

SUSTAINABILITY REPORT 2011

Humanising

Our Journey To
Sustainability



Maybank

2011 sustainability report



Scholarships
RM4.5
million



15,000
Volunteers in
17 Countries





contents



About The Report	2
Chairman's Welcome	4
Foreword from The PCEO	6
Corporate Profile	8
Global Network	8
Group Corporate Structure	9
Group Organisation Structure	10
Financial Highlights	12
Awards & Recognition 2011	16
Maybank Strategy	18
Maybank Strategic Focus	20
Maybank Group Corporate Responsibility Policy Statement	21
The Maybank Foundation	22
Materiality Analysis	28
Stakeholder Engagement	32
Corporate Governance	34
Empowering Communities	38
The Maybank Scholarship Award	40
Maybank Financial Literacy Programme	42
Nurturing Future Talents	44
Cahaya Kasih	46
Global CR Day Project	50
International Women's Day	52
Mother's Day Celebration	53
Responding to Health Care Needs	54
Sports	56
Culture & Heritage	58
Concern For The Environment	70
Love the earth campaign	72
Carbon Disclosure Project	76
Great Workplace	80
Responsible Marketplace	98
Performance Data	118
GRI Context Index	121
Assurance Statement	142

About the Report

This is our second Sustainability Report which covers our responsibilities to our stakeholders and our ongoing commitment to transparency and accountability. This Report discloses our performance on the economic, social and environmental issues which are most material to our business and stakeholders.

We have included commitments in every area in this Report which enables us to track our performance and coordinate our efforts across our operations in the region more effectively.

We have consolidated data from the head office, domestic branches, overseas branches and group companies of Maybank to ensure that our Sustainability Report is aligned with our Annual Report 2011 and our corporate website.

We have engaged an independent consultant, OWW Consulting Sdn Bhd, to provide an external assurance of this Report.

Reporting Period

This report describes activities and achievements in FY2010/2011 (July 2010 to December 2011). In some cases, the Report covers activities outside this period.

Reporting Scope

This report covers all significant environmental, economic and social impacts resulting from Maybank's activities in Financial Year (FY) 2010/2011. Indicators and initiatives which are partial and relate to specific branches are labelled accordingly.

Reporting Cycle

Annual.

Reporting Framework

We aim to align our approach to sustainability management and reporting with the Global Reporting Initiative (GRI) G3.1 Guidelines. We are pleased to announce our achievement of an A+ GRI grade in our second consecutive Sustainability Report. This grade is an indication of comprehensive and transparent reporting approach following GRI indicators.

This report also complies with:

- The Bursa Malaysia Corporate Responsibility Framework
- The "Silver Book" by the Putrajaya Committee on GLC Transformation
- The ACCA Malaysia Sustainability Reporting Guidelines for Malaysian Companies 2005



FEEDBACK ON THE REPORT

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

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“We are committed to benefit local communities by providing services on a personalised and differentiated level.”

Chairman's Welcome



Maybank is dedicated to serving its various stakeholders by creating sustainable value. But in doing so, we are profoundly conscious of the need to balance financial objectives against social and environmental responsibilities.

Striking the right balance is especially important as we expand across Asia, entering nations that are often developing rapidly, where corporate responsibility initiatives must be at once sensitive and effective.

We gain confidence, however, from a 51-year legacy of value-creation rooted in a tradition of nation building. Our impressive credentials have won for us a solid reputation as a financial institution, particularly in Malaysia and Singapore.

Today, our people are united behind our aspiration to become a regional leader by humanising financial services across Asia; and this has enabled us to launch cohesive and sustainable Group-wide initiatives.

As we expand our customer base, we are committed to benefit local communities by providing services on a humanised and differentiated level. Convenient access to funding combined with fair terms and pricing are fundamental to this commitment – which we also believe will strengthen our competitive edge.

