on the biodiversity system and national heritage. In this regard, we are proud of our programmes in the area of tiger conservation.

Tiger Conservation in Malaysia

In 2010, we entered into a landmark agreement with the Malaysian Conservation Alliance for Tigers (MyCAT), providing a RM1 million grant over two years to fund a dedicated scientific research and social outreach programme to save the Malayan tiger.

MyCAT is an alliance of the Malaysian Nature Society (MNS), TRAFFIC Southeast Asia (TSEA), Wildlife Conservation Society-Malaysia Programme (WCS) and WWF-Malaysia. Supported by the Department of Wildlife and National Parks (DWNP), MyCAT works towards joint implementation of the National Tiger Conservation Action Plan (NTCAP). This is part of a much larger effort where 13 countries pledged to double the number of wild tigers by 2020 under the Global Tiger Recovery Programme (GTRP).

The objective of the initial RM 1 million grant was to determine the response of wildlife to past development and current land use patterns and to support MYCAT's efforts to help maintain and enhance the wildlife corridor for tigers and other animal populations at the critical linkage between the two main tiger landscapes in Malaysia – Taman Negara and the Main Range.

Significant outcome has been the on-going construction by the government of a 1km-long viaduct and two smaller viaducts measuring up to 285 metres at critical areas for wildlife crossings in the Sungai Yu Tiger Corridor in Taman Negara, Pahang. This is aimed at securing safe passage between wildlife habitats which would in turn help secure tiger population growth, with the hope of reaching a target population of 1,000 wild tigers by 2020.

A 12-month programme was started in July 2012 to raise awareness among communities living close to the three priority tiger conservation areas in Perak, Kelantan, Pahang and Johor on:

- Tiger conservation among residents in tiger priority areas
- Wildlife legislation and the Wildlife Crime Hotline to reduce poaching at hotspots
- Wildlife stewardship by engaging volunteers to run Tiger Road shows

The aim is to sign up 600 voluntary citizen conservationists and reach 40,000 members of the public by the end of the 12 months and to engage 400 Kelab Pencinta Alam (KPAs), over 500 teachers and 15,000 students.

Tiger Conservation in Sumatera

In 2012, we partnered with World Wide Fund for Nature (WWF) Indonesia to develop a conservation programme for the Sumateran Tiger surrounding the tiger habitat area in Tesso Nilo Conservation area in Sumatera.

Moving forward, we will initiate capacity building programmes to educate the local community about the implications of poaching.

This is just the start and we believe that much more can be done to save the Malayan tiger, whose population has decreased alarmingly over the years

Dato' Sri Abdul Wahid,
Maybank President & CEO

Only through a strong partnership among the government, NGOs, public and the corporate sector, committed to the goal of the National Tiger Conservation Action Plan, will Malaysia get to keep her tiger and what it symbolises.

Dr. Kae Kawanishi,
General Manager, MyCAT



Students and volunteers at an awareness programme organised by MYCAT



A young tiger cub relaxing under the sun

Environmental Diversity

Over the last 100 years, the tiger has lost 93% of its habitat and we have lost 97% of tigers. There is only an estimated 3,200 tigers left on the planet today compared with the 100,000 a century ago.

Of the nine tiger sub-species, three are already extinct - the Balinese, Javan and Caspian. One of the surviving sub-species, the Malayan Tiger or *Panthera tigris jacksoni* has declined in numbers by over 83% since 1950. There are an estimated 500 tigers with 90% of these living in the four 'tiger states' of Pahang, Perak, Kelantan and Terengganu.

Although the tiger is listed as a "totally protected species" under the Protection of Wild Life Act 1972 which makes it illegal to kill or possess body parts of a tiger, the fragile population is still under the threat from habitat loss and fragmentation, declining prey base, increasing human-tiger conflict and the lucrative wildlife trade of tiger bodyparts.



Maybank Kuala Lumpur Eco Film Festival

The Kuala Lumpur Eco Film Festival is the only green film festival in Malaysia and 2012 was the first year Maybank supported the initiative. The Maybank Kuala Lumpur Eco Film Festival 2012 was held at the Experimental Theatre, Universiti Malaya from 12-14 October. With a theme on sustainable living, festival activities included a showcase of local and international award-winning eco films, exhibitions, adult and children workshops and a number of forums.

This year saw the addition of a musical element to the festival: the Green Vibes Stage which featured special performances by talented local Malaysian artists. Children from our Cahaya Kasih Challenge beneficiaries were invited to attend and participate in the workshops while Maybank employees volunteered to help man the Maybank booth and organise the children's visits.



We hope to continue supporting this as the festival has the potential to reach a wide audience group to instill a sense of awareness about our environmental roles whilst also empowering communities.

Moving Forward:

- Improve performance metrics across key environmental indicators.
- Continue supporting biodiversity conservation, particularly partnership with NGOs for tiger conservation.

Students from Hilla Community enjoying themselves at the Maybank Kuala Lumpur Eco Film Festival



Great

Workplace

The success of our business depends on inspired and engaged people, where our staff have a profound sense of belonging and connection to the workplace - with colleagues, customers, stakeholders and communities across the regions where we are present. We nurture our people to fulfill their potential and achieve both personal and corporate goals, creating a workplace that offers more than just a career.



RM100

MILLION

SPENT ON LEARNING AND
DEVELOPMENT
PROGRAMMES

NATION'S

NO. 1

PREFERRED
EMPLOYER

FOR TWO CONSECUTIVE
YEARS



178,422



VOLUNTEER
HOURS
BY MAYBANK

STAFF

STAFF

ENGAGEMENT LEVELS

7 OUT
OF 10

POSITIONS
ARE FILLED FROM WITHIN

PERFORMANCE LINKED
REMUNERATION



OVER 1.1

MILLION

TOTAL LEARNING
HOURS

STAFF WELLNESS
PROGRAMMES

THROUGHOUT THE YEAR

AT A GLANCE

Engaging and Developing our People

Engaging with staff on issues that matter most to them is core to how we run our organisation

- Building an Engaged Workforce
- Nurturing Culture
- Communication Channels
- Diversity and Inclusion
- Staff Volunteering
- Rewards and Recognition

Talent and Leadership

Developing next generation leaders

- Talent Management
- Talent Pipeline
- Leadership

Learning and Development

Investing in the long-term development of our people and improving capabilities across the organisation and the countries where we operate

- Flagship Learning Programmes

Safety, Health and Wellbeing

Creating a well-balanced workplace

- Improving Safety Standards
- Healthy Staff Programmes



Engaging and Developing Our People

Human capital sits at the core of our business strategy. Our long-term success depends on us having the right people, with the right skills, in the right roles, thriving in the right culture.

We uphold our role to create jobs in the markets we operate in and provide the opportunities to develop skills, capabilities and progress within the organisation. Our employment proposition is simple, in that we hire the right talent locally whilst providing clear career opportunities to grow and contribute within the Group, locally and across the region. We are conscious of developing a regional talent pool that is agile and competitive in order to effectively deliver our end outcomes.

Our aim is to continue to be the employer of choice. Four years after our strategic human capital transformation plan, we are seeing results in terms of integrating people within a single Group culture. We place emphasis on our culture, which guides how we do business, how we work together and how we collectively deliver value across the Group. This is especially important because we have a diverse group of people in different roles across different businesses in different countries, who are required to collectively deliver results and act in the best interest of the organisation.

Our **Go Ahead** employer value proposition encapsulates our ability to go beyond keeping promises and exceeding expectations by empowering staff to break boundaries under four pillars: *Create, Grow, Lead and Fly*.

Our target is to fill four out of every five vacancies with our internal talents. This approach ensures that we look internally to fill positions available as all vacancies are required to be advertised internally to provide our staff with the opportunity to grow into different roles or larger roles in the Group. In 2012, 70% of senior management and 71% of executive openings were filled by internal applicants.

Maybank is a big organisation and has a fantastic job enrichment programme. Many of us have been rotated and promoted through the ranks. In fact, over the last 30 years that I have been a Maybanker, I have done close to 16 different assignments in 16 different Maybank sites both locally and internationally. To know that an organisation can avail such opportunities is what has kept Maybankers with Maybank and our Group Human Capital Division has brought talent development to new and greater heights. The investment in developing our people has helped the country produce some excellent bankers who continue to uphold a strong value system.

Datuk Lim Hong Tat

Deputy President & Head Community Financial Services

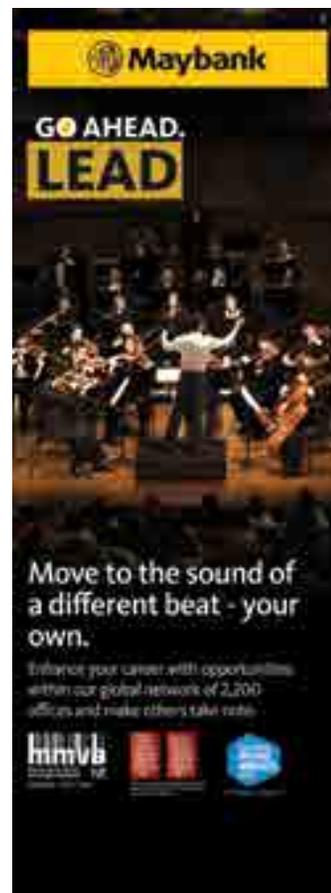
Maybank's Employee Value Proposition Differentiator

GO Ahead is Maybank's differentiated employer value proposition that encapsulates its humanising mission to retain and attract talents. Its four pillars of Create, Grow, Lead and Fly are designed to push our people to become outstanding and valuable individuals to the organisation.

It is a call for employees to go beyond their boundaries and enhance themselves through upgrading of skills, international attachments, taking cross rotational roles and other value-added initiatives to create a high performance work culture.

The essence is that staff are supported to take personal ownership of their own development and growth, fully leveraging on the integrated framework provided by the Group. The framework delivers the Group's commitment to provide transparent, accessible and fair channels/mediums of communication.

- Our key retention rate has been improving year on year from 52% in 2010 to 80% in 2011 and 82% in 2012. This is testament to our emphasis on systemic engagement with our people.
- The offer acceptance rate of newcomers stands at 92%. We believe this is a result of the significantly improved positive perception of the work environment and the high performance culture of Maybank.



Great Workplace

BUILDING AN ENGAGED WORKFORCE

We are conscious of building a values based organisation, one that is committed to meritocracy, is inclusive and focused on performance. The outcome of our annual Employee Engagement Survey reflects our commitment to build an environment where our people feel a sense of belonging and that they are given the opportunity to succeed and grow.

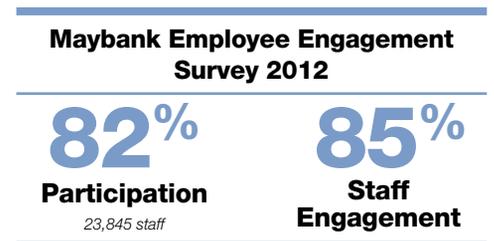
Year-on-year, staff engagement remains high. Our 2012 Employee Engagement Survey recorded staff engagement levels of 85%, up from 83% (including BII) in 2011 and at par with the Towers Watson Global High Performance Companies Norm. There was also high participation of 82% of randomly selected staff, including Maybank Kim Eng, BII, BII Finance and WOM Finance in the Survey.

Overall, staff feedback was positive with regards to effectiveness at the workplace, recognition for teamwork, being provided with opportunities to build meaningful relationships at work as well as being part of an organisation that took care of their well being. We will continue to maintain and improve the performance bar in these areas.

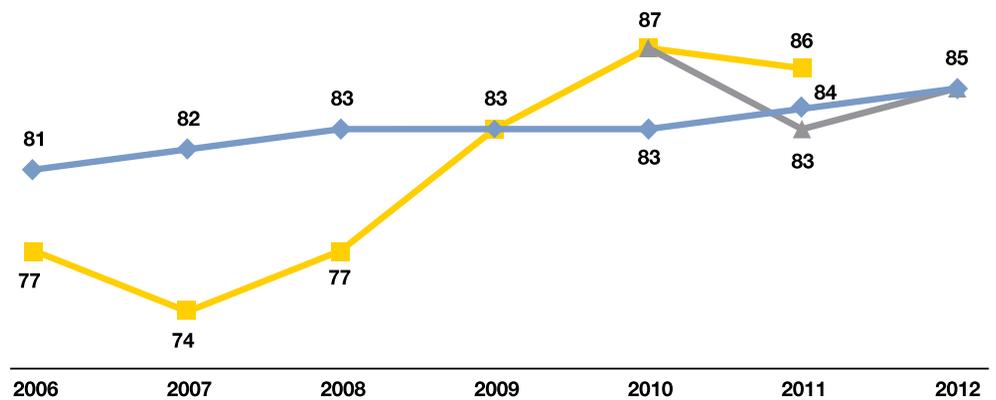
In 2012, we enhanced our work tools and systems. We reviewed structures, jobs and processes to align them with evolving business strategies and expansion plans. Some sectors that were reviewed included Global Banking, International Operations, the new Asset Management Group and a new subsidiary, Maybank Shared Services. We also embarked on new and enhanced learning programmes, improved leadership development and managerial competencies measured against a Group standard set of competencies known as SEARCH (Strategic Visioning, Engaging and Developing Talent, Spirit of Achievement, Cultivating Relationships, Customer Centricity and Innovation and cHange).

We continued to expand our HR functions regionally and aligned them in all our principal overseas markets, standardising and cascading best practices across the Group. One major initiative in regionalising our HR functions is harnessing IT to help integrate human capital management and development practices. In 2012, we implemented our online integrated Talent Management (TM) Suite that consists of the Performance Management and TM modules for Malaysia and Singapore. The IT solution offers a broad range of functions and decision-making capabilities. Its implementation has raised the quality of performance planning, enhanced accountability and transparency, giving staff better alignment of their own goals with those of their supervisor, team and Maybank as a whole. The online module will be extended regionally in 2013.

