

# CORPORATE GOVERNANCE REPORT

**STOCK CODE** : 1155  
**COMPANY NAME** : MALAYAN BANKING BERHAD  
**FINANCIAL YEAR** : December 31, 2023

## OUTLINE:

### **SECTION A – DISCLOSURE ON MALAYSIAN CODE ON CORPORATE GOVERNANCE**

*Disclosures in this section are pursuant to Paragraph 15.25 of Bursa Malaysia Listing Requirements.*

### **SECTION B – DISCLOSURES ON CORPORATE GOVERNANCE PRACTICES PURSUANT TO CORPORATE GOVERNANCE GUIDELINES ISSUED BY BANK NEGARA MALAYSIA**

*Disclosures in this section are pursuant to Appendix 4 (Corporate Governance Disclosures) of the Corporate Governance Guidelines issued by Bank Negara Malaysia. This section is only applicable for financial institutions or any other institutions that are listed on the Exchange that are required to comply with the above Guidelines.*

## SECTION A – DISCLOSURE ON MALAYSIAN CODE ON CORPORATE GOVERNANCE

*Disclosures in this section are pursuant to Paragraph 15.25 of Bursa Malaysia Listing Requirements.*

### Intended Outcome

Every company is headed by a board, which assumes responsibility for the company's leadership and is collectively responsible for meeting the objectives and goals of the company.

### Practice 1.1

The board should set the company's strategic aims, ensure that the necessary resources are in place for the company to meet its objectives and review management performance. The board should set the company's values and standards, and ensure that its obligations to its shareholders and other stakeholders are understood and met.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Board ensures that the collective strategies of each sector within the Group meet their respective short-term and long-term targets, and are in line with the Group's overarching goals and objectives.</p> <p>The Group's long-term goals and objectives are entrenched in our M25+ Strategy (M25+) which was rolled out in FY2022. As announced during our Investor Day on 27 October 2022, M25+ is purpose driven, in line with our mission of Humanising Financial Services. Its details are as follows:</p> <ul style="list-style-type: none"><li>• Purpose</li></ul> <p>We are a values-driven platform, powered by a bionic workforce that humanises financial services.</p> <ul style="list-style-type: none"><li>• Mission</li></ul> <p>Humanising Financial Services.</p> <p>This means, being at the heart of the community, we will:</p> <ul style="list-style-type: none"><li>(a) Make financial services simple, intuitive and accessible</li><li>(b) Build trusted partnerships for a sustainable future together</li><li>(c) Treat everyone with respect, dignity, fairness and integrity</li></ul> <ul style="list-style-type: none"><li>• M25+ Strategic Thrusts:</li></ul> <ul style="list-style-type: none"><li>(a) Intensify Customer-centricity</li><li>(b) Accelerate Digitalisation and Technology Modernisation</li><li>(c) Strengthen Maybank's Position Beyond Malaysia</li><li>(d) Drive Leadership in Sustainability Agenda</li><li>(e) Achieve True Global Leadership in Islamic Banking</li></ul>

	<p>Sufficient emphasis is also placed on the following to ensure that the Group's overall goals and objectives are met:</p> <ul style="list-style-type: none"> <li>• <u>Core Values</u></li> </ul> <p>The Board has established a set of core values for all of us to live by in order to achieve our Vision and Mission. This is encapsulated in our TIGER Values of:</p> <p>T - Teamwork  I - Integrity  G - Growth  E - Excellence and Efficiency  R - Relationship Building</p> <ul style="list-style-type: none"> <li>• <u>Strategy and Goal Setting</u></li> </ul> <p>As per our Board Charter, the Group's Annual Budget and Business Plan (ABBP) is exclusively reserved for the Board's decision and approval. In tandem with progress under M25+, the Group's ABBP for the forthcoming year is reviewed and approved by the Board towards the end of each financial year. During this period, special meetings are held with the management to discuss the Group's overall year-end performance and to challenge the forecasts and assumptions made by the management in developing the ABBP for the following year. At the same time, the Group's Balanced Scorecard and Key Performance Indicators for the year are fixed by the Board to ensure that management places sufficient emphasis and allocates the right resources in order to achieve the goals and targets set in the ABBP. Once approved by the Board, execution and progress made under the ABBP is tracked against the Group's actual performance during the year and reported to the Board on a monthly basis. The Board monitors the progress and development of the ABBP by:</p> <ol style="list-style-type: none"> <li>(a) Regularly testing assumptions made by senior management in respective forecasts;</li> <li>(b) Understanding the challenges faced by senior management and the strategies or plans to address those challenges;</li> <li>(c) Reviewing the integrity of the risk posture adopted by the Group to ensure the strategies that senior management intends to employ are sound and within acceptable boundaries; and</li> <li>(d) Evaluating proposed capital and operational expenditure plans to ensure that senior management has the necessary resources to execute its respective plans.</li> </ol> <p>Apart from monitoring and reviewing the Group's performance against the ABBP, offsite meetings and strategy sessions are held annually, typically in locations where the Group has a presence, to gain deeper understanding of the Group's operations there. These offsite meetings offer a good opportunity for the Board to meet</p>
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	<p>with the Group’s senior management and employees of subsidiaries and/or branches, understand the challenges they face, and offer support as appropriate. In FY2023, the Board’s Offsite Meeting and Strategy Session was held in Cambodia. In addition to Board’s Offsite Meeting and Strategy Session in Cambodia, the Board also visited the offshore innovation hub of Maybank Group namely, MBB Labs Private Limited (MBB Labs) in Bengaluru, India. During the visit, the Board learned about the key activities, strategies, and future outlook of MBB Labs. Engagements were also held with key digital banks in India to gain better understanding of opportunities and challenges of digital transformation.</p> <p><u>Delegation</u></p> <p>The Board delegates and entrusts its review function to the various Board Committees established by the Board (details as per Section B of this report). The Chairman of each Board Committee provides monthly reports to the Board on issues and matters raised at their respective meetings that may impact the ABBP, including salient recommendations for the Board’s further consideration. In turn, the Board may issue instructions or request the committees to conduct reviews concerning matters highlighted or any other matter which concerns the committees, in accordance with their respective terms of reference (TOR).</p> <p>In addition to the above, some members of the Board are also appointed as Chairman or members of the boards of Maybank’s major subsidiaries (Subsidiary Boards). This practice provides a bridge between the Board and Subsidiary Boards, facilitating the communication of the overall goals and objectives of the ABBP to the Subsidiary Boards for better alignment and execution, bearing in mind the general principle that the Subsidiary Boards should also be able to discharge their own legal and governance responsibilities as separate entities.</p> <p><u>Induction and Training</u></p> <p>All newly appointed Directors are required to attend Maybank’s Board Induction Programme to familiarise themselves with the Group’s operations and to build a strong foundation of knowledge about the Group. During such sessions, new Directors will engage in one-on-one briefings with members of the senior management team to gain a better understanding of the management and operations of key sectors within the Group.</p> <p>The training needs of Directors are addressed annually. All Directors are expected to attend training and workshops regularly to continuously build upon their industry and market knowledge, including training on the latest laws, rules and regulations impacting the Group and its operations.</p>
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	Directors are also expected to be well-versed with the Group's diversified and regional operations to encourage robust debate in meetings relating to the development, progress and implementation of the ABBP.	
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

## Intended Outcome

Every company is headed by a board, which assumes responsibility for the company's leadership and is collectively responsible for meeting the objectives and goals of the company.

## Practice 1.2

A Chairman of the board who is responsible for instilling good corporate governance practices, leadership and effectiveness of the board is appointed.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>Tan Sri Dato' Sri Ir. Zamzamzairani Mohd Isa (Tan Sri Zamzamzairani) was appointed as the Chairman of Maybank on 2 November 2020. Although Tan Sri Zamzamzairani is a Non-Independent Non-Executive Director (NINED), his influence on the Board is balanced by the majority of Independent Non-Executive Directors (INEDs) on the Board. His profile can be found in Section B of this report.</p> <p>As the Chairman, Tan Sri Zamzamzairani is expected to:</p> <ol style="list-style-type: none"><li>1) Advocate integrity and honesty, ensuring the Board's decisions are reached by consensus and reflect the will of the majority; and allowing any concern or dissenting view expressed by any Director on any matter deliberated at Board meetings to be addressed and duly recorded in the relevant minutes of the meetings.</li><li>2) Build confidence by demonstrating and adopting the highest standards of corporate governance and ensuring strict compliance with all relevant laws and regulations.</li><li>3) Promote a healthy working relationship with the President and Group Chief Executive Officer (CEO) by providing the necessary support and advice; and also encourage a close working relationship between the Board and senior management.</li><li>4) Communicate clearly and work well with the rest of the members of the Board to ensure the Group's aspirations and objectives are aligned with the business activities carried out by senior management.</li><li>5) Act as the spokesperson for the Board and, if necessary, engage with the public or stakeholders.</li></ol>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	

<b>Timeframe</b>	:		
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### Intended Outcome

Every company is headed by a board, which assumes responsibility for the company's leadership and is collectively responsible for meeting the objectives and goals of the company.

### Practice 1.3

The positions of Chairman and CEO are held by different individuals.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The roles and responsibilities of the Chairman (as outlined in the explanation to Practice 1.2 in this report) and the President and Group CEO are separated with a clear division of responsibilities and are defined, documented and approved by the Board, in line with best practices, to ensure appropriate supervision of senior management. This distinction allows for better understanding and distribution of jurisdictional responsibilities and accountabilities. The clear hierarchical structure with its focused approach facilitates efficiency and expedites decision-making.</p> <p>Appointed on 1 May 2022, Dato' Khairussaleh Ramli functions as the intermediary between the Board and senior management. He has been delegated certain responsibilities by the Board in his capacity as the President and Group CEO and is primarily accountable for overseeing the day-to-day operations of the Group to ensure the smooth and effective running of the businesses.</p> <p>As the Chairman of the Group Executive Committee (EXCO), the President and Group CEO carries out the following roles and responsibilities:</p> <ol style="list-style-type: none"><li>1) Maps the Group's medium to long-term plans for the Board's approval and is accountable for implementing the Board's policies and decisions.</li><li>2) Coordinates the development and implementation of business and corporate strategies by making sure they are carried through to achieve the desired outcomes, especially remedial measures to address identified shortcomings.</li><li>3) Develops and translates the Group's strategies into a set of manageable goals and priorities, setting the overall strategic policy and direction of the business operations, investment and other activities based on effective risk management.</li><li>4) Ensures that the financial management practice is performed at the highest level of integrity and transparency for the benefit of shareholders and that the business and affairs of the Group are carried out in an ethical manner, in full compliance with the relevant laws and regulations.</li><li>5) Develops and maintains strong communication programmes and dialogues with shareholders, investors, analysts as well as employees, while providing effective leadership to the organisation.</li></ol>



	6) Ensures high management competency as well as the emplacement of an effective management succession plan to sustain continuity of operations.  The President and Group CEO's profile can be found in Section B of this report.	
<b>Explanation for departure</b> :		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged          to complete the columns below.</i>		
<b>Measure</b> :		
<b>Timeframe</b> :		

### Intended Outcome

Every company is headed by a board, which assumes responsibility for the company's leadership and is collectively responsible for meeting the objectives and goals of the company.

### Practice 1.4

The Chairman of the board should not be a member of the Audit Committee, Nomination Committee or Remuneration Committee

<i>Note: If the board Chairman is not a member of any of these specified committees, but the board allows the Chairman to participate in any or all of these committees' meetings, by way of invitation, then the status of this practice should be a 'Departure'.</i>		
<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	As the Chairman of the Board, Tan Sri Zamzamzairani is not a member of either the Audit Committee of the Board (ACB) or the Nomination and Remuneration Committee of the Board (NRC). He does not attend or participate in any meetings of the ACB or NRC, by way of invitation or in any other capacity.  The composition of the ACB and NRC can be found in Section B of this report.
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

## Intended Outcome

Every company is headed by a board, which assumes responsibility for the company's leadership and is collectively responsible for meeting the objectives and goals of the company.

## Practice 1.5

The board is supported by a suitably qualified and competent Company Secretary to provide sound governance advice, ensure adherence to rules and procedures, and advocate adoption of corporate governance best practices.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>Encik Wan Marzimin Wan Muhammad has been Maybank Group's Company Secretary since 1 September 2015 and also serves as the Group General Counsel. He holds a Bachelor of Laws (Honours) from the University of Kent at Canterbury, United Kingdom, and was called to the Bar of England &amp; Wales (Barrister of Gray's Inn) and the Malaysian Bar.</p> <p>He is assisted by Encik Fariz Abdul Aziz who has been the Joint Company Secretary of Maybank since 29 September 2017. He holds a Bachelor of Laws from Manchester Metropolitan University, United Kingdom, a Certificate in Legal Practice issued by the Legal Profession Qualifying Board, Malaysia and was called to the Malaysian Bar.</p> <p>Both are licensed by the Companies Commission of Malaysia (CCM) to act as Company Secretaries of Maybank.</p> <p>The Company Secretaries' roles and responsibilities include the following:</p> <ul style="list-style-type: none"><li>• Compliance Advisory<ol style="list-style-type: none"><li>1) Provide support to the Board in discharging their fiduciary obligations as Directors and advise them on issues relating to the relevant laws, rules, policies and regulations, as well as corporate governance best practices.</li><li>2) Keep abreast of all requirements and changes with respect to corporate governance practices affecting Maybank and advise the Board on corporate governance obligations.</li><li>3) Advise the Board on corporate disclosures to ensure compliance with Bursa Malaysia's Main Market Listing Requirements (MMLR) and other relevant laws and regulations.</li></ol></li></ul> <p>How the Company Secretaries discharged their role during FY2023:</p> <ol style="list-style-type: none"><li>(a) Briefed and advised the Board on the amendments made to the MMLR in relation to Surprise Holidays and Conflict of Interest and the application thereof.</li><li>(b) Briefed and advised the Board on the refinements made to EPF Corporate Governance Principles and Voting Guidelines (2023</li></ol>

	<p>Edition) and Voting Guidelines of Permodalan Nasional Berhad (PNB).</p> <ul style="list-style-type: none"> <li>(c) Prepared the CG Overview Statement and CG Report for FY2022 for the Board's approval.</li> <li>(d) Conducted a review of the Board Committees' TORs and proposed refinements to the TORs for Board's approval.</li> <li>(e) Assisted the NRC in the appointment of independent consultants for the conduct of Maybank Group Board Effectiveness Evaluation (BEE) for FY2023.</li> <li>(f) Assisted the NRC in the formulation and execution of the Actionable Improvement Programme for the BEE FY2022.</li> <li>(g) Assisted the NRC in the appointment of independent consultants for the conduct of Board Remuneration Review for FY2023.</li> <li>(h) Assisted the NRC in the appointment and re-appointment of Directors, including the conduct of Fit and Proper (FAP) assessment of Board members.</li> <li>(i) Provided updates to the Board on Amendments to the MMLR and Corporate Governance Monitor 2022.</li> <li>(j) Conducted a market benchmark study on the Integrity and Governance Unit.</li> <li>(k) Conducted a review of the management of Conflict of Interest.</li> <li>(l) Conducted a market benchmark study on Information Technology (IT) Committees and crafted the TOR of the Board Technology Committee for the Board's approval.</li> </ul> <ul style="list-style-type: none"> <li>• Information Flow and Meetings <ul style="list-style-type: none"> <li>1) Manage the logistics of all Board and Board Committee meetings, including annual general meetings (AGMs) and Board offsite and strategy sessions.</li> <li>2) Attend all meetings and ensure all discussions/deliberations during meetings are accurately recorded and properly maintained.</li> <li>3) Facilitate proper communication and ensure the effective flow of information between the Board, the Board Committees and the senior management by ensuring that action items identified and highlighted during meetings are acted upon by the senior management in a timely manner.</li> <li>4) Ensure that outstanding action items are properly tracked and monitored until such items are addressed by the senior management and reported to the Board accordingly.</li> </ul> </li> </ul> <p>How the Company Secretaries discharged their role during FY2023:</p> <ul style="list-style-type: none"> <li>(a) Administered, convened and attended 176 meetings of the Board, Board Committees, Group EXCO and Management Committees during the year.</li> <li>(b) Organised and convened the 63<sup>rd</sup> AGM and EGM on 3 May 2023 virtually.</li> </ul>
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	<p>(c) Organised and convened the Board Offsite Meeting and Strategy Session in Siem Reap, Cambodia.</p> <p>(d) Organised visit to MBB Labs and arranged business engagements in Bangalore, India.</p> <p>(e) Administered remote and paperless meetings for the Board and Board Committee meetings.</p> <ul style="list-style-type: none"> <li>Stakeholder Communication <ul style="list-style-type: none"> <li>1) Serve as a focal point for communication and engagement on corporate governance issues with the regulators, the Board, senior management and other stakeholders.</li> <li>2) Ensure that regulators' requests and instructions are conveyed to the Board and senior management in a timely manner, with appropriate advice.</li> </ul> </li> </ul> <p>How the Company Secretaries discharged their role during FY2023:</p> <p>(a) Prepared and obtained Bank Negara Malaysia (BNM)'s approval on the appointment of a new NINED and re-appointment of the Chairman of the Board.</p> <p>(b) From time to time, liaised with regulators such as BNM, Securities Commission of Malaysia (SC), Bursa Malaysia and CCM to seek clarification on the interpretation of new rules and regulations issued during the year.</p> <p>(c) Arranged engagement sessions with Minority Shareholder Watch Group (MSWG) and PNB.</p> <ul style="list-style-type: none"> <li>Trainings <ul style="list-style-type: none"> <li>1) Organised Maybank Board Induction Programme for new Directors and ensured it was undertaken in a structured manner. The Company Secretaries participated in the said programme and provided briefings on Maybank's corporate governance framework to the new Directors.</li> <li>2) Addressed the training needs of Directors during the year by procuring relevant training programmes relating to areas identified by the Board pursuant to the annual BEE, or any other relevant training programmes that the Directors may be interested to attend.</li> </ul> </li> </ul> <p>How the Company Secretaries discharged their role during FY2023:</p> <p>(a) Identified training needs, arranged and registered trainings for Directors and company secretaries of Maybank Group.</p> <p>(b) Arranged and coordinated induction sessions for the new NINED.</p> <p>(c) Curated specific in-house training programmes for Directors.</p> <p>The appointment and change in Company Secretaries are matters which are subject to the Board's approval. This is to ensure that only qualified</p>
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	and suitable individuals are appointed as Company Secretaries. The Board assesses the performance of the Company Secretaries via the Board Satisfaction Index. Based on the evaluation conducted for FY2023, the Board and Group EXCO were satisfied with the performance and support given by the Company Secretaries. All Directors have access to the advice of the Company Secretaries on governance matters, Board policies and procedures as well as pertinent regulatory requirements. If deemed necessary, the Board may also appoint independent professional experts to provide advice and assistance in these areas.	
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

## Intended Outcome

Every company is headed by a board, which assumes responsibility for the company's leadership and is collectively responsible for meeting the objectives and goals of the company.

## Practice 1.6

Directors receive meeting materials, which are complete and accurate within a reasonable period prior to the meeting. Upon conclusion of the meeting, the minutes are circulated in a timely manner.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Chairman of the Board is responsible for ensuring that its members receive relevant, accurate and clear information on a timely basis in respect of the Group's financial and operational performance to enable the Board to make sound decisions and provide necessary advice. In this respect, the Company Secretaries will assist the Chairman of the Board in ensuring that the process of disseminating such information is effective and reliable. Furthermore, in order to provide adequate and thorough discussion of the respective matters within a reasonable and sufficient time, the Chairman decides on the agenda, structures and prioritises the respective matters based on their relevance and importance.</p> <p>A Board Annual Outline Agenda (BAOA) for the forthcoming year is prepared and tabled to the Board for endorsement towards the end of each year. The BAOA helps the Board to schedule significant agenda items and matters reserved for the Board's decision to be discussed throughout the year. The BAOA is then reviewed at every Board meeting and updated during the year, where appropriate.</p> <p>Prior to each Board meeting, each Director will be provided with the draft minutes of the previous meeting and the agenda together with the respective reports/papers and other reference materials for each item to be discussed in order for them to be apprised of the topics and to be prepared accordingly.</p> <p>Meeting materials are circulated to the Board members within a week from the meeting date via BoardPAC, a paperless meeting solution which stores meeting documents digitally in a secured manner.</p> <p>Before each Board meeting, a preliminary discussion is scheduled involving the Chairman, President and Group CEO and the Company Secretaries. This session is dedicated to aligning on the agenda items and streamlining meeting's flow to facilitate a seamless Board meeting.</p> <p>A standard format of meeting papers has been prescribed which includes the following:</p> <ol style="list-style-type: none"><li>1) Objective of the paper and action required from the Board – whether to approve, to provide input or merely to note</li></ol>

	<ol style="list-style-type: none"> <li>2) The background, summary or rationale – the reason or need for the paper to be submitted to the Board</li> <li>3) The proposal and way forward – includes key milestones and targeted completion date, where applicable</li> <li>4) Conclusion and recommendation for the Board’s consideration</li> <li>5) Name of the parties who prepared and reviewed the report/paper</li> </ol> <p>The Group Corporate Secretarial (GCS) department will provide the necessary support and advice to the management with respect to the standard format to apply for the preparation of meeting papers.</p> <p>The Chairman, with the assistance of the Company Secretaries, ensures that clear and accurate minutes of Board meetings are maintained. This includes making sure that key deliberations, rationale for each decision made, and any significant concerns or dissenting views are duly recorded. The Company Secretaries ensure that the minutes of meetings are circulated to the Board members in a timely manner. Well before such meetings, they also communicate to the senior management matters arising from the minutes which require action to be taken by the management. The outcome of the action items taken are then collated by the Company Secretaries and reported to the Board at subsequent meetings. Items for which the management require more time to complete will remain outstanding and are tracked by the Company Secretaries via a list of ‘live matters’ to ensure the completion of the same to be reported to the Board as previously instructed.</p> <p>Board and Board Committee meetings are also scheduled in advance before the end of each financial year (Annual Meeting Calendar) to avoid scheduling conflicts for the management and the Board. All Board Committee meetings are conducted separately from Board meetings, with a reasonable period of interval between these meetings to ensure that each Board Committee is given time to deliberate and provide its recommendations/input or feedback in respect of matters presented and subsequently escalated to the Board.</p> <p>The tools for Board administration are also included as an area for assessment in the annual BEE. Via the BEE for FY2023, the following oversight areas were assessed and, where necessary, suggestions for improvement were made:</p> <ol style="list-style-type: none"> <li>(i) Governance documentation - Board Charter, TOR, Board’s Authority</li> <li>(ii) Meeting management – annual calendar, agenda, BAOA, meeting frequency and length</li> <li>(iii) Board papers - quality and timeliness</li> <li>(iv) Meeting minutes - succinctly captures deliberations</li> <li>(v) Company Secretary - effective support</li> <li>(vi) The onboarding of new Directors is effective</li> <li>(vii) Board learning and development programme is structured and effective</li> </ol>
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<b>Explanation for departure</b>	:			
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<b>Measure</b>	:			
<b>Timeframe</b>	:	<table border="1"> <tr> <td></td> <td></td> </tr> </table>		

### Intended Outcome

There is demarcation of responsibilities between the board, board committees and management.

There is clarity in the authority of the board, its committees and individual directors.