At the same time, effective leadership is spurring our people to hone their capabilities. Fuelled by our shared TIGER values of Teamwork, Integrity, Growth, Excellence & Efficiency and Relationship Building, Maybankers are transforming culturally. Meanwhile, the restructuring of the Group regionally has helped them better understand their responsibilities and accountabilities, stimulating ever higher levels of performance.

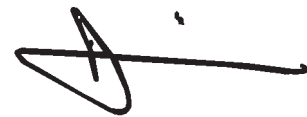
Recognising the importance of constantly enhancing our social and environmental contributions both Group-wide and regionwide, in 2010 we set up the Maybank Foundation. The remit of the Foundation is to initiate and implement sustainable programmes that will have a measurable impact on the community

and environment. A policy of close engagement with the community is a basic tenet of our approach, and neither the Foundation, the Group nor its people are afraid to get their hands dirty in a good cause.

Currently, working closely with the Group, the Foundation is reviewing and redefining its initiatives into distinct themes in order to be engaged with communities regionwide – and especially those in developing countries – to thrive sustainably.

Recognition of our dedication to building sustainability has come in many forms. Maybank ranks high in terms of employee engagement and brand status, and wins numerous awards for its customer service. This not only boosts our confidence but, more importantly, keeps us focused and on track.

By this time next year, I believe I will be able to report increasingly tangible progress in our social and environmental initiatives, complementing the economic value creation we are confident of delivering in the next twelve months.



**Tan Sri Dato' Megat Zaharuddin
Megat Mohd Nor**
Chairman

“Successful and sustainable businesses are driven by empowered and motivated people. At Maybank, we are building a culture that creates opportunities and rewards achievement”

Foreword from The PCEO



We at Maybank sincerely believe that financial sustainability of the Group goes hand in hand with a dedication to promoting the social and environmental development of our communities.

Maybank has recently refreshed its brand as a symbol of a major transformation that will see us humanise

financial services across Asia. In parallel, we are also rejuvenating our Corporate Responsibility (CR) policies and initiatives, which are now being organised into distinct and coherent themes in preparation for a regionwide roll-out.

A key element in our CR strategy was the establishment of the Maybank Foundation in 2010. Through the

Foundation, we aim to set a new standard for CR across Asia. With initial Group funding of RM50 million to be used over three years, the Foundation will focus on delivering meaningful programmes with measurable and sustainable outcomes.

COMMUNITY

Community development will be the single most important focus of the Maybank Foundation. The Group has always believed in giving back to the communities in which we work and live, and the community programmes we have implemented support an array of causes. Operating via strategic partnerships with local stakeholders and NGOs, the Foundation aims specifically to enhance quality of life in such areas as community empowerment, education, sports, arts and health.

Our community programmes target diverse groups, especially the less fortunate. At the same time, by fostering a caring culture amongst our employees, they immeasurably strengthen the bonds between Maybank and the communities we serve.

ENVIRONMENT

We regard green issues as of vital importance, and we strive to play our part in protecting and conserving the natural environment through programmes that promote development on a genuinely sustainable basis.

Maybank adopts the Malayan tiger as its identifier. We have contributed RM1 million to the Malaysian Conservation Alliance for Tigers (MYCAT) to fund research into the effective conservation of this glorious but endangered species. As we move forward, this partnership will continue its educational and enforcement efforts to preserve Malaysia's wild spaces, for the tiger as well as all other species in the ecosystem.

Every month, our Maybank 'Go Green' Council holds impact assessment meetings to assess our influence on climate change and to find ways to reduce our carbon footprint. Our online statement programme has not only cut our use of paper but helped raise money for other environmental groups, and we have also improved our monitoring of the energy, waste and water impacts of our operations.

MARKETPLACE

Launched in July 2010, the House of Maybank has refined our customer engagement process. Retail customers and small enterprises now enjoy personalised service from our Community Financial Services (CFS) division, while our Global Wholesale Banking (GWB) division caters to our corporate clients.

With 392 branches and 4,596 self-service terminals, we have the nation's widest banking network, while with Maybank2U we offer Malaysia's largest online banking service, accounting for 55% of the entire market. In remote rural areas where branches are not viable, we provide mobile banking services. We are also increasingly adapting our branches to meet the special needs of the disabled.