At Maybank, staff feedback has been crucial to creating change and instituting improvements. In 2012, we further strengthened our Performance Management System based on staff feedback. We improved the performance management and balance scorecard system by increasing our staff's empowerment to take more ownership of their deliverables. Staff have greater clarity and line of sight of their individual contributions, while maintaining alignment with Group Key Performance Indicators (KPIs).



EES Trend Employee Engagement Survey Result Trend



- ◆ Towers Watson Global High Performance Companies Norm
- EES (excl. BII) - for comparison against last year
- ▲ EES (incl. BII)

Nurturing Culture

Our mission to humanise financial services across Asia drives the way we deliver our services, creates an environment where staff can excel, and reinforces our 'TIGER' values: *Teamwork, Integrity, Growth, Excellence & Efficiency, and Relationship-building*. These values that synchronise our operations, service levels, and leadership are internalised across the Group as 'business as usual'.

An inspired and engaged workforce needs to be nurtured with the right environment which will enable us to drive the right behaviours across the organisation to achieve our longer term outcomes. Our 'TIGER' values form the pulse behind our efforts, and this is essential in order to ensure that our people are aligned and converge around a common set of core values. Nurturing culture is an ongoing process through which we hope our staff will thrive and are encouraged to be creative and inspired.

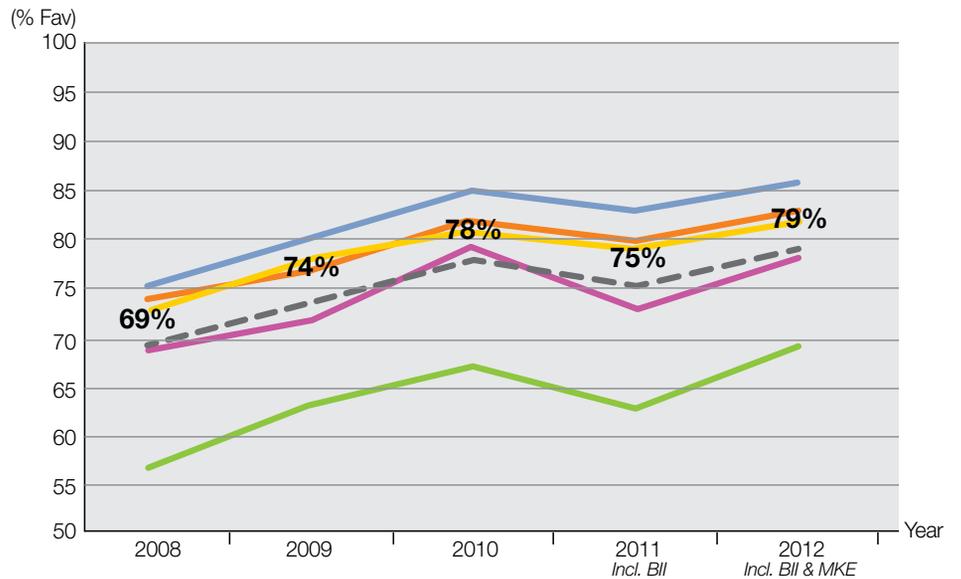
We accelerated the integration of our core values across our regional offices through sustained campaigns. Bill has been embedding core values through its transformation in line with its IMPACT (Implementation through Acceleration and Teamwork) programme launched in July 2012. Similarly, Maybank Kim Eng (MKE) is driving its cultural transformation via its integration programme throughout the organisation. This is a key building block that will enable us as a diverse Group to align with a common Maybank culture to achieve our end outcomes.

Maybank is like our family, where there is a sense of belonging. Just like how our parents provided us with all that is necessary for us to grow up, Maybank provides us great opportunities for us to grow in our career and more importantly, to pursue a sustainable career. The opportunities are endless, so just go for them.

Nandha Kumar Subramaniam
Group Risk Innovation

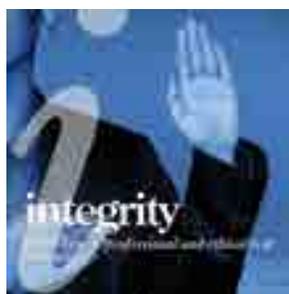
Values continue to be a key driver to engage Maybankers

Core Values Index (CVI 2008-2012)



Embed our values in the way we work

- CVI Overall
- Teamwork
- Integrity
- Growth
- Excellence & Efficiency
- Relationship Building



Great Workplace

We want our staff to internalise and embed our core values, carry out our humanising mission and deliver our brand promises through their work and interaction with others. During the year, a Brand Advocacy initiative was implemented nationwide to provide clarity of the Maybank brand beyond just the visual identity. Service Quality's e-555 programme was kicked off last year as a vehicle for Maybankers to recognise each others' deeds and contributions. With close to 6,000 entries, the recognition programme reinforces the culture of excellence.

Encouraging Innovation

One of the pillars of our GO Ahead employer value proposition is 'Create'. The Create pillar reaffirms our strength and heritage as an innovator in the financial services sector. Throughout the organisation, staff are encouraged to unleash their creativity to improve the business, from product development to regionalisation initiatives.

In 2012, Group Organisational Learning (GOL) closely collaborated with Group Strategy and Transformation to enhance service excellence and promote innovation amongst staff. GOL's collaboration brought together staff from Malaysia, Singapore, Indonesia and the Philippines under 'Project Trailblazer', a programme to promote innovation that generated game changing ideas for implementation.

By creating an internal marketplace for innovation, we are hoping that our staff will be the rich base to source for ideas. Staff are constantly challenged to contribute their creativity through many different mediums and avenues on various initiatives including projects, CR initiatives and service improvements. As we further evolve and mature in our innovation journey, we recognise the need to continuously refine and explore new sources of innovation

beyond staff engagement and one that cuts across external stakeholders such as suppliers, customers, local communities, industry and regulatory bodies. This would bode well with our commitment towards truly integrating our business with our stakeholders that is humanising, differentiated and inclusive.

Project **TRAILBLAZER**

Through the "Trailblazer" ideation workshops, we embarked on the next level in our innovation journey. This is a bottom-up approach that harnesses the talent and capabilities of staff across the Group to generate "game-changing" ideas as potential sources of competitive advantage for Maybank, and enables us to push the collective thinking boundaries of our people.



Communication Channels

To help staff align and contribute to our goals, alongside the continual reinforcement of our values system, we utilise a series of engagement and communication platforms. The various outreach channels cater to the diverse needs of our staff and enable us to better reach out to them in a timely and effective manner.

Reaching Out To Our Staff

We have 47,000 staff across the region. Reaching out to each one of them is important and a multitude of communication channels are used to disseminate news and information quickly and effectively. Both printed and electronic communication channels are available to maximise readership. There is further exchange of regional news between the Head Office and our regional offices. Important corporate news are also translated to vernacular languages.

How We Reach Out To Our Staff:

- Enterprise portals in respective regions
- Email blasts
- Bulletin Boards
- Group News Bulletin, i.e. Berita Kumpulan Maybank
- Sector News Bulletins
- Telephone and email hotlines
- Maybank's Blackberry community for staff provided with a Blackberry device.

How Our Leaders Reach Out

Our leaders continue to be role models and play a key role in ensuring constant two way dialogue with staff. In both formal and informal sessions, they communicate the Group's direction and set the right organisational climate and culture. Our Chairman and EXCO lead conversation series sessions, town hall engagements, and an Adopt-a-Region Programme. They also conduct the 'Leaders Teaching Leaders' programme, in which each EXCO member shares their leadership insights, at our Maybank Great Leaders (MGL), High Impact Leadership (HIL) and Performance-Driven Leadership (PDL) programmes. During the year, our Chairman and EXCO engaged over 600 people in these conversation series sessions.

'Ask Senior Management' : Online Engagement Platform with EXCO

The "Ask Senior Management" (ASM) is an online forum, which serves as a channel for staff to ask questions/provide feedback anonymously, direct to senior management. It has proved to be a popular way for employees to be heard. Responses from the EXCO members are posted on a dedicated site.

Year	Cumulative No. of Feedback
2010	50
2011	323
2012	492

Reaching Out To All Staff: Local Communications

Our group-wide channels are supplemented by local communications across the various lines of business. Local communications teams share tailored weekly email bulletins that filter relevant information to specific teams within the business. Employees themselves can also choose to receive the information they have a particular interest in.

Leaders of Maybank must be M.A.D!. They simply want to Make A Difference to the community, the bank, the staff and their families. The energy, passion and motivation are in their DNA.

Michael Theng Wing Yew

Group Credit Management Singapore



Conversation Session with the Chairman

Diversity and Inclusion

Our people are not only diverse in the experience they bring but also with respect to gender, ethnic and cultural backgrounds.

In the last four years, we have more than doubled the number of our staff under the age of 30. This ensures that we have a strong workforce that can be developed and prepared for various roles at different management levels. This provides a healthy pipeline and succession pool within the Group that will enable us to deliver our outcomes over the long term. At the same time, as more Gen-Y's join the workforce, Maybank's generation composition will shift in time to come.

Each generation possesses varying degrees of knowledge, depending on their length of service, backgrounds, technical skills as well as experience gained in the organisation and beyond.

The challenge lies in aligning the real and perceived differences of these generations. As an organisation that nurtures diversity and inclusiveness, we strike a balance between the wisdom, expertise and organisational knowledge of the older generation and the energy, receptiveness, adaptability and creativity of the younger generation. For this, all our people must feel that they belong and are connected to the workplace and there must be constant measures to ensure that efforts in that direction continue. The key is to recognise that the confluence of these generations adds richness and diversity to the collective knowledge and experience within the organisation.

Our Group's intergeneration demographics comprise:

15% Baby Boomers

55% Gen X

30% Gen Y

Women at Maybank

We are aware of the need to better tap into a broader range of talent, leadership styles and skill-sets in order to continue managing our business and serving our customers in an effective and efficient manner. We have 31% of women in top management roles and continue to track the number of women who are rising to senior management levels. This is 10% more than the global average as revealed in the 2012 Grant Thornton International Business Report.

It is important for our female staff to not just know that we are an equal opportunity employer but that we actually mean it. We have in place a 90-day maternity leave policy as well as child care subsidies for eligible staff.

Our commitment in this area will continue to be a focus in the coming year, particularly by harnessing and strengthening the talent pipeline, and further studying the conditions and climate that enable women to thrive in leadership positions.

Women currently form some 54% of our workforce and have played an important role in the progress and development of Maybank. Some 41% of our women employees are today at middle and senior management levels and it is clear that they are increasingly shouldering the challenge of leadership roles in the Group. We continuously focus on identifying issues related to women and sustaining efforts to create an inclusive and equitable work environment.

Nora Abd. Manaf

Head, Group Human Capital

Industrial Relations

We comply with the national labour laws in the respective countries in which we operate. Around 39% of our Malaysian workforce are members of unions in Malaysia comprising four national and three in-house unions. We also have two in-house unions in Indonesia, one in the Philippines and a national union in Singapore. The collective agreements cover a range of issues including terms of service, leave, allowances, environmental, health and safety (EHS) and other provisions. We regularly engage and hold dialogues and consultation with our unions. By doing this, we develop mutual trust and understanding that contributes towards the benefit of everyone. In 2012, three collective agreements were concluded with three unions, namely, the Association of Maybank Class One Officers, the Association of Maybank Executives in Malaysia and the Maybank Philippines Inc Employees Union.

Retirement

To safeguard staff during their retirement years, Maybank in Malaysia contributes the mandatory 12.0% of staff salary to the Employees Provident Fund (EPF). In addition to the statutory EPF rate, Maybank also contributes an additional 4% bringing the total EPF contribution by the Bank to 16%.

Retired Maybank staff enjoy various benefits:

- Lump sum payment upon retirement to purchase hospitalisation and surgical insurance for a year.
- Staff preferential rates for banking products and services.
- Usage of Maybank Group Holiday Bungalows/Apartments.
- Usage of Menara Maybank Recreational Centre, Maybank Group Learning Centre & Library facilities.
- In 2012, Maybank allowed retirees to exercise their ESS option up to the ESS option period although they have retired.

STAFF VOLUNTEERISM

153 INITIATIVES IN 15 COUNTRIES

Staff have stated that they value being part of an organisation that emphasises Corporate Responsibility (CR). Maybank staff have enthusiastically engaged in volunteerism through our flagship Cahaya Kasih programme (CK).

All forms of staff volunteerism initiatives are now structured, monitored and evaluated for impact. Staff volunteerism brings different teams of staff together, exposing them to new perspectives and experiences. In an effort to have more sustained community engagement, we introduced the Cahaya Kasih Challenge (CKC) in 2012. The CKC aims to widen our staff participation in the community through longer-term initiatives, with the Global CR Day acting as a platform to showcase our impact. A total of 153 initiatives were implemented in 15 countries throughout the year, ranging from causes to help children, the elderly, the disabled and the environment. The Global CR Day for 2012 themed *Making A Meaningful Difference In True Maybank Spirit*, set another milestone for the Group with over 21,000 Maybankers participating simultaneously on the Global event.



Number of volunteer hours and number of volunteers through Cahaya Kasih



Maybank volunteers on Global CR Day 2012

Great Workplace

Rewards and Recognition

Maybank's overall compensation package is competitive in the market, with the total rewards philosophy and practice tailored to benefit high performers. Staff are incentivised and rewarded through our performance-driven culture. Moreover, our 'Total Rewards' policy focuses on appropriately balanced fixed and variable short term and long term elements as well as monetary and non monetary rewards. A holistic view of our staff compensation includes factors such as base salary, benefits, short-term variable bonus and long-term benefits such as the Employee Share Scheme (ESS). In 2012, a second ESS offer was made to eligible staff. Eligible Maybankers also received special ex-gratia payment in addition to their contractual bonus.