### Practice 2.1

The board has a board charter which is periodically reviewed and published on the company's website. The board charter clearly identifies–

- the respective roles and responsibilities of the board, board committees, individual directors and management; and
- issues and decisions reserved for the board.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Board recognises the Board Charter as an important governance tool that provides for best practices in Board leadership, roles and responsibilities, and authority. The Maybank Board Charter was established in FY2016 and is periodically reviewed to reflect changes in regulatory requirements placed on Maybank and the Directors (both individually and collectively), the business landscape and increased demand for greater accountability and transparency in the way the business is managed.</p> <p>Maybank has established a Board Charter which, among others, outlines the following:</p> <ol style="list-style-type: none"><li>1) The respective roles, responsibilities and authorities of the Board (both individually and collectively) such as:<ol style="list-style-type: none"><li>(i) Reviewing and approving the overall strategies, business, organisation and significant policies of the Group.</li><li>(ii) Setting the Group's core values and adopting proper standards to ensure the Group operates with integrity and complies with the relevant rules and regulations.</li></ol></li><li>2) Issues and matters reserved for the Board's decision which include the following:<ol style="list-style-type: none"><li>(i) The strategies, business plans and annual budget for the Group.</li><li>(ii) The conduct and performance of the Group's businesses.</li><li>(iii) Principal risks affecting the Group's businesses.</li><li>(iv) The Group's internal control systems.</li><li>(v) The succession plan and talent management plans for the Group.</li></ol></li></ol>

	<p>3) The respective roles and responsibilities of the Board Committees established by the Board to assist them in the execution of their duties and responsibilities.</p> <p>A copy of the Board Charter is available on Maybank Group's corporate website at <a href="http://www.maybank.com">www.maybank.com</a>.</p>	
<b>Explanation for departure</b> :		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b> :		
<b>Timeframe</b> :		

### Intended Outcome

The board is committed to promoting good business conduct and maintaining a healthy corporate culture that engenders integrity, transparency and fairness.

The board, management, employees and other stakeholders are clear on what is considered acceptable behaviour and practice in the company.

### Practice 3.1

The board establishes a Code of Conduct and Ethics for the company, and together with management implements its policies and procedures, which include managing conflicts of interest, preventing the abuse of power, corruption, insider trading and money laundering.

The Code of Conduct and Ethics is published on the company's website.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Group's Core Values, TIGER (Teamwork, Integrity, Growth, Excellence and Efficiency, Relationship Building) are the essential guiding principles to drive behavioural ethics while fulfilling our collective responsibility in serving our mission of Humanising Financial Services. It is further complemented by the Group's Code of Ethics and Conduct (Code of Ethics) and Business Ethics Charter that set out sound principles and standards of good practices to be observed by all employees.</p> <p>The Board, management and employees of Maybank Group adhere to the Group's Code of Ethics which is reviewed periodically. It covers a wide area, including the following:</p> <ol style="list-style-type: none"><li>1) Relationship with Customers</li><li>2) Fair and Equitable Treatment</li><li>3) Confidentiality</li><li>4) Making Public Statements</li><li>5) Social Media Usage</li><li>6) Conflict of Interest</li><li>7) Misuse of Position</li><li>8) Misuse of Information and Insider Trading</li><li>9) Money Laundering and Terrorism Financing</li><li>10) Handling of Mental-Health Related Cases</li><li>11) Active Affiliation with Political Parties</li></ol> <p>Pursuant to the Code of Ethics and Business Ethics Charter, Maybank's Board, management and employees are required to uphold the highest standard of integrity in discharging their duties and in dealing with all stakeholders. The provisions of the Code of Ethics are deemed to be part of the Terms and Conditions of Service for all staff.</p> <p>Maybank Group's Code of Ethics and Business Ethics Charter are published on Maybank Group's corporate website at <a href="http://www.maybank.com">www.maybank.com</a>.</p>

	<p>The Board also reinforces its commitment to promoting sound principles and standards of good practice in the financial industry by establishing the Policy on Directors Conflict of Interest (CI Policy). The CI Policy, which incorporates salient rules and regulations issued by BNM and Bursa Malaysia, regulate and manage issues of conflict (both direct and indirect) that a Director may encounter during his/her tenure as a Director, and sets out the processes to address such issues. The CI Policy ensures that each member of the Board upholds the highest integrity in discharging his or her duties.</p> <p>The Board is assisted by the Compliance Committee of the Board (CCB) in the oversight of compliance risk. The overall objective of the CCB is to ensure that compliance risk management is given the needed attention at the highest level for the effective management of regulatory compliance to support business growth in line with the Group's aspirations and risk appetite. The role of the CCB, amongst others, is to review and assess the adequacy of infrastructure, resources and systems to manage compliance risk across the Group and recommend improvements to ensure effectiveness of the compliance framework.</p> <p>The Group adopts a zero-tolerance approach towards any form of bribery or corrupt practices. In 2011, Maybank became the first financial institution in Malaysia to sign the Corporate Integrity Pledge (CIP). The CIP reaffirms Maybank's commitment to be free from any corrupt practice. All Directors, management and employees are required to make an individual commitment to adhere and comply with the Maybank Group Anti-Bribery &amp; Corruption Policy (AB&amp;C Policy) which sets out the key guiding principles and procedures to address Bribery and Corruption risks within and outside of the Group.</p> <p>In addition, the Group has also adopted a whistleblowing policy, providing an avenue for employees and external parties to report actual or suspected malpractice, misconduct or violations of the Group's policies and regulations in a safe and confidential manner.</p>
<b>Explanation for departure</b> :	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>	
<b>Measure</b> :	
<b>Timeframe</b> :	

### Intended Outcome

The board is committed to promoting good business conduct and maintaining a healthy corporate culture that engenders integrity, transparency and fairness.

The board, management, employees and other stakeholders are clear on what is considered acceptable behaviour and practice in the company.

### Practice 3.2

The board establishes, reviews and together with management implements policies and procedures on whistleblowing.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>Maybank Group Whistleblowing Policy (Whistleblowing Policy) encapsulates the governance and standards required to promote an ethical, responsible and secure whistleblowing practice in Maybank, in line with BNM's Corporate Governance Policy (BNM CG Policy). The Whistleblowing Policy provides a proper and secured avenue for employees and members of the public to report any improper conduct without fear of adverse consequences. Pursuant to the BNM CG Policy, the Board has appointed an Independent Non-Executive Director (INED) to chair a committee overseeing the effective implementation of the Whistleblowing Policy. Access to whistleblowing information is governed with the strictest confidentiality under this committee.</p> <p>Details of Maybank Group's whistleblowing channels are as follows:</p> <ol style="list-style-type: none"><li>1) 24-hour secured voice recording toll free number 1-800-38-8833 or 603-20268112 for overseas calls</li><li>2) Email at <a href="mailto:whistleblowing@maybank.com.my">whistleblowing@maybank.com.my</a></li><li>3) Secured P.O. Box mail address at P.O. Box 11635, 50752 Kuala Lumpur, Malaysia</li></ol> <p>From January to December 2023, a total of 122 whistleblowing complaints were received through various whistleblowing channels. Of these, 101 complaints were related to Maybank Malaysia, while the remaining 21 complaints were related to Maybank's overseas branches and subsidiaries.</p>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		

<b>Measure</b>	:		
<b>Timeframe</b>	:		

## Intended Outcome

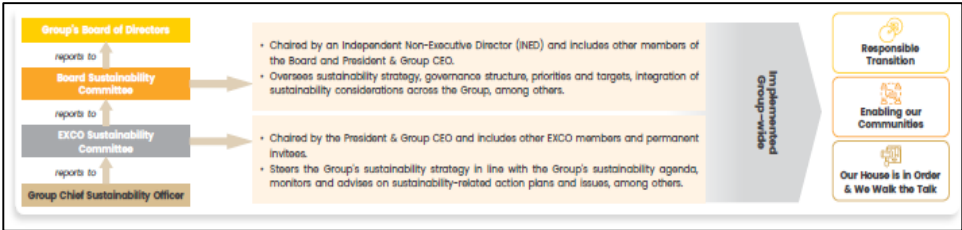
The company addresses sustainability risks and opportunities in an integrated and strategic manner to support its long-term strategy and success.

## Practice 4.1

The board together with management takes responsibility for the governance of sustainability in the company including setting the company's sustainability strategies, priorities and targets.

The board takes into account sustainability considerations when exercising its duties including among others the development and implementation of company strategies, business plans, major plans of action and risk management.

Strategic management of material sustainability matters should be driven by senior management.

<b>Application</b> :	Applied
<b>Explanation on application of the practice</b> :	<p>Our commitment to driving Maybank's sustainability agenda right from the top is reaffirmed with the establishment in 2021 of a sustainability governance structure as depicted in the diagram below.</p>  <p>The Board, as the Group's highest governing body, is responsible for ensuring that the Group's strategic initiatives support long-term value creation, taking into consideration environmental, social and governance (ESG) concerns and corresponding risks and rewards. Supporting the Board in driving its sustainability agenda are the Board Sustainability Committee (BSC), the EXCO Sustainability Committee (ESC) and the Group Chief Sustainability Officer, as per the diagram above.</p> <p>This structure enables the Board to set the tone from the top in driving the management team to continually infuse sustainable practices in all our business segments with the correct approach, namely: 1) Responsible Transition; 2) Enabling Our Communities; and 3) Our House is in Order &amp; We Walk The Talk.</p> <p>In April 2021, the Bank laid down four (4) long-term sustainability commitments for the Group as below.</p> <ul style="list-style-type: none"><li>(i) Mobilise RM50 billion in Sustainable Finance by 2025;</li><li>(ii) Improve the lives of 1 Million households across ASEAN by 2025;</li><li>(iii) Achieve a Carbon Neutral position for Scope 1 and 2 emissions by 2030 and Net Zero Carbon Equivalent position by 2050; and</li></ul>



	<p>(iv) Achieve 1 Million hours per annum on Sustainability &amp; Delivering 1 Thousand Significant Sustainable Development Goals (SDG)-Related Outcomes by 2025.</p> <p>The Bank has exceeded its targets for Commitment (1) and Commitment (2) above during FY2022. In view thereof, the Board decided to revise these commitments. The revisions which were duly communicated to our investors on 27 February 2023 were as follows:</p> <table><tr><th>Commitment</th><th>Original</th><th>Revised</th></tr><tr><td>Commitment (1)</td><td>Mobilising RM50 billion in Sustainable Finance by 2025</td><td>Mobilising RM80 billion in Sustainable Finance by 2025</td></tr><tr><td>Commitment (2)</td><td>Improving the lives of one million households across ASEAN by 2025</td><td>Improving the lives of two million households across ASEAN by 2025</td></tr></table> <p>To ensure that our commitment to sustainability is ingrained in the performance assessment and incentive structures, the Board has integrated Sustainability Key Performance Indicators (KPIs) into the Group’s and Group EXCO members’ scorecards in FY2022. These KPIs are directly associated with our four sustainability commitments. Recognising the long-term nature of these Sustainability KPIs, the Board approved their inclusion in the Long-Term Incentive Plan (LTIP) for our senior executives instead of their placement in the scorecard, effective in FY2023.</p> <p>The Board first made sustainability one of the Group’s strategic priorities in the Bank’s 5-year strategy (M25 Plan), subsequently reinforcing sustainability as one of the five strategic thrusts under M25+. Under the strategic thrusts, the Group intends to build on our leadership position in the sustainability space by expanding its scope to embrace ethical banking principles that focus on fairness, inclusivity, preservation of the environment, and the exclusion of harmful activities from mankind, and by concentrating on developing transition solutions that support the roll-out of decarbonisation strategies.</p>	Commitment	Original	Revised	Commitment (1)	Mobilising RM50 billion in Sustainable Finance by 2025	Mobilising RM80 billion in Sustainable Finance by 2025	Commitment (2)	Improving the lives of one million households across ASEAN by 2025	Improving the lives of two million households across ASEAN by 2025
Commitment	Original	Revised								
Commitment (1)	Mobilising RM50 billion in Sustainable Finance by 2025	Mobilising RM80 billion in Sustainable Finance by 2025								
Commitment (2)	Improving the lives of one million households across ASEAN by 2025	Improving the lives of two million households across ASEAN by 2025								
Explanation for departure	:									

*Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.*

<b>Measure</b> :		
<b>Timeframe</b> :		

## Intended Outcome

The company addresses sustainability risks and opportunities in an integrated and strategic manner to support its long-term strategy and success.

## Practice 4.2

The board ensures that the company's sustainability strategies, priorities and targets as well as performance against these targets are communicated to its internal and external stakeholders.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Sustainability Commitments were first communicated externally during Maybank's 61<sup>st</sup> AGM, which was held on 6 May 2021, and reiterated during the Bank's Investor Day on 19 July 2021. The progress of our sustainability achievements has also been a recurring topic at subsequent AGMs, quarterly performance updates, and the Bank's Investor Days in 2022 and 2023.</p> <p>Internally, messages on sustainability were communicated via town halls across the Group and within respective sectors, as well as via the employee communications channel EMPCOMM. Maybank's internal sustainability platform, MaybankCares, has also been established to provide sustainability-related resources. Thereafter, the Green Lab initiative was rolled out across the Group for staff to share and discuss sustainability matters at work and beyond, and to provide an avenue for staff to start and further improve on its sustainability practices and initiatives.</p> <p>Apart from the above, a Sustainability Circle chaired by the Group Chief Sustainability Officer has also been set up, comprising sustainability representatives from different sectors and countries within the Group. To date, a total of eight sessions were held with four sessions in FY2022 and another four sessions in FY2023. These sessions were organised for Sustainability Circle members to receive updates on the latest developments in sustainability, facilitating the exchange of information and discussions regarding the Group's progress in this field.</p> <p>Project Steering Committees (PSCs) have also been set up to lead the teams working on the Sustainability Commitments to implement identified initiatives which support the delivery of such commitments, with outputs to be presented to the ESC and subsequently to the BSC.</p> <p>In the year of 2023, Maybank has continued to intensify communication and internalisation of sustainability values among our employees. This was achieved through the implementation of the Maybank Sustainability Series (MSS), a curated program tailored to meet the specific sustainability needs of our international operations. The MSS comprises various components, including update on our Sustainability journey and progress, Technical/Business Workshops, and Capacity &amp; Capability Building sessions. Furthermore, the inaugural Maybank</p>

	<p>Group Sustainability Week (MGSW) was hosted from 14 to 19 August 2023. The objective of this noteworthy event was to "Intensify Impact, Celebrate Achievements, and Foster a Culture of Sustainability" within our organisation.</p> <p>As of December 2023, the Group has successfully mobilised RM34.11 billion in sustainable finance, surpassing the RM16.8 billion target for FY2023. In cumulative terms, the Group has now mobilised a total of RM68.48 billion, well exceeding half of its sustainable finance goal of RM80 billion by 2025. This achievement in sustainable finance was mobilised through a suite of sustainable finance product offerings, including Green Bonds, Sustainability Bonds/Sukuk, Green Loans, and Sustainability Linked Loans for the non-retail segment during FY2023. For the retail segment, sustainable finance initiatives were executed through various means, including providing support for affordable housing, facilitating energy efficiency financing by offering Green Indexed Property Units, Green Mortgages, and Green Renovation loans, as well as financing electric/hybrid vehicles and Home Solar projects.</p> <p>The Group has positively impacted the lives of 498,529 households across ASEAN through various community programs implemented in FY2023. These programs were primarily designed to promote greater financial inclusion and accessibility among vulnerable communities, such as the B40 demographic and micro SMEs. Over the course of two and a half years, Maybank's initiatives have benefitted more than 1.37 million households across ASEAN, surpassing the halfway mark of our target to reach 2 million households by 2025.</p> <p>For FY2023, the Group's Scope 1 &amp; 2 total emissions reduced by 49.0% against the 2019 baseline, surpassing the cumulative target of 43.5% for the year. Primary initiatives that contributed positively toward emission reduction include:</p> <ul style="list-style-type: none"> <li>i. Implementation of energy efficiency projects;</li> <li>ii. Purchased of the Malaysia Renewable Energy Certificates (mREC); and</li> <li>iii. Carbon credits purchased through the inaugural Bursa Carbon Exchange (BCX) auction, which retired in December 2023.</li> </ul> <p>In 2022, Maybank established Scope 3 financed emissions baseline. We have also embarked on developing our net-zero pathway, focusing initially on Palm Oil and Power. In FY2024, we plan to extend this work to include Oil &amp; Gas and two other sectors. This initiative is aimed at steering our decarbonisation transition for these sectors within the Group's portfolio.</p> <p>On 4<sup>th</sup> Commitment, the Group has achieved 1,937,632 hours by the end of December 2023, surpassing the annual target of reaching 1 million hours per annum on sustainability.</p> <p>In addition, the Bank also conducted a materiality assessment for FY2022, taking into account both internal and external stakeholders'</p>
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	<p>priorities. The objective of the assessment was to determine issues that were material for sustainability.</p> <p>In FY2023, we reviewed the material issues identified to ensure their continued relevance to our business and its impacts, as well as their alignment with stakeholder interests and concerns. The outcomes of the assessment and review were presented to both the ESC and BSC and have subsequently been approved by the Board as part of the FY2022 and FY2023 Sustainability Reports, respectively.</p>	
<b>Explanation for departure</b> :		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b> :		
<b>Timeframe</b> :		

### Intended Outcome

The company addresses sustainability risks and opportunities in an integrated and strategic manner to support its long-term strategy and success.

### Practice 4.3

The board takes appropriate action to ensure they stay abreast with and understand the sustainability issues relevant to the company and its business, including climate-related risks and opportunities.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>During FY2021, Maybank concluded the IMD Executive Education Programme with 105 senior leaders and 50 Client Relationship Managers (CRMs). The training emphasized a Just Transition and the role of financial institutions in accelerating the transition journey with leadership sponsorship as a key element to drive organisational change in ESG and sustainability.</p> <p>The ESG trainings attended by the Board during FY2023 are set out in Part B of this report.</p> <p>Following the amendments to the Main Market Listing Requirements (MMLR) on 6 June 2023 with regard to mandatory sustainability training for Directors, all board members have registered for the MAP II: Leading for Impact (LIP) program organised by the Institute of Directors Malaysia (ICDM) and all of them are scheduled to complete this training by the first half of FY2024.</p> <p>Sustainability updates, including industry related sustainability events and news, are regularly presented to the Group EXCO and ESC. At the BSC meetings, the Group Chief Sustainability Officer updates the committee on ESG developments, and these updates will also form part of the BSC report to the Group Board at its monthly meeting. Detailed progress in the Sustainability Commitments, sustainability strategy and the latest trends and issues in ESG will be updated to the Board on a quarterly basis, as per the Board Annual Outline Agenda.</p> <p>In addition, sustainability updates feature as a permanent topic in Maybank Group Townhall sessions, to provide updates on sustainability and rally Maybankers to participate in sustainability initiatives.</p> <p>On 16 August 2023, Maybank signed a Memorandum of Understanding (MOU) with the UN Global Compact Network Malaysia and Brunei to co-develop a certification programme aimed at recognising Sustainability Practitioners &amp; Subject Matter Experts and create an environment that fosters Sustainability Culture across the organisation.</p>

<b>Explanation for departure</b> :		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b> :		
<b>Timeframe</b> :		

### Intended Outcome

The company addresses sustainability risks and opportunities in an integrated and strategic manner to support its long-term strategy and success.

### Practice 4.4

Performance evaluations of the board and senior management include a review of the performance of the board and senior management in addressing the company's material sustainability risks and opportunities.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>In FY2023, Maybank embedded its Sustainability Commitments into the LTIP for our senior executives. Progress against these commitments is regularly reported to the ESC, the Group EXCO, and the BSC. As of December 2023, the Bank has exceeded its annual targets for all Sustainability Commitments.</p> <p>Sustainability has also been included in the areas for assessment under the BEE for FY2023. Areas assessed are as follows:</p> <ol style="list-style-type: none"><li>1) Effectiveness of the Board in leading M25+ including Strategic Programme 9: Be the Sustainability leader in South East Asia (SEA)</li><li>2) Effectiveness of the Board in supporting, leading and guiding management in execution of M25+ and other key strategies (in the aspects of appropriate skills and experience, appropriate time and focus, critically challenge Management and providing check and balance) including those related to sustainability</li><li>3) Effectiveness of the Board in providing oversight on ESG</li><li>4) Effectiveness of BSC in assisting the Board to discharge its roles and responsibilities</li></ol> <p>The results of the BEE conducted for FY2023 were positive, with all areas rated 'Satisfactory'.</p>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	



### Intended Outcome

The company addresses sustainability risks and opportunities in an integrated and strategic manner to support its long-term strategy and success.

### Practice 4.5- Step Up

The board identifies a designated person within management, to provide dedicated focus to manage sustainability strategically, including the integration of sustainability considerations in the operations of the company.

*Note: The explanation on adoption of this practice should include a brief description of the responsibilities of the designated person and actions or measures undertaken pursuant to the role in the financial year.*

<b>Application</b>	:	Adopted
<b>Explanation on adoption of the practice</b>	:	<p>In March 2021, Maybank appointed a Group Chief Sustainability Officer (GCSO) to take the lead in designing, aligning and integrating sustainability initiatives and goals within existing policies and procedures across the Group. The GCSO will also reaffirm sustainability as a guiding principle and objective in the Bank's strategic plans.</p> <p>Besides being responsible for the ongoing development and implementation of the Group's sustainability strategy, the GCSO will also provide the BSC and ESC with visibility on the execution of the Group's sustainability strategy as well as its ambition levels, roadmaps and goals.</p> <p>The GCSO is a senior position within the Group that reports directly to the President and Group CEO.</p>

## Intended Outcome

Board decisions are made objectively in the best interests of the company taking into account diverse perspectives and insights.

## Practice 5.1

The Nomination Committee should ensure that the composition of the board is refreshed periodically. The tenure of each director should be reviewed by the Nomination Committee and annual re-election of a director should be contingent on satisfactory evaluation of the director's performance and contribution to the board.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Board acknowledges the importance of reviewing its composition periodically to ensure it comprises the right talent in terms of skills and experience in order to discharge its roles and responsibilities effectively.</p> <p>The Policy on Tenure of Directorships (Directors Tenure Policy) adopted by the Board facilitates succession planning by providing the Board with the opportunity to consider and reassess its membership and to refresh the Board composition if and when the need arises. Pursuant to the Directors Tenure Policy, the tenure of an INED is limited to a cumulative period of nine years only.</p> <p>The NRC reviews the tenure of Directors from time to time, especially prior to re-appointment upon expiry of their respective tenures pursuant to BNM approval as well as prior to their re-election at the AGM. In reviewing the tenure of Directors, the NRC takes into consideration their performance based on peer assessment conducted under the annual BEE. Their contribution to the Board as well as their participation during the Board and Board Committee deliberations will also be considered.</p> <p>As part of efforts to refresh the Board composition as well as its succession planning, the NRC has established a Talent Pool, comprising potential candidates with various skillsets to be considered for appointment to the Board from time to time. This is to ensure that the Board will have a pool of talent for selection whenever there is a need to refresh its composition.</p> <p>The Board is aware that some of its current members will be approaching their nine-year tenures in the next two years. Hence the Board, together with the NRC, has already begun searching for suitable talents to strengthen the Board's talent pool in line with its 'Must Have' skills matrix. This will ensure a seamless transition as members step down in the near future.</p> <p>During FY2023, the Board had also engaged external search firms to assist the NRC in the search of potential candidates with the following skillset:</p>

	<p>(i) Legal; and (ii) Technology/Digital and innovation.</p> <p><b>Re-election of Directors</b></p> <p>The NRC had conducted a FAP assessment and considered the performance and contribution of each of the following Directors who retired in accordance with the Bank's Constitution and were re-elected to the Board during the 63<sup>rd</sup> AGM held on 3 May 2023:</p> <p>(i) Mr Edwin Gerungan, INED; (ii) Mr Anthony Brent Elam, INED; and (iii) Dato' Zulkiflee Abbas Abdul Hamid, INED.</p> <p>Based on the assessment conducted in FY2023, the NRC and the Board were satisfied that all the retiring Directors above met and fulfilled the FAP criteria prescribed in the Maybank Group Policy on Fit and Proper Criteria for Appointment/Re-Appointment of Key Responsible Persons of Licensed Institutions in Maybank Group (Maybank Group FAP Policy) and the performance of each of them was found to be satisfactory. Additionally, all the retiring Directors have fulfilled the independence criteria set out in BNM CG Policy, Bursa Malaysia's MMLR and Maybank Policy on Directors Independence. They also had, during the FAP assessment, declared and affirmed their independence and ability to act in an independent and objective manner and in the best interest of the Company. Each INED also has an ongoing obligation to inform the Board of any circumstances which could impair his or her independence.</p>	
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

## Intended Outcome

Board decisions are made objectively in the best interests of the company taking into account diverse perspectives and insights.