Meanwhile, we are expanding our network across Asia including our Kim Eng offices. We now have 26 branches in Singapore, 352 in Indonesia and 55 in the Philippines, with a further 72 in four other ASEAN nations.

In addition, in line with its commitment to Islamic values, Maybank Islamic Banking has taken on the responsibility to pay business zakat (an Islamic charitable donation) on behalf of its shareholders. For the year ended 31 December 2011 a total of RM7.89 million was paid.

WORKPLACE

Successful and sustainable businesses are driven by empowered and motivated people. At Maybank, we are building a culture that creates opportunities and rewards achievement.

Through a wide variety of programmes we foster diversity, teamwork, personal development and leadership, ensuring that staff are fully engaged and invested both in their own growth and that of the Group.

In 2011, we demonstrated that Maybank is among the best places for women and fresh graduates to work, while overall levels of employee satisfaction – measured independently and compared against our peers – show that we exceed both local and global norms of best practice.

The transformation of our workplace has also catalysed improvements in business performance. In 2011 alone, net income per employee rose 4.4% while profit before tax per head shot up nearly 12%.

LOOKING AHEAD

While we make major contributions to our CR programme – both directly and via the Maybank Foundation – we also tap the spirit of employee volunteerism. Over the years, Maybankers have selflessly donated money, time and energy to a huge variety of causes, and a recent survey revealed that eight out of ten Maybank employees believe that volunteerism is a crucial part of Maybank's mission.

With such a prodigious resource so freely available, our Cahaya Kasih Employee Volunteerism Programme provides an avenue for Maybankers to work with community groups on projects of profound and lasting impact.

Looking ahead, I see a future in which Maybank's CR and sustainability initiatives flourish on the basis of a partnership that unites the Group, its people and the Maybank Foundation in a whole-hearted dedication to serving the community everywhere we operate.



Dato' Sri Abdul Wahid Omar
President & CEO

Corporate Profile

The Maybank Group is Malaysia's financial services leader with a network of over 2,200 offices in 17 countries worldwide. Today, Maybank has grown to become the largest company by market capitalisation on Bursa Malaysia and is recognised as one of the region's leading banking groups. It offers an array of financial services including commercial banking, investment banking, stock broking, insurance and takaful, trustee services, offshore banking, asset management and Islamic banking.