In 2012, we reviewed and aligned the reward practices and structure of Maybank Kim Eng.

Each year, we celebrate and recognise our high achievers through our sector engagement dinners, programmes, events and annual sports carnivals, culminating in the Maybank Group Awards Night. In 2012, we recognised 2,029 staff members in the 10, 20, 30 and 40 years Long Service Awards category.

Staff Welfare Fund

The Maybank Group Staff Welfare Fund provides alternative financial assistance to staff in extenuating circumstances where they are not covered by the current benefits. The appeals for assistance ranges from illnesses, death and loss of properties due to natural disasters.



Winners of the Best Business Unit Category at the Maybank Group Awards Nite 2012

A Family Friendly Organisation

We have a range of financial assistance, subsidies and similar benefits for eligible staff and their children:

- Staff Sundry Loan – Maternity Expenses and Back-to-School Expenses
- Financial Assistance to Staff Children Entering Institutions of Higher Learning & Boarding Schools
- "Back-to-School" Financial Assistance
- Maybank Group Staff Children Academic Excellence Award
- Scholarship (Staff Children and Staff)
- Child Care Subsidy

Key Benefits:

- Medical
- Employee Loans
- Higher EPF contribution (16%)
- Leave: Annual, medical, marriage, compassionate, sports, no pay leave
- Insurance benefits: Group Personal Accident (GPA) and Group Term Life (GTL)
- 90 days Maternity leave
- Employee Share Scheme
- Retirement benefits
- Long service awards

In 2012:

Over RM470,00 was disbursed to over 1,100 employees benefitting 1,800 school going children including those entering boarding schools and institutions of higher education.

RM257,900 was disbursed to 518 staff children who achieved academic excellence in public examinations.

Talent Management

A robust talent management system is imperative as it provides a consolidated view of our internal talent landscape, as well as helps identify individuals with the experience and expertise for any required position.

Such a system is essentially about having in place a holistic talent chessboard that enables us to strategise, execute and manage our broader human capital strategy now and in the future, and minimise key human capital risks that could impact our businesses.

This approach enables us to have a finger on the pulse of the key human capital areas within the organisation and puts in place the required initiatives in order to more effectively attract, retain and reward our staff. As a result, we now have a consolidated overview of our staff's skills, achievements, expectations and career aspirations which facilitates meaningful performance reviews and career conversations for our staff.

To this end, we have created different forums to review our talents via multi-level talent review platforms and initiatives, namely the Sector Talent Review, Country

Talent Review and Group Talent Review. The multiple forums allow us to discover and understand talents across the Group in a more holistic and well informed manner, and to ensure that we are better in identifying the right people for the right roles to achieve optimal job-fit. We continue to achieve 100% completion of the multi-talent reviews across the Group which is a testament of the collective belief and commitment in nurturing and developing talents.

There is also a greater inter-sector movement among staff, which allows for accelerated development, exposure and business growth. During the year, inter-sector transfers have increased to 15% from 9% in the past year. Similarly, we are keen to nurture our talents to be geographically mobile through regional exposure. Our cross-border movements saw increased mobilisation with 54 international assignees

deployed in 2012 compared to 11 international assignees in 2011. Our aim is to create globally competent and proficient Maybankers who form the core human capital base of our growth and expansion aspirations.

To ensure that we have a strong feed into the talent pool as well as to push our talent capability boundaries, we enhanced our scholarship programme to provide full sponsorship for relevant foundation studies up to first degrees at top local and overseas universities. In 2012, for the first time, we extended our Scholarship award to Pre-University students up to undergraduate level at local public and private universities. We have 37 scholars at local universities and 42 scholars at overseas universities.

Our recruitment strategy is multi-tiered including meeting young talents face-to-face at international and domestic career fairs, road shows and face-to-face engagements.



Finalists and winners of the GO Ahead Challenge

In 2012, our talent recruitment efforts spanned Malaysia, Singapore, Indonesia, the Philippines, Cambodia and Hong Kong via the Maybank GO Ahead Challenge. The challenge attracted over 1,000 applicants from top 40 universities in the region, and 30 finalists competed for prizes totalling USD45,000. This unique challenge was developed in-house by existing Global Maybank Apprentices for future Apprentices to provide participants an opportunity to experience how it is like working in Maybank.

Great Workplace

Talent Pipeline

Our fresh graduate development programmes blend on-the-job training with formal face-to-face learning and experiential development to ensure junior talents receive all the support they require to accelerate their functional and leadership development. We have a series of entry level pipeline programmes aimed at developing skill sets and leadership capabilities in their areas of interest.

1. Global Maybank Apprentice Programme (GMAP) is a two-year on-the-job programme for graduates to experience different functions within an area of their choice via job rotations including a three-month international assignment to encourage cross-border exposure and networking among young talents. With the enhanced programme, we saw an increase in retention rate from 60% under the previous programme to over 80% under GMAP.
2. Branch Management Entry Level Pipeline (BMELP) is designed to groom aspiring branch/centre managers by providing them with targeted learnings and skill sets through an intensive training experience in branch management. Since its inception in 2011, 120 trainees have undergone both formal and experiential learning, networking with professionals, and enhancing their understanding of customer service and staff management before they are accelerated into a managerial position within one of Maybank's business lines.
3. Maybank/Ernst & Young Management Associate Programme (Maybank/EY MAP) where associates undergo a three-year attachment at Ernst & Young as auditors, earning their professional accounting qualifications sponsored by Maybank.
4. There are other pipeline programmes for the various lines of businesses, namely the Global Markets Trainee Programme, Investment Analysts Programme, and Credit Pipeline Programme where trainees undergo structured learning and development programmes related to the chosen field to build capabilities and grow professionally.

**Maybank Apprentice****Puteri Syurga Binti A. Malek**

*Bachelor of Actuarial Studies
(Australian National University)
Credit Risk Analytics, Risk Management,
SME Banking*

I first submitted my resume during a GRADUAN fair in Sydney, Australia. Through the Maybank Apprentice rotation programme, I went through the Business Centre, Group Risk & Credit Management Rotation and Bancassurance Product Development attachments with an open mind. It was a priceless experience which assisted me in making my career choice. The three things that I remember most about the experience is the first time I sold a credit card to a customer, the 'customer day' I had to organise in a retail branch and teaching the kids at Tengku Budriah Home as a part of our charity project.

Great Workplace

The bright minds and graduates have voted Maybank as the nation's No.1 preferred employer in Graduan Aspire - for two years in a row. We were also recognised as the winner in the Banking and Financial Services category in Malaysia's 100 Leading Graduate Employers consecutively in 2011 and 2012. Our overall ranking across all categories has improved, moving to third in 2012 from fifth in 2011 and 17th in 2010.

Maybank Singapore received the Employer Award of the Year - Gold Award and the Excellence Award in the Work-life Excellence Awards.



#1 Preferred Employer



MALAYSIA'S 100 LEADING GRADUATE EMPLOYERS OVERALL RANK : 2010 - 2012

Rank 2010	Rank 2011	Rank 2012
1 Ernst & Young	1 PwC	1 PwC
2 PwC	2 Ernst & Young	2 Ernst & Young
3 KPMG	3 KPMG	3 Maybank
4 Deloitte	4 Deloitte	4 KPMG
5 IBM Malaysia	5 Maybank	5 Apple*
6 Shell Malaysia	6 CIMB Group	5 Air Asia*
7 Sime Darby	7 Bank Negara Malaysia	7 CIMB Group
8 CIMB Group	8 ASTRO	8 PETRONAS
9 Bank Negara Malaysia	9 Air Asia*	9 Deloitte
10 Air Asia	9 Genting Malaysia*	10 Public Bank
11 ASTRO	9 Public Bank*	11 Malaysia Airlines
12 Berjaya Corporation	12 Shell Malaysia	12 Bank Negara Malaysia*
12 Exxon Mobil*	13 Berjaya Corporation	12 Genting Malaysia*
14 Sony (M) Sdn Bhd	14 Citibank	14 Shell Malaysia
15 BDO*	15 Exxon Mobil	15 IOI Group
16 MAS*	16 HSBC Bank Malaysia*	16 Sunway Group
17 Maybank	16 IGB Corporation*	17 HSBC Bank Malaysia
18 Public Bank Berhad	16 Malaysia Airlines*	18 Accenture*
19 Maxis*	19 Intel Malaysia*	18 Citibank*
19 Media Prima Bhd*	19 Star Publications*	20 Samsung Malaysia*
		20 Sime Darby*

* Tied position

Source: Malaysia's 100 Leading Graduate Employers. www.malaysias100.com

Leadership

We place significant emphasis on leadership given its impact on the broader culture, climate and performance within the organisation. Leadership at Maybank is not about seniority or hierarchy. It is about vision, strategy and passion.

Our leaders set the tone of the Group's priorities and for humanising financial services throughout the organisation at various levels.

Our leadership philosophy seeks to develop winning leaders, deliver outstanding results and drive customer centricity. Our targeted leadership development framework is tailored for different pools of leaders. To sustain our momentum and growth, we look to develop aspirational leaders.

Leadership development is a rigorous and on-going process. It combines on-the-job learning and compulsory structured programmes throughout the year, some long term and some over a shorter duration. There are various programmes that are in place in order to build a broader base of inspirational and effective leaders. Some of our ongoing programmes include Transitioning Leaders to CEOs, The Top Team Effectiveness Programme (TTEP), Maybank Great Managers (MGM) and Maybank Great Leaders (MGL) programmes.

Mentoring and Coaching

We have put in place a structured mentoring and coaching programme within the organisation. We recognise the importance of mentoring and coaching in developing future leaders and pushing the performance bar. Towards this end, we have four full-time Executive Leadership Coaches (ELC). In 2012, they conducted Leadership Programmes of over 750 coaching sessions for 150 managers. They also conducted 30 team engagement sessions and leadership programmes for over 100 leaders. We also

have an established mentoring programme to equip leaders with mentoring skills which has over 450 employees participating in the programme as either a mentor or a mentee. 85% of the participants have either maintained or improved their performance levels.

Our various leadership programmes continues to bear fruit. Last year, we achieved a 40% (39% in 2011) realisation rate of identified successors taking on mission critical positions. This is critical given the proximity of these roles to the end outcomes of the organisation. We have also seen an improved readiness in successors to take on targeted positions within one to three years of 37% (34% in 2011), which is instrumental in ensuring business continuity and growth, positioning the organisation well for the future.

*7 out of 10
positions are now filled
from within*

*70%
of leaders are home grown*

*In Maybank, I find that I
have no bosses, only leaders.*

Abdul Rahman B. Mohamad Hashim
Maybank Apprentice



PCEO sharing at the EXCO Learning Engagement session

Learning and Development

It is beneficial to the Group, the overall working environment and individual staff to have capable, motivated and challenged staff. There are a number of initiatives that are in place to promote the opportunity for learning and development.

We have shifted from the traditional talent development form of classroom learning and adapted the 70:20:10 (experiential/ networking & guidance/formal learning) development philosophy in order to more holistically and effectively develop our talent.

For formal learning, our platforms include e-learning via MyCampus (our online learning portal), our flagship Maybank Academy, and external programmes. More and more staff enjoy e-learning as it allows them to follow courses at their own pace.

A series of learning and development for senior leaders and key talents are also in place. The Guru series for example combines our leadership development with motivation and inspiration, enabling our leaders to learn from the insights and perspectives of thought leaders and management gurus from the global community and appreciate world class best practices. Such exposure is important to ensure that leading practices are adopted and inculcated within the organisation in enabling us to achieve our ambitious regional business aspirations.

In 2012, the Group invested RM100 million in learning and development programmes, well above the statutory requirements. In Malaysia, 82.4% of the workforce participated in face-to-face learning, and 92.4% took online courses. Staff training expenditure for the Bank in Malaysia against total gross salary for 2012 was 3.17%. This exceeds Bank Negara Malaysia's minimum standard of 2.5% and is also above the American Society of Training and Development global benchmark of 2.65%.

Under the Staff Education Assistance Scheme which covers staff from the clerical category upwards, a total of RM479,187 was granted to staff working towards a Bachelor's, Master's or professional qualification.

- Programmes at Maybank Academy
- Group Induction Programme
 - Banking Skills, Credit Skills, Sales and Marketing Technical, Customer service
 - Personal & Managerial Skills: Maybank Great Executives and Maybank Great Managers Programmes
 - Leadership Skills: Maybank Great Leader Programme, The Guru Series



Datuk Abdul Farid Alias, Head Global Banking engaging with participants of the Leaders Teaching Leaders series

Safety, Health and Wellbeing

Our Occupational Safety & Health (OSH) and Wellness teams introduced a variety of programmes to maintain a safe and healthy lifestyle for all staff.

Helping our people to understand and comply with safety and wellbeing requirements remains an important aspect of our overall strategy. We particularly encourage healthy lifestyle changes. These principles align closely with our belief that good health contributes to more engaged staff.

We organise activities that promote physical and emotional well-being and healthy lifestyles. During the year, staff attended Safe Riding and Defensive Driving Programmes, Disaster Simulation Exercises, Blood Donation Drives, First Aid Training, Ergonomics Assessments, Positive Parenting Workshops, Fitness and Weight Loss Programmes, Healthy Lifestyle Carnivals, and regular monthly health talks.

Maybank also encourages staff to participate in sports such as the Inter-Bank competitions - outdoor and indoor games, KL Soccer League and the Malaysian Hockey League. Over 300 runners represented Maybank Group at the 2012 BII-Maybank marathon and at the KL Rat Race.