## Practice 5.2

At least half of the board comprises independent directors. For Large Companies, the board comprises a majority independent directors.

<b>Application</b>	:	Applied												
<b>Explanation on application of the practice</b>	:	<p>As of 31 December 2023, the Board consisted of 11 members, 73% of whom were INEDs. Since FY2020, the Board has reinforced its commitment towards independence by prescribing in the Board Charter that at least two-thirds of its members shall comprise INEDs. This exceeds the level of independence prescribed under the MMLR and BNM CG Policy.</p> <p>The composition of the Board as at 31 December 2023 is as follows:</p> <table><tr><th>Designation</th><th>Number of Directors</th><th>Percentage (%)</th></tr><tr><td>Executive Director (ED)</td><td>1</td><td>9</td></tr><tr><td>Non-Independent Non-Executive Director (NINED)</td><td>2</td><td>18</td></tr><tr><td>Independent Non-Executive Director (INED)</td><td>8</td><td>73</td></tr></table> <p>To ensure the INEDs are able to exercise independent judgement in the best interest of the Company and are free from any conflict of interest, each INED is required to do the following:</p> <ol style="list-style-type: none"><li>1) Satisfy an annual independence assessment based on the independence criteria prescribed under Bursa Malaysia's MMLR;</li><li>2) Provide an independence self-declaration as part of the annual FAP assessment; and</li><li>3) Undertake the assessment on independence as part of the self and peer evaluation under the annual BEE.</li></ol> <p>Based on the results of the assessments/evaluation undertaken in FY2023, the Board is satisfied that all INEDs have met the independence criteria and are able to act in an independent and objective manner.</p> <p>There are no limitations set out in the Constitution of Maybank on the number of Directors sitting on the Board. Subject to relevant rules and regulations, the Board shall have the power to determine its size and may increase or reduce its number as it deems fit. Besides having 73% of INEDs as members (per Board composition as at 31 December 2023), the Board adopts a holistic approach in determining its size, composition and level of independence. The following principles will be taken into account in determining the Board composition and ideal size:</p>	Designation	Number of Directors	Percentage (%)	Executive Director (ED)	1	9	Non-Independent Non-Executive Director (NINED)	2	18	Independent Non-Executive Director (INED)	8	73
Designation	Number of Directors	Percentage (%)												
Executive Director (ED)	1	9												
Non-Independent Non-Executive Director (NINED)	2	18												
Independent Non-Executive Director (INED)	8	73												

	<ol style="list-style-type: none"> <li>1) To have only one ED as a member of the Board.</li> <li>2) To ensure the role of the Chairman of the Board is separate from that of the President and Group CEO.</li> <li>3) To ensure the Chairman does not chair any of the regulated Board Committees, including the ACB, NRC and the Risk Management Committee of the Board (RMC).</li> <li>4) To ensure the Board Committees comprise a majority of INEDs and only an INED is appointed as Chairman of the Board Committees.</li> <li>5) To appoint a Senior Independent Director from among the INEDs.</li> <li>6) To rotate the Directors across the Board Committees.</li> </ol> <p>Based on the principles mentioned above, the Board has determined that its ideal size should be between 10 and 12 members. Besides complying with existing rules and regulations on the Board's composition, including independence, the Board also believes that such a size would promote effective deliberation, encourage the active participation of all its Directors and allow the work of its various Board Committees to be discharged without giving rise to an over-extension of time and commitment of each Director who may be required to serve on multiple Board Committees. However, as agreed by the Board, it can depart from the ideal size to meet succession planning objectives.</p>	
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

**Intended Outcome**

Board decisions are made objectively in the best interests of the company taking into account diverse perspectives and insights.

**Practice 5.3**

The tenure of an independent director does not exceed a cumulative term limit of nine years. Upon completion of the nine years, an independent director may continue to serve on the board as a non-independent director.

If the board intends to retain an independent director beyond nine years, it should provide justification and seek annual shareholders' approval through a two-tier voting process.

<b>Application</b>	:	Not applicable - Step Up 5.4 adopted	
<b>Explanation on application of the practice</b>	:		
<b>Explanation for departure</b>	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

## Intended Outcome

Board decisions are made objectively in the best interests of the company taking into account diverse perspectives and insights.

## Practice 5.4 - Step Up

The board has a policy which limits the tenure of its independent directors to nine years without further extension.

*Note: To qualify for adoption of this Step Up practice, a listed issuer must have a formal policy which limits the tenure of an independent director to nine years without further extension i.e. shareholders' approval to retain the director as an independent director beyond nine years.*

<b>Application</b>	:	Adopted												
<b>Explanation on adoption of the practice</b>	:	<p>The Group's Policy on Tenure of Directorships adopts the step-up practice as set out in the Malaysian Code on Corporate Governance 2021 (MCCG). MCCG stipulates that any INED of Maybank who has reached the maximum tenure of nine years may, subject to approval of the Board (taking into account the NRC's recommendation) and BNM, continue to remain as a Board member provided that the INED is re-designated as a NINED.</p> <p>The Board has taken this into consideration in its succession planning and will continue to monitor the Board composition to ensure that no INED exceeds the nine-year tenure.</p> <p>As at 31 December 2023, the Board comprised eight INEDs, two NINEDs and one ED. Their tenure as Board members is as follows:</p> <table><tr><th>Years of Service</th><th>Number of INEDs</th><th>Number of NINEDs</th></tr><tr><td>Less than 3 years</td><td>1</td><td>1</td></tr><tr><td>3 years to 6 years</td><td>4</td><td>1</td></tr><tr><td>6 years to 9 years</td><td>3</td><td>-</td></tr></table> <p>As at 31 December 2023, none of the INEDs has exceeded their respective nine-year tenure.</p>	Years of Service	Number of INEDs	Number of NINEDs	Less than 3 years	1	1	3 years to 6 years	4	1	6 years to 9 years	3	-
Years of Service	Number of INEDs	Number of NINEDs												
Less than 3 years	1	1												
3 years to 6 years	4	1												
6 years to 9 years	3	-												


## Intended Outcome

Board decisions are made objectively in the best interests of the company taking into account diverse perspectives and insights.

## Practice 5.5

Appointment of board and senior management are based on objective criteria, merit and with due regard for diversity in skills, experience, age, cultural background and gender.

Directors appointed should be able to devote the required time to serve the board effectively. The board should consider the existing board positions held by a director, including on boards of non-listed companies. Any appointment that may cast doubt on the integrity and governance of the company should be avoided.

<b>Application</b> :	Applied																																
<b>Explanation on application of the practice</b>	<p>The Board acknowledges diversity as a critical factor in its composition and deliberations, and embraces the proposition that having a diverse Board would have a positive and value-relevant impact on the Group. Diversity in terms of skills, experience, age, ethnicity, cultural background and gender helps promote healthy debate among members with differing views, which can lead to better decision-making. The BEE is the primary tool used to assess the Board's diversity with respect to skills and experience. The table below shows the results of the evaluation conducted during the year based on knowledge and experience in relevant areas:</p>  <table><thead><tr><th>Category</th><th>Percentage</th></tr></thead><tbody><tr><td>Banking</td><td>100%</td></tr><tr><td>Strategic Planning &amp; Business Strategy</td><td>100%</td></tr><tr><td>Corporate Governance</td><td>82%</td></tr><tr><td>International Business / Relations</td><td>73%</td></tr><tr><td>Risk Management</td><td>64%</td></tr><tr><td>Transformation / Change Management</td><td>64%</td></tr><tr><td>Accounting &amp; Finance</td><td>55%</td></tr><tr><td>Private Enterprise Experience</td><td>55%</td></tr><tr><td>International Posting Experience</td><td>55%</td></tr><tr><td>Corporate Finance</td><td>45%</td></tr><tr><td>Human Resources Management</td><td>45%</td></tr><tr><td>Government / Regulatory Experience</td><td>45%</td></tr><tr><td>Innovation &amp; Technology / Digital</td><td>18%</td></tr><tr><td>Sustainability</td><td>18%</td></tr><tr><td>Asset Management</td><td>9%</td></tr></tbody></table> <p>None of the Directors of Maybank hold more than five (5) directorships in listed issuers, while their membership on the boards of non-listed issuers (including the boards of entities within the Group) is limited to 15. This is to ensure that their time commitments would not impair their ability to discharge their duties effectively. As part of the nomination and selection process of potential candidates for appointment to the Board of Maybank, the shortlisted candidates will be engaged to assess their experience, skills and suitability as well as their willingness and ability</p>	Category	Percentage	Banking	100%	Strategic Planning & Business Strategy	100%	Corporate Governance	82%	International Business / Relations	73%	Risk Management	64%	Transformation / Change Management	64%	Accounting & Finance	55%	Private Enterprise Experience	55%	International Posting Experience	55%	Corporate Finance	45%	Human Resources Management	45%	Government / Regulatory Experience	45%	Innovation & Technology / Digital	18%	Sustainability	18%	Asset Management	9%
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Government / Regulatory Experience	45%																																
Innovation & Technology / Digital	18%																																
Sustainability	18%																																
Asset Management	9%																																



to commit sufficient time to discharge their statutory and fiduciary duties as Directors if appointed.

In the assessment of potential candidates, the NRC is guided by the Maybank Group FAP Policy which states, among others, that a candidate must not currently or within two years prior to being appointed to the Board, be an active politician.

The demographics of the Board as at 31 December 2023 in terms of nationality, age and gender were as follows:

A. Nationality

Nationality	Number of Directors
Malaysian	9
Indonesian	1
American	1

B. Age

Age	Number of Directors
50 years to 55 years	1
56 years to 60 years	2
61 years to 65 years	5
Above 65 years	3

C. Gender

Gender	Number of Directors
Male	7
Female	4

Since the Group embarked on our transformation journey in 2009, tangible developments have been achieved with regard to diversity and inclusion. The Group has a Diversity, Equity & Inclusion (DEI) Policy which stresses the need to continuously build a ready workforce and workplace by integrating the principles of DEI where all our employees are treated fairly and equitably with dignity and without discrimination in all aspects of employment and people practices.

In line with this, the practice of monitoring diversity and gender representation on a monthly basis through our Human Capital Dashboard has been established to keep a fact-based pulse check and enable crafting of data-based actions to address imbalances. Through the Group Inclusiveness and Diversity (GIDA) Framework introduced in 2014, our efforts have been accelerated and outcomes monitored through measures reflected in the Group EXCO scorecard.

Due regard for diversity in age, gender and nationality is also taken into account in the appointment of senior management<sup>1</sup>. The demographics of Maybank's senior management as at 31 December 2023 were as follows:

A. Nationality

Nationality	Number of Senior Management
Malaysian	15
Indonesian	1

	Singaporean		1
	B. Age		
	Age		Number of Senior Management
	Up to 50 years		3
	51 years to 55 years		4
	56 years to 60 years		9
	Above 60 years		1
	C. Gender		
	Gender		Number of Senior Management
	Male		14
Female		3	
<sup>1</sup> Senior management refers to members of the Group EXCO, Group Chief Compliance Officer, Group Chief Audit Executive, Group General Counsel and Company Secretary and Group Chief Sustainability Officer			
Explanation : for departure			
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure :			
Timeframe :			

## Intended Outcome

Board decisions are made objectively in the best interests of the company taking into account diverse perspectives and insights.

## Practice 5.6

In identifying candidates for appointment of directors, the board does not solely rely on recommendations from existing board members, management or major shareholders. The board utilises independent sources to identify suitably qualified candidates.

If the selection of candidates was based on recommendations made by existing directors, management or major shareholders, the Nominating Committee should explain why these source(s) suffice and other sources were not used.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Board delegates to the NRC the responsibility of establishing a formal and transparent procedure for the nomination and appointment of new Directors to the Board. Such responsibilities include screening, conducting the initial selection of internal and external candidates, and performing the requisite evaluation and assessment of the candidates' ability to discharge their duties effectively and efficiently. The NRC also ensures candidates possess the appropriate skills, core competencies, experience and integrity to effectively discharge their roles as Directors and are able to meet the demands of the ever-changing financial industry.</p> <p>The following internal policies have been established to assist the NRC in carrying out its functions:</p> <ul style="list-style-type: none"><li>(i) Maybank Group FAP Policy</li><li>(ii) Policy on Directors Independence</li><li>(iii) Policy on Appointment of Maybank Senior Executives as Directors of Maybank Group of Companies</li><li>(iv) Policy on Board Gender Diversity</li><li>(v) Policy on Tenure of Directorship</li><li>(vi) Policy on Nomination Process for Appointment of Chairman, Director and Chief Executive Officer of Licensed Institutions in Maybank Group</li><li>(vii) Policy on Directors Conflict of Interest</li></ul> <p>Additionally, the Board continues to build a database of potential candidates (the Talent Pool) collated from various independent sources including the Financial Institutions Directors' Education (FIDE) Forum, Institute of Corporate Directors Malaysia (ICDM), talent resourcing and other recruitment consultants. Upon a review of the Talent Pool, the Board will go through a selection process to identify suitably qualified candidates. The development of the Talent Pool is tied to the Board's succession plan which is reviewed by the NRC and the Board periodically. This is to ensure that the Board's membership is refreshed</p>

	<p>from time to time with new appointees, bearing in mind the need for continuity in meeting the Group's long-term goals and objectives.</p> <p>During FY2023, with the assistance of the Company Secretaries, the NRC reached out to FIDE Forum and other talent search consultants to obtain a list of potential candidates to be considered for appointment as additional members of the Board.</p>	
<b>Explanation for departure</b>	:	
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

## Intended Outcome

Board decisions are made objectively in the best interests of the company taking into account diverse perspectives and insights.

## Practice 5.7

The board should ensure shareholders have the information they require to make an informed decision on the appointment and reappointment of a director. This includes details of any interest, position or relationship that might influence, or reasonably be perceived to influence, in a material respect their capacity to bring an independent judgement to bear on issues before the board and to act in the best interests of the listed company as a whole. The board should also provide a statement as to whether it supports the appointment or reappointment of the candidate and the reasons why.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The profile of each Director is set out in the Annual Report and Section B of this report. Details provided in the profiles include Directors' shareholdings held in Maybank, their past working experience, current and past directorships within and outside Maybank Group as well as their position as nominees of the substantial shareholder of Maybank.</p> <p>In compliance with Bursa Malaysia's MMLR, the following explanatory notes have been included in the Notice of AGM to accompany resolutions for the reappointment of Directors who are due to retire (Retiring Directors) and have offered themselves for re-election pursuant to the Company's Constitution:</p> <ul style="list-style-type: none"><li>(a) Satisfactory findings in respect of each Retiring Director's performance and contribution via the BEE conducted prior to general meetings to approve their re-election.</li><li>(b) Fulfilment by the Retiring Directors of fitness and propriety criteria in assessment conducted pursuant to the FAP Policy issued by BNM.</li><li>(c) In respect of Retiring Directors who are INEDs, fulfilment of the independence criteria prescribed in Bursa Malaysia's MMLR, the BNM CG Policy and the Maybank Policy on Directors Independence.</li></ul> <p>The explanatory notes also include:</p> <ul style="list-style-type: none"><li>(a) The Board's endorsement of the NRC's recommendation for the reappointment of Retiring Directors;</li><li>(b) Abstention by each Retiring Directors from deliberations by the NRC and the Board on their suitability to seek re-election; and</li></ul>

	(c)	For Retiring Directors who are also shareholders of the Company, confirmation that they will abstain from voting on the resolution for their own reappointment.
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

### Intended Outcome

Board decisions are made objectively in the best interests of the company taking into account diverse perspectives and insights.

### Practice 5.8

The Nominating Committee is chaired by an Independent Director or the Senior Independent Director.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>Datuk R. Karunakaran, a Senior Independent Director (SID) who chaired the NRC, retired from the Board at the 63<sup>rd</sup> Annual General Meeting (AGM) held on 3 May 2023. Dr Hasnita Dato' Hashim took over as the NRC Chairman from Datuk R. Karunakaran on 3 May 2023. She was appointed as SID by the Board on the same date.</p> <p>As the Chairman of the NRC, she leads the succession planning and appointment of Board members for the Group. Her responsibilities include the following:</p> <ol style="list-style-type: none"><li>1) Leads the succession planning for the Board and its key subsidiaries, taking into account the tenure of existing members, the mix of skills and experience required, and the pool of talent available.</li><li>2) Consults the Chairman of the Board on the prospects of new candidates being appointed to the Board.</li><li>3) Leads interviews with candidates who may be appointed to the Board and its key subsidiaries (together with other members of the NRC and the Chairman of the Board) in accordance with Maybank's Policy on the Nomination Process for Appointment of Chairman, Director and Chief Executive Officer of Licensed Institutions in Maybank.</li></ol> <p>Dr Hasnita's role as the SID of the Board includes the following:</p> <ol style="list-style-type: none"><li>1) Addresses concerns of shareholders and other relevant stakeholders.</li><li>2) Presides at all meetings of the Board at which the Chairman is not present.</li><li>3) Serves as a liaison between the Chairman and the Independent Directors.</li><li>4) Calls for meetings of the Independent Directors when needed.</li></ol> <p>Dr Hasnita's profile can be found in Section B of this report.</p>
<b>Explanation for departure</b>	:	

*Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.*

<b>Measure</b>	:		
<b>Timeframe</b>	:		



**Intended Outcome**

Board decisions are made objectively in the best interests of the company taking into account diverse perspectives and insights.

**Practice 5.9**

The board comprises at least 30% women directors.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Board has established a Policy on Gender Diversity and has embraced the recommendations of the MCCG of having at least 30% women representation on the Board. As at 31 December 2023, the Board consisted of 36% women Directors.</p> <p>Notwithstanding the above, the Board maintains its belief that appointments to the Board must always be based on merit, with due regard to the candidate's background, skillset and experience, and whether such appointment would further complement or enhance the existing mix of skills and experience of the Board.</p>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

### Intended Outcome

Board decisions are made objectively in the best interests of the company taking into account diverse perspectives and insights.

### Practice 5.10

The board discloses in its annual report the company's policy on gender diversity for the board and senior management.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Board has established a Gender Diversity Policy, embracing the proposition that a gender-diverse Board would have a positive value-relevant impact on its performance. The Gender Diversity Policy sets out the Board's commitment to maintaining at least 30% women representation on the Board, in line with the recommendations of the MCCG.</p> <p>While sufficient emphasis has been placed to recruit and maintain at least 30% women directors, appointments to the Board will first and foremost be based on the merits and credentials of each candidate under evaluation.</p> <p>With regard to gender diversity of senior management, Maybank's women talent pool is a critical resource which provides a robust platform to accelerate gender diversity. As at December 2023, women made up 49% of management positions (42% in senior management positions). In line with our target to reach 1,000 United Nations' Sustainable Development Goals (SDGs) outcomes by 2025, we will align our goal to have a balanced gender representation of 50% women in management by 2025 (45% in senior management) too, in accordance with all our other people principles.</p> <p>The positive representation of women in the Group is further reflected in the succession pipeline for Mission Critical Positions. From 2018 to December 2023, women representation in the succession talent pool has increased from 42% to 45%. In the last two years, the Group has also seen more women occupy senior management roles (i.e. at Band E/Vice President level and above) with an Internal Vacancy Realisation Rate of 44% as of December 2023 from 40% in FY2020. The talent development framework for women continues to focus on supporting on-the-job development and experience-based learning for women, in addition to signature leadership programmes, mentoring and coaching. This includes the Transitioning Leaders to CEO programme, the Advanced Women Leaders Programme and Group EXCO and personalised women's mentoring programmes.</p>
<b>Explanation for departure</b>	:	

*Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.*

<b>Measure</b>	:		
<b>Timeframe</b>	:		

## Intended Outcome

Stakeholders are able to form an opinion on the overall effectiveness of the board and individual directors.

### Practice 6.1

The board should undertake a formal and objective annual evaluation to determine the effectiveness of the board, its committees and each individual director. The board should disclose how the assessment was carried out its outcome, actions taken and how it has or will influence board composition.

For Large Companies, the board engages an independent expert at least every three years, to facilitate objective and candid board evaluation.

<i>Note: For a Large Company to qualify for adoption of this practice, it must undertake annual board evaluation and engage an independent expert at least every three years to facilitate the evaluation.</i>	
<b>Application</b>	: Applied
<b>Explanation on application of the practice</b>	<p>In 2017, the Board agreed to appoint independent experts to conduct the BEE once every three years. Given that an independent evaluation exercise was undertaken in FY2020, the BEEs for FY2021 and FY2022 were conducted internally with the assistance of the GCS department.</p> <p>Since the last independent evaluation exercise was undertaken for FY2020, the NRC had in September 2023, appointed an independent firm of consultants namely, Ernst &amp; Young Consulting Sdn. Bhd. (EY) to assist them in conducting the BEE exercise for FY2023. Given EY's current engagement as external auditors of the Maybank Group, the NRC and ACB assessed and concluded that the appointment does not compromise their independence as external auditors. The objective of BEE exercise is to enhance governance effectiveness. It does not exert any influence over the core financial reporting process of the Maybank Group.</p> <p>The BEE for FY2023 aimed at assisting the Board to further enhance its overall performance moving forward, by focusing on the following:</p> <ul style="list-style-type: none"><li>(i) Discharging the Board's principal roles and responsibilities effectively</li><li>(ii) Improving Board infrastructure and supporting processes</li><li>(iii) Examining Board dynamics and relationships</li><li>(iv) Identifying key areas for improvement</li><li>(v) Continuing to build upon strengths</li></ul> <p>The FY2023 BEE exercise was conducted in two (2) phases:</p> <p>Phase 1 – Interviews with individual directors and selected members of senior management to assess the effectiveness of the Board and Board Committees in the following broad areas:</p> <ul style="list-style-type: none"><li>(i) Board Effectiveness in leading M25+;</li></ul>

	<ul style="list-style-type: none"> <li>(ii) Board Leadership and Culture;</li> <li>(iii) Board Responsibilities;</li> <li>(iv) Board Composition;</li> <li>(v) Board Committees; and</li> <li>(vi) Board Administration and Operations.</li> </ul> <p>Phase 2 – Questionnaire for Individual Director Self-Assessment and Peer Evaluation on the independence, contribution and commitment as well as competency, skills and expertise of the Directors (including Executive Director).</p> <p>Aiming to evaluate the effectiveness of the Board in overseeing the implementation of the Group’s long-term strategies, the Directors were invited to highlight key areas of priority and/or areas which they believe the Board should focus on as well as the necessary expertise and knowledge required from the Board in supporting and providing leadership and guidance to the management in executing the Strategic Programmes under the M25+ going forward.</p> <p>As part of the BEE FY2023, a 360-Degree Assessment was carried out where feedback from the selected members of the senior management was sought on the effectiveness of Board and Board Committees based on their interactions and engagements with the members of the Board.</p> <p>All assessment areas remained positive (trended between satisfactory and strong), with a marginal increase in five areas while one area remained unchanged, as compared to the last BEE. This indicates that the Board is performing well as a whole, with strong level of independence and satisfactory level of contribution, commitment and competencies from each Board member.</p> <p>Key strengths of the Board identified pursuant to the BEE conducted include the following:</p> <ul style="list-style-type: none"> <li>(i) Positive Board culture and dynamics;</li> <li>(ii) Strong leadership by the Board Chair;</li> <li>(iii) Healthy and open Board and Management interactions;</li> <li>(iv) Highly diverse and knowledgeable Directors; and</li> <li>(v) Effective oversight in key areas of responsibility.</li> </ul> <p>Apart from the above, the following key areas for enhancement were also highlighted for the Board’s further consideration:</p> <ul style="list-style-type: none"> <li>(i) Realigning M25+ execution across subsidiaries and/or enhancing collaboration, communication and alignment across subsidiaries within the Group for better execution of M25+ strategies;</li> <li>(ii) Improving Board composition by integrating more members with global exposure and strategic experience to promote the growth of the Group; and</li> <li>(iii) Curating customised training programme for Directors of</li> </ul>
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	<p>Maybank Group, taking into consideration emerging topics and thematic issues impacting the organisation.</p> <p>The action plans on the above focus areas will be developed and tabled to the Board for consideration and inclusion in the Board's Actionable Improvement Programme (AIP) to be undertaken during FY2024. All matters under the AIP arising from the BEE for FY2022 were regularly tracked by the NRC and the Board. In July 2023, both the NRC and Board agreed to regard these matters as being closed and/or completed.</p> <p>The individual results of the Directors' Self and Peer Assessment were shared with the Chairman of the Board who subsequently engaged with each Director individually to discuss his/her performance.</p>	
	:	
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

### Intended Outcome

The level and composition of remuneration of directors and senior management take into account the company's desire to attract and retain the right talent in the board and senior management to drive the company's long-term objectives.