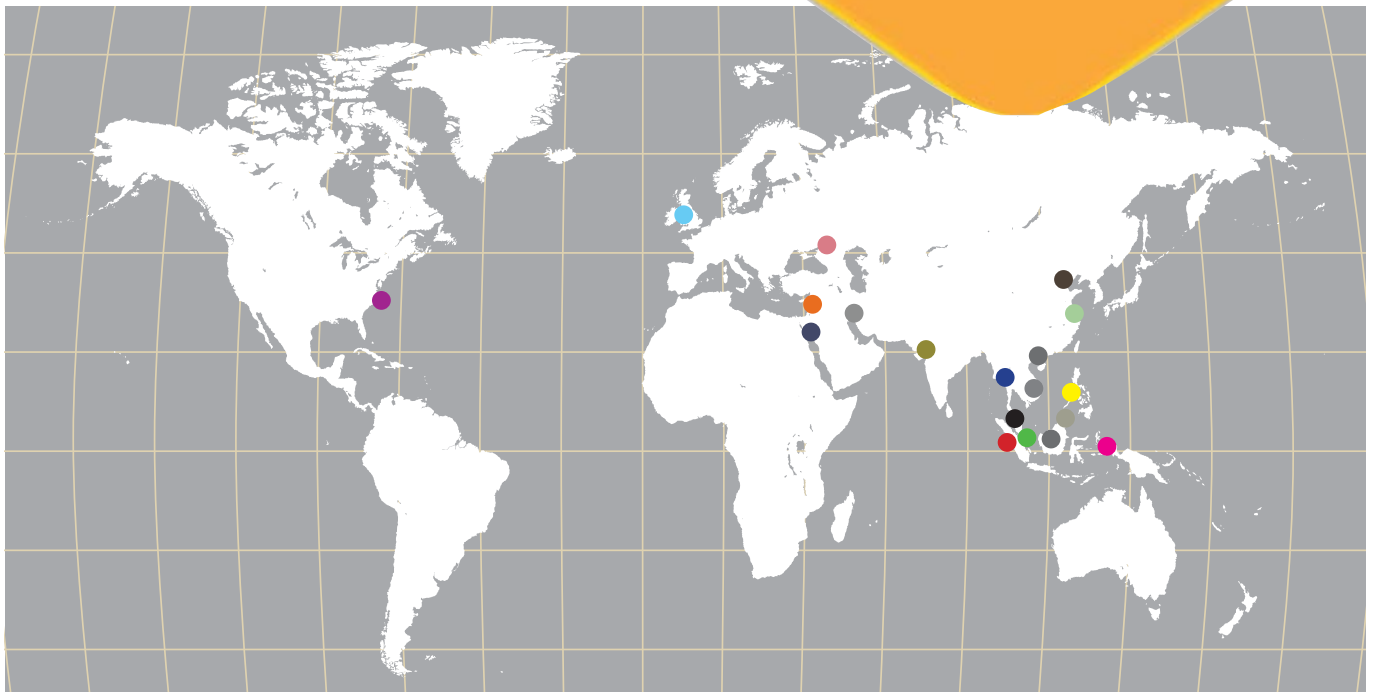
With over half a century of experience and an ever expanding network, Maybank has now set its sights on becoming a regional financial services leader by 2015.

The Group's mission is to humanise financial services across Asia – reaffirming its commitment to providing people with access to financial services on fair terms and pricing as well as to be at the heart of the community.

As it continues on its journey to achieve its vision, Maybank will always remain true to its founding objectives – which are to enrich the lives of all its stakeholders and to be a continued channel for economic progress and the growth of the communities it serves.

- > **OVER 2,200 OFFICES**
- > **17 COUNTRIES**
- > **45,000 EMPLOYEES**
- > **SERVING 22 MILLION CUSTOMERS**
- > **MARKET CAPITALISATION OF USD21 BILLION**
- > **TOTAL ASSETS OF USD142 BILLION**