Our own annual sports activities, namely the Maybank Sports Carnival and Indoor Games, foster unity across the Group. The Maybank Sports Carnival involves over 2,000 Maybankers and 18 teams from Malaysia, Singapore, Thailand, Indonesia and the Philippines, all competing in 14 outdoor games.

While the majority of our people work in low risk environments, our injury frequency rate (due to accidents, occupational diseases, dangerous occurrences, fires, near misses and natural incidents) showed a slight increase due to increased awareness among reporting units on the importance of incident reporting. Injury frequency rate increased

from 0.041 in 2012 to 0.032 in 2011. We are working to ensure that our reported cases are better managed.

We have used the staff Portal as a platform to hold our OSH database and online library, as a means of reaching to our employees. For example, the Maybank Emergency Response Plan (ERP) creates awareness of general escape routes as well as safety and preventive measures during emergency situations. The plan is available to all employees via e-learning in MyCampus.

Improving the Safety Standards for Staff

Maybank joined the National Institute of Occupational Safety and Health (NIOSH) Safe Riding Programme, in collaboration with NIOSH Malaysia and PERKESO (National Social Security Organisation) which provided safe riding programmes for the Bank's staff. The aim is to minimise commuting accidents involving staff. Four training sessions were organised throughout Malaysia for staff in 2012. Our ongoing efforts at promoting safe commuting were given recognition on 24 April 2012 by Malaysia's Ministry of Human Resource in conjunction with the launching of the National Safe Commuting to Work Campaign 2012 held at Universiti Tenaga Nasional (UNITEN), Bangi, Selangor.

Ergonomics Risk Assessment for Chief Cashiers in Branches

In view of the rising cases of back pain amongst the Bank's Chief Cashiers, an ergonomics risk assessment was conducted by HFE Consulting, an ergonomics expert that looked into the work activity of Chief Cashiers who have to carry heavy loads of cash notes and coins from the cash room to the front line teller counters. Based on the findings, certain work procedures have been improved and new designs of cash/coin boxes have also been introduced to minimise the risk of health hazard.



HEALTHY STAFF PROGRAMMES
Trim and Fit Programme at Regional Level

In collaboration with the Ministry of Health, a pilot programme was held from April 2011 to August 2011 (a six-month course). A total of 35 participants were selected out of 50 who applied. Prior to selection, applicants had a basic medical screening performed by our panel doctors to verify that the selected applicants have a clean bill of health. At the end of the 6 months duration, very encouraging results were obtained, with the overall winner recording a weight loss of 12 kgs.

GHC was directed to roll out this programme to all regions in stages. In 2012, Johor and Sabah were offered to run this programme, coordinated by GHC and Regional representatives. Both programmes attracted about 35 participants each. Participants underwent a structured exercise regime led by private trainers from appointed fitness centres, three times a week. At the end of each month, participants will be brought to workout in activities such as Beach Boot camp, Jungle trekking, Aqua-aerobics, and Explorace.

Based on the positive results, participants have taken steps to lead a healthier and more active lifestyle after the Trim & Fit programme.

Total Wellness and Health Promotion (TWHP)

The pilot TWHP programme was conducted on 6th-8th May 2011, in Maybank Academy, Bangi and was attended by 42 staff from all grades nationwide. The response by participants was gauged by the Evaluation forms which they gave their comments. Further to this, we also have requested the participants to send emails on how they have made positive changes in their lifestyle. Feedback received include staff informing that they have organised walking clubs while some have even started to do exercises on their own and going to gymnasiums.

In FY 2012, we offered 3 TWHP's for staff nationwide from all levels.

- 20-22 April (25 participants)
- 18-20 October (19 participants)
- 1-3 November (23 managers from Selangor /Negeri Sembilan)

Currently we are conducting a follow up medical screening to determine if this programme has impacted their health.

Morning Stretching Exercise

As part of our efforts to promote a healthy, productive and alert workforce, we initiated morning stretching exercises at departments. Led by our Sports Unit personnel, staff members were taught techniques on how to carry out light exercises while at their workstations. Many of the staff found the morning exercise that takes about 15 minutes, beneficial as it helps them deal with exhaustion and lethargy, minor aches, and stress levels.

Ergonomics Workshop

Ergonomics is a study of fitting workplace and job demands to the capabilities of workers. At Maybank, OSH conducts workshops to create a higher awareness of ergonomics issues and thus help to create a conducive and healthy working condition in the workplace. In collaboration with SOCSO, Maybank is holding such workshops nationwide.



Ergonomics workshop in session

Monthly Health Talks

We organised a total of 11 Noon Health Talks in 2012. These talks attracted an average of 180 staff per session.

Specialist doctors from our panel of Private Hospitals covered topics such as:

- Pregnancy to Menopause
- Importance of Blood Donations
- Gastric Disorders
- Common Eye problems
- Oral & Dental Health
- Lower Back Pains etc.

Feedback forms are usually sent out to participants to evaluate the success of such activities. Most of the staff in attendance has expressed their satisfaction as the forum does improve their understanding on health matters.

Moving Forward:

- Further improve our internal talent platforms to meet our target of filling 8 out of 10 vacancies from within.
- Strengthen our core capabilities, our culture and our values through targeted programmes.
- Continue to build robust succession plans.
- Streamline our global human resources practices and eliminate duplication.
- Improve our approach to the health, wellbeing and safety of our people across the region.

Responsible

Marketplace

At the heart of our mission to humanise financial services is the aim to enable access to banking and financial services to all segments of society. As our business grows, we contribute to the regions prosperity. Responsible growth means stewardship in promoting financial services and products.



DOW JONES



SUSTAINABILITY
INDEX SCORE

60 OUT OF 100

SHARIAH
CENTRE OF
EXCELLENCE

THE ONLY BANK IN

18 RURAL
AREAS IN
MALAYSIA

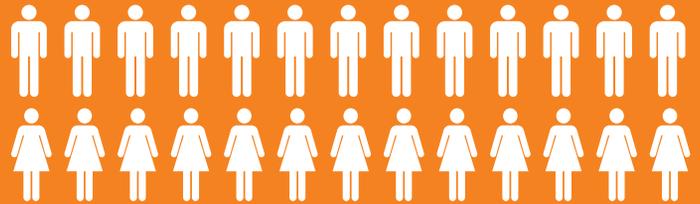
55 WHEELCHAIR-ACCESSIBLE
BRANCHES
IN MAYBANK PHILIPPINES



OVER 2,200 BRANCHES
SERVING SOME

22M

CUSTOMERS



IMPROVEMENT
IN THE WAY WE
RESOLVE CUSTOMER
COMPLAINTS

AT A GLANCE

Access to Finance

Overall experience of customers when they deal with Maybank at multiple touch points

- Focus on Customers
- Growing Our Reach
- Rural Outreach
- Affordable Housing
- Supporting Small Business

IT as an Enabler

IT has enabled us to fulfil the increasingly complex requirements of a growing sophisticated customer base

- Information Security-fraud and data protection
- Fraud Prevention

Product Stewardship

Leadership in product development and addressing risks arising from Environmental, Social and Governance (ESG) issues is an integral part of meeting our sustainability commitment

- Responsible Lending
- Financing the Green Economy
- Dow Jones Sustainability Index
- Leadership in Islamic Finance

Procurement Sustainability

Our sourcing process has built-in good practices, tools and guidelines to encourage sustainability

- Our Commitment
- Ethical Supply Chain Managements



Maybank is a familiar brand across many countries.

Access to Finance

From the very beginning, we have been a bank for the community, listening to and serving our customers by facilitating growth and creating value.

When delivered responsibly and efficiently, financial services bridge economic divides and bring social benefits. The challenge for us as we grow regionally is to deliver products and services that are accessible and fair.

As custodians of public funds, the banking sector is constantly under scrutiny. Our responsibility at the marketplace is always dependent on winning trust and showing accountability. Access to finance underlines the key area where we can make a difference in the markets that we operate in. We are constantly working with governments to enhance basic banking services and provide affordable credit.

As an industry, we are also exposed to additional impacts through the companies we finance. We are committed to having deep knowledge of our clients' businesses, including understanding the social and environmental impacts of sectors and specific operations that we bank. At the same time, our business will only thrive when embedded with elements of good governance, social innovation and environmental integrity. For us, leadership in the marketplace is defined by a strategically oriented mindset.

Focus on Customers

For our brands to have a clear, powerful and distinctive position in the marketplace, we need a constant focus on customers. We are building three core capabilities which we believe will give us the ability to surpass competitors and deliver superior customer experience:

- **Multi-channel sales and service** provides multiple customer touch points. It ensures consistency of products and services across all our channels.
- **Integrated Customer Analytics** equips us with the convenience of powerful real-time analysis of what our customers want.
- **Agile Product Manufacturing** is our focus on the customisation of product development and delivery.

As we forge ahead in the region and beyond, we have been working hard to listen to our customers. We strive to have ethical, transparent and fair relationships with every one of them. What we want is a top of mind position for superior customer service quality.

We have simplified our services and products and worked towards pricing them in an appropriate and transparent manner. Through the Regional Branch Solutions (RBS) initiative, previously known as Branch Front End, our customers experience a seamless banking experience through the elimination of home branch restrictions, paperless transactions and effective customer identification. This in turn has reduced processing time, customer waiting time and non-value added activities.

For better and more secure cross border transfers with secured access, we rolled out the Regional Cash Management System (RCMS). Through the Maybank2E platform, we are now able to offer a single transaction banking platform across ASEAN and Greater China. The platform combines ease of use with real time data.

Marketing and Communications

The question that is top most in our minds is how to better understand the needs of our diverse customers and how to communicate our products and services in the most effective way. We are always looking to improve labelling, marketing communications and customer privacy, all of which epitomise our drive to ensure responsible products and services.

Customers have told us they want fewer, simpler products with easy to understand fees and charges. Some of these concerns are reflected in our product disclosure guideline sheet which outlines clearly all relevant information about a particular product. It also outlines the impact of the product through an easy to understand Q&A format. As well as simplifying our products, we have simplified our communications, refreshed the web pages for our main products as well as the brochures and leaflets in our branches.

Our marketing policy is in compliance with the guidelines set by Bank Negara Malaysia and the Public Islamic Dividend Fund (PIDF). We conduct regular training for front-liners and Branch Managers through branch merchandising programme orientation to avoid breaches during their own communication and hence providing wrong information. More than 2,084 training sessions were conducted for the branches throughout 2012.

In 2012, four internal investigations were conducted for potential non compliance concerning marketing communications. Further investigation revealed that there were no breaches.

Improving Service Quality

98% improvement in the way we resolve customer complaints.

Our service quality improvements aim to steer the Group towards providing top-of-its-class customer experience. In 2012, we established a Service Quality Committee which spearheaded a range of transformation initiatives, projects and campaigns to drive consistency and deliver on the brand promise that we make to our customers. This means nurturing hearts, minds and behaviours. We wanted to translate our approach at complaint management level, at our contact centres and front line operations. We initiated a series of service quality initiatives towards this end.

Customers are core to our sustainability and our service quality initiatives aim to steer the Group towards raising the bar to surpass service expectations. In 2012, we conceptualised an initiative called Project “GIFT” which was focused on improving our complaints management framework at our front lines.



Initiatives	Description	Target	Actual FY12 Achievement
<p>Project GIFT ‘No More Angry Customers’ An initiative to improve the end-to-end complaint management.</p>	<p>SLA Performance Bankwide Complaint</p>	90%	98%
<p>Project Narnia ‘No More Waiting Beyond 2 or 5 Minutes’ An initiative to delight our customers with the shortest possible waiting time of not more than 2 minutes for single transactions and not more than 5 minutes for multiple transactions.</p>	<p>% of branches nationwide meeting the following average waiting time:</p> <ul style="list-style-type: none"> Single (2 minutes) Multiple (5 minutes) 	<p>80%</p> <p>53%</p>	<p>86%</p> <p>56%</p>
<p>Project Harry Potter ‘No More I Don’t Know’ An initiative to improve product knowledge to all frontlines. (Operational and Core Products)</p>	<p>Product knowledge assessment score</p> <ul style="list-style-type: none"> Level 1 (Operational) Level 2 (Sales) 	<p>85%</p> <p>85%</p>	<p>78%</p> <p>76%</p>

Responsible Marketplace

2012 External Customer Engagement Survey (ECES)

48.3%

Project Narnia addressed the issues of long waiting time and queues associated with our branches. It successfully shortened customers' waiting time to meet their expectations of excellent and efficient banking services at our branches nationwide.

In an effort to further improve customers' experience in banking with us, all front liners honed their knowledge of our products and services in a fun and sustainable manner via Project Harry Potter.

The External Customer Engagement Survey (ECES) was conducted across five delivery channels with a sample size of 3,000 customers. A 48.3% score was achieved. The survey was undertaken by a third party service provider.

To instill a culture of service, we also introduced an online platform "e-555" to recognise fellow Maybank staff who demonstrated our core values through teamwork and relationship building with fellow colleagues. To date, almost 6,000 messages of appreciation have been recorded as a testimony of our humanising culture within the Group. The platform encourages team spirit, trust and cooperation in serving internal and external customers better and with H.E.A.R.T (Humility, Efficiency, Appreciation, Respect and Trust).

Supporting customers in difficulty

It is important for us to develop ways to support customers in financial difficulty and make real enhancements to help them avoid debt problems. We work in partnership with the debt advice industry, including the Credit Counselling and Debt Management Agency, or commonly known as Agensi Kaunseling dan Pengurusan Kredit (AKPK), to support people in financial difficulty and to provide them with the tools they need to gain better

The maybank2uPlanner allows customers to automatically track spending and budget, set goals, view charts and reports. This prepares them to make smarter decisions about their money and set financial goals. The maybank2u Planner is an organised way of managing finances and puts an end to using Excel sheets or the old school pen and paper. Customers learn to understand financial management in terms of income, spending habits, goals and savings in a simpler and more systematic way. The aim is to avoid falling into debt or financial problems.