Remuneration policies and decisions are made through a transparent and independent process.

### Practice 7.1

The board has remuneration policies and procedures to determine the remuneration of directors and senior management, which takes into account the demands, complexities and performance of the company as well as skills and experience required. The remuneration policies and practices should appropriately reflect the different roles and responsibilities of non-executive directors, executive directors and senior management. The policies and procedures are periodically reviewed and made available on the company's website.

Application	:	Applied																				
Explanation on application of the practice	:	<p>The Board, via the NRC, is in charge of developing and implementing formal and transparent procedures for the development of Maybank’s remuneration policy for Directors and senior management. The NRC has demonstrated its commitment to set fair and comprehensive remuneration packages that are:</p> <p>1) Commensurate with the expertise, skills and responsibilities associated with being a Director and/or senior management of a financial institution.</p> <p>2) Benchmarked against the Group’s peers both locally and regionally, taking into account the revenue/size of the Group against its regional peers.</p> <p>The NRC has established a remuneration framework for the Non-Executive Directors (NEDs) which is subject to periodic review. The NED Remuneration Framework for FY2023 is as per below:</p> <table><tr><td></td><td colspan="4">NED Remuneration per annum (RM)</td></tr><tr><td>Fee Component</td><td>Chairman</td><td>Vice Chairman</td><td>Member</td><td>Shareholders’ Approval</td></tr><tr><td>Board Fee</td><td>610,000</td><td>440,000</td><td>295,000</td><td>Obtained at the 55<sup>th</sup> AGM held on 7 April 2015</td></tr><tr><td>Board Committee Fee</td><td>75,000</td><td>-</td><td>45,000</td><td>Obtained at the 58<sup>th</sup> AGM held on 12 April 2018</td></tr></table> <p>Based on the framework set out above, details of the Directors’ total remuneration in aggregate with categorisation into appropriate</p>		NED Remuneration per annum (RM)				Fee Component	Chairman	Vice Chairman	Member	Shareholders’ Approval	Board Fee	610,000	440,000	295,000	Obtained at the 55 <sup>th</sup> AGM held on 7 April 2015	Board Committee Fee	75,000	-	45,000	Obtained at the 58 <sup>th</sup> AGM held on 12 April 2018
	NED Remuneration per annum (RM)																					
Fee Component	Chairman	Vice Chairman	Member	Shareholders’ Approval																		
Board Fee	610,000	440,000	295,000	Obtained at the 55 <sup>th</sup> AGM held on 7 April 2015																		
Board Committee Fee	75,000	-	45,000	Obtained at the 58 <sup>th</sup> AGM held on 12 April 2018																		

	<p>components for FY2023 can be found in the explanation on the application of Practice 8.1 in this report.</p> <p>The NRC had in September 2023, appointed an independent firm of consultants namely, PricewaterhouseCoopers (PwC) to assist them in conducting the BRR exercise to ascertain the competitiveness of the existing NED Remuneration Framework and its sufficiency to attract and retain talents to serve on the Board.</p> <p>Maybank's remuneration framework for its senior management has also been reviewed by the NRC and the Board. Particulars of senior management's remuneration are elaborated in Section B of this report.</p>	
<b>Explanation for departure</b>	:	
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	



### Intended Outcome

The level and composition of remuneration of directors and senior management take into account the company's desire to attract and retain the right talent in the board and senior management to drive the company's long-term objectives.

Remuneration policies and decisions are made through a transparent and independent process.

### Practice 7.2

The board has a Remuneration Committee to implement its policies and procedures on remuneration including reviewing and recommending matters relating to the remuneration of board and senior management.

The Committee has written Terms of Reference which deals with its authority and duties and these Terms are disclosed on the company's website.

<b>Application</b> :	Applied
<b>Explanation on application of the practice</b> :	<p>The Board has established a combined nomination and remuneration committee i.e. the NRC, with delegated authority to develop and recommend Maybank's remuneration policy for Directors, the President and Group CEO and senior management; and to ensure that compensation is competitive and consistent with the Group's culture, objectives and strategy.</p> <p>The roles and responsibilities of the NRC are set out in its TOR which is available on Maybank Group's corporate website at <a href="http://www.maybank.com">www.maybank.com</a>.</p> <p>Among the key activities of the NRC during FY2023 in relation to remuneration review were as follows:</p> <ul style="list-style-type: none"><li>▪ Reviewed and recommended the remuneration of NEDs in Maybank and its subsidiaries;</li><li>▪ Reviewed NEDs benefits for Maybank and its subsidiaries;</li><li>▪ Reviewed and recommended the total rewards (variable bonus and salary increment) for the Group;</li><li>▪ Reviewed and approved the vesting of shares under the Third Employees' Share Grant Plan (ESGP) Award;</li><li>▪ Reviewed Maybank Group's Variable Pay Programmes: Long-Term and Short-Term Incentive Plan; and</li><li>▪ Reviewed Maybank Group Staff Benefits Program and Market Competitiveness Study.</li></ul> <p>In 2017, the Board agreed to appoint independent experts to conduct the Board Remuneration Review (BRR) once every three years. Given that an independent BRR exercise was undertaken in FY2020, the review of the NED Remuneration Framework for Maybank and its subsidiaries were conducted internally in FY2021 and FY2022, with the assistance of the GCS department.</p>

	<p>Since the last independent BRR exercise was undertaken in FY2020, the NRC had in September 2023, appointed an independent firm of consultants namely, PricewaterhouseCoopers (PwC) Malaysia to undertake the BRR for FY2023 to ascertain the competitiveness of the existing NED Remuneration Framework and its sufficiency to attract and retain talents to serve on the Board. The scope of the BRR exercise carried out by PwC was primarily based on a benchmarking of Maybank’s local and regional peers as well as a regression analysis. The following guiding principles applied by PwC formed the basis of the BRR conducted:</p> <p>(i) Equitability of remuneration; (ii) Size and complexity of the businesses; (iii) Market comparisons for competitiveness; (iv) Regulatory and risk; (v) Sustainability and governance balance; and (vi) Value/contribution to the organisation.</p> <p>Pursuant to the findings of the BRR exercise, PwC has recommended that the existing NED Remuneration Framework be revised as follows:</p> <table><tr><th></th><th colspan="3">Current Framework (RM)</th><th colspan="3">Proposed Framework (RM)</th></tr><tr><th></th><th>Chairman</th><th>Vice Chairman</th><th>Member</th><th>Chairman</th><th>Vice Chairman</th><th>Member</th></tr><tr><td>Board Fee</td><td>610,000</td><td>440,000</td><td>295,000</td><td>700,000</td><td>500,000</td><td>335,000</td></tr><tr><td>Board Committee Fee</td><td>75,000</td><td>-</td><td>45,000</td><td>85,000</td><td>-</td><td>50,000</td></tr><tr><td>Meeting Allowance</td><td colspan="3">4,000 per Board meeting and Board Committee meeting</td><td colspan="3">4,500 per Board meeting and Board Committee meeting</td></tr></table> <p>The revisions to the NED Remuneration Framework as recommended by PwC will be put forth to the shareholders for approval at the 64<sup>th</sup> AGM, in accordance with Section 230 of the Companies Act 2016 and Paragraph 7.24 of the MMLR.</p>		Current Framework (RM)			Proposed Framework (RM)				Chairman	Vice Chairman	Member	Chairman	Vice Chairman	Member	Board Fee	610,000	440,000	295,000	700,000	500,000	335,000	Board Committee Fee	75,000	-	45,000	85,000	-	50,000	Meeting Allowance	4,000 per Board meeting and Board Committee meeting			4,500 per Board meeting and Board Committee meeting		
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Explanation : for departure																																				
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.																																				
Measure :																																				

<b>Timeframe</b> :		
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**Intended Outcome**

Stakeholders are able to assess whether the remuneration of directors and senior management is commensurate with their individual performance, taking into consideration the company's performance.

**Practice 8.1**

There is detailed disclosure on named basis for the remuneration of individual directors. The remuneration breakdown of individual directors includes fees, salary, bonus, benefits in-kind and other emoluments.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	Details of the remuneration received by the Directors of Maybank and the Group (including fees, salary, bonus, benefits in-kind and other emoluments) in FY2023 are set out as follows:

No	Name	Directorate	Company (RM'000)							Group (RM'000)						
			Fee	Allowance	Salary	Bonus	Benefits in-kind	Other emoluments	Total	Fee	Allowance	Salary	Bonus	Benefits in-kind	Other emoluments	Total
1	Tan Sri Dato' Sri Ir. Zamzamzairani Mohd Isa	Non-Independent Non-Executive Director and Chairman	610	553	-	-	83	-	1,246	610	553	-	-	83	-	1,246
2	Dato' Khairussaleh Ramli	Non-Independent Executive Director	-	18	3,120	4,680	63	3,842	11,723	-	18	3,120	4,680	63	3,842	11,723
3	Dr Hasnita Dato' Hashim	Senior Independent Non-Executive Director	465	192	-	-	6		663	1,174	270	-	-	41		1,485
4	Mr Edwin Gerungan	Independent Non-Executive Director	385	170	-	-	19	-	574	996	221	-	-	137	-	1,354
5	Mr Anthony Brent Elam	Independent Non-Executive Director	415	178	-	-	6	-	599	893	371	-	-	6	-	1,270
6	Ms Che Zakiah Che Din	Independent Non-Executive Director	460	220	-	-	1	-	681	919	317	-	-	1	-	1,237
7	Puan Fauziah Hisham	Independent Non-Executive Director	490	248	-	-	19	-	757	1,087	300	-	-	19	10	1,416

Note:

8	Encik Shariffuddin Khalid	Independent Non-Executive Director	486	208	-	-	6	-	700	877	297	-	-	6	-	1,180
9	Dato' Zulkiflee Abbas Abdul Hamid	Independent Non-Executive Director	494	280	-	-	23	-	797	1,436	363	-	-	54	-	1,853
10	Ms Shirley Goh	Independent Non-Executive Director	460	208	-	-	5	-	673	728	268	-	-	5	-	1,001
11	Datuk Yee Yang Chien <sup>(a)</sup>	Non-Independent Non-Executive Director	30	12	-	-	-	-	42	30	12	-	-	-	-	42
12	Datuk R. Karunakaran <sup>(b)</sup>	Independent Non-Executive Director	157	56	-	-	23	40	276	982	171	-	-	36	40	1,229
13	Mr Cheng Kee Check <sup>(c)</sup>	Non-Independent Non-Executive Director	380	185	-	-	6	40	611	473	199	-	-	6	52	730

<sup>(a)</sup> Appointed as a Non-Independent Non-Executive Director of Maybank on 24 November 2023

<sup>(b)</sup> Stepped down as an Independent Non-Executive Director of Maybank on 3 May 2023

<sup>(c)</sup> Stepped down as a Non-Independent Non-Executive Director of Maybank on 18 November 2023

### Intended Outcome

Stakeholders are able to assess whether the remuneration of directors and senior management is commensurate with their individual performance, taking into consideration the company's performance.

### Practice 8.2

The board discloses on a named basis the top five senior management's remuneration component including salary, bonus, benefits in-kind and other emoluments in bands of RM50,000.

<b>Application</b>	:	Departure
<b>Explanation on application of the practice</b>	:	
<b>Explanation for departure</b>	:	<p>The Board is of the opinion that such disclosure would be disadvantageous to the Group's business interests, given the highly competitive nature of the banking industry.</p> <p>As an alternative to the recommended practice, the Board has opted to make a qualitative and quantitative disclosure of Maybank's remuneration framework for senior management and other employees of the Group per Table A in Appendix 4 of the BNM CG Policy as disclosed in Section B of this report. In addition, the aggregated total remuneration of all key management personnel including Key Senior Management is disclosed under Note 48(a)(iii) of the Financial Statements on pages 161 and 162 of the Financial Report 2023. The disclosure includes the fees, salaries, allowances and bonuses, pension cost, and other staff benefits as well as items that form part of their remuneration.</p>
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	The Board will closely monitor developments in the market in respect of such disclosure for future consideration.
<b>Timeframe</b>	:	Choose an item.

No	Name	Position	Company					
			Salary	Allowance	Bonus	Benefits	Other emoluments	Total
1	Input info here	Input info here	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.
2	Input info here	Input info here	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.
3	Input info here	Input info here	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.
4	Input info here	Input info here	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.
5	Input info here	Input info here	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.



**Intended Outcome**

Stakeholders are able to assess whether the remuneration of directors and senior management is commensurate with their individual performance, taking into consideration the company's performance.

**Practice 8.3 - Step Up**

Companies are encouraged to fully disclose the detailed remuneration of each member of senior management on a named basis.

<b>Application</b>	:	Not Adopted
<b>Explanation on adoption of the practice</b>	:	

No	Name	Position	Company ('000)					
			Salary	Allowance	Bonus	Benefits	Other emoluments	Total
1	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
2	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
3	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
4	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
5	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here

**Intended Outcome**

There is an effective and independent Audit Committee.

The board is able to objectively review the Audit Committee's findings and recommendations.  
The company's financial statement is a reliable source of information.

**Practice 9.1**

The Chairman of the Audit Committee is not the Chairman of the board.

<b>Application</b>	:	Applied	
<b>Explanation on application of the practice</b>	:	<p>Ms Shirley Goh was appointed as a member of the ACB on 19 January 2022 and subsequently re-designated as Chairman of the ACB with effect from 1 July 2022. She is not the Chairman of the Board.</p> <p>The composition of the ACB, profile of each ACB member and the roles and responsibilities of the ACB can be found in Section B of this report.</p>	
<b>Explanation for departure</b>	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

### Intended Outcome

There is an effective and independent Audit Committee.

The board is able to objectively review the Audit Committee's findings and recommendations.  
The company's financial statement is a reliable source of information.

### Practice 9.2

The Audit Committee has a policy that requires a former partner of the external audit firm of the listed company to observe a cooling-off period of at least three years before being appointed as a member of the Audit Committee.

Application	:	Applied	
Explanation on application of the practice	:	<p>In May 2021, the Board agreed that the Bank should adopt a policy requiring a cooling-off period of at least three years from the time that a former partner of the external auditor of the Group ceases to be a partner of the firm, before he/she can be appointed as a member of the ACB.</p> <p>None of the current members of the Board or the ACB have been associated with nor held any senior leadership position with the Group’s appointed external auditors in the past three years.</p>	
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:		

### Intended Outcome

There is an effective and independent Audit Committee.

The board is able to objectively review the Audit Committee's findings and recommendations.  
The company's financial statement is a reliable source of information.

### Practice 9.3

The Audit Committee has policies and procedures to assess the suitability, objectivity and independence of the external auditor to safeguard the quality and reliability of audited financial statements.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Board has delegated the responsibility to assess the suitability, objectivity and independence of the Group's appointed external auditors to the ACB. This responsibility is enshrined in the ACB's TOR which is available on Maybank Group's corporate website at <a href="http://www.maybank.com">www.maybank.com</a>, while the procedures and processes for the conduct of such assessment is guided by the Group's Framework on the Appointment of External Statutory Auditors for Provision of Statutory Audit and Non-Audit Services (the Framework).</p> <p>Guided by the Framework, the ACB from time to time reviews and assesses the performance, objectivity and independence of the external auditors covering the following areas:</p> <ol style="list-style-type: none"><li>1) The request for proposal (RFP) process, appointment or reappointment, termination and resignation of external statutory auditors and its audit fee, and thereafter make the appropriate recommendations to the Board, as the ACB deems fit.</li><li>2) The scope of external audit and the audit plan covering both local and overseas operations.</li><li>3) The performance of external statutory auditors and their qualification, expertise and effectiveness.</li><li>4) The evaluation of the adequacy and effectiveness of internal controls system.</li><li>5) The Memorandum of Recommendations, i.e. major audit findings raised by the external statutory auditors and the management's responses, including the status of previous audit recommendations.</li><li>6) The assistance given by the management to the external statutory auditors and any difficulties encountered in the course of the audit work, including any restrictions on the scope of activities or access to required information.</li></ol>

	<p>7) The approval of non-audit fees/services provided by the external statutory auditors.</p> <p>8) Level of engagement with the ACB on audit matters.</p> <p>As a financial institution, Maybank is also bound by banking regulations to ensure that external auditors appointed by the Group meet the quantitative and qualitative criteria set out in BNM's guidelines as well as the requirements of the By-Laws (On Professional Ethics, Conduct and Practice) of the Malaysian Institute of Accountants and shall continue to meet the criteria throughout the audit engagement, which among others require the Board and the ACB to obtain, review and independently verify through reasonable means all relevant information necessary to support its assessment of the external statutory auditor's compliance with the said criteria.</p> <p>Annually, Maybank will conduct an evaluation of the external statutory auditors covering the following areas:</p> <ul style="list-style-type: none"> <li>i. The professional conduct of the auditor, by ensuring key members of audit engagement have the necessary qualifications and do not have any record of disciplinary actions or conviction for any offence.</li> <li>ii. Performance of the auditors, by ensuring key members of audit engagement have the necessary skills, knowledge and appropriate experience to perform the audit.</li> <li>iii. Independence and conflict of interest, by ensuring that the engagement partner and concurring partner are not involved in any advisory services and that key members of the audit engagement do not have any relationship with, or interest in Maybank and its subsidiaries (including shareholding interest).</li> <li>iv. Objectivity, by ensuring the engagement partner raises value-added findings to the management.</li> <li>v. The auditors' governance and leadership structure as well as measures undertaken by the auditors to uphold audit quality and manage risks, as set out in the Annual Transparency Report.</li> </ul> <p>During FY2023, the ACB held three meetings with the external auditors without the presence of the management team to discuss relevant issues and obtain feedback for improvements. The statutory auditors were invited to attend the AGM of the Bank to address shareholders' concerns, if any, in relation to the Group's audited financial statements.</p> <p>For the audit of the financial year ended 31 December 2023, the ACB reviewed and endorsed the written assurance provided by the external auditors confirming their independence throughout the financial year under review.</p>
<b>Explanation for departure</b>	:

<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

**Intended Outcome**

There is an effective and independent Audit Committee.

The board is able to objectively review the Audit Committee's findings and recommendations.  
The company's financial statement is a reliable source of information.

**Practice 9.4 - Step Up**

The Audit Committee should comprise solely of Independent Directors.

<b>Application</b>	:	Adopted																			
<b>Explanation on adoption of the practice</b>	:	<p>The ACB comprises wholly of INEDs and is chaired by Ms Shirley Goh.</p> <p>The composition of the ACB as at 31 December 2023 was as follows:</p> <table border="1"> <thead> <tr> <th></th> <th>Members</th> <th>Designation</th> </tr> </thead> <tbody> <tr> <td>1.</td> <td>Ms Shirley Goh</td> <td>INED/ Chairman</td> </tr> <tr> <td>2.</td> <td>Encik Shariffuddin Khalid</td> <td>INED/ Member</td> </tr> <tr> <td>3.</td> <td>Ms Che Zakiah Che Din</td> <td>INED/ Member</td> </tr> <tr> <td>4.</td> <td>Dato' Zulkiflee Abbas Abdul Hamid</td> <td>INED/ Member</td> </tr> <tr> <td>5.</td> <td>Puan Fauziah Hisham</td> <td>INED/ Member</td> </tr> </tbody> </table>			Members	Designation	1.	Ms Shirley Goh	INED/ Chairman	2.	Encik Shariffuddin Khalid	INED/ Member	3.	Ms Che Zakiah Che Din	INED/ Member	4.	Dato' Zulkiflee Abbas Abdul Hamid	INED/ Member	5.	Puan Fauziah Hisham	INED/ Member
	Members	Designation																			
1.	Ms Shirley Goh	INED/ Chairman																			
2.	Encik Shariffuddin Khalid	INED/ Member																			
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5.	Puan Fauziah Hisham	INED/ Member																			
<b>Explanation for departure</b>	:																				
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>																					
<b>Measure</b>	:																				
<b>Timeframe</b>	:																				



## Intended Outcome

There is an effective and independent Audit Committee.

The board is able to objectively review the Audit Committee's findings and recommendations.  
The company's financial statement is a reliable source of information.

## Practice 9.5

Collectively, the Audit Committee should possess a wide range of necessary skills to discharge its duties. All members should be financially literate, competent and are able to understand matters under the purview of the Audit Committee including the financial reporting process.

All members of the Audit Committee should undertake continuous professional development to keep themselves abreast of relevant developments in accounting and auditing standards, practices and rules.

<b>Application</b> :	Applied														
<b>Explanation on application of the practice</b> :	<p>The ACB is chaired by Ms Shirley Goh, a member of the Malaysian Institute of Certified Public Accountants (MICPA) and Malaysian Institute of Accountants (MIA). She has over 40 years of experience in audit and has provided business advisory services to a diverse range of clients, including local enterprises and conglomerates as well as multinational companies in financial services, healthcare, property development, poultry farming, retail, services, etc.</p> <p>The ACB members have vast working experience with the requisite knowledge and skills from various industries. Not only are they able to understand matters under the purview of ACB, they are also able to provide sound advice in areas of financial reporting, internal and external audit reports and the state of the Group’s risk and internal control environment.</p> <p>All members of the ACB are aware of the need to continuously develop and increase their knowledge in the area of accounting and auditing standards, given changes and developments in this area from time to time.</p> <p>During FY2023, members of the ACB attended the following trainings:</p> <table><tr><th>No</th><th>Training</th><th>Mode</th><th>Brief Contents</th><th>Intended Objectives</th></tr><tr><td>1.</td><td>Financial Reporting on Impact of Climate Change Effects</td><td>Webinar</td><td>Provide better understanding relating to reporting in respect of the effects of climate change that may occur on an entity. Also gain better understanding and be able to assess the potential impacts of climate change on</td><td><ul style="list-style-type: none"><li>• Understand the effects of climate change, the risks posed, and opportunities that may arise.</li><li>• Understand the accounting considerations</li></ul></td></tr></table>					No	Training	Mode	Brief Contents	Intended Objectives	1.	Financial Reporting on Impact of Climate Change Effects	Webinar	Provide better understanding relating to reporting in respect of the effects of climate change that may occur on an entity. Also gain better understanding and be able to assess the potential impacts of climate change on	<ul style="list-style-type: none"><li>• Understand the effects of climate change, the risks posed, and opportunities that may arise.</li><li>• Understand the accounting considerations</li></ul>
No	Training	Mode	Brief Contents	Intended Objectives											
1.	Financial Reporting on Impact of Climate Change Effects	Webinar	Provide better understanding relating to reporting in respect of the effects of climate change that may occur on an entity. Also gain better understanding and be able to assess the potential impacts of climate change on	<ul style="list-style-type: none"><li>• Understand the effects of climate change, the risks posed, and opportunities that may arise.</li><li>• Understand the accounting considerations</li></ul>											

				entities, which are not confined to only the immediate physical impacts, but also on the longer term.	<p>in respect of climate-related matters affecting an entity and the effects on reporting.</p> <ul style="list-style-type: none"> <li>• Review the financial reporting disclosures to be made.</li> </ul>
	2.	MIA International Accountants Conference - Future Fit Profession : Charting a Better Tomorrow	Conference	Expand horizons and embrace new roles as stewards of ESG, enabling long term business sustainability.	Transform and equip members to understand, innovate and lead ESG initiatives that will support the nation in charting a more sustainable path for future growth.
	3.	Audit Committee Conference 2023 – Catalysts of Change	Conference	Provide greater attention on the key developments that require the vigilant attention of audit committee members in fortifying their organization's adaptability and business resilience. Starting with a holistic look at geopolitical uncertainties, expert speakers and industry leaders will segue into discussions on cybersecurity best practices and new guidelines on sustainable investment.	Equip audit committee members to encompass the broad scope of governance issues and reposition.
	4.	Blowing the Whistle on Corporate Wrongdoing – A Director's Responsibility	Webinar	Gain clarity on director's duties, legal responsibilities and obligations towards the company and its shareholders, in	<ul style="list-style-type: none"> <li>• Understand the importance of having a Whistleblowing Policy.</li> <li>• Gain insights into protection</li> </ul>

				respect of whistleblowing.	measures, investigations, and potential outcomes for whistleblowers. <ul style="list-style-type: none"> <li>Assess the key elements of an effective Whistleblowing Policy.</li> </ul>
	5.	What Amounts to a Conflict of Interest by Directors?	Custom-built program	Provide Directors' obligations under the Companies Act 2016 and the recent amendments to Bursa Malaysia's Listing Requirements, recent cases involving conflict of interest, what amounts to informed consent and carry out their duty to act in the best interests of the company	<ul style="list-style-type: none"> <li>Examine the typical definition of conflict of interest within the context of the Companies Act 2016.</li> <li>Connect this understanding of conflict of interest with the regulations and requirements specified in the Listing Requirements.</li> <li>Implement proactive measures to anticipate scenarios where conflicts of interest might emerge, ensuring effective conflict management.</li> </ul>
	A list of trainings attended by each Director (including members of the ACB) during FY2023 is as set out in Part B of this report.				
:					

<b>Explanation for departure</b>		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b> :		
<b>Timeframe</b> :		

## Intended Outcome

Companies make informed decisions about the level of risk they want to take and implement necessary controls to pursue their objectives.