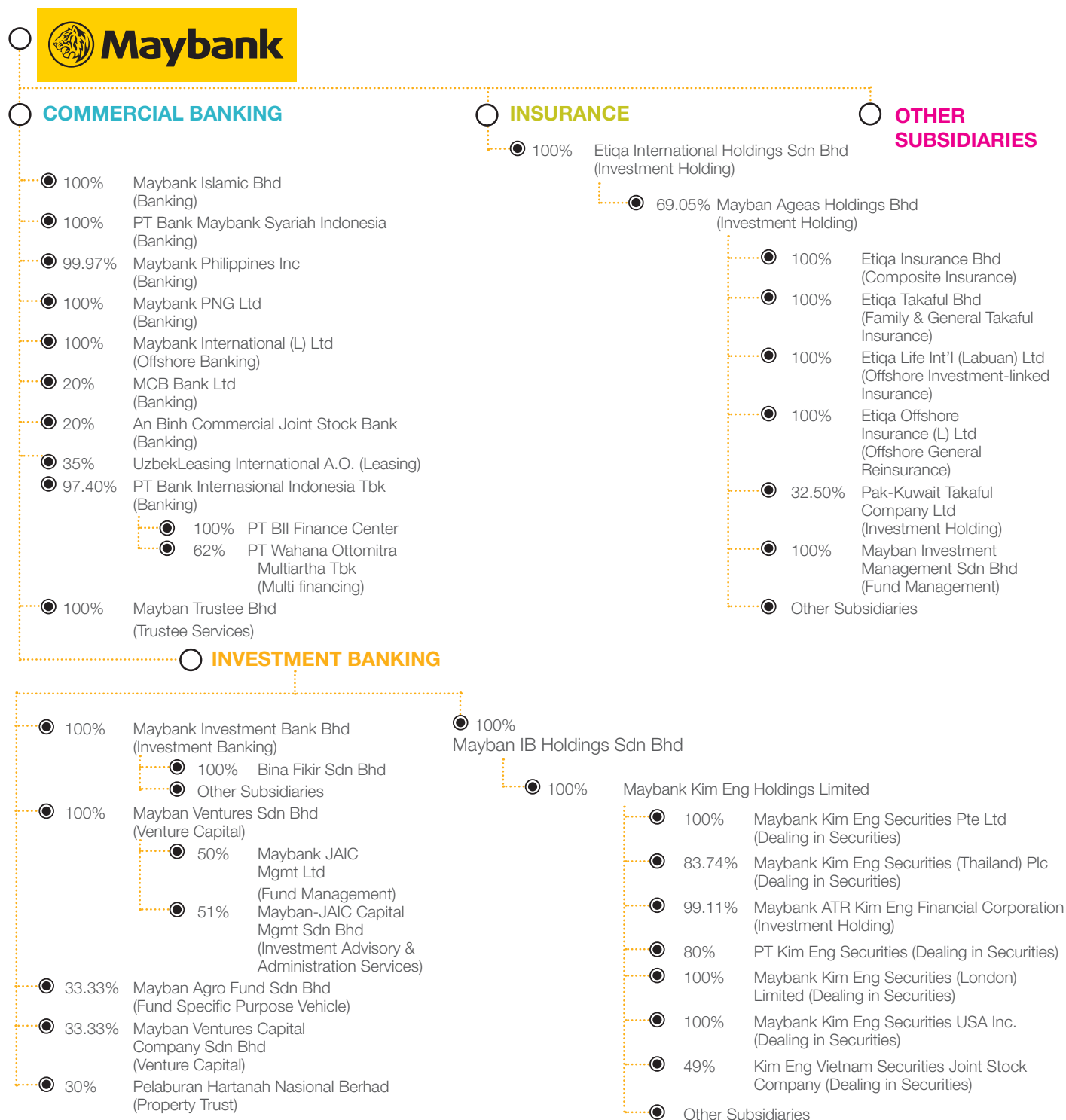
Global Network



- **Bahrain** 1 branch ● **Brunei** 3 branches ● **Cambodia** 11 branches ● **China** 1 branch, 1 representative office ● **Hong Kong** 1 branch, 1 branch via Kim Eng
- **Indonesia** 1 branch via Maybank Syariah Indonesia, 351 branches via 97.5% owned BII, 6 branches via Kim Eng ● **India** 1 branch via Kim Eng ● **Labuan** 1 branch
- **London** 1 branch, 1 branch via Kim Eng ● **New York** 1 branch, 1 branch via Kim Eng ● **Malaysia** 392 branches ● **Papua New Guinea** 2 branches
- **Pakistan** 1,189 branches via 20% owned MCB Bank, 4 branches via 25% owned Pak-Kuwait Takaful Company ● **Philippines** 52 branches, 3 branches via Kim Eng
- **Singapore** 22 branches, 4 branches via Kim Eng ● **Thailand** 44 branches via Kim Eng ● **Uzbekistan** 1 office via 35% owned Uzbek Leasing International
- **Vietnam** 2 branches, 128 branches via 20% owned An Binh Bank, 11 branches via Kim Eng ● **Saudi Arabia** 1 office via Anfaal Capital