At Maybank, customers are our priority

control of their finances. We have also initiated some programs of our own. For example, many of our customers in the East Coast of Peninsular Malaysia are subject to floods during the monsoon season. Some of them are fishermen and farmers who lose much of their income at this time as they are reliant on weather. We waive loan repayments during this period of hardship until the monsoon recedes.

Our maybank2uPlanner is also available to all customers.

In Singapore, we work with the Central Singapore Community Development Council (CDC), a government agency, in financial inclusion programmes for people with financial difficulties. Through the C.A.S.HUP programme, we help low-income families to cultivate a good savings habit by matching their savings for a period of nine months, up to a cap of S\$1,000. The programme is currently funded by the Maybank Foundation and Maybank Singapore waives the account opening and administrative fees for beneficiaries for two years.

The Maybank Breadwinner Protection Programme helps the lower income segment in the community. Under this programme, breadwinners of low-income families receive free Personal Accident Insurance coverage for five years. This provides some degree of financial security for the dependants, in the event the breadwinner gets involved in an accident and is unable to work.

In Indonesia, we now have a replanting savings scheme through the "Indonesia Plantation Community Empowerment" programme. In this programme, BII SME Banking educates the community on the importance of saving a little at a time continuously to achieve self economic independency, primarily so that they will have the funds to replant when the time comes. A total of 5,765 members have joined in the programme with a total savings balance of Rp58 billion as at December 2012.

Growing Our Reach

We realise that the overall experience of customers when they deal with us at our multiple touch points is crucial.

We continue improving our services to the various customer segments through well-priced and relevant products as well as providing geographic outreach through multiple distribution channels.

We have the most extensive financial services network in Malaysia: 401 branches and mobile banking services in remote areas. We are also the only bank in 18 rural areas.

There are 16 disabled-friendly branches in Malaysia and all 55 Maybank Philippines branches are wheelchair-accessible.

Malaysia: We refreshed more than 100 branches and opened eight new branches in Malaysia. We also continued with our branch transformation programme with the refurbishment of our branches with the new “Hip and Cool” branch design.

Singapore: We have 22 branches and more than 35 ATMs strategically located in the business districts and suburban estates to better serve our customers. Maybank is also part of atm⁵, Singapore’s only shared ATM network which combines the reach of more than 130 locations of the six Qualifying Full Banks (QFB). Two heartland branches were recently refurbished, adopting unique designs inspired by the surroundings of each branch.

Indonesia: We added 165 ATMs and opened 64 new branches of which 12 are still awaiting approval from Bank Indonesia (Central Bank).

Philippines: All of our 55 branches nationwide are disabled-friendly, with 28 in Metro Manila and 27 more in the key cities of Luzon, Visayas and Mindanao. We recently moved our Head Office to the Bonifacio Global City (BGC) in Taguig in a bid to strengthen our corporate brand and enhance our value.



A customer using one of our wheelchair-accessible machines



Bank with a Heart

Lans Corporal Ahmad Liman was not able to service his mortgage. The home of his dreams was partly built before it was abandoned by an unscrupulous developer. He decided to continue living in the half-built house with his family until his mortgage officers turned up for a visit-not to evict him but to help him build the house. They had understood that he had not been servicing his loan because he had no other home and no means of repaying his loan. Maybank staff at the Rompin and Pekan branches had rallied together with the police force to help him build the unfinished home with their own physical labour. The efforts by our officers at rebuilding the house were suitably recognised by the police force in a special ceremony.

Responsible Marketplace

Maybank One Solution

In terms of extending our reach, we have now initiated the kiosk banking concept through the 'Maybank One Solution'. This is an integrated 7-in-1 financial product bundled with approval and activation in 10 minutes. The account opening process is 'simple, fast, once and done'. The underserved communities will particularly benefit from this new product. Kiosks are located at branch self-service terminal areas, shopping malls or hypermarkets. These kiosks operate for extended hours, seven days a week and require no forms to fill. The Maybank One Solution is easily accessible and appeals to the majority of mass customers as application is made only once, for all products, with on-the-spot processing and approval. There are currently 33 kiosks. By 2013, we aim to add another 45 new kiosks. In addition, Maybank One Solution will offer Islamic banking products in early 2013, thereby increasing choices available to customers.

Suri – An insurance product tailored for women

Suri is a 4-in-1 comprehensive protection plan specially tailored for women. Suri takes care of all health and savings needs to give every women essential financial relief and assistance. It provides benefit for death, total and permanent disability, critical illness and daily hospital cash in the event of hospitalisation as well as guaranteed cash back upon maturity, if no claims are made. It pays an additional benefit of 50% of the sum insured if the illness is female cancer. The success of Suri reflects how we are reaching out and empowering our diverse customer base.

Online Network

Our online outreach is available to our customers 24/7 through M2U Mobile which enables customers to access the Bank's portal *maybank2u.com* using any mobile device or telecommunications operator for their banking, bill payment and e-commerce transactions. It is versatile, easy and convenient for customers and literally places a whole suite of transactions in the hands of customers, to be conducted anytime and from anywhere on their mobile devices. It brings about the simplicity and versatility of banking into the virtual space. In 2012, we launched internet banking (M2U) in Cambodia and there are plans for a roll out in 2013 of a regional M2U, extending basic internet banking services to our regional units.



The communication channels available to customers and the public:

- Maybank Corporate Website
- Customer Care Hotline such as Maybank Group Customer Care, Etiqa Hotline and so on
- Social media channels such as Facebook
- Twitter, YouTube, Google+ and LinkedIn

Our Social Media Engagement

We have an EXCO-endorsed Maybank Social Media Policies and Guidelines which was published in September 2012. It governs the use of social media by Maybank, as well as how employees of Maybank should conduct themselves in the space. Social media is more than just a channel to push messages to our followers. We are committed to engage our followers on a personal level and this is done through several means, including creating and sharing content that our followers would find useful and making sure we respond to their questions and queries as quickly as possible. The main do's and don'ts fall within a very simple framework: "Do the Right Thing".

In Facebook, we have between 30,000 - 50,000 people talking about us at any one time, making us a leading voice in the social space. We maintain a very high level of engaged audience and have the fastest turnaround time in responding to customer queries.

followers on FACEBOOK

488K



Humanising our Contact Centres

At Etiqa's award winning contact centre, callers do not go through an interactive voice recording. Callers are immediately connected to a consultant who would then assist with the requests and enquiries. This is challenging especially in a very complex operating environment, as the contact centre supports multiple lines of business, concurrent operating systems, multiple products and multiple processes.

Average calls taken by a consultant in a day

135
calls

Average speed of answer

12
seconds

% of answered calls

95%

First contact resolution

92.5%

(% of enquiries resolved by contact centre without escalation to the Operations department)

Responsible Marketplace

Rural Outreach

To reach out to customers in smaller communities in rural areas, we have utilised agency services or shared banking services (SBS) where customers are able to conduct basic banking services. The services provided are free of charge and the transaction costs are fully funded by the bank. One major example is our strategic partnership with POS Malaysia Berhad (PMB). PMB has a wide network of outlets nationwide through its 700 strong network. This creates further accessibility both in urban and rural areas. Crucially, SBS provides strategic touch points to the underserved rural markets, in areas where banking facilities are limited. SBS has now been further expanded to 350 POS Malaysia outlets.



This partnership has especially benefited micro-enterprises, small business owners and workers at plantation areas where banking facilities are limited. In these areas, SBS now provides essential banking facilities to help them manage and handle their daily cash needs. It has also benefitted Maybank. Through SBS, we have attracted RM33.6 million in both Savings and Current account deposits. We are committed to bringing this partnership to the next level. Our aim is to increase the types of products and services available through SBS, in particular insurance, retail financing and other daily banking services.

Our Bank on Wheels is another rural outreach initiative where our bus in Kuantan allows customers to conduct basic banking services in a Maybank bus that comes to their area. We hope to expand our services to the rural banking segment.

In Indonesia, through the Sahabat Micro (sami), BII SME Banking supports micro businesses by providing various capacity building initiatives. Selected BII internal employees have had the opportunity to share their management knowledge and skills to micro businesses. Our aim is to empower and improve micro business dealings.

Affordable Housing

As property prices and the cost of living continue to escalate in major cities, access to mortgage becomes even more crucial for various segments. In Malaysia, we support the government's aspiration towards ensuring affordable housing. Maybank currently actively participates in housing schemes initiated by the government. We have various housing loan schemes for low- and middle-income earners, including Maybank's "My First Home Scheme", backed by Cagamas which caters specifically to first-time home owners as well as the Home Financing Guarantee Scheme under Syarikat Jaminan Kredit Perumahan Berhad (SJKP). Both schemes are offered under Maybank's conventional and Islamic banking. Various other housing schemes are in place to help young, first time home owners with up to 100% loan support. In Singapore, Indonesia and Philippines, we work with regulators to ensure that our housing financing schemes are aligned to reflect fair trading practices with appropriately priced packages.

Supporting Small Businesses

At the heart of our relationship with Small and Medium Enterprises is our commitment to help businesses. The impact of our wider contribution has been acknowledged. Based on the *Doing Business Report* by the World Bank, Malaysia has been ranked number one for four consecutive years for 'getting credit'.

Malaysia's SME Masterplan 2012-2020 is seen as a 'game changer' to accelerate the growth of SMEs to achieve high income nation status by 2020. Access to financing has been identified as one of the key performance levers to drive the growth potential of SMEs. We hope to contribute to the growth of SMEs across the region by providing access to finance.

Our Business Banking and SME segments are thus driven by an underlying commitment towards enhancing quality and relevance of products and services to customers. In 2012, we rolled out a new Retail SME business model which has brought much positive impact, including enabling our customers to enjoy fast and hassle-free banking with Maybank.

We have also further provided for entrepreneurial development. A strong and vibrant SME base can contribute to endogenous source of growth in the region. We collaborate with Government ministries, agencies and Government-Linked Companies (GLCs) to help in the development of Malaysian entrepreneurs. Our Entrepreneurial Development Department has specifically designed courses to provide advice on cash flow management, business plan preparation for loan application and loan packages. In 2012, we conducted over 20 external training in collaboration with public and private agencies, namely the Malaysian Franchise Association (MFA), SME Corporation (SME Corp) and others.

In Indonesia, BII SME Banking works with Enterprise Asia magazine for our column SME Business Trend, Opportunities & Challenges in Indonesia. Through this outlet, we regularly provide information related to entrepreneurship and product for business development in community media. At the same time, BII has strived to provide direction and understanding about basic book keeping to small entrepreneurs through trainings and forums.

Information Technology

IT serves various functions, from providing an unrivalled platform for heightening customer experience, to supporting our regional expansion and enabling services which increase our revenue stream. Continuous investment in IT is required for the ongoing transformation that we have envisaged for an enriched future.

Our IT Transformation Programme (ITTP) which kicked-off in July 2010 has been the technology enabler that has allowed us to fulfill the increasingly complex requirements of a growing sophisticated customer base. In 2012, IT continued its focus on technology that supports regionalisation. We rolled out various programmes and products offering robust, flexible and intuitive systems for our various business needs. IT services transcend the entire Group and create greater synergies across our business.

We continue to surpass the industry benchmark in ATM and Cash Deposit Machines (CDM) operations. We achieved ATM uptime rate of 98.74% in 2012, with an improvement from 98.6% in 2011, (by 0.14%) whilst our CDMs recorded an uptime rate of 96.25% in 2012 in comparison to 95.36% in 2011 (by 0.89%).

Information Security

Protecting customer and employee information is a fundamental responsibility of the Group. In this regard, it is imperative that we manage our records safely, focusing on the controls required to manage high-risk records, especially so for customer information.

These controls improve our records systems to reliably create, maintain, retrieve and dispose of our records in accordance with the expectations of our key stakeholders while meeting legal and regulatory obligations. The safety and security of our customers and employees, and their money and data are fundamental. As well as our own work in this area, we collaborate with the government and industry to highlight the threat of issues such as identity theft. The threat comes in various deceptive

forms of communications that try to access customer information. Due to our continued investment in online defenses, the impact on our customers has been kept to a minimum and we will continue to investigate additional security technologies to protect our online banking customers.

Fraud Prevention

We are constantly working to improve our fraud prevention measures. These include increasing the security of our ATMs, cards and online banking.

We continue to invest in the protection of our customers, minimising losses to customers by implementing a range of initiatives. These include the use of fraud detection software, enhanced security chip cards, protection when shopping online and the use of chip and PIN abroad.

Maybank was featured at the Annual ICT Leadership Award 2012, hosted by the National ICT Leadership Association of Malaysia, PIKOM. Maybank garnered two outstanding awards for the night: the Malaysia's ICT Organisation of the Year Award for our integrated financial analytics - Clarity, Aligning Strategy and Unifying Project Information, and the CIO of the Year 2012 Award to Mr Tan Kok Meng.

Product Stewardship

Our products can encourage behaviour and market change by supporting a sustainable economy and providing access to finance.

By articulating long-term boundaries and providing clear guidance on the most important areas for action, we hope to provide a better knowledge base in product stewardship and further embed responsibility deep in our DNA. Our role has become more significant as our financial impact grows. Through the acquisition of Kim Eng Securities for example, we were also able to play key roles in two of the five largest IPOs across the globe in 2012, namely Felda Global Ventures Holdings' RM10.4 billion IPO and IHH Healthcare's RM6.3 billion dual-listed IPO.