The board is provided with reasonable assurance that adverse impact arising from a foreseeable future event or situation on the company's objectives is mitigated and managed.

## Practice 10.1

The board should establish an effective risk management and internal control framework.

<b>Application</b>	:	Applied						
<b>Explanation on application of the practice</b>	:	<p>The Board affirms its overall responsibility for establishing a sound risk management and internal control system, as well as for reviewing its adequacy and effectiveness in identifying, assessing and responding to risks which may hinder the Group from achieving its objectives.</p> <p>One of the vital roles of the Board is to establish the Group's risk appetite, which articulates the levels and types of risk that it is willing to take in the pursuit of its business and strategic objectives. In this respect, the Board actively participates in the Group's strategic goals and plans, ensuring that the corresponding risks are adequately mitigated within the approved risk appetite. In view of the inherent limitations in any risk management and internal control system, the Board recognises that such a system can only provide reasonable, rather than absolute assurance against material financial misstatement, fraud or losses.</p> <p>The Board plays a crucial role in establishing a strong risk management and internal control governance structure, which is critical in setting the tone and culture of effective risk management and internal control. To effectively carry out its risk and control oversight responsibilities, the Board has established the RMC, the CCB and the ACB to oversee matters relating to risk, compliance and controls, respectively. These Board Committees update the Board periodically of their work, key deliberations and decisions on delegated matters.</p> <p>The Board Committees are responsible for assisting the Board in the execution of its governance and oversight responsibility, their roles including:</p> <table><tr><th>No.</th><th>Board Committee</th><th>Responsibility</th></tr><tr><td>1.</td><td>ACB</td><td>The ACB is responsible for the assessment of the adequacy and effectiveness of the Group's governance, risk management and internal control system through the</td></tr></table>	No.	Board Committee	Responsibility	1.	ACB	The ACB is responsible for the assessment of the adequacy and effectiveness of the Group's governance, risk management and internal control system through the
No.	Board Committee	Responsibility						
1.	ACB	The ACB is responsible for the assessment of the adequacy and effectiveness of the Group's governance, risk management and internal control system through the						

			Internal Audit (IA) function. The ACB has active oversight over IA's independence, scope of work and resources.
	2.	RMC	The RMC is responsible for formulating policies and frameworks to identify, measure, monitor, manage and control material risk components impacting Maybank's businesses. The effectiveness of the risk management system is monitored and evaluated by the Group Risk function on an ongoing basis.
	3.	CCB	The CCB is responsible for overseeing the management of regulatory compliance risks to support business growth, in line with the Group's aspiration and risk appetite.
	<p>In addition, Group Risk provides oversight of risk management on an enterprise-wide level through the establishment of the Group's risk strategies, frameworks and policies, with independent assessment and monitoring of all risk challenges. In FY2023, Group Risk continued to focus on value creation and supporting the Group to meet its strategic and business objectives.</p> <p>The Group Risk functions specialise in the management of specific risk areas within the Group; and manage all risks associated with the external environment and material matters strategically as they set consistent standards in relation to risk policies, risk reporting and risk modelling.</p> <p>Further details can be found in the Statement on Risk Management and Internal Control in Maybank's Annual Report 2023.</p>		
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:		

### Intended Outcome

Companies make informed decisions about the level of risk they want to take and implement necessary controls to pursue their objectives.

The board is provided with reasonable assurance that adverse impact arising from a foreseeable future event or situation on the company's objectives is mitigated and managed.

### Practice 10.2

The board should disclose the features of its risk management and internal control framework, and the adequacy and effectiveness of this framework.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>Risk management has evolved into an important driver for strategic decisions in support of business strategies while balancing the appropriate levels of risk taken to the desired level of rewards expected in return. To complement this, Group Risk has developed the Maybank Group Enterprise Risk Management Framework (Framework), underpinned by the following set of building blocks which serves as the foundation for driving a strong risk management culture, practices and processes:</p> <ol style="list-style-type: none"><li>1) Risk Culture</li><li>2) Risk Coverage</li><li>3) Risk Appetite</li><li>4) Risk Response</li><li>5) Governance &amp; Risk Oversight</li><li>6) Risk Management Practices &amp; Processes</li><li>7) Stress Test</li><li>8) Resources &amp; System Infrastructure</li></ol> <p>The key features of the Framework include:</p> <ol style="list-style-type: none"><li>1) Risk and Compliance Culture</li></ol> <p>The risk and compliance culture is driven by a strong tone from the top which serves as the foundation upon which robust enterprise-wide risk management structure and governance are built. This is to ingrain the expected values and principles of conduct that shape the behaviour and attitude of employees at all levels of business and activity across the Group.</p> <ol style="list-style-type: none"><li>2) Risk Appetite</li></ol> <p>The Group's risk appetite is an integral component of the Group's robust risk management framework and is driven by both top-down Board leadership and bottom-up involvement of management at all levels. The risk appetite enables the Board and senior management to communicate and assess the types and</p>

	<p>levels of risk that the Group is willing to accept in pursuit of its business and strategic goals while taking into consideration the constraints under a stressed environment.</p> <p>3) Risk Governance and Oversight</p> <p>The Group's governance model provides a formalised, transparent and effective governance structure that promotes active involvement of the Board and senior management in the risk management process. In addition, our governance model places accountability, ownership and segregation of duties between three lines of defence.</p> <p>4) Risk Management Practices and Processes</p> <p>The risk management practices and processes enable systematic identification, measurement, control, monitoring and reporting of risk exposures across the Group.</p> <p>Key elements of the internal control system for effective governance and oversight of internal controls include the following:</p> <p>1) Annual Business Plan and Budget</p> <ul style="list-style-type: none"> <li>- Performance is reviewed monthly against targeted results, allowing time for the appropriate responses and required remedial actions to be taken.</li> </ul> <p>2) Oversight by the RMC</p> <ul style="list-style-type: none"> <li>- Formulation of policies and frameworks to identify, measure, monitor, manage and control the material risks impacting the businesses.</li> </ul> <p>3) Oversight by the CCB</p> <ul style="list-style-type: none"> <li>- To oversee the management of regulatory compliance risk to support business growth, in line with the Group's aspirations and risk appetite.</li> </ul> <p>4) Executive Level Management Committees</p> <ul style="list-style-type: none"> <li>- To assist and support the various Board Committees in overseeing core areas of business operations and controls.</li> </ul> <p>The Board has disclosed the key features of its risk management and internal control system in the Statement on Risk Management and Internal Control in Maybank's Annual Report 2023.</p>
<b>Explanation for departure</b>	:



<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

### Intended Outcome

Companies make informed decisions about the level of risk they want to take and implement necessary controls to pursue their objectives.

The board is provided with reasonable assurance that adverse impact arising from a foreseeable future event or situation on the company's objectives is mitigated and managed.

### Practice 10.3 - Step Up

The board establishes a Risk Management Committee, which comprises a majority of independent directors, to oversee the company's risk management framework and policies.

<b>Application</b>	:	Adopted																					
<b>Explanation on adoption of the practice</b>	:	<p>The RMC comprises wholly of INEDs and is chaired by Mr Anthony Brent Elam. The RMC assists the Board in ensuring that the risk exposures and outcomes affecting the Group are effectively managed and addressed by the Board. More specifically, the RMC is responsible for formulating policies and frameworks to identify, monitor, manage and control material risks impacting the Group.</p> <p>The composition of the RMC as at 31 December 2023 was as follows:</p> <table><tr><th></th><th>Members</th><th>Designation</th></tr><tr><td>1.</td><td>Mr Anthony Brent Elam</td><td>INED/ Chairman</td></tr><tr><td>2.</td><td>Mr Edwin Gerungan</td><td>INED/ Member</td></tr><tr><td>3.</td><td>Dr. Hasnita Dato' Hashim</td><td>Senior INED/ Member</td></tr><tr><td>4.</td><td>Dato' Zulkiflee Abbas Abdul Hamid</td><td>INED/ Member</td></tr><tr><td>5.</td><td>Puan Fauziah Hisham</td><td>INED/ Member</td></tr><tr><td>6.</td><td>Encik Shariffuddin Khalid</td><td>INED/ Member</td></tr></table> <p>The roles and responsibilities, the profile of each member, and details of meeting attendance can be found in Section B of this report.</p>		Members	Designation	1.	Mr Anthony Brent Elam	INED/ Chairman	2.	Mr Edwin Gerungan	INED/ Member	3.	Dr. Hasnita Dato' Hashim	Senior INED/ Member	4.	Dato' Zulkiflee Abbas Abdul Hamid	INED/ Member	5.	Puan Fauziah Hisham	INED/ Member	6.	Encik Shariffuddin Khalid	INED/ Member
	Members	Designation																					
1.	Mr Anthony Brent Elam	INED/ Chairman																					
2.	Mr Edwin Gerungan	INED/ Member																					
3.	Dr. Hasnita Dato' Hashim	Senior INED/ Member																					
4.	Dato' Zulkiflee Abbas Abdul Hamid	INED/ Member																					
5.	Puan Fauziah Hisham	INED/ Member																					
6.	Encik Shariffuddin Khalid	INED/ Member																					

## Intended Outcome

Companies have an effective governance, risk management and internal control framework and stakeholders are able to assess the effectiveness of such a framework.

### Practice 11.1

The Audit Committee should ensure that the internal audit function is effective and able to function independently.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Internal Audit (IA) function was established by the Board to provide independent and objective assurance on the adequacy and effectiveness of the governance, risk management, anti-corruption, whistle-blowing and internal control processes implemented by the management.</p> <p>The IA function of Maybank including the Malaysia and overseas subsidiaries and branches, are organised in-house on a Group basis and is independent of the activities or operations of other operating units in the Group. To maintain its independence and objectivity as outlined in the Audit Charter (as approved by the Board), the IA function reports functionally to the ACB and administratively to the President and Group CEO.</p> <p>The principal responsibility of IA is to evaluate the adequacy and effectiveness of the system of risk management and internal control implemented by the Group and to assess whether the risks that may hinder the Group from achieving its objectives are adequately evaluated, managed and controlled. It provides risk-based and objective assurance, advice and insight to enhance and protect organisational value and assist the management to achieve its objectives.</p> <p>To ensure effective management and independence of the IA function, the ACB is empowered by its TOR to:</p> <ol style="list-style-type: none"><li>1) Review and recommend for the Board's approval, in consultation with the NRC, the appointment, remuneration, performance and termination of the Group Chief Audit Executive (GCAE).</li><li>2) Review and assess the performance of senior internal audit staff, including their remuneration and annual increment.</li><li>3) Take cognisance of the resignation of internal audit staff and the reasons for their resignation.</li><li>4) Review and approve the internal audit scope and the audit plan, covering both local and overseas operations.</li></ol>

	<p>5) Review and assess the adequacy of the scope, functions and IA resources, including their remuneration to ensure that the IA function has the necessary authority and resources to carry out its work.</p> <p>6) Review and assess the internal audit reports and ensure that senior management takes necessary corrective actions in a timely manner to address control weaknesses, non-compliance with laws, regulatory requirements, policies and other problems identified by the IA and other control functions.</p> <p>7) Note significant disagreements between the GCAE and the rest of the senior management team, irrespective of whether these have been resolved, in order to identify any impact the disagreements may have on the audit process or findings.</p> <p>8) Establish a mechanism to assess the performance and effectiveness of the IA function and manage situations where IA's objectivity may be compromised.</p> <p>9) Review and recommend for Board's approval the Audit Charter.</p> <p>For further information, please refer to the Audit Committee Report in Maybank's Annual Report 2023.</p>	
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

## Intended Outcome

Companies have an effective governance, risk management and internal control framework and stakeholders are able to assess the effectiveness of such a framework.

## Practice 11.2

The board should disclose—

- 1) whether internal audit personnel are free from any relationships or conflicts of interest, which could impair their objectivity and independence;
- 2) the number of resources in the internal audit department;
- 3) name and qualification of the person responsible for internal audit; and
- 4) whether the internal audit function is carried out in accordance with a recognised framework.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Board has, through the ACB, disclosed with sufficient explanation and detail in the Audit Committee Report in Maybank's Annual Report 2023, the following information:</p> <p>1) Independence of IA Personnel</p> <p>The IA function of Maybank, including the Malaysia and overseas subsidiaries and branches, was established by the Board, are organised on a Group basis under the leadership of the GCAE. IA's role is to provide independent and objective assurance on the adequacy and effectiveness of the governance, risk management, anti-corruption, whistle-blowing and internal control processes implemented by the management. The GCAE reports functionally to the ACB and administratively to the President and Group CEO to maintain the requisite independence and objectivity as outlined in the Audit Charter approved by the Board.</p> <p>The IA function of Maybank is independent from the operations of the other operating units. IA personnel are required to confirm via annual declarations that they are free from any relationships or conflicts of interest which could impair their objectivity and independence in carrying out their duties as internal auditors of Maybank.</p> <p>2) Internal Audit Resources</p> <p>As of 31 December 2023, Maybank Group Audit (MGA) has a staff strength of 352 individuals (in Malaysia and overseas) from diverse backgrounds and qualifications. 98% of MGA staff hold minimum tertiary-level qualifications.</p> <p>In addition, 204 individuals are equipped with other audit related certifications such as Specialist Certificate in Bank Audit, Certified Internal Auditor, Certified Information Systems Auditor and Certified Anti-Money Laundering Specialist.</p>

	<p>3) GCAE</p> <p>The IA function of the Group is led by Mohamad Yasin Abdullah. He has more than 26 years of experience in the corporate and financial industry, of which 12 years were in the capacity of Chief Financial Officer and four years as Chief Operating Officer. He is a Chartered Banker with the Asian Institute of Chartered Bankers and a Fellow Member of The Association of Chartered Certified Accountants (FCCA) and The Chartered Institute of Management Accountants (FCMA). He is also a member of The Malaysian Institute of Certified Public Accountants (MICPA) and the Malaysian Institute of Accountants (MIA). He graduated from the International Islamic University Malaysia (IIUM) with a Bachelor of Accounting (Honours) and a Master of Business Administration in Finance. He is a member of the Board of Governors of The Institute of Internal Auditors (IIA) Malaysia and is also an active member of the Chief Internal Auditors Networking Group (CIANG).</p> <p>4) Internal Audit Framework</p> <p>IA processes and activities are governed by the relevant regulatory guidelines as well as the Group's Code of Ethics and IIA's mandatory guidance established under the International Professional Practices Framework (IPPF).</p> <p>IA's scope of work every year (as defined in the Annual Audit Plan) is identified using the Maybank Risk Based Audit (MRBA) while the COSO Internal Control – Integrated Framework (COSO) and Control Objectives for Information and Related Technologies (COBIT) frameworks are used to assess the adequacy and effectiveness of internal controls in mitigating risks.</p>	
<p><b>Explanation for departure</b></p>	<div></div> <div></div>	
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>		
<p><b>Measure</b></p>	<div></div>	
<p><b>Timeframe</b></p>	<div></div>	<div></div>

### Intended Outcome

There is continuous communication between the company and stakeholders to facilitate mutual understanding of each other's objectives and expectations.

Stakeholders are able to make informed decisions with respect to the business of the company, its policies on governance, the environment and social responsibility.

### Practice 12.1

The board ensures there is effective, transparent and regular communication with its stakeholders.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Board acknowledges the importance of regular communication not only with its shareholders but also with other stakeholders (investors, employees, regulators, customers, suppliers, the Government and its agencies, etc.) who in one way or another are impacted by the decisions taken and who have helped shape what Maybank is today. Regular, timely, accurate and transparent communication with quality disclosures (beyond issues on maximising shareholder value) through appropriate platforms ensure stakeholders understand Maybank's state of affairs to facilitate informed decisions. The proper management of stakeholders' expectations and welfare is paramount to the development of a sustainable business for Maybank.</p> <p>Taking cognisance of the importance of regular communication and recommendations as per Bursa Malaysia's Corporate Disclosure Guide, the Board has adopted the Group Corporate Disclosure Policies and Procedures, which can be found on Maybank Group's corporate website at <a href="http://www.maybank.com">www.maybank.com</a>.</p> <p>The Group's key communication platforms are as follows:</p> <p>Integrated Annual Report</p> <p>The Integrated Annual Report is a powerful engagement tool applicable to all stakeholders as it is a one-stop information centre on the Group with respect to financial and non-financial performance, the Board and senior management, the Group's strategies, operating landscape and key macrotrends impacting the Group, a review of operations and businesses, risk management practices, overall policies adopted, sustainability approach, commitments and progress as well as value created for stakeholder groups.</p> <p>Group Corporate Website</p> <p>The Group's corporate website, <a href="http://www.maybank.com">www.maybank.com</a>, provides easy access to comprehensive historical and current information on the Group. Apart from providing access to the Integrated Annual Reports, Financial Statements, Sustainability and Environmental Reports, the</p>

	<p>corporate website offers the following information to provide stakeholders a better understanding of Maybank's business:</p> <ul style="list-style-type: none"> <li>• Maybank's current share price</li> <li>• Constitution</li> <li>• Board Charter</li> <li>• TORs of the Board Committees</li> <li>• Group-wide policies</li> <li>• Corporate Governance structure and framework</li> <li>• The Group's global operations and subsidiaries</li> <li>• Latest corporate news including media releases, investor presentation materials and engagements via conferences with analysts</li> <li>• Bursa Malaysia announcements on corporate transactions and quarterly results</li> <li>• Presentations, notices and minutes of general meetings as well as Questions &amp; Answers (Q&amp;A) discussed at general meetings</li> </ul> <p>Investor Relations</p> <p>Maybank's Investor Relations (IR) forms an essential part of Maybank's Corporate Governance framework, ensuring the domestic and international investment community receive relevant, timely and comprehensive information about the Group via effective and transparent two-way communication. Stakeholders can channel any concerns or feedback with the following key Maybank IR spokespersons:</p> <p>Khalijah Ismail Group Chief Financial Officer Contact : (6)03 2074 8963 Email : <a href="mailto:khalijah@maybank.com">khalijah@maybank.com</a></p> <p>Jeeva Arulampalam Head, Group Investor Relations Contact : (6)03 2074 8017 Email : <a href="mailto:jeeva.a@maybank.com">jeeva.a@maybank.com</a></p> <p>General Meetings</p> <p>The AGM and Extraordinary General Meeting (EGM) are the primary open platforms for shareholders to raise questions on the agendas proposed for approval by the Board. As active participation from shareholders is greatly encouraged, the Board and senior management place much emphasis on answering as many questions as possible posed with concise answers. Questions from the MSWG, institutional and retail shareholders on Maybank's business or other pertinent governance issues raised prior to the meeting as well as Maybank's responses are shared with all shareholders during the meeting. Minutes of the AGM/EGM including significant matters discussed are disclosed on Maybank Group's corporate website at <a href="http://www.maybank.com">www.maybank.com</a>.</p>
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	<p>Electronic/Social Media Platforms</p> <p>Leveraging technology, Maybank also uses established and trusted social media platforms with strict monitoring in place to engage with its stakeholders.</p>	
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

### Intended Outcome

There is continuous communication between the company and stakeholders to facilitate mutual understanding of each other's objectives and expectations.

Stakeholders are able to make informed decisions with respect to the business of the company, its policies on governance, the environment and social responsibility.

### Practice 12.2

Large companies are encouraged to adopt integrated reporting based on a globally recognised framework.

<b>Application</b>	:	Applied	
<b>Explanation on application of the practice</b>	:	The FY2023 Integrated Annual Report will mark the Company's seventh year of referencing and adopting practices in line with the Integrated Reporting <IR> Framework. The Company will continue to refine gaps in its integrated annual report against the revised <IR> Framework. The Board is committed to the <IR> journey in tandem with the expectations of stakeholders for quality disclosures.	
<b>Explanation for departure</b>	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

### Intended Outcome

Shareholders are able to participate, engage the board and senior management effectively and make informed voting decisions at General Meetings.

### Practice 13.1

Notice for an Annual General Meeting should be given to the shareholders at least 28 days prior to the meeting.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>In line with the recommendations of the MCCG and 21-day requirement under the Companies Act, 2016 (CA) and Bursa Malaysia's MMLR, the Notice of the 63<sup>rd</sup> AGM of the Company was issued to shareholders on 4 April 2023, not less than 28 days before the AGM (which was held on 3 May 2023).</p> <p>Additional time was given to enable shareholders to consider the resolutions and make informed decisions in exercising their voting rights at the general meeting.</p> <p>The Company provides Administrative Notes when giving notice of the AGM, which provides information to the shareholders regarding the following:</p> <ul style="list-style-type: none"><li>(i) Details and mode of the AGM</li><li>(ii) Entitlement and how to participate and vote at the AGM</li><li>(iii) Right to appoint a proxy or representative to participate and vote at the AGM</li><li>(iv) Submission of Proxy Form or Certificate of appointment of corporate representative</li><li>(v) Submission of questions prior to AGM</li></ul> <p>The explanatory notes in the Notice of the 63<sup>rd</sup> AGM provide detailed explanations for each resolution proposed (as set out below), to enable shareholders to make informed decisions in exercising their voting rights:</p> <ul style="list-style-type: none"><li>(i) Re-election/re-appointment of Directors</li><li>(ii) Directors' remuneration comprising fees and benefits</li><li>(iii) Re-appointment of auditors</li><li>(iv) Authority to Directors to issue new ordinary shares in Maybank (Maybank Shares) pursuant to Section 75 of the CA</li><li>(v) Allotment and issuance of new Maybank shares in relation to the Recurrent and Optional Dividend Reinvestment Plan</li></ul>
<b>Explanation for departure</b>	:	

*Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.*

<b>Measure</b>	:		
<b>Timeframe</b>	:		

**Intended Outcome**

Shareholders are able to participate, engage the board and senior management effectively and make informed voting decisions at General Meetings.