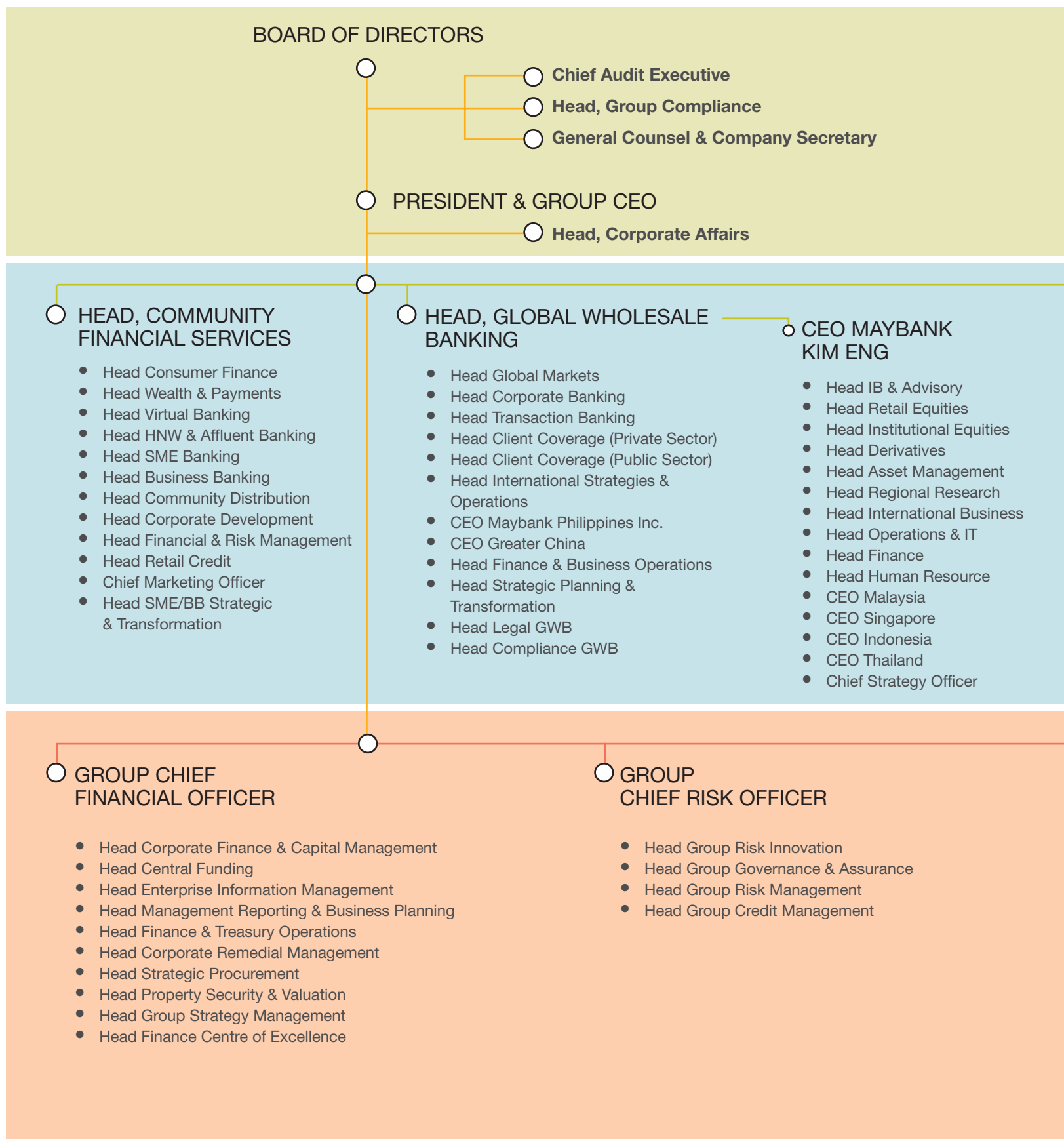
Group Corporate Structure

as at 31 December 2011



Note:

- Where investment holding companies are omitted, shareholdings are shown as effective interest.
- Companies that are not shown include those dormant, under member's voluntary liquidation, have ceased operations or provide nominee services.
- Refer to pages 396 to 407 for the complete list of Maybank subsidiaries and associate companies of Maybank's Annual Report 2011.



Group Organisation Structure

HEAD INSURANCE & TAKAFUL

- Chief Sales Officer
- Chief Marketing Officer
- Chief Operating Officer