The environmental and social costs arising from unsustainable business practices today will have financial consequences for the portfolios of tomorrow. These corporate externalities can positively or negatively influence issues such as climate change and resource depletion. It is clearly in our long-term interest that our business in general and the economy overall is conducted in a sustainable way. Sustainable capital markets can therefore generate long-term value for us.

Financing the Green Economy

As a regional business with wide impact on a broad range of industries, we recognise that our actions and those of our clients bring potential Environmental, Social and Governance (ESG) risks. We continually assess our lending processes in relation to sensitive sectors and calibrate our lending appetite in such cases. Failure to consider ESG issues can be seen to impact the region's global competitiveness and development. We are working to enhance some of our evaluation criteria in the coming year. Further, in line with the Government's Green Technology Financing Scheme (GTFS), we are focused on financing next generation green technology businesses.

SOME GREEN TECHNOLOGY RELATED FINANCING IN 2012

MCT GREEN TECHNOLOGY SDN BHD

Maybank's funding proved to be crucial jump start for MCT-GT Sdn. Bhd. in its innovative green journey. MCT-GT is an environmental energy consultancy that offers design, construction, maintenance and operation pertaining to environmental friendly buildings and efficient energy consumption solutions. MCT-GT emphasises eco-friendly solutions for building utilities such as thermal energy storage, rainwater harvesting, grey water recycling, renewable energy and energy conservation. They work with developers, building owners and environmental conscious customers in implementing energy saving solutions for new or existing buildings.

Maybank provided the funding to help MCT-GT start its foray into this innovative technology segment, particularly to market its key product, Thermal Energy Storage System (TESS).

Kina Biopower Sdn Bhd Seguntor Bioenergy Sdn Bhd

Maybank provided the refinancing and working capital for this project. Based in Sandakan, Sabah, Seguntor Bioenergy Sdn Bhd and Kina Biopwer Sdn Bhd were established to generate electricity by using biomass as fuel. These biomass projects not only reduce the emission of methane from Empty Fruit Bunch (EFB) deterioration, but also reduce the anticipated carbon emissions if such power plants were to use fossil fuels. An estimated volume of 18 million litres of fossil fuel per year was saved per project.

The heat produced from the burning of EFB is used to produce steam which will then be used to drive steam turbines and generate electricity. Each power plant's gross capacity is 11.5 MW and 10 MW of electricity is generated. Electricity produced will be exported to the grid lines of Sabah Electricity Sdn. Bhd. to increase the stability of the system in the surrounding areas and serve the increasing demand for electricity arising from the rapid development in Sandakan. Maybank's funding was crucial in the development of the project.

Responsible Marketplace

Dow Jones Sustainability Index 2012

We participated in the Dow Jones Sustainability Index (DJSI) in 2012. DJSI is the first and one of the most widely used global indexes tracking the financial performance of leading sustainability-driven companies. The assessment is based on three main components: Economic, Environment and Social. In 2012, the 40 largest companies by market value listed on Bursa Malaysia were invited to participate. It was the first time Maybank did so. Maybank received a total score of 60 out of 100 and was the only participating bank in Malaysia.

**Microfinance**

Maybank's approach to microfinance is to provide sustainable assistance programmes for the country's poor and the unbanked segments around the country. The types of microfinance offered by Maybank under retail include Maybank Mikro & Maybank Islamic Mikro-I, SmallBiz Express & SmallBiz Express-I as well as Program Rakan Ladang for BERNAS members. On the other end of the spectrum, we also offer the SME Microfinancing Programme to help small businesses develop their markets.

In Indonesia, BII SME Banking extends financing to micro businesses through the BII Linkage Programme in cooperation with various rural banks and cooperatives. BII SME Banking also participates in Government lending programmes especially in the agribusiness sector, with credit schemes. Some of the schemes include:

- Loan to Primary Cooperative for its Members - Koperasi Primer untuk Anggota (KKPA)
- Credit for Food Survival and Energy - Kredit Ketahanan Pangan dan Energi (KKPE)
- Credit for Biofuel Development and Plantation Revitalization - Kredit Pengembangan Energi Nabati dan Revitalisasi Perkebunan (KPEN-RP)

Remittance

Maybank is one of the leading remittance players in the industry through its quality money transfer service namely Maybank Money Express (MME). Being a preferred remittance service provider among our customers in the region, we strive to enhance customer experience and value proposition by expanding our service offerings and convenience.

To expand our service offering for the diverse needs of our customers and communities we serve, Maybank offers remittance services for migrant workers from Indonesia, the Philippines, Cambodia, Vietnam, Myanmar, Nepal, etc. We offer account crediting service via Foreign Workers Telegraphic Transfer and real-time cash-to-cash transfer, known as Maybank Money Express Web which is available in 13 countries with more than 8,000 agent locations.

In 2012, BII signed a Deed of Understanding with the Ministry of Labour and Transmigration of Indonesia to provide banking services to Indonesian Domestic Workers. Domestic workers are the biggest foreign exchange contributors to Indonesia. We have now extended our services beyond remittance through several savings products for domestic workers. We want to encourage a savings culture amongst them. Thus, funds saved during their work contract will continuously grow and become an asset for their families in the future.

When we humanise the business, we understand that the remittance going from Kuala Lumpur to Nepal for example, is going from a father and that the money is going to be used to pay for his sons school fees and shoes. We understand how hugely important that small transaction is. It needs to be delivered on time and in a secure manner. This is why it's important to understand our customer segments and what role we play in their lives.

Mohd Suhail Amar Suresh bin Abdullah
Head, Virtual Banking & Payments

Leadership in Islamic Finance

Maybank Islamic is currently the largest Islamic Banking provider in the Asia Pacific region. In line with Bank Negara Malaysia’s aspirations outlined in the Financial Sector Blueprint 2011-2020 on the “Internationalisation of Islamic Finance”, we are intensifying our efforts to strengthen our presence globally to establish Islamic Finance linkages and provide clear value propositions in our endeavours.

Maybank Islamic is improving in areas of risk management, namely through our Shariah Governance Framework which ensures comprehensive compliance with Shariah principles. This is consistent with Bank Negara Malaysia’s requirement as well as Maybank Group’s Risk Management initiatives. Improvements in risk management give our customers assurance and confidence on the soundness and credibility of our Islamic Banking products and services. Fundamentally, when non-Shariah compliant income element is identified, it will be given out for charity purposes as, “purification of income”. For 2012, a sum of ‘unpurified income’ was channelled to charity via Maybank Foundation to support Institut Jantung Negara (IJN).



Maybank Islamic and Institut Jantung Negara CR Collaboration Programme

In Singapore, the Maybank Singapore Islamic window continues to be the leading provider for Islamic retail banking services and additionally this year, we have widened our treasury solutions and secured the first Islamic Profit Swap deal with a leading Singapore-based conglomerate.

In Indonesia, we are expanding our Islamic universal banking products and solutions through Bank Internasional Indonesia (“BII”)’s Unit Usaha Syariah and Maybank Syariah Indonesia (“MSI”). To achieve growth in Indonesia, we have also geared up our engagement across all lines of business and branches to draw commitment and focus to the rapid expansion targeted for the year ahead.



At the Malaysia International Halal Showcase (MIHAS) 2012

An Islamic Platform for International Business

We have actively promoted Islamic principles in business at an international level while leveraging on our financial solutions.

World Islamic Tourism Mart 2012 (WITM 2012)

Maybank Islamic participated as the main sponsor to promote our financial solutions and also in supporting the Islamic platform in line with developing the Islamic tourism market.

Malaysia International Halal Showcase (MIHAS) 2012

We have been supporters of the Halal showcase for 9 consecutive years. This world class trade fair is dedicated only for export ready companies. For Maybank Islamic, this is an opportunity to showcase our business banking solutions and also to support the global Halal market.

Responsible Marketplace

Shariah Centre of Excellence (CoE)

Mission

To be a leading reference point of Shariah best practices in the global Islamic finance industry by 2015



- Extensive applied Shariah research in Islamic finance
- Industry benchmark for implementation of Shariah governance
- Strategic tie-up with prominent names to build new capabilities

Shariah Centre of Excellence

We have embarked on a growth journey to become a reliable and effective catalyst for the development issues that underpin Islamic Finance. We believe that the industry needs to be shepherded by next generation thinking which can ultimately unlock value in the market economy. In 2012, we initiated the Shariah Centre of Excellence to be a leading reference point for Shariah best practices in the global Islamic finance industry. The centre will be the industry benchmark for implementation of Shariah governance and encourage strategic collaborations to build new capabilities. We will work with various prominent institutions such as the Islamic Studies and Research Association (ISRA) and the International Center for Education in Islamic Finance (INCIEF) to further improve capabilities in the area.



Shariah compliant products and services of Maybank Islamic are also made available through Maybank branches

Procurement Sustainability

OUR COMMITMENT

We are committed to world-class procurement practices and securing significant savings through strategic initiatives and collaborations with stakeholders. Our procurement policy supports the Group's strategic, business and financial objectives.

We continue to achieve maximum effectiveness on procurement which results in a positive impact on our cost-to-income ratio. For us, sustainable procurement is defined as: "a process whereby organisations meet their needs for goods, services, works and utilities in a way that achieves value for money not only for the organisation, but also towards society and the economy, whilst minimising damage to the environment".

Ethical Supply Chain Management

The Maybank Group values its reputation as an organisation that maintains and practices integrity in all aspects of our operations. We are committed in ensuring that fraud does not impact our customers, suppliers, business partners or employees. We assure that no person is victimised or harassed unfairly for raising such concerns and that any such victimisation, harassment or unfair treatment will be treated as a serious misconduct resulting in disciplinary action. In 2012, we extended the Integrity Hotline for external whistle blowers. As such, complaints or concerns raised to the Hotline are to remain anonymous and can be communicated via secured forms of communication.

Protection of Information

We are committed to protecting confidential information, intellectual property and strategies that may cause a negative impact to any party. Thus, confidential information is only sought from suppliers when necessary and this information is not disclosed without the supplier's prior written consent.

Our procurement policy sets the following guidelines on information/data disclosure:

- In all instances where Maybank's confidential information is to be disclosed to a supplier or other external party, it is mandatory to execute a non-disclosure agreement in order to protect Maybank and its customers' information and interests.
- There should be no releases of any spend data or contract specific information including supplier names or pricing, except as necessary at an aggregate commodity level for supplier negotiation purposes or as required by law.
- Under no circumstances is any Maybank employee to release supplier pricing to another supplier or third party.
- Release of supplier names may only be made with supplier approval in conjunction with providing sourcing or reference information for specified parts or qualified suppliers.
- There should be no release of information or comments on any commercial or strategic planning aspects of Maybank's relationship with any supplier.

Responsible Marketplace

NIOSH-Maybank Safety Passport (NMSP)

The NMSP is a training programme jointly developed by the National Institute of Occupational Safety and Health Malaysia (NIOSH) and Maybank for the implementation of the NIOSH-Maybank Safety Passport Programme (NMSP). The NMSP is applied to all Maybank's resident and panel contractors in Menara Maybank. Contractors will only be awarded a three-year validity NMSP upon completion of a one-day training and after passing the assessment, thereby allowing them to carry out any jobs in the Bank's premises.

It has become a vital element within an organisation to ensure occupational safety and health (OSH). This remains a key focus on the working culture for both employees and contractors. Under the NMSP,

companies, project owners and building proprietors are held responsible for ensuring the prevention of occupational accidents and mishaps.

The NMSP programme is expected to improve safety practices and standards among the Bank's contractors. This initiative is also in line with the government's call to reduce the number of accidents and promote an accident-free work environment. As of 18 December 2012, a total of 267 panel contractors and 190 Bank staff having direct contact with contractors have undergone the programme. With the implementation of the NMSP programme, Maybank is the first bank to implement a Contractor Safety Programme in collaboration with the National Institute of Occupational Safety and Health (NIOSH).

Moving Forward

- Increase deployment of Regional Branch Solutions (RBS) nationally and regionally.
- Maybank Shared Services will be developed to allow for standardisation of systems to be implemented across the region.
- We will propagate risk based pricing across all key products and segments.
- To drive continuous improvement in efficiency and effectiveness through business process improvements.

Performance Data : Environment

Description	2012	2011	2010	2009	2008
Total Electric Consumption (kW) at Menara Maybank	22,304,687	21,135	22,058	22,866	23,799
Indirect Energy Consumption at Menara Maybank (GW)	22.30	21.14	22.06	22.87	n/a
Water Usage (cubic metre) at Menara Maybank	256,372.15	228,927.65	238,124.85	262,480.65	337,993.26

Performance Data : Workplace

Description	2012	2011	2010	2009	2008
Employees					
Total number*	47,233	42,693	26,548	24,910	24,773
Inside Malaysia	26,473	25,841	23,925	22,535	22,370
Outside Malaysia*	20,760	16,852	2,623	2,375	2,403
Executive	26,746	28,578	16,675	14,564	14,021
Non-Executive	16,456	14,115	9,873	10,346	10,752
Full-time	47,233	42,693	26,548	24,910	24,773
Part-time (you seem to have no part time staff)	-	-	-	-	-
Permanent Staff	40,660	39,487	25,344	24,126	24,244
Non-permanent Staff	2,542	3,206	1,204	784	529
Female	23,415	22,845	15,691	14,554	14,488
Male	19,787	19,848	10,857	10,356	10,285
Union members (For Maybank only)	10,328	10,015	9,907	11,676	11,822
Non-Union members (For Maybank only)	16,145	13,052	11,457	13,234	12,951
Age group					
< 30	13,108	13,481	7,116	6,400	7,083
30 - 40	16,962	17,177	11,178	11,208	10,924
40 - 50	10,311	9,491	6,221	5,655	5,336
> 50	2,821	2,544	2,033	1,647	1,430
Diversity (Malaysia Ops. only)					
Malay	19,560	18,201	17,735	16,499	16,654
Chinese	5,394	5,189	6,021	5,466	5,257
Indian	1,381	1,355	1,298	1,221	1,203
Others	1,138	1,096	1,494	1,724	1,659
Employee Turnover Rates					
Global - turnover rate high outside malaysia?	4,978	5,274	2,354	2,099	2,039
In Malaysia	1,950	1,742	1,866	1,800	1,559
Outside Malaysia	3,028	3,532	488	299	480

Malaysia only

Non-group; Excludes Kim Eng & BII Finance

Group: includes Malaysia, OUs, Maybank Singapore, BII, BII WOM, BII Finance, KE

Malaysia and Singapore only - Tracked online and not inclusive of non-executive.