**Practice 13.2**

All directors attend General Meetings. The Chair of the Audit, Nominating, Risk Management and other committees provide meaningful response to questions addressed to them.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The dates of general meetings are scheduled and approved in advance to ensure that, barring any unforeseen circumstances, all Directors are able to attend the meetings.</p> <p>The 63<sup>rd</sup> AGM and EGM were held virtually, via video conferencing at Level 46, Menara Maybank, 100 Jalan Tun Perak, 50050 Kuala Lumpur (Broadcast Venue). All Directors were present at the Broadcast Venue except for Mr Edwin Gerungan and Mr Anthony Brent Elam who attended the meetings via video conferencing.</p> <p>The Chairman and Chair of all Board Committees are involved in the AGM and EGM preparations and are regularly updated by the management on potential issues which may be raised during the AGM and EGM. Frequently Asked Questions (FAQ) and proposed answers will be prepared by the senior management for deliberation with the Board well ahead of the AGM and EGM in anticipation of shareholders' questions. The Chairs of the respective Board Committees are also aware of their scope of responsibility and come prepared to address any issues that the shareholders may raise within their scope.</p>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

### Intended Outcome

Shareholders are able to participate, engage the board and senior management effectively and make informed voting decisions at General Meetings.

### Practice 13.3

Listed companies should leverage technology to facilitate—

- (a) voting including voting in absentia; and
- (b) remote shareholders' participation at general meetings.

Listed companies should also take the necessary steps to ensure good cyber hygiene practices are in place including data privacy and security to prevent cyber threats.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>In order to facilitate better communications with shareholders and to allow easier and more efficient access for them to attend the AGM and EGM, the Board has decided to leverage on technology and conducted the 63<sup>rd</sup> AGM and EGM remotely, similar to 62<sup>nd</sup> AGM, through live streaming and online remote voting via Remote Participation and Voting (RPV) facilities provided by the Company's appointed share registrar, Boardroom Share Registrars Sdn Bhd (Boardroom) via <a href="https://web.lumiagm.com">https://web.lumiagm.com</a>. The 63<sup>rd</sup> AGM and EGM were broadcasted live from Level 46, Menara Maybank, 100 Jalan Tun Perak, 50050 Kuala Lumpur on 3 May 2023. The 63<sup>rd</sup> AGM was attended by 4,786 shareholders (62<sup>nd</sup> AGM: 3,824) while 1,609 shareholders participated in the EGM via the RPV facilities provided.</p> <p>The meeting was conducted in accordance with Section 327 of the Companies Act, 2016 and Article 59 of the Company's Constitution, as well as with reference to the Guidance on the Conduct of General Meetings for Listed Issuers issued by the Securities Commission Malaysia. Questions from MSWG, PNB, EPF and shareholders which were raised prior to and during the meeting as well as the Group's responses were shared with all shareholders during the Q&amp;A session of the virtual AGM and EGM. Subsequent to the AGM and EGM, these Q&amp;As were published on Maybank Group's corporate website at <a href="http://www.maybank.com">www.maybank.com</a>.</p> <p>To ensure a seamless meeting experience, prior stress/ performance tests were conducted on the virtual meeting platform by the RPV service provider as well as our Group Technology team. In addition, Maybank also conducted 'dry runs' and emplaced a contingency plan to ensure that the 63<sup>rd</sup> AGM and EGM could be convened as planned. A Command Centre was set up to:</p> <ul style="list-style-type: none"><li>(i) Monitor help desk reporting and user experience every 10 minutes</li><li>(ii) Perform real-time monitoring of network traffic, platform, memory and CPU</li><li>(iii) Conduct health checks every 30 minutes</li></ul>

	A post mortem report in relation to the conduct of 63 <sup>rd</sup> AGM and EGM were presented to the Board at the end of May 2023. Lessons learnt will be taken into consideration in planning any future virtual meetings.	
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

## Intended Outcome

Shareholders are able to participate, engage the board and senior management effectively and make informed voting decisions at General Meetings.

## Practice 13.4

The Chairman of the board should ensure that general meetings support meaningful engagement between the board, senior management and shareholders. The engagement should be interactive and include robust discussion on among others the company's financial and non-financial performance as well as the company's long-term strategies. Shareholders should also be provided with sufficient opportunity to pose questions during the general meeting and all the questions should receive a meaningful response.

*Note: The explanation of adoption of this practice should include a discussion on measures undertaken to ensure the general meeting is interactive, shareholders are provided with sufficient opportunity to pose questions and the questions are responded to.*

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>Led by the Chairman, Tan Sri Dato' Sri Ir. Zamzamzairani Mohd Isa, the following Directors (except for Mr. Edwin Gerungan and Mr Anthony Brent Elam who attended the meetings via video conferencing) and senior management were also physically present at the Broadcast Venue:</p> <ol style="list-style-type: none"><li>1) Dato' Khairussaleh Ramli, Non-Independent Executive Director and President and Group CEO;</li><li>2) Datuk R. Karunakaran, Senior Independent Non-Executive Director and the Chairman of the Nomination and Remuneration Committee*;</li><li>3) Dr. Hasnita Dato' Hashim, Senior Independent Non-Executive Director and Chairman of the Nomination and Remuneration Committee;</li><li>4) Che Zakiah Che Din, Independent Non-Executive Director and Chairman of the Compliance Committee of the Board;</li><li>5) Fauziah Hisham, Independent Non-Executive Director and Chairman of the Credit Review Committee;</li><li>6) Encik Shariffuddin Khalid, Independent Non-Executive Director and Chairman of the Board Sustainability Committee;</li><li>7) Dato' Zulkiflee Abbas Abdul Hamid, Independent Non-Executive Director;</li><li>8) Shirley Goh, Independent Non-Executive Director and Chairman of the Audit Committee;</li><li>9) Mr. Cheng Kee Check, Non-independent Non-Executive Director*</li><li>10) Khalijah Ismail, Group Chief Financial Officer; and</li><li>11) Encik Wan Marzimin Wan Muhammad, Group General Counsel &amp; Company Secretary.</li></ol> <p><i>* Datuk R. Karunakaran retired with effect from 3 May 2023 and Mr. Cheng Kee Check retired with effect from 18 November 2023.</i></p> <p>The Virtual Meeting Portal was opened for login one hour before the meeting commenced. Upon logging in, shareholders were allowed to</p>



	<p>use the messaging window facility via Virtual Meeting Portal to submit their questions.</p> <p>At the outset, the Chairman informed shareholders that all questions related to door gifts, customer service or any other administrative matter would be addressed by the GCS team and the platform service provider (Boardroom) via the Virtual Meeting Platform. The Board would focus on questions related to the AGM and the Group's performance, business and outlook during the Q&amp;A session held during the meeting. A total of 544 pre-AGM questions and live AGM queries/ comments were received from shareholders, 264 of which related to the Group's business and performance. The Board and senior management responded to all the business/performance questions during the meeting. With regard to EGM, we received a total of 167 questions (both pre-EGM and live EGM questions), 35 of which related to ESGP. All questions and responses were published live and made visible to all meeting participants via the Virtual Meeting Platform during the meeting.</p> <p>The key proceedings of the 63<sup>rd</sup> AGM were as follows:</p> <ol style="list-style-type: none"> <li>1) Opening remarks by the Chairman</li> <li>2) Pre-recorded video presentation on poll voting procedures</li> <li>3) President and Group CEO's presentation (available on Maybank's Group's corporate website) pertaining to FY2022 financial performance, the Group's M25+ strategic plan and achievements, sustainability progress, impending relocation to Menara Merdeka 118, measures taken to combat financial scams as well as Maybank's performance outlook and priorities for FY2023</li> <li>4) PNB Q&amp;A</li> <li>5) Employee Provident Fund (EPF) Q&amp;A</li> <li>6) MSWG Q&amp;A</li> <li>7) Retail shareholder Pre-AGM Q&amp;A</li> <li>8) Presentation of Audited Financial Statements for FY2022</li> <li>9) Approval of Resolutions (1) to (8)</li> <li>10) Q&amp;A session</li> <li>11) Voting and poll results</li> <li>12) Verification of poll results by the scrutineer, Deloitte</li> </ol> <p>Subsequent to the AGM and EGM, shareholders were allowed to pose additional questions to the IR team at <a href="mailto:ir@maybank.com">ir@maybank.com</a>.</p> <p>The complete list of Q&amp;As (pre-AGM/ EGM, live, post-AGM/ EGM) were categorised by the relevant topics to facilitate shareholders' review of the Q&amp;As. The complete list of Q&amp;As and minutes of the 63<sup>rd</sup> AGM and EGM were published on Maybank Group's corporate website at <a href="http://www.maybank.com">www.maybank.com</a>.</p>
<b>Explanation for departure</b>	:

<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

## Intended Outcome

Shareholders are able to participate, engage the board and senior management effectively and make informed voting decisions at General Meetings.

## Practice 13.5

The board must ensure that the conduct of a virtual general meeting (fully virtual or hybrid) support meaningful engagement between the board, senior management and shareholders. This includes having in place the required infrastructure and tools to support among others, a smooth broadcast of the general meeting and interactive participation by shareholders. Questions posed by shareholders should be made visible to all meeting participants during the meeting itself.

*Note: The explanation of adoption of this practice should include a discussion on measures undertaken to ensure the general meeting is interactive, shareholders are provided with sufficient opportunity to pose questions and the questions are responded to. Further, a listed issuer should also provide brief reasons on the choice of the meeting platform.*

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>Similar to the past two AGMs, Boardroom (Lumi) was engaged as the Poll Administrator and/or Remote Participation and Voting ("RPV") service provider for the virtual 63<sup>rd</sup> AGM and EGM, after taking into consideration the following:</p> <ul style="list-style-type: none"><li>(i) Boardroom is one of the leading Corporate Secretarial/AGM service providers in Malaysia, Singapore, Hong Kong, Australia, and China.</li><li>(ii) Boardroom partners with Lumi, a third-party meeting platform provider, to deliver the technology components of a meeting. Lumi has a global presence and a good track record, and confirmed that it had not experienced any glitches with its system in the previous three years.</li><li>(iii) Provision by Boardroom of a dedicated Office Helpdesk to allow shareholders to make enquiries prior to the meeting or to seek technical assistance to participate at the 63<sup>rd</sup> AGM and EGM.</li><li>(iv) Experience and feedback from shareholders who participated in the 61<sup>st</sup> and 62<sup>nd</sup> AGM.</li><li>(v) New technology enhancements to Boardroom/ Lumi's system and platform during the year.</li></ul> <p>To enable the eligible shareholders to participate and vote remotely, shareholders were invited to register online with Boardroom Smart Investor Portal at website <a href="https://investor.boardroomlimited.com">https://investor.boardroomlimited.com</a>. All registrations were verified and approved within one business day with email notifications sent to the shareholders.</p> <p>Shareholders were allowed to carry out the following via Boardroom's website:</p> <ul style="list-style-type: none"><li>(i) Pose and submit questions before the meeting by selecting 'SUBMIT QUESTION'.</li></ul>

	<p>(ii) Request for a printed copy of the Annual Report by selecting 'INVESTOR SERVICES' and then 'REQUEST FOR ANNUAL REPORT'.</p> <p>On the day of the meeting, shareholders were also provided with a messaging window facility via Virtual Meeting Portal to submit questions during the meeting. All responses to questions by the Board and senior management during the meeting were read out and made visible to the shareholders via live stream. The entire Q&amp;A session (including questions not addressed during the meeting, with the responses) were posted on Maybank's corporate website after the meeting. These questions were categorised under the relevant topics such as Door Gift &amp; AGM Matters, Capital, Dividend, Board of Directors, Performance &amp; Business, Outlook, Cost, Strategy, Digitalisation/ Technology, Sustainability, etc., for easy navigation of shareholders.</p>	
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

### Intended Outcome

Shareholders are able to participate, engage the board and senior management effectively and make informed voting decisions at General Meetings.

### Practice 13.6

Minutes of the general meeting should be circulated to shareholders no later than 30 business days after the general meeting.

<i>Note: The publication of Key Matters Discussed is not a substitute for the circulation of minutes of general meeting.</i>		
<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>Draft minutes of the 63<sup>rd</sup> AGM and EGM were circulated to members of the Board for comments before being tabled at the Board for approval. The Board had at its meeting held on 25 May 2023 adopted and confirmed that the minutes of the 63<sup>rd</sup> AGM and EGM accurately reflected the proceedings and agreed for the same to be published on Maybank's corporate website.</p> <p>The minutes of the 63<sup>rd</sup> AGM and EGM were duly signed by the Chairman and published on Maybank Group's corporate website at <a href="http://www.maybank.com">www.maybank.com</a> within 30 business days from the date of the meeting.</p>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

## SECTION B – DISCLOSURES ON CORPORATE GOVERNANCE PRACTICES PURSUANT TO CORPORATE GOVERNANCE GUIDELINES ISSUED BY BANK NEGARA MALAYSIA

*Disclosures in this section are pursuant to Appendix 4 (Corporate Governance Disclosures) of the Corporate Governance Guidelines issued by Bank Negara Malaysia. This section is only applicable for financial institutions or any other institutions listed on the Exchange that are required to comply with the above Guidelines.*

### BOARD OF DIRECTORS

**Profile of Directors** (as at 29 February 2024)

#### **TAN SRI DATO' SRI Ir. ZAMZAMZAIRANI MOHD ISA**

Non-Independent Non-Executive Director (Chairman)

63 years of age

Malaysian

#### **APPOINTMENT**

2 November 2020

#### **QUALIFICATION(S)**

- Bachelor of Science in Communications Engineering, Plymouth Polytechnic, UK
- Corporate Finance, Strategies for Creating Shareholder Value Programme, Kellogg School of Management, Northwestern University, USA
- Strategic Leadership Programme, University of Oxford's Saïd Business School, UK
- IMD CEO Roundtable, Lausanne, Switzerland

#### **PROFESSIONAL ACCREDITATION**

- Honorary Doctorate, School of Management, Multimedia University, Malaysia
- Adjunct Professor, School of Management, Multimedia University, Malaysia
- Professional Engineer, Board of Engineers Malaysia

#### **WORKING EXPERIENCE & PAST DIRECTORSHIPS**

##### **Present:**

##### **Within Maybank Group**

- Chairman of Maybank
- Chairman of Maybank Foundation
- Chairman of Maybank Labuan Foundation

##### **Other Companies/Bodies**

- Board of Governors, Malay College Kuala Kangsar
- Director of Perdana Leadership Foundation

##### **Past:**

- Director of Payments Network Malaysia Sdn Bhd from May 2018 to November 2020
- Director of Malaysia Airlines Berhad from May 2017 to November 2020
- Director of Malaysia Aviation Group Berhad (MAGB) from May 2017 to November 2020
- Chairman of Hijrah Biru Sdn Bhd (a subsidiary of MAGB) from October 2017 to November 2020
- Chairman of UEM Sunrise Berhad from May 2017 to July 2020
- Non-Independent Non-Executive Director of UEM Group Berhad from May 2017 to October 2018
- Independent Non-Executive Director of Pos Malaysia Berhad from December 2017 to April 2019
- Director, Universiti Telekom Sdn Bhd from March 2016 to December 2018
- Group Chief Executive Officer and Managing Director of Telekom Malaysia from April 2008 to April 2017
- Chief Executive Officer, Malaysia Business, Telekom Malaysia from 2007 to 2008
- Senior Vice President, Group Strategy and Technology, Telekom Malaysia from 2005 to 2007
- Independent Non-Executive Director, VADS Berhad from December 2004 to April 2005
- Chief Executive Officer, Lucent Technologies (Malaysia) Sdn Bhd from 2000 to 2002
- Director, Business Development Asia Pacific, Global One Communications from 1998 to 2000
- Senior General Manager, Maxis Communications from 1997 to 1998

**Membership of Board Committees in Maybank:**

- Board Technology Committee (Chairman)

**Shareholdings in Maybank**

Nil

**DATO' KHAIRUSSALEH RAMLI**

Non-Independent Executive Director

(President and Group CEO)

56 years of age

Malaysian

**APPOINTMENT**

1 May 2022

**QUALIFICATION(S)**

- Bachelor of Science in Business Administration, Washington University, USA
- Advanced Management Program, Harvard Business School, USA
- Fellow Chartered Banker, Asian Institute of Chartered Bankers

**DIRECTORSHIPS****Present:****Within Maybank Group**

- Executive Director / President and Group CEO, Maybank
- President Commissioner, PT Bank Maybank Indonesia Tbk
- Director, Maybank Singapore Limited

**Other Companies/Bodies**

- Director, Cagamas Holdings Berhad
- Director, Payments Network Malaysia Sdn Bhd
- Director, Financial Industry Collective Outreach
- Chairman, The Association of Banks in Malaysia
- Vice Chairman, Asian Institute of Chartered Bankers
- Member, Visa Asia Pacific Senior Client Council
- Co-Chairman, Emerging Markets Advisory Council of the Institute of International Finance

**WORKING EXPERIENCE & PAST DIRECTORSHIPS**

- Group Managing Director, RHB Banking Group from May 2015 to March 2022
- Deputy Group Managing Director, RHB Banking Group from December 2013 to May 2015
- President Director and Chief Executive Officer, PT Bank Maybank Indonesia Tbk from January 2012 to September 2013
- Group Chief Financial Officer, Maybank from November 2008 to January 2012
- Group Strategy Officer, Telekom Malaysia Berhad from April 2008 to October 2008
- Chief Executive Officer, TM Ventures from September 2006 to March 2008
- Chief Financial Officer, Bursa Malaysia Berhad from April 2004 to September 2006
- Senior Vice President, Finance and Strategy, Bursa Malaysia Berhad from 2002 to 2004
- Vice President, Planning and Development, Bursa Malaysia Berhad from 2001 to 2002
- Senior Manager, International Affairs, Bursa Malaysia Berhad from July 1998 to 2001
- Director, Corporate Services, Pigas Engineering Sdn Bhd from October 1997 to June 1998
- Executive Director, PB Futures Sdn Bhd from November 1995 to September 1997
- Research Analyst, PB Securities Sdn Bhd from 1994 to 1995
- Senior Operations Officer, Corporate Banking, Public Bank Berhad from 1990 to 1994

**Membership of Board Committees in Maybank:**

- Credit Review Committee (Member)
- Board Sustainability Committee (Member)
- Board Technology Committee (Member)

**Shareholdings in Maybank**

Nil



**DR. HASNITA DATO' HASHIM**

Senior Independent Non-Executive Director\*

62 years of age

Malaysian

**APPOINTMENT**

1 July 2016

**QUALIFICATION(S)**

- PhD in Nuclear Physics, Oxford University, UK
- Bachelor of Science in Physics, Surrey University, UK

**WORKING EXPERIENCE AND DIRECTORSHIPS****Present:****Within Maybank Group**

- Director of Maybank
- Chairman of Maybank Investment Bank Berhad
- Chairman of Maybank Asset Management Group Berhad
- Chairman of Maybank Asset Management Sdn Bhd
- Chairman of Maybank International Holdings Sdn Bhd

**Other Companies/Bodies**

- Director of Guidance Atel Investments Ltd
- Director of Guidance Investments (Labuan) Ltd
- Director of Redachem Malaysia Sdn Bhd
- Director of Guidance ATEL GCC Investments Ltd

**Past:**

- Chairman of Maybank IBG Holdings Limited from 2 November 2020 to 31 January 2024
- Chairman of Maybank Asset Management Group Berhad from 1 January 2017 to 1 November 2020
- Chairman of Maybank Asset Management Sdn Bhd from 15 January 2017 to 1 November 2020
- Chairman of Maybank Asset Management Singapore Pte Ltd from 3 April 2020 to 1 April 2020
- Chairman of Maybank Islamic Asset Management Sdn Bhd from 2 May 2018 to 1 January 2020
- Chairman of Majlis Amanah Rakyat (MARA) from October 2018 to March 2020
- Member of National Economic Action Council from February 2019 to March 2020
- Director of Guidance SEARE Advisors GP Limited from April 2014 to May 2018
- Director and Chief Executive Officer of Guidance Investments Sdn Bhd from May 2012 to December 2016
- Head, Institutional Business, Guidance Financial Group from 2002 to 2011
- Chief Executive Officer of IslamiQ from 1998 to 2001
- Chief Executive Officer of Commerce MGI Sdn Bhd from 1994 to 1998
- Fund Manager with Rashid Hussain Asset Management from 1992 to 1994
- Actuary with Coopers and Lybrand Deloitte, London, UK from 1988 to 1992

**Membership of Board Committees in Maybank:**

- Nomination and Remuneration Committee (Chairman)
- Risk Management Committee (Member)
- Board Sustainability Committee (Member)

**Shareholdings in Maybank**

Nil

\* Appointed as Senior Independent Non-Executive Director on 3 May 2023

**EDWIN GERUNGAN**

Independent Non-Executive Director

75 years of age

Indonesian

**APPOINTMENT**

24 August 2015

**QUALIFICATION(S)**

Bachelor of Arts in Philosophy, Principia College, Elsah, Illinois, USA

**WORKING EXPERIENCE AND DIRECTORSHIPS****Present:****Within Maybank Group**

- Director of Maybank
- Commissioner of PT Bank Maybank Indonesia Tbk

**Other Companies/Bodies**

- President Commissioner of PT Melchor Tiara Pratama

**Past:**

- Independent Commissioner of PT Indonesia Infrastructure Finance from December 2014 to February 2018
- President Director of PT BHP Billiton Indonesia from 2007 to 2013
- President Commissioner of Bank Mandiri from 2005 to 2014
- Independent Commissioner of Bank Danamon from 2003 to 2005
- Independent Commissioner of Bank Central Asia from 2002 to 2003
- Chief Executive Officer of Indonesian Banking Restructuring Agency from 2000 to 2001
- Executive Vice President, Treasury and International, Bank Mandiri from 1999 to 2000
- Senior Advisor at Atlantic Richfield from 1997 to 1999
- Vice President, Head of Treasury, Citibank N.A. from 1972 to 1997

**Membership of Board Committees in Maybank:**

- Risk Management Committee (Member)
- Nomination and Remuneration Committee (Member)

**Shareholdings in Maybank**

Nil

**ANTHONY BRENT ELAM**

Independent Non-Executive Director

65 years of age

American

**APPOINTMENT**

15 November 2016

**QUALIFICATION(S)**

- Master of Business Administration (Finance and International Business), New York University, USA
- Bachelor of Science in Foreign Service, Georgetown University, USA

**WORKING EXPERIENCE AND DIRECTORSHIPS****Present:****Within Maybank Group**

- Director of Maybank
- Director of Maybank Singapore Limited
- Director of Maybank Philippines Inc.