Performance Data : Workplace

Description	2012	2011	2010	2009	2008
Global	11.52%	12.35%	8.87%	8.43%	8.23%
In Malaysia	7.37%	6.74%	7.80%	7.99%	6.97%
Outside Malaysia	18.10%	20.96%	18.60%	12.59%	19.98%
Female	2,291	2,267	1,275	1122	1148
Male	2,687	3,007	1,079	977	891
Age Group					
< 30	2,803	3,095	1,340	1191	1178
30 - 40	1,428	1,529	540	487	523
40 - 50	382	368	194	153	150
> 50	365	282	280	268	188
Women in Management					
% Women in management (Band G & above)	43%	40.87%	43.26%	38.23%	37.11%
% Women in top management (Band D & above)	31%	22.70%	18.99%	15.68%	16.66%
Training					
Employee participation in training	26,041	24,909	21,985	20,660	22,078
Average attendance per training program	25.6	20.9	25.8	24	18.2
Average training budget per employee (RM)	2,585	2,427	2,063	537	372
Average and total hours of training per employee (average / Total hours)	41.44 / 1104166.48	47.97 / 1379602.18	38.34 / 1,016,270.52	34.5 / 797,635.75	50.9 / 1,152,784.14
Staff training expenditure vs total gross salary (note: Bank Negara Malaysia's minimum standard is 2.5%)	3.17%	3.34%	2.79%	2.51%	3.25%
Performance Review towards Career Enhancement					
% Employee who are formally appraised (at least annually)	100%	100%	100%	100%	100%
% Employee who are formally appraised (during Mid-Year Review)	92%	n/a (for Financial Period July-Dec 2011)	89%	86%	68%
One-on-one performance review for year-end evaluation	90.40%	On-going	59%	61%	63%
Occupational Safety and Health (OSH)					
Total recordable injury frequency rate	0.041	0.032	0.07	NIL	NIL
Absenteeism Rate	NA	NA	NA	NA	NA
Lost time injury severity rate	0.888	0.704	3	0	0
Fatal accident rate	NIL	NIL	NIL	NIL	NIL
Employee Engagement Survey Results Human Rights	85%	86%	87%	83%	77%
No of employee who receive Human Rights training	NA	NA	NA	NA	NA
Security personnel trained on Human Rights issues	NA	NA	NA	NA	NA
No. of disabled staff	4	4	4	8	NA

Malaysia only

Non-group; Excludes Kim Eng & BII Finance

Group: includes Malaysia, OUs, Maybank Singapore, BII, BII WOM, BII Finance, KE

Malaysia and Singapore only - Tracked online and not inclusive of non-executive.

GRI G3.1 Content Index

Standard Disclosure : Profile disclosures

Strategy and Analysis

GRI REF	DESCRIPTION	WHERE IT APPEARS IN THE REPORT	EXTENT OF INDICATOR/ DISCLOSURE	REASON FOR OMISSION
1.1	Statement from the most senior decision maker of the organisation.	Chairman's Statement, p6-7 President and CEO's Message, p8-9	Y	
1.2	Description of key impacts, risks, and opportunities.	Stakeholder Engagement, p20-21	Y	

Organisational Profile

2.1	Name of the organisation.	Front Cover	Y	
2.2	Primary brands, products, and/or services.	Corporate Profile, p10-11	Y	
2.3	Operational structure of the organisation, including main divisions, operating companies, subsidiaries, and joint ventures.	Group Corporate Structure, p12	Y	
2.4	Location of organisation's headquarters.	Global Network, p11	Y	
2.5	Number of countries where the organisation operates, and names of countries with either major operations or that are specifically relevant to the sustainability issues covered in the report.	Global Network, p11 Group Corporate Structure, p12	Y	
2.6	Nature of ownership and legal form.	Group Corporate Structure, p12	Y	
2.7	Markets served (including geographic breakdown, sectors served, and types of customers/beneficiaries).	Global Network, p11	Y	
2.8	Scale of the reporting organisation.	Corporate Profile, p10-11 Annual Report p5-6, p20	Y	
2.9	Significant changes during the reporting period regarding size, structure, or ownership.	Annual Report, p5-6	Y	
2.10	Awards received in the reporting period.	Awards and Recognition, p5	Y	

Report Parameters

3.1	Reporting period (e.g., fiscal/calendar year) for information provided.	About this Report, p4	Y	
3.2	Date of most recent previous report (if any).	About this Report, p4	Y	
3.3	Reporting cycle (annual, biennial, etc.).	About this Report, p4	Y	
3.4	Contact point for questions regarding the report or its contents.	About this Report, p4	Y	
3.5	Process for defining report content.	About this Report, p4	Y	
3.6	Boundary of the report (e.g., countries, divisions, subsidiaries, leased facilities, joint ventures, suppliers).	About this Report, p4	Y	
3.7	State any specific limitations on the scope or boundary of the report (see completeness principle for explanation of scope).	About this Report, p4	Y	

GRI G3.1 Content Index

GRI REF	DESCRIPTION	WHERE IT APPEARS IN THE REPORT	EXTENT OF INDICATOR/ DISCLOSURE	REASON FOR OMISSION
Report Parameters (continued)				
3.9	Data measurement techniques and the bases of calculations, including assumptions and techniques underlying estimations applied to the compilation of the Indicators and other information in the report. Explain any decisions not to apply, or to substantially diverge from, the GRI Indicator Protocols.	About this Report, p4 Empowering Communities, p44 Environmental Diversity, p62 Great Workplace, p74 Responsible Marketplace, p94	Y	
3.10	Explanation of the effect of any re-statements of information provided in earlier reports, and the reasons for such re-statement (e.g., mergers/ acquisitions, change of base years/periods, nature of business, measurement methods).	About this Report, p4	Y	
3.11	Significant changes from previous reporting periods in the scope, boundary, or measurement methods applied in the report.	About this Report, p4	Y	
3.12	Table identifying the location of the Standard Disclosures in the report.	GRI Content Index	Y	
3.13	Policy and current practice with regard to seeking external assurance for the report.	Assurance Statement	Y	
Governance, Commitments, and Engagement				
4.1	Governance structure of the organisation, including committees under the highest governance body responsible for specific tasks, such as setting strategy or organisational oversight.	Annual Report 2012 Corporate Governance, p33	Y	
4.2	Indicate whether the Chair of the highest governance body is also an executive officer.	Annual Report 2012 Corporate Governance, p34	Y	
4.3	For organisations that have a unitary board structure, state the number of members of the highest governance body that are independent and/or non-executive members.	Annual Report 2012 Corporate Governance, p34	Y	
4.4	Mechanisms for shareholders and employees to provide recommendations or direction to the highest governance body.	Annual Report 2012 Corporate Governance, p35	Y	
4.5	Linkage between compensation for members of the highest governance body, senior managers, and executives (including departure arrangements), and the organisation's performance (including social and environmental performance).	Annual Report 2012, Great Workplace, p84	Y	
4.6	Processes in place for the highest governance body to ensure conflicts of interest are avoided.	Annual Report 2012, Corporate Governance, p34	Y	
4.7	Process for determining the qualifications and expertise of the members of the highest governance body for guiding the organisation's strategy on economic, environmental, and social topics.	Annual Report 2012 Great Workplace, p90	Y	

GRI G3.1 Content Index

GRI REF	DESCRIPTION	WHERE IT APPEARS IN THE REPORT	EXTENT OF INDICATOR/ DISCLOSURE	REASON FOR OMISSION
Governance, Commitments, and Engagement (continued)				
4.8	Internally developed statements of mission or values, codes of conduct, and principles relevant to economic, environmental, and social performance and the status of their implementation.	Annual Report 2012 Corporate Governance, p35	Y	
4.9	Procedures of the highest governance body or overseeing the organisation's identification and management of economic, environmental, and social performance, including relevant risks and opportunities, and adherence or compliance with internationally agreed standards, codes of conduct, and principles.	Annual Report 2012 Maybank Foundation, Governance Structure p26	Y	
4.10	Processes for evaluating the highest governance body's own performance, particularly with respect to economic, environmental, and social performance.	Annual Report 2012, Corporate Governance, p33	Y	
4.11	Explanation of whether and how the precautionary approach or principle is addressed by the organisation.	Corporate Governance, p38 Environmental Diversity, p66	Y	
4.12	Externally developed economic, environmental, and social charters, principles, or other initiatives to which the organisation subscribes or endorses.	Environmental Diversity, p71 Responsible Marketplace, p107	Y	
4.13	Memberships in associations (such as industry associations) and/or national/ international advocacy organisations in which the organisation: Has positions in governance bodies; Participates in projects or committees; Provides substantive funding beyond routine membership dues; or Views membership as strategic.	Responsible Marketplace, p107-8	Y	
4.14	List of stakeholder groups engaged by the organisation.	Stakeholder Engagement, p20	Y	
4.15	Basis for identification and selection of stakeholders with whom to engage.	Stakeholder Engagement, p18	Y	
4.16	Approaches to stakeholder engagement, including frequency of engagement by type and by stakeholder group.	Stakeholder Engagement, p20	Y	
4.17	Key topics and concerns that have been raised through stakeholder engagement, and how the organisation has responded to those key topics and concerns, including through its reporting.	Stakeholder Engagement, p19-20	P	We do not report this information fully as it is proprietary information

GRI G3.1 Content Index

GRI REF	DESCRIPTION	WHERE IT APPEARS IN THE REPORT	EXTENT OF INDICATOR/ DISCLOSURE	REASON FOR OMISSION
Standard Disclosure Part II: Disclosure on Management Approach (DMA)				
DMA PS	Disclosure on Management Approach PS			
Aspects	Product Portfolio			
FS1	Policies with specific environmental and social components applied to business lines.	Maybank Foundation, p24	P	We do not report this information fully yet, as we are still gathering data. We will be able to report this information in 2014
FS2	Procedures for assessing and screening environmental and social risks in business lines.	Corporate Governance, p38	P	We do not report this information fully yet, as we are still gathering data. We will be able to report this information in 2014
FS3	Processes for monitoring clients' implementation of and compliance with environmental and social requirements included in agreements or transactions.	Maybank Foundation, p24-25	P	We do not report this information fully yet, as we are still gathering data. We will be able to report this information in 2014
FS4	Process(es) for improving staff competency to implement the environmental and social policies and procedures as applied to business lines.	Corporate Governance, p33	P	We do not report this information fully yet, as we are still gathering data. We will be able to report this information in 2014
FS5	Interactions with clients/investees/business partners regarding environmental and social risks and opportunities.	Maybank Foundation, p24-25	P	We do not report this information fully yet, as we are still gathering data. We will be able to report this information in 2014

GRI G3.1 Content Index

GRI REF	DESCRIPTION	WHERE IT APPEARS IN THE REPORT	EXTENT OF INDICATOR/ DISCLOSURE	REASON FOR OMISSION
DMA EC	Disclosure on Management Approach EC			
Aspects	Economic Performance	Group Corporate Structure, p12	Y	
	Market presence	Global Network, p11	Y	
	Indirect economic impacts	Group Corporate Structure, p12	Y	
DMA EN	Disclosure on Management Approach EN		Y	
Aspects	Materials	Waste Generation and Management, p70	Y	
	Energy	Our Environmental Commitment, p66	Y	
	Water	Environmental Diversity, p69	Y	
	Biodiversity		N	
	Emissions, effluents and waste	Our Environmental Commitment, p66		
	Products and Services	IT as an Enabler, p71	Y	
	Compliance	Compliance, p71	Y	
	Transport	Our Environmental Commitment, p66	Y	
	Overall	Our Environmental Commitment, p66	Y	
DMA LA	Disclosure on Management Approach LA			
Aspects	Employment	Engaging and Developing our People, p78	Y	
	Labour/Management relationship	Building an Engaged Workforce, p80	Y	
	Occupation, Health & Safety	Safety, Health and Wellbeing, p92	Y	
	Training and Education	Learning and Development, p91	Y	
	Diversity and equal opportunity.	Diversity and Inclusion, p84 Human Rights, p39	Y	
	Equal Remuneration	Human Rights, p39	Y	