**Other Companies/Bodies**

- Director of PT Lombok Saka
- President Commissioner of PT Gili Sands Resort
- Director of Buchanon Holdings Ltd

**Past:**

- Chairman of Maybank (Cambodia) Plc from 29 March 2019 to 1 January 2024
- Commissioner of PT Travel Square Global from October 2020 to July 2021
- Independent Director of PT Sarana Menara Nusantara Tbk from May 2018 to December 2019
- Advisor of PT Sarana Menara Nusantara Tbk from November 2017 to May 2019
- Director of Maybank (Cambodia) Plc from 31 October 2017 to 29 March 2019
- Chief Risk Officer / Director of PT Bank Central Asia Tbk from May 2002 to April 2016
- Advisor at PT Bahana Pembinaan Usaha Indonesia from November 1996 to December 2001
- Vice President Director at Dieng Djaya from February 1994 to November 1996
- Vice President at Citibank from 1986 to 1994

**Membership of Board Committees in Maybank:**

- Risk Management Committee (Chairman)
- Compliance Committee (Member)
- Board Technology Committee (Member)

**Shareholdings in Maybank**

Nil

<p><b>CHE ZAKIAH CHE DIN</b> Independent Non-Executive Director 64 years of age Malaysian</p> <p><b>APPOINTMENT</b> 1 March 2018</p> <p><b>QUALIFICATION(S)</b> Bachelor of Economics (Hons), University of Malaya, Malaysia</p> <p><b>WORKING EXPERIENCE AND DIRECTORSHIPS</b></p> <p><b>Present:</b> <b>Within Maybank Group</b></p> <ul style="list-style-type: none"> <li>• Director of Maybank</li> <li>• Director of Maybank Investment Bank Berhad</li> <li>• Chairman of the Board of Members of Maybank Securities Limited (Vietnam)</li> <li>• Director of Maybank International Holdings Sdn Bhd</li> </ul> <p><b>Other Companies/Bodies</b></p> <ul style="list-style-type: none"> <li>• Director of FIDE Forum</li> </ul> <p><b>Past:</b></p> <ul style="list-style-type: none"> <li>• Director of Maybank IBG Holdings Limited from 1 August 2019 to 31 January 2024</li> <li>• Member of Investment Panel, Lembaga Tabung Angkatan Tentera from 1 November 2020 to 1 January 2022</li> <li>• Public Interest Director, Federation of Investment Managers Malaysia from 27 November 2017 to 26 November 2021</li> <li>• Chairman of the Supervisory Board, Maybank Securities Limited from 7 August 2020 to 15 October 2021</li> <li>• Chairman of the Board of Members of Maybank Securities Limited from 22 February 2019 to 7 August 2020</li> <li>• Director, Financial Conglomerates Supervision Department, Bank Negara Malaysia from 2004 to 2017</li> <li>• Director, Development Financial Institutions Regulations Department, Bank Negara Malaysia from 2002 to 2004</li> <li>• Deputy Director, Bank Regulations Department, Bank Negara Malaysia from 1998 to 2002</li> <li>• Bank Supervision Department, Bank Negara Malaysia from 1984 to 1998</li> <li>• Economics Department, Bank Negara Malaysia from 1982 to 1984</li> </ul> <p><b>Membership of Board Committees in Maybank:</b></p> <ul style="list-style-type: none"> <li>• Compliance Committee (Chairman)</li> <li>• Audit Committee (Member)</li> <li>• Credit Review Committee (Member)</li> </ul> <p><b>Shareholdings in Maybank</b> Nil</p>	
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**FAUZIAH HISHAM** *FCIS (CS) (CGP)*

Independent Non-Executive Director

68 years of age

Malaysian

**APPOINTMENT**

15 May 2018

**QUALIFICATION(S)**

- Fellow Member of The Chartered Governance Institute, UK

**WORKING EXPERIENCE AND DIRECTORSHIPS****Present:****Within Maybank Group**

- Director of Maybank
- Chairman of Maybank Philippines Inc.
- Director of Etiqa International Holdings Sdn Bhd
- Director of Maybank Ageas Holdings Berhad

**Other Companies/Bodies**

- Director of Agensi Kaunseling dan Pengurusan Kredit

**Past:**

- Member of the Small Debt Resolution Committee, Bank Negara Malaysia from March 2015 to 31 December 2023
- Director of Hengyuan Refining Company Berhad from June 2017 to December 2023
- Director of Maybank Trustees Berhad from 22 July 2019 to 31 December 2022
- Director of HBOC Technologies (M) Sdn Bhd from April 1999 to August 2020
- Independent Non-Executive Chairman, J.P. Morgan Chase Bank Berhad from January 2015 to March 2018
- Independent Non-Executive Director, J.P. Morgan Chase Bank Berhad from October 2014 to March 2018
- Group Representative and Executive Director, Institutional Banking for Malaysia, Australia & New Zealand Banking Group Ltd, Malaysia Representative Office from May 2008 to July 2014
- Managing Director, Strategic Client Coverage Group, Standard Chartered Bank Malaysia Berhad from March 2006 to April 2008
- Chief Executive Officer, J.P. Morgan Chase Bank Berhad from February 2002 to February 2006

**Membership of Board Committees in Maybank:**

- Credit Review Committee (Chairman)
- Risk Management Committee (Member)
- Nomination and Remuneration Committee (Member)
- Audit Committee (Member)

**Shareholdings in Maybank**

21,435 ordinary shares (direct)

**SHARIFFUDDIN KHALID** *FCMA, CGMA*  
Independent Non-Executive Director  
58 years of age  
Malaysian

**APPOINTMENT**  
14 June 2018

**QUALIFICATION(S)**

- Fellow Member of The Chartered Institute of Management Accountants, UK

**WORKING EXPERIENCE AND DIRECTORSHIPS**

**Present:**

**Within Maybank Group**

- Director of Maybank
- Chairman of Maybank (Cambodia) Plc.
- Director of Maybank Islamic Berhad

**Other Companies/Bodies**

- Director of MCB Bank Limited
- Director of Marine & General Berhad

**Past:**

- Director of M&G Ship Management (L) Pte Ltd from 24 July 2018 to 4 August 2022
- Member of the Risk Management Committee of Yayasan Pembangunan Ekonomi Islam Malaysia (YaPEIM) from 1 August 2020 to 31 January 2022
- Director of Jasa Merin (Labuan) Plc from 24 July 2018 to 1 August 2021
- Director of M&G Tankers Sdn Bhd from 26 June 2018 to 1 August 2021
- Director of M&G Marine Logistics Holdings Sdn Bhd from 25 June 2018 to 1 August 2021
- Director, Malaysia International Islamic Finance Centre, Bank Negara Malaysia from 2008 to 2017
- Director, Strategic Communications, Bank Negara Malaysia from 2008 to 2017
- General Manager, Communications and Human Resource, Pengurusan Danaharta Nasional Berhad from 1998 to 2005
- Deputy General Manager, Business Development, Amanah Merchant Bank Berhad from 1994 to 1998

**Membership of Board Committees in Maybank:**

- Board Sustainability Committee (Chairman)
- Audit Committee (Member)
- Compliance Committee (Member)
- Risk Management Committee (Member)
- Board Technology Committee (Member)

**Shareholdings in Maybank**

Nil

**DATO' ZULKIFLEE ABBAS ABDUL HAMID**

Independent Non-Executive Director

66 years of age

Malaysian

**APPOINTMENT**

15 August 2019

**QUALIFICATION(S)**

- Master of Business Administration, Southern Illinois University, USA
- Bachelor of Science in Marketing, Southern Illinois University, USA
- Advanced Management Program, Wharton School of Business, University of Pennsylvania, USA

**WORKING EXPERIENCE AND DIRECTORSHIPS****Present:****Within Maybank Group**

- Director of Maybank
- Chairman of Maybank Islamic Berhad
- Commissioner of PT Bank Maybank Indonesia Tbk

**Other Companies/Bodies**

- Trustee of Yayasan Budiman Universiti Teknologi MARA
- Trustee of Tabung Pendidikan 1 Bilion

**Past:**

- President/ Managing Director, Bank Kerjasama Rakyat Malaysia Berhad from April 2017 to April 2019
- Chief Executive Officer, Affin Holdings Berhad from 2014 to 2015
- Managing Director/Chief Executive Officer, Affin Bank Berhad from 2009 to 2015
- Director, Business Banking, Affin Bank Berhad from 2005 to 2009
- Chief Credit Officer, Malayan Banking Berhad from 2004 to 2005
- Various positions in Enterprise Banking, Corporate Banking, International Banking and Credit Management, Malayan Banking Berhad from 1981 to 2005

**Membership of Board Committees in Maybank:**

- Audit Committee (Member)
- Nomination and Remuneration Committee (Member)
- Credit Review Committee (Member)
- Board Technology Committee (Member)

**Shareholdings in Maybank**

Nil

**SHIRLEY GOH**

Independent Non-Executive Director

64 years of age

Malaysian

**APPOINTMENT**

1 December 2021

**QUALIFICATION(S)**

- Member of The Malaysian Institute of Certified Public Accountants
- Member of the Malaysian Institute of Accountants

**DIRECTORSHIPS****Present:****Within Maybank Group**

- Director of Maybank
- Chairman of Maybank Trustees Berhad
- Director of Maybank Asset Management Group Berhad
- Director of Maybank Asset Management Sdn Bhd
- Director of Maybank (Cambodia) Plc

**Other Companies/Bodies**

- Director of IOI Properties Group Berhad
- Director of Perennial Wealth Sdn Bhd

**Past:**

- Director of UEM Edgenta Berhad from 1 July 2021 to 31 August 2023
- Director of IJM Plantations Berhad from 22 September 2020 to 7 December 2021

**Membership of Board Committees in Maybank:**

- Audit Committee (Chairman)
- Credit Review Committee (Member)
- Board Sustainability Committee (Member)
- Board Technology Committee (Member)

**Shareholdings in Maybank**

10,090 ordinary shares (indirect)



**DATUK YEE YANG CHIEN**

Non-Independent Non-Executive Director  
56 years of age  
Malaysian

**APPOINTMENT**

24 November 2023

**QUALIFICATION(S)**

Double Degree in Accounting / Financial Management & Economics, University of Sheffield, UK

**WORKING EXPERIENCE AND DIRECTORSHIPS****Present:****Within Maybank Group**

- Director of Maybank

**Other Companies/Bodies**

- Director of Uber Motors Technik Sdn Bhd

**Past:**

- President / Group Chief Executive Officer, MISC Berhad from January 2015 to September 2022
- Chief Operating Officer, MISC Berhad from July 2013 to December 2014
- Vice President, Corporate Planning, MISC Berhad from April 2008 to June 2013
- Group Vice President, Corporate Planning, AET Group from June 2005 to March 2008
- Head of Research, KL City Research Sdn Bhd from June 2003 to May 2005
- Senior Manager, Research and Evaluation, Corporate Planning and Development Unit, MISC Berhad from November 2001 to May 2003
- Head of Research, HLG Capital Berhad from July 1999 to November 2001
- Business Development Manager, Muhibbah Engineering (M) Sdn Bhd from November 1997 to June 1999
- Analyst, SocGen-Crosby Research (M) Sdn Bhd from October 1996 to November 1997
- Analyst, K&N Kenanga Berhad from April 1996 to October 1996
- Analyst, Peregrine Services Sdn Bhd from April 1995 to March 1996
- Analyst, Arab-Malaysian Securities Sdn Bhd from November 1993 to April 1995
- Internal Auditor, Arab-Malaysian Merchant Bank Berhad from June 1991 to November 1993
- Audit Assistant, KPMG Peat Marwick from September 1990 to May 1991

**Membership of Board Committees in Maybank:**

- Nomination and Remuneration Committee (Member)
- Credit Review Committee (Member)
- Compliance Committee (Member)
- Board Technology Committee (Member)

**Shareholdings in Maybank**

Nil

**Changes of Board of Directors during the Financial Year**

- (i) Datuk R. Karunakaran stepped down as an INED with effect from 3 May 2023.
- (ii) Mr Cheng Kee Check stepped down as a NINED with effect from 18 November 2023.
- (iii) Datuk Yee Yang Chien was appointed as a NINED with effect from 24 November 2023.

**Roles and Responsibilities of the Board**

The Board has the responsibility to approve and periodically review the overall business strategies and significant policies of the Group premised on sustainability, and to promote ethical conduct in business dealings, understand the major risks faced by the Group, set acceptable levels of risk taking and ensure that the senior management takes the necessary steps to identify, measure, monitor and control these risks. The Board also approves the organisational structure and ensures that

senior management monitors the effectiveness of the internal control system. Among the primary obligations of the Board are as follows:

- (a) Approve Group strategy, business plans and the annual budget and its half-yearly review.
- (b) Ensure the necessary resources are in place for the Group to meet its objectives.
- (c) Review the performance of the senior management.
- (d) Approve the recruitment, appointment, promotion, confirmation and termination of service, as well as the remuneration package, compensation and benefits policies and the terms and conditions, including the job grade, of executives in key management positions.
- (e) Establish and approve policies with Group-wide applicability, which include Human Capital, Information Technology, Property, Procurement, Communications, Reporting, Funding, Capital Allocation/Raising, Risk Management, Anti-Money Laundering, etc.
- (f) Approve changes to the corporate organisation structure of the Group.
- (g) Determine the general composition of the Board (size, skills and balance between executive directors and non-executive directors) to ensure the requisite diversity of skills, experience, gender, qualifications and other core competencies.
- (h) Approve a framework of remuneration for Directors, covering fees, allowances and benefits in-kind (Directors of all boards and committees).
- (i) Approve policies pertaining to corporate image, brand management, community relations, investor relations and shareholder communication programmes.
- (j) Ensure the Group has a beneficial influence on the economic well-being of the communities within which it operates, especially via oversight of Maybank Foundation, and endorse its initiatives and programmes.
- (k) Approve a Leadership Development Framework for the Group, further to identifying and ensuring succession planning within the Group.
- (l) Ensure the Board is supported by a suitably qualified and competent Company Secretary.
- (m) Ensure Board members have access to appropriate education and training programmes to keep abreast of the latest industry developments, and as may be prescribed by the regulatory authorities from time to time.
- (n) Approve the Group's financial statement (ensure the reliability of the same) including the declaration and payment of dividend and application of the Dividend Reinvestment Plan (DRP) (where applicable).

## **BOARD COMMITTEES**

### **Audit Committee of the Board (ACB)**

Members:

- (i) Ms Shirley Goh - Independent Non-Executive Director (Chairman)
- (ii) En. Shariffuddin Khalid - Independent Non-Executive Director
- (iii) Ms Che Zakiah Che Din - Independent Non-Executive Director
- (iv) Dato' Zulkiflee Abbas Abdul Hamid - Independent Non-Executive Director
- (v) Puan Fauziah Hisham - Independent Non-Executive Director

The ACB was established by the Board to assist in the execution of its governance and oversight responsibilities, including assessment of the adequacy of the Group's internal control system through the internal audit function. The ACB also determines the criteria for selecting, monitoring and assessing the external auditor, and makes recommendations to the Board on the appointment, re-appointment and removal of the external auditor. It also reviews the scope and results of the external audits and the independence and objectivity of the external auditor. Additionally, the ACB is responsible for reviewing all related party transactions and keeping the Board informed of such transactions as well as of the findings and conclusions of its reviews.

The responsibilities of the ACB are set out in its TOR which is published on Maybank Group's corporate website at [www.maybank.com](http://www.maybank.com).

Notes:

- (i) *Dr. Hasnita Dato' Hashim stepped down as a member of the ACB with effect from 1 May 2023*
- (ii) *Puan Fauziah Hisham was appointed as a member of the ACB with effect from 1 May 2023*

### **Nomination and Remuneration Committee (NRC)**

Members:

- (i) Dr. Hasnita Dato' Hashim (Chairman) - Senior Independent Non-Executive Director
- (ii) Mr Edwin Gerungan - Independent Non-Executive Director
- (iii) Puan Fauziah Hisham - Independent Non-Executive Director

- (iv) Dato' Zulkiflee Abbas Abdul Hamid - Independent Non-Executive Director
- (v) Datuk Yee Yang Chien - Non-Independent Non-Executive Director

The NRC was established by the Board to implement its policies and procedures in respect of Board composition, appointment of Directors and Board evaluation as well as to review and recommend matters relating to the remuneration of the Board and the senior management of the Group.

The responsibilities of the NRC are set out in its TOR which is published on Maybank Group's corporate website at [www.maybank.com](http://www.maybank.com).

Notes:

- (i) *Datuk R. Karunakaran stepped down as the Chairman of the NRC with effect from 3 May 2023*
- (ii) *Dr. Hasnita Dato' Hashim was appointed as the Chairman of the NRC with effect from 3 May 2023*
- (iii) *Mr Cheng Kee Check stepped down as a member of the NRC with effect from 18 November 2023*
- (iv) *Datuk Yee Yang Chien was appointed as a member of the NRC with effect from 23 January 2024*

#### **Risk Management Committee (RMC)**

Members:

- (i) Mr Anthony Brent Elam (Chairman) - Independent Non-Executive Director
- (ii) Mr Edwin Gerungan - Independent Non-Executive Director
- (iii) Dr. Hasnita Dato' Hashim – Senior Independent Non-Executive Director
- (iv) Puan Fauziah Hisham - Independent Non-Executive Director
- (v) En Shariffuddin Khalid - Independent Non-Executive Director

The RMC assumes responsibility for the Group's risk oversight and any approved policies and frameworks formulated to identify, measure and monitor various risk components amongst others, credit risk, market risk, liquidity risk and non-financial risk.

The responsibilities of the RMC include the following:

- (i) To oversee Maybank Group's enterprise-wide risk management programme, its strategic initiatives, risk tolerance and risk appetite limits, emerging risk issues as well as internal control systems (other than internal financial control systems).
- (i) To review management risk reports on risk exposure, risk portfolio composition and risk management activities on a periodic basis.
- (ii) To ensure that the risk exposures and risk outcomes of the overall remuneration system for Maybank are adequately considered.
- (iii) To review and ensure a consistent risk management culture within Maybank Group (values, beliefs, knowledge, attitudes and understanding about risk).

Notes:

- (i) *Datuk R. Karunakaran stepped down as a Member of the RMC with effect from 3 May 2023*
- (ii) *Ms Shirley Goh stepped down as a member of the RMC with effect from 1 June 2023*
- (iii) *En Shariffuddin was appointed as a member of the RMC with effect from 1 June 2023*
- (iv) *Dato' Zulkiflee Abbas Abdul Hamid stepped down as a member of the RMC with effect from 1 January 2024*

#### **Credit Review Committee (CRC)**

Members:

- (i) Puan Fauziah Hisham (Chairman) - Independent Non-Executive Director
- (ii) Dato' Khairussaleh Ramli - Non-Independent Executive Director and President and Group CEO
- (iii) Ms Che Zakiah Che Din - Independent Non-Executive Director
- (iv) Dato' Zulkiflee Abbas Abdul Hamid - Independent Non-Executive Director
- (v) Ms Shirley Goh - Independent Non-Executive Director
- (vi) Datuk Yee Yang Chien - Non-Independent Non-Executive Director

The CRC is tasked by the Board to review, with power to object or support, all loan applications approved by the Group Management Credit Committee (GMCC) and Group Wealth Management Credit Committee (GWMCC) that are above their Credit Authority Limits.

In relation to the proposals which would need final approval by the Board, these proposals would be reviewed by the CRC, prior to recommendation to the Board. The CRC is also entrusted to review any Director or staff-related loans as well as policy loans.

The responsibilities of the CRC include the following:

- (i) Review/veto loans exceeding the discretionary power of the GMCC and GWMCC.
- (ii) Review/veto, with power to object or support, all proposals recommended by the GMCC and GWMCC to the Board for approval/affirmation.
- (iii) To approve credits to Connected Parties as per the Credit Authority Limits specified in the Maybank Group Management of Connected Parties risk document,
- (iv) (To be updated on the account strategies, including but not limited to the global limits comprising existing and proposed limits, discussion on risks, business opportunities, competitive landscape and industry dynamics, as well as economic returns of counterparty groups with exposures based on thresholds to be determined by the Committee from time to time.
- (v) To provide oversight on the following:-
  - a. The Group's credit portfolio, especially of material or high risk, by Country, Business, sector/market and product (including complex products such as structured or project finance);
  - b. The Group's portfolio of classified, rescheduled and restructured, impaired credits; as well as a summary report of the provisions, recoveries and write-offs; and
  - c. The entire credit management function covering, but not limited to asset quality, rating migration, portfolio monitoring, Credit Risk Reviews, risk infrastructure and resources.
 In alignment with the Group's approved credit risk appetite.
- (vi) To carry out such other responsibilities as may be delegated to it by the Group Board from time to time.

Notes:

- (i) *Mr Cheng Kee Check stepped down as a member of the CRC with effect from 18 November 2023*
- (ii) *Datuk Yee Yang Chien was appointed as a member of the CRC with effect from 17 January 2024*

### **Compliance Committee of the Board (CCB)**

Members:

- (i) Ms Che Zakiah Che Din (Chairman) - Independent Non-Executive Director
- (ii) Mr Anthony Brent Elam - Independent Non-Executive Director
- (iii) En. Shariffuddin Khalid - Independent Non-Executive Director
- (iv) Datuk Yee Yang Chien - Non-Independent Non-Executive Director

The overall objective of the CCB is to ensure that compliance risk management is given the needed attention at the highest level for the effective management of regulatory compliance to support business growth in line with the Group's aspirations and risk appetite. The role of the CCB, among others, is to review and assess the adequacy of infrastructure, resources and systems to manage compliance risk across the Group and recommend improvements to ensure effectiveness of the compliance framework.

The responsibilities of the CCB include the following:

#### **a. Compliance Function**

- (i) To deliberate and review Maybank Group's Compliance Framework and Maybank Group's compliance policies, and provide recommendations to the Board for approval; thereafter assist the Board to oversee the implementation of the framework and policies in managing compliance risks.
- (ii) To review, deliberate and oversee the compliance plan and strategy of the Group.
- (iii) To ensure that the Compliance function is provided with appropriate standing, authority and independence, and that it is supported with sufficient resources, including competent officers able to perform their duties effectively.
- (iv) At least annually, evaluate the effectiveness of the Group's overall management of compliance risk, having regard to assessments of senior management and internal audit, as well as the Group Compliance team and recommend improvement needed to the Board.

	<p>(v) To review the Compliance Report / periodic reports presented on the compliance status of the Bank and the Group, benchmarking against updates on regulatory trends and requirements, prior to submission to the Board.</p> <p>b. Appointment, Performance, Termination and Remuneration</p> <p>(i) To review and recommend for Board's approval (in consultation with the NRC), the appointment, performance, remuneration and termination of the Group Chief Compliance Officer.</p> <p>(ii) To review the performance of the senior team of Group Compliance including their remuneration and annual increment.</p> <p>c. Integrity and Governance Unit ("IGU")</p> <p>(i) To provide oversight on the compliance to anti-bribery and corruption regulations and policy within the Group.</p> <p>(ii) To review Organisational Anti-Corruption Plan and provide recommendations to the Board for approval and thereafter, assist the Board to oversee the implementation.</p> <p>(iii) To review and monitor the effectiveness of the IGU in carrying out its functions and objectives.</p> <p>(iv) To review and recommend for Board's approval the IGU Semi-Annual Report prior to submission to the Malaysian Anti-Corruption Commission (MACC).</p> <p>To carry out other responsibilities as delegated to it by the Board from time to time.</p> <p>Notes:</p> <p>(i) <i>Mr Cheng Kee Check stepped down as a member of the CCB with effect from 18 November 2023</i></p> <p>(ii) <i>Datuk Yee Yang Chien was appointed as a member of the CCB with effect from 29 January 2024</i></p> <p><b>Board Sustainability Committee (BSC)</b></p> <p>Members:</p> <p>(i) En. Shariffuddin Khalid (Chairman) - Independent Non-Executive Director</p> <p>(ii) Dato' Khairussaleh Ramli - Non-Independent Executive Director and Group President and Chief Executive Officer</p> <p>(iii) Dr Hasnita Dato' Hashim - Senior Independent Non-Executive Director</p> <p>(iv) Ms. Shirley Goh - Independent Non- Executive Director</p> <p>Key responsibilities of the BSC include the following:</p> <p>(i) Oversee the Group's overall strategy on sustainability, which includes reviewing the Group's sustainability governance framework, strategies, priorities and targets to ensure alignment with the Group's commitment towards sustainability.</p> <p>(ii) Review and monitor the effectiveness and impact of the Group's sustainability strategies, principles and practices and recommend their adoption.</p> <p>(iii) Oversee the integration and institutionalisation of sustainability considerations into business strategies and activities of the Group; and ensure that sustainability considerations, including related risks and opportunities, are taken into account when developing and implementing business plans, strategies and the risk management framework.</p> <p>(iv) Recommend material sustainability plans and matters for Board's approval, subsequently oversee their implementation.</p> <p>(v) Review and recommend to the Board sustainability-related policies for adoption, subsequently monitor the effectiveness of the implemented policies.</p> <p>(vi) Review and recommend the Group's sustainability disclosures as required by law and/or rules to the Board for approval.</p> <p>Notes:</p> <p>(i) <i>Datuk R. Karunakaran stepped down as a member of the BSC with effect from 3 May 2023</i></p> <p>(ii) <i>Dato' Zulkiflee Abbas Abdul Hamid stepped down as a member of the BSC with effect from 1 June 2023</i></p> <p>(iii) <i>Ms. Shirley Goh was appointed as a member of the BSC with effect from 1 June 2023</i></p>
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# **Board Technology Committee (BTC)\***

Members:

- (i) Tan Sri Dato' Sri Ir. Zamzamzairani Mohd Isa (Chairman) - Non-Independent Non-Executive Chairman/Director
- (ii) Dato' Khairussaleh Ramli - Non-Independent Executive Director and President and Group CEO
- (iii) Mr Anthony Brent Elam - Independent Non-Executive Director
- (iv) En. Shariffuddin Khalid - Independent Non-Executive Director
- (v) Dato' Zulkiflee Abbas Abdul Hamid - Independent Non-Executive Director
- (vi) Ms. Shirley Goh - Independent Non- Executive Director
- (vii) Datuk Yee Yang Chien - Non-Independent Non-Executive Director

Key responsibilities of the BTC include reviewing the Group's technology plans and strategy, including investments in technology and addressing areas of concern as set out in Bank Negara Malaysia policy document on Risk Management in Technology (RMiT policy).

\* Established on 31 January 2024

## **BOARD AND BOARD COMMITTEE MEETINGS AND DIRECTORS ATTENDANCE FOR FINANCIAL YEAR 2023**

Director	Board Number of Meetings			BSC Number of Meetings			CRC Number of Meetings		
	Held	Attended	%	Held	Attended	%	Held	Attended	%
Tan Sri Dato' Sri Ir. Zamzamzairani Mohd Isa (TSZ)	13	13	100	-	-	-	-	-	-
Dato' Khairussaleh Ramli (DKR)	13	13	100	5	5	100	15	14	93
Datuk R. Karunakaran (DRK) <sup>1</sup>	4	4	100	1	1	100	-	-	-
Mr Cheng Kee Check (CKC) <sup>2</sup>	10	10	100	-	-	-	14	14	100
Mr Edwin Gerungan (EG)	13	13	100	-	-	-	-	-	-
Dr Hasnita Dato' Hashim (DHH)	13	13	100	5	5	100	-	-	-
Mr Anthony Brent Elam (ABE)	13	13	100	-	-	-	-	-	-
Ms Che Zakiah Che Din (CZ)	13	13	100	-	-	-	15	14	93
Puan Fauziah Hisham (FH)	13	13	100	-	-	-	15	15	100
Encik Shariffuddin Khalid (SK) <sup>4</sup>	13	13	100	5	5	100	-	-	-
Dato' Zulkiflee Abbas Abdul Hamid (DZA) <sup>5</sup>	13	13	100	2	2	100	15	15	100
Ms Shirley Goh (SG) <sup>6</sup>	13	13	100	3	3	100	15	15	100
Datuk Yee Yang Chien (DY) <sup>3</sup>	3	3	100	-	-	-	-	-	-

Director	RMC Number of Meetings			NRC Number of Meetings			ACB Number of Meetings		
	Held	Attended	%	Held	Attended	%	Held	Attended	%
Datuk R. Karunakaran <sup>1</sup>	4	4	100	5	5	100	-	-	-
Mr Cheng Kee Check <sup>2</sup>	-	-	-	12	12	100	-	-	-
Mr Edwin Gerungan	11	11	100	13	13	100	-	-	-
Dr Hasnita Dato' Hashim <sup>7</sup>	11	11	100	13	13	100	6	6	100
Mr Anthony Brent Elam	11	11	100	-	-	-	-	-	-
Ms Che Zakiah Che Din	-	-	-	-	-	-	16	16	100
Puan Fauziah Hisham <sup>8</sup>	11	11	100	13	13	100	10	10	100

Encik Shariffuddin Khalid <sup>4</sup>	6	6	100	-	-	-	16	16	100
Dato' Zulkiflee Abbas Abdul Hamid	11	11	100	13	13	100	16	16	100
Ms Shirley Goh <sup>6</sup>	5	5	100	-	-	-	16	16	100

Director	CCB Number of Meetings		
	Held	Attended	%
Mr Cheng Kee Check <sup>2</sup>	11	11	100
Mr Anthony Brent Elam	12	12	100
Ms Che Zakiah Che Din	12	12	100
Encik Shariffuddin Khalid	12	12	100

Notes:

- <sup>1</sup> Stepped down as Senior INED, Chairman of the NRC and member of the RMC and BSC with effect from 3 May 2023
- <sup>2</sup> Stepped down as NINED and member of the NRC, CRC and CCB with effect from 18 November 2023
- <sup>3</sup> Appointed as NINED with effect from 24 November 2023
- <sup>4</sup> Appointed as Chairman of BSC and member of RMC with effect from 1 January 2023 and 1 June 2023 respectively
- <sup>5</sup> Stepped down as a member of the BSC and RMC on 1 June 2023 and 1 January 2024 respectively
- <sup>6</sup> Appointed as member of the BSC and stepped down as member of the RMC with effect from 1 June 2023
- <sup>7</sup> Stepped down as a member of the ACB on 1 May 2023 and appointed as a Senior INED and Chairman of the NRC on 3 May 2023
- <sup>8</sup> Appointed as member of the ACB with effect from 1 May 2023

#### TRAINING AND EDUCATION ATTENDED BY THE BOARD DURING FINANCIAL YEAR 2023

Areas of Training	Mode of Training	Hour(s)	Attended by Directors
Etiqua: Directors' Training Program – Capital Management Topic	Seminar	3.5	FH
Market Surveillance Industry Dialogue 2023 Session	Seminar	2.5	DHH
Maybank Premier Wealth Forum 2023: "Transcending with Resilience"	Forum	4.5	FH
<ul style="list-style-type: none"> <li>Global &amp; Malaysia Economic 2023</li> <li>Wealth Forum</li> </ul>			
Economic Outlook 2023 – Sustaining Indonesia Economic Recovery Momentum	Forum	4	EG
Invest ASEAN 2023 – ASEAN Reboot: Reimagining the Future	Seminar	16	TSZ, DKS, DHH, CZ, FH, SK, DZA, SG
Executive Learning Series – The 2023 Philippines Economic Outlook	Webinar	4	FH
Invest Malaysia 2023 - Reshaping Malaysia's Narrative Series 1: Strengthening Resilience and Sustaining Growth	Seminar	6.5	TSZ, DKS, DRK, CKC, DHH, CZ, FH, SK, DZA, SG

Directors' Training Program - Module 2 on Digital Transformation/Innovation Topic: Unlock The Growth Potential of Insurance	Virtual	2.5	FH
Managing Cyber Risk	Seminar	1.5	TSZ, DKS, DRK, CKC, EG, DHH, ABE, CZ, FH, SK, DZA, SG
Understanding the Impact of Digital Transformation in Financial Industry: What Board Members Need to Know	Webinar	1.5	CKC, DZA
Directors Guide to Machine Learning and AI	Webinar	4	FH
Breakfast Talk - AI and Financial Institution: Friend or Foe?	Physical	1	CZ
Cyber Risk & Security Awareness Session - Cyber Crisis Management	Virtual	1.25	TSZ, DHH, ABE, CZ, FH, SK, DZA, SG, DY
Leadership for Enterprise Sustainability Asia (LESA 2023) - Asian #Sustain-Ablers in Action	Conference	16	CZ, SK, DZA, SG
Financial Reporting on Impact of Climate Change Effects	Webinar	7	DHH, CZ, SK, DZA, SG
Breakfast Talk - Stepping Up to the Role: Objective Assurance & Advisory on ESG	Webinar	1.5	FH
PNB Knowledge Forum 2023 – Harnessing Innovation and Technology for Sustainable Business	Forum	3.5	TSZ, CKC, SG
Maybank Sustainability Series	Dialogue	3	EG
Maybank Group Sustainability Week –	Panel Session		
(i) Building a Diverse, Equitable and Inclusive Workforce		1.5	CKC, SK
(ii) Walk The Talk on Sustainability		1	CKC
Directors' Training Program Module 2 – ESG Topic: Sustainability Transition – Innovation as Change Drivers	Webinar	3	FH
Shariah Training: ESG Through the Lens of Maqasid Al-Shariah	Seminar	1	DHH, CZ
JC3 Journey to Zero Conference 2023	Seminar	24	ABE
Ignite Your Sustainability Journey with the New ISSB Standards	Webinar	2	SG



Mandatory Accreditation Programme Part II - Leading for Impact (LIP) – Building High-impact Boards for Sustainable Growth	Virtual Classroom	16	TSZ, CKC, EG, ABE, CZ, FH, SK, DZA
Invest Malaysia 2023 Special Series - Launch of the National Energy Transition Roadmap Part 1: Flagship Catalyst Projects and Initiatives - Energising the Nation, Powering Our Future  <i>Phase 1 of the National Energy Transition Roadmap (NETR)</i>	Conference	4.5	TSZ, DKS, DHH, CKC
Etiqua: Directors' Training Program on Module 3 – Risk Management Topic	Seminar	2.5	FH
FIDE Elective: Risk Management Committee – Banking Sector	Workshop	8	DZA
Risk Culture Building – The Future of Risk Management	Webinar	4	CZ
FIDE Elective: Market Risk Management – Banking Sector	Workshop	8	SG
Maybank Annual Board Risk Workshop 2023 – The Rise of AI and the Green Transition  <ul style="list-style-type: none"> <li>Emerging Technology in Financial Crime</li> <li>Impact of Increased Regulations &amp; Public Opinion of ESG on the Economy</li> <li>Disruption &amp; Transformation by AI</li> <li>AI &amp; ESG Retrospective</li> </ul>	Workshop	4	TSZ, DKS, DHH, CKC, EG, ABE, CZ, FH, SK, DZA, SG
MIA Webinar Series - Blowing the Whistle on Corporate Wrongdoing: A Director's Responsibility	Webinar	4	CZ
Directors Guide to Dealing with Opportunity in Risk	Webinar	4	FH
Market Misconduct and Financial Crime	Webinar	2	DHH, CZ
Khazanah Megatrends Forum 2023 – Our Next Episode: Orchestrating a Development Bargain for Sustainable Growth	Seminar	8	TSZ
		16	FH
Directors' Training Program Module 3 - Compliance Topic:-  <ul style="list-style-type: none"> <li>Anti-Bribery &amp; Corruption</li> <li>Anti-Money Laundering</li> </ul>	Virtual	2	FH
Keeping the Board Out of Trouble	Seminar	8	FH
Board of Directors Agile Training	Workshop	6	TSZ, DKS, CKC, EG, DHH, ABE, CZ, FH, SK, DZA, SG

Board's Role in Value Creation - Beyond Box-Ticking: Essentials for Effective Remuneration Committees	Seminar	8	FH
What Amounts to a Conflict of Interest by Directors?	Seminar	4	FH, CKC
What Amounts to a Conflict of Interest by Directors? (2)	Virtual	4	TSZ, DHH, ABE, CZ, FH, SK, DZA, SG, DY
		1	DKS
2 <sup>nd</sup> Distinguished Board Leadership Series – Empowering Change Through Diversity, Equity & Inclusion (“DEI”)  <ul style="list-style-type: none"> <li>Cultivating Value Through DEI: Why It Matters?</li> <li>Panel Session: Breaking Barriers, Building Bridges: The Journey to DEI Excellence</li> </ul>	Talk /Panel Session	2.15	SK
Audit Committee Conference 2023: Audit Committees – Catalysts of Change	Conference	8	SK, DZA
MIA International Accountants Conference 2023: Future Fit Profession – Charting a Better Tomorrow	Conference	16	SG
7 <sup>th</sup> Shariah Discourse – Islam and Restoration of Justice in Society	Webinar	2	TSZ, CKC, CZ, DZA
Bonds and Sukuk Trustee Forum 2023 (Digitalisation)	Forum	2	CKC
Talk on Islamic Retail Trust and Estate Planning	Virtual	2	SG
2023 Post-Budget Debate	Forum	3	SK
Budget Seminar: Building a Sustainable and Resilient Future	Seminar	8	SG
Advocacy Session on the Continuing Disclosure Requirements & Corporate Disclosure Policy of the Listing Requirements	Webinar	1.5	FH, SK, DZA
Series Session - Synergy Elevate, Maybank Learning Festival 2023	Webinar	3	EG
Maybank's Mental Health Day 2023 –  <ul style="list-style-type: none"> <li>Perceptions on Mental Health: Bridging the Gap Between Generations</li> </ul>	Panel Discussion	3	CKC
2023 Chairman's Dialogue -  Financing The Digital Economy: Supporting the Madani Framework	Dialogue	2.5	TSZ
<b>INTERNAL CONTROL FRAMEWORK</b>			
The Internal Control Framework is set out in the Statement on Risk Management and Internal Control in Maybank's Annual Report 2023.			

## REMUNERATION FOR DIRECTORS, SENIOR MANAGEMENT AND OTHER MATERIAL RISK TAKERS

### *Directors*

#### **Board Remuneration Framework**

The NRC is authorised by the Board to develop and implement formal and transparent procedures in developing Maybank's remuneration policy for its Directors, Chief Executive Officer and senior officers by ensuring that their compensation is competitive and consistent with industry standards. The NRC has established a remuneration framework for the NEDs (NED Remuneration Framework) which is subject to periodic review. Details of the NED Remuneration Framework for FY2023 is as per below:

Fee Component	Chairman	Vice Chairman	Member	Shareholders' Approval
Board Fee (per annum)	RM610,000	RM440,000	RM295,000	Obtained at the 55 <sup>th</sup> AGM held on 7 April 2015
Board Committee Fee (per annum)	RM75,000	-	RM45,000	Obtained at the 58 <sup>th</sup> AGM held on 12 April 2018

Details of the remuneration received by the Directors of Maybank and the Group in FY2023 are as set out under Practice 8.1 of Section A of this report.

### *Senior Management and Other Material Risk Takers*

#### **Succession Planning for the President and Group CEO and Senior Management**

Since 2009, the Group has implemented annual succession planning exercise to ensure a robust pipeline of leadership bench strength to support Maybank's organisational needs, growth leadership sustainability, and enable leadership development for all critical positions. These include the President and Group CEO position, EXCO positions, senior management governance positions such as Group Chief Audit Executive, Group Chief Compliance Officer, Group General Counsel and Company Secretary and Group Chief Sustainability Officer, and other Mission Critical Positions.

The Group executes Talent Reviews at the sector, country and entity levels yearly. Each review is chaired by the respective EXCOs, Sector Heads or country/entity CEOs and it involves the senior management teams and Group Human Capital. In addition to the sector/country/entity level Talent Reviews, the Group undertakes succession reviews for all EXCOs and senior management positions under the Group Talent Review (GTR). The GTR is chaired by the President and Group CEO with attendance by all members of the Group Executive Committee (Group EXCO) and Sector Heads. Following the GTR, the overview and status of the succession line-up for EXCO positions, and all senior management positions will be presented to the NRC as well as the Group Board and Subsidiary Boards, where applicable.

The global standards and principles applied have enabled the Group to ensure the process is inclusive in terms of identifying successor candidates from different parts of the Group and at different readiness levels, representing diverse demographics. This, in turn, has contributed to a successor realisation rate of more than 80% for Mission Critical Positions at EXCO-1 and below.

## **REMUNERATION**

Maybank Group's total rewards management remains core to our remuneration approach and practices and is strongly aligned with our business and people strategies to deliver long-term sustainable returns to our shareholders, customers and other stakeholders. It is a strategic human capital sustainability component of the integrated Talent Management Framework, which enables differentiated rewards for talent retention and attraction by providing the right remuneration, benefits and career development/progression opportunities at the right time for our people to achieve personal and professional aspirations. At the same time, it ensures we are positioned to increase staff engagement, drive positive outcomes and deliver exponential business results responsibly.

This upholds our M25+ purpose to be “a values-driven platform, powered by a bionic workforce that humanises financial services”. By focusing on the right compensation, benefits and development support, we inspire our employees to achieve their personal and professional aspirations which, in turn, improves employee productivity and engagement.

Our Total Rewards Framework is firmly anchored in the principles of pay for performance and affordability, ensuring that our talented workforce is rewarded in a manner that is equitable, reasonable and in line with relevant indices within each respective country. Simultaneously, we uphold the principles of fairness, respect and equality in all aspects of our business practices, including remuneration of our employees. This reflects our commitment to foster a work environment where all employees are valued and rewarded fairly for their unique and invaluable contributions.

We continue to accelerate our Environmental, Social and Governance (ESG) and sustainability commitments by incorporating ESG in various aspects of our total rewards management through proper governance, performance measurement standards and prudent risk management considerations. Governed by sound principles, our remuneration policies and practices are reviewed periodically to ensure alignment with regulatory requirements and to reinforce a high-performance culture.

## **COMPONENTS OF REMUNERATION**

Maybank Group adopts a well-rounded Total Rewards Framework that encompasses three integral pillars: total compensation, benefits and wellbeing, and development & career opportunities.

### **i) Total Compensation**

Maybank Group's Compensation Policy ensures that our employees are paid in line with prevailing market standards. Our differentiated compensation levels are kept competitive through annual salary reviews, variable bonuses and long-term incentive plans (for eligible senior management and above) to retain, motivate and reward our talents. Our holistic approach to total compensation is structured around two core elements, fixed pay and variable pay, the latter consisting of variable bonuses and long-term incentive awards. This dynamic framework is designed to reflect targeted pay mix levels, intricately calibrated to align with the long-term performance goals and objectives of the organisation while simultaneously motivating and rewarding our employees in a manner that befits their outstanding efforts and achievements.

#### **Fixed Pay**

- Attract and retain talents by providing competitive and equitable pay.
- Reviewed annually using a holistic approach through internal and external benchmarking against relevant peers/locations, taking into consideration market dynamics, differences in individual responsibilities, functions/roles, performance levels, skillsets as well as competency levels.

#### **Variable Pay**

##### **• Variable Bonus**

- Reinforce a pay-for-performance culture and adherence to Maybank Group's core values, TIGER.
- Variable cash award design that is aligned with the risk management and long-term performance goals of the Group through our deferral and clawback policies.
- Based on the overall performance of the Group, business/corporate function and individual.
- Premised on the balanced scorecard (BSC) approach (comprising financial and non-financial KPIs) that is tailored to drive desired behaviours and performance levels in creating long-term shareholder value.

##### **• Long-Term Incentive Award**

- A significant component of senior management's total compensation with the intent to drive sustainable, longer-term risk management and to meet the Group's M25+ strategy.

- **Deferral Policy:** Any variable bonus in excess of certain thresholds will be deferred over a period of time. A deferred variable bonus will lapse immediately upon termination of employment (including resignation) except in the event of ill health, disability, redundancy, retirement or death.
- **Clawback Provision:** Maybank's Board has the right to make adjustments or clawbacks to any variable bonus or long-term incentive award if deemed appropriate based on risk management issues, financial misstatement, fraud, gross negligence or wilful misconduct.

## ii) Benefits & Well-being

Employee benefits are integral to our total rewards management, dovetailing seamlessly with our commitment to ESG values and our M25+ strategic objectives. Maybank's comprehensive benefits programme is designed to offer financial security, healthcare coverage, paid time off, employee loans at preferential rates, and other perks and benefits that facilitate work-life balance. We regularly review these offerings, ensuring they remain competitive and aligned with industry standards amid the ever-evolving business landscape. Presenteeism and poor well-being carry high consequences, resulting in financial losses on top of treatment expenses. We recognise this and ensure employees have access to diverse support. We have certified 195 Mental Health First Aiders since 2022, who provide assistance to Maybankers across regions and countries, complementing our Mental Wellbeing department. In 2023, 34,556 hours were clocked on mental health support, with 480 sessions, and 14,504 instances of participation.

Our approach is holistic, intertwining sustainability principles with the well-being of our employees. This is to cater to our employees' physical, mental and emotional well-being, as well as their financial, social and career needs, underscoring our dedication to fostering a supportive and well-rounded work environment.

## iii) Development & Career Opportunities

In line with our commitment to fostering a robust learning culture, we continue to deploy best-in-class learning and development programmes that are flexible and tailored to nurture our employees across all levels.

These programmes are designed to offer flexibility and customisation, ensuring that they remain relevant for the long-term, enhance our competitive edge, and promote sustained growth. One of the outcomes we have continued to track for over a decade now is the Internal Realisation Rate which is a target of eight in 10 vacancies filled by internal talent, demonstrating real growth.

## LONG-TERM INCENTIVE PLAN (LTIP)

### Employees' Share Grant Plan (ESGP)

The existing ESGP was rolled out in December 2018 and will expire in 2025. A total of five awards have been made under the existing ESGP from 2018 to 2022. Three out of these five awards have been vested to eligible employees in 2021 to 2023 while the two remaining awards will vest in 2024 and 2025 respectively. The last (i.e.: fifth) tranche of the ESGP Award under the existing plan was made in September 2022 and will vest in 2025. Starting from 2023, no additional awards will be issued to staff under the existing ESGP.

To maintain our commitment to rewarding sustainable performance and ensure the continuity of our LTIP from 2023 onwards, we introduced a new scheme on 20 September 2023 for eligible talents and senior management. The new ESGP is valid for 10 years and will expire in 2033. The first award under the new ESGP, made in September 2023, will vest in 2026 subject to fulfilment of the vesting conditions as well as the performance criteria at the Maybank Group and individual levels.

### Governance & Controls – Remuneration Practices

We maintain strong corporate governance practices with remuneration policies and practices that comply with all statutory and regulatory requirements, and are strengthened by sound risk management and controls, ensuring remuneration practices are carried out responsibly.

The Group has strong internal governance on the performance and remuneration of control functions which are measured and assessed independently of the business units to avoid any conflict of interest. The remuneration of employees in control functions is predominantly fixed to reflect the nature of their responsibilities. Annual reviews of their compensation are benchmarked internally and against the market to ensure they are competitive.

Based on sound performance management principles, our key performance indicators (KPIs) continue to focus on outcomes and are aligned with our business plans. Each of the senior officers and other material risk takers (OMRTs) carries risk, governance and compliance goals in his/her individual scorecards which are cascaded accordingly. The right KPI setting continues to shape our organisational culture while driving risk and compliance agendas effectively. Inputs from control functions and board committees are incorporated into the respective functional areas and individual performance results.

### Senior Officers and Other Material Risk Takers (OMRTs)

The remuneration of senior officers and OMRTs are reviewed annually and submitted to the Nomination and Remuneration Committee for recommendation to the Group Board for approval.

The remuneration of Maybank Group's senior officers and OMRTs in FY2023 are summarised in the table below:

Total value of remuneration awards for the Financial Year (RM '000)	Senior Officers		OMRTs	
	Unrestricted	Deferred	Unrestricted	Deferred
<b>Fixed Compensation</b>				
Cash	37,906 (19 headcount)	-	60,109 (85 headcount)	-
Shares and share-linked instrument	-	-	-	-
Others	-	-	-	-
<b>Variable Compensation</b>				
Cash	31,716 (19 headcount)	2,205 (3 headcount)	58,255 (82 headcount)	28,637 (6 headcount)
*Shares and share-linked instrument	7,030 (17 headcount)^	Refer to note below*	7,303 (59 pax)^	Refer to note below*
Others	-	-	-	-
Definition	Senior officers of the Group are defined as members of the Group Executive Committee (EXCO), Group Chief Compliance Officer, Group Chief Audit Executive, Group General Counsel and Company Secretary and Group Chief Sustainability Officer.		OMRTs are defined as employees who can materially commit or control significant amounts of a financial institution's resources or whose actions are likely to have a significant impact on its risk profile or those among the most highly remunerated officers.	

Notes:

\* In FY2023, a total of 3,765,000 and 1,141,000 units of Maybank shares (based on On Target performance levels) under the Maybank Group ESGP/Cash-settled Employees' Share Grant Plan (CESGP) were awarded to 17 senior officers and 72 OMRTs. The number of ESGP/CESGP units to be vested/paid by 2026 would be conditional upon the said employees fulfilling the vesting/payment criteria.

^ A total of 1,619,300 units of ESGP/CESGP granted in September 2020 have vested to 17 senior officers (794,300 units) and 59 OMRTs (825,000 units) in September 2023. ESGP values are based on statutory guidelines for taxable gains calculation while CESGP value is based on volume weighted average market price (VWAMP) for the five market days immediately preceding the CESGP vesting date.