GRI G3.1 Content Index

GRI REF	DESCRIPTION	WHERE IT APPEARS IN THE REPORT	EXTENT OF INDICATOR/ DISCLOSURE	REASON FOR OMISSION
DMA HR	Disclosure on Management Approach HR			
Aspects	Investment and procurement practices	Procurement Sustainability, p109	Y	
	Non Discrimination	Human Rights, p39	Y	
	Freedom of Association and Collective Bargaining	Human Rights, p39	Y	
	Child Labour	Human Rights, p39	Y	
	Prevention of forced and and compulsory labour	Human Rights, p39	Y	
	Security Practices	Human Rights, p39	Y	
	Indigenous Rights	Human Rights, p39	Y	
	Assessment	Human Rights, p39	Y	
Remediation	Human Rights, p39	Y		
DMA SO	Disclosure on Management Approach SO			
Aspects	Local communities	Empowering Communities, p56-60	Y	
	Corruption	An Ethical Workplace, p35-37 Procurement Sustainability, p109	Y	
	Public Policy	Legal and Compliance, p35-37	Y	
	Anti Competitive Behaviour	An Ethical Workplace, p37 Procurement Sustainability, p109	Y	
	Compliance	Legal and Compliance, p35-37 Procurement Sustainability, p109	Y	
DMA PR	Disclosure on Management Approach PR			
Aspects FS15	Customer health and safety	Supporting Customers in Difficulty, p100	Y	
	Product and service labelling	Improving service quality, p99	Y	
	Marketing Communications	Marketing and Communications, p98	Y	
	Policies for the fair design and sale of financial products and services.	Leadership in Islamic Finance, p107	Y	
	Customer privacy	Marketing and Communications, p98	Y	
	Compliance	Marketing and Communications, p98	Y	
ECONOMIC				
Economic Performance				
EC3	Coverage of the organisation's defined benefit plan obligations.	Rewards and Recognition p86, Retirement, p84	Y	
Market Presence				
EC7	Procedures for local hiring and proportion of senior management hired from the local community at significant locations of operation.	Engaging and Developing Our People, p78	Y	

Not Reported: EC1,2,4-6,8,9

GRI G3.1 Content Index

GRI REF	DESCRIPTION	WHERE IT APPEARS IN THE REPORT	EXTENT OF INDICATOR/ DISCLOSURE	REASON FOR OMISSION
ENVIRONMENTAL				
Energy				
EN7	Initiatives to reduce indirect energy consumption and reductions achieved.	Energy Consumption and GHG Emissions p67	Y	
Products and Services				
EN26	Initiatives to mitigate environmental impacts of products and services, and extent of impact mitigation.	Environmental Diversity: IT as an Enabler, p71	Y	
Compliance				
EN28	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with environmental laws and regulations.	Environmental Diversity: Compliance, p71	Y	
<i>Not Reported: EN 1-6, 8-25, 27, 29-30</i>				
SOCIAL: LABOR PRACTICES AND DECENT WORK				
Employment				
LA3	Benefits provided to fulltime employees that are not provided to temporary or part-time employees, by major operations.	Great Workplace: Rewards and Recognition, p86	Y	
Labour/Management Relations				
LA4	Percentage of Employees covered by collective bargaining agreements.	Great Workplace: Industrial Relations, p84	Y	
Occupational Health and Safety				
LA6	The percentage of the total workforce represented in formal joint management-worker health and safety committees.	Great Workplace: Industrial Relations, p84	P	We do not report this information fully yet, as we are still negotiating some agreements in this area. We will be able to report this information in 2014
LA7	Rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities by region and by gender.	Safety, Health and Wellbeing, p92	P	We do not report this information fully yet, as we are still evaluating our calculation methods in this area. We will be able to report this information in 2014

GRI G3.1 Content Index

GRI REF	DESCRIPTION	WHERE IT APPEARS IN THE REPORT	EXTENT OF INDICATOR/ DISCLOSURE	REASON FOR OMISSION
Training and Education				
LA11	Programs for skills management and lifelong learning that support the continued employability of employees and assist them in managing career endings.	Great Workplace: Engaging and Developing Our People, p88-91	Y	
LA12	Percentage of employees receiving regular performance and career development reviews.	Great Workplace: Engaging and Developing Our People, p86-89	Y	
<i>Not Reported: LA1-3, LA5-10, 13-15</i>				
SOCIAL: HUMAN RIGHTS				
Freedom of Association				
HR5	Operations identified in which the right to exercise freedom of association and collective bargaining may be at significant risk, and actions taken to support these rights.	Great Workplace: Industrial Relations, p84 Corporate Governance: Human Rights, p39	Y	
<i>Not Reported: HR1-4, 6-9</i>				
SOCIAL: SOCIETY				
Local Communities				
SO1	Nature, scope, and effectiveness of any programs and practices that assess and manage the impacts of operations on communities, including entering, operating, and exiting.	Empowering Communities: Our Approach, p44	Y	
FS13	Access points in low-populated or economically disadvantaged areas by type.	Responsible Marketplace: Growing Our Reach, p103	Y	
FS14	Initiatives to improve access to financial services for disadvantaged people.	Responsible Marketplace: Supporting Customers in Difficulty, p100	Y	
SO9	Operations with significant potential or actual negative impacts on local communities.	Responsible Marketplace: Supporting Customers in Difficulty, p100	Y	
SO10	Prevention and mitigation measures implemented in operations with significant potential or actual negative impacts on local communities.	Responsible Marketplace: Supporting Customers in Difficulty, p100	Y	
<i>Not Reported: SO2-8, FS6-12</i>				

GRI G3.1 Content Index

GRI REF	DESCRIPTION	WHERE IT APPEARS IN THE REPORT	EXTENT OF INDICATOR/ DISCLOSURE	REASON FOR OMISSION
SOCIAL: PRODUCT RESPONSIBILITY				
Customer Health and Safety				
PR1	Life cycle stages in which health and safety impacts of products and services are assessed for improvement, and percentage of significant products and services categories.	Responsible Marketplace: Supporting Customers in Difficulty,p100	Y	
PR2	Total number of incidents of non-compliance with regulations and voluntary codes concerning health and safety impacts of products and services during their life cycle, by type of outcomes.	Responsible Marketplace: Marketing and Communication, p98	Y	
Product and Service Labeling				
PR3	Type of product and service information required by procedures, and percentage of significant products and services subject to such information requirements.	Responsible Marketplace: Marketing and Communication, p98	Y	
PR4	Total number of incidents of non-compliance with regulations and voluntary codes concerning product and service information and labeling, by type of outcomes.	Responsible Marketplace: Marketing and Communication, p98	Y	
FS16	Initiatives to enhance financial literacy by type of beneficiary.	Empowering Communities, p50	Y	
Marketing Communications				
PR6	Programs for adherence to laws, standards, and voluntary codes related to marketing communications, including advertising, promotion, and sponsorship.	Responsible Marketplace: Marketing and Communication, p98	Y	
Customer Privacy				
PR8	Total number of substantiated complaints regarding breaches of customer privacy and losses of customer data.	Responsible Marketplace: Marketing and Communication, p98	Y	
PR9	Monetary value of significant fines for non-compliance with laws and regulations concerning the provision and use of products and services.	Responsible Marketplace: Marketing and Communication, p98	Y	
Compliance				
PR9	Monetary value of significant fines for non-compliance with laws and regulations concerning the provision and use of products and services.	Responsible Marketplace: Marketing and Communication, p98	Y	

Not reported: PR5,7, FS15



INDEPENDENT VERIFICATION STATEMENT

To: The Stakeholders of Malayan Banking Bhd

Introduction and objectives of work

Bureau Veritas has been engaged by Malayan Banking Bhd to conduct an independent verification of its Sustainability Report 2012. This Verification Statement applies to the related information included within the scope of work described below.

This information and its presentation in the Sustainability Report 2012 are the sole responsibility of the management of Malayan Banking Bhd. Bureau Veritas was not involved in the drafting of the Report. Our sole responsibility was to provide independent verification on the accuracy and assurance of information included. This is the 1st year in which we have provided verification over Malayan Banking Bhd Sustainability Report

Scope of work

Malayan Banking Bhd requested Bureau Veritas to verify the accuracy of the following:

Data and information included in the Sustainability Report 2012

Methodology

As part of its independent verification, Bureau Veritas undertook the following activities:

1. Interviews with relevant personnel of Malayan Banking Bhd. All Head of Department has been interviewed.
2. Review of documentary evidence produced by Malayan Banking Bhd.
3. Audit of performance data, a 100% sample of which back to source
4. Review of Malayan Banking Bhd systems for qualitative and quantitative data aggregation and analysis
5. Our work was conducted against Bureau Veritas' standard procedures and against the Financial Services Sector Supplement of Global Reporting Initiative (GRI) G3.1 Sustainability Reporting Guidelines, at the B+ application level for external Verification of Sustainability Reports, based on current best practice in independent assurance.

The work was planned and carried out to provide limited, rather than absolute assurance and we believe it provides an appropriate basis for our conclusions.



Our findings

On the basis of our methodology and the activities described above:

- Nothing has come to our attention to indicate that the reviewed statements within the scope of our verification are inaccurate and the information included therein is not fairly stated;
- It is our opinion that Malayan Banking Bhd has established appropriate systems for the collection, aggregation and analysis of qualitative and quantitative data such as key performance indicators.
- Substantial successes have been made through by Maybank Foundation which was formed in 2010. It addresses all the mission and vision of Maybank to achieve its sustainability practises.
- In the next reporting, Malayan Banking Bhd shall extend the boundaries for qualitative and quantitative reporting. Currently not all data was made available to cover the regional offices.
- Source data shall be made evident.
- Communication shall be clearly defined before embarking the next CSR project.
- Understanding the GRI requirement shall be communicated among the employees.

Limitations and Exclusions

Excluded from the scope of our work is any verification of information relating to:

- Activities outside the defined verification period;
- Positional statements (expressions of opinion, belief, aim or future intention by Malayan Banking Bhd) and statements of future commitment;
- Data identified by the client for non-inclusion, geographical operations/activities excluded, subsidiaries/Joint Ventures, etc.

This independent statement should not be relied upon to detect all errors, omissions or misstatements that may exist.



Statement of independence, impartiality and competence

Bureau Veritas is an independent professional services company that specialises in Quality, Health, Safety, Social and Environmental management with almost 180 years history in providing independent assurance services, and an annual turnover in 2012 of Euros 3.9 billion.

Bureau Veritas has implemented a Code of Ethics across the business to maintain high ethical standards among staff in their day to day business activities. We are particularly vigilant in the prevention of conflicts of interest.

No member of the assurance team has a business relationship with Malayan Banking Bhd, its Directors or Managers beyond that required of this assignment. We have conducted this verification independently, and there has been no conflict of interest.

The assurance team has extensive experience in conducting verification and assurance over environmental, social, ethical and health and safety information, systems and processes, has over 6 years combined experience in this field and an excellent understanding of Bureau Veritas standard methodology for the Assurance of Sustainability Reports.

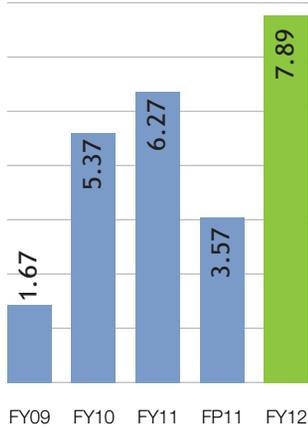
Bureau Veritas
Kuala Lumpur, MALAYSIA
22nd April 2013

A handwritten signature in black ink, appearing to read 'Muzafar Mokti'.

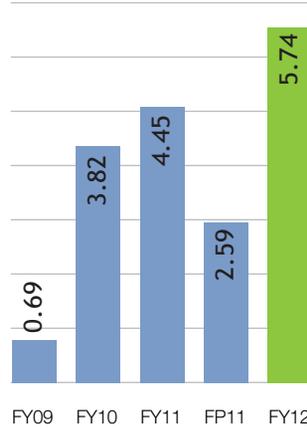
Muzafar Mokti
Lead Verifier

Group Financial Summary

Profit Before Taxation
RM7.89 billion



Profit Attributable to
Equity Holders of the Bank
RM5.74 billion



Total Assets
RM494.9 billion



Total Liabilities
RM450.9 billion



Loans, Advances and Financing
RM311.8 billion



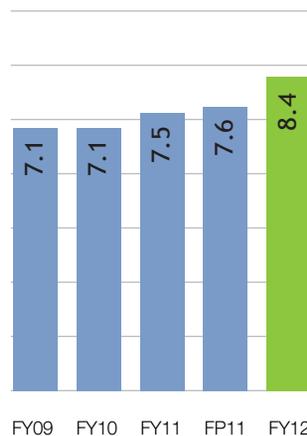
Deposits from Customers
RM347.2 billion



Shareholders' Equity
RM42.2 billion



Paid-up Capital
RM8.4 billion





MALAYSIA



INDONESIA



BRUNEI





SINGAPORE



CHINA



CAMBODIA



PHILIPPINES



THAILAND



Thank you.

Maybank is ranked the 13th strongest bank in the world by Bloomberg Markets.

A big 'Thank You',
to our Customers for putting your trust in us,
to our Leaders for creating a conducive business environment for us to thrive,
to our Regulators for guidance and instilling greater discipline in us,
to our Shareholders for your untiring support and faith in us, and
to our 47,000 Maybankers for your hard work and dedication.

It is an honour to be the first and only Malaysian bank to emerge as one of the top 20 in the Bloomberg Markets' annual ranking of the world's strongest banks. Today, we are also the most valuable company listed on Bursa Malaysia, and one of the Top Five Banks in ASEAN, serving you in over 2,200 communities across 20 countries. In 2012, Maybank was recognised as Malaysia's Most Valuable Brand for the third time. Our recent achievements include being adjudged as the Best Managed Bank in Malaysia and securing our fourth Gold Award at the Putra Brand Awards, becoming one of only a handful of leading Malaysian companies accorded the status of Putra Brand Icon 2013.

Thank you for partnering us in this journey. We have come a long way together.
Our success is due to you. Our success is for you.

MALAYAN BANKING BERHAD (3813-K)

14th Floor, Menara Maybank,

100, Jalan Tun Perak,

50050 Kuala Lumpur

Tel: (6) 03 2070 8833

e-Mail: publicaffairs@maybank.com.my



This Sustainability Report 2012
is printed on environmentally
friendly paper.



www.maybank.com
www.maybankfoundation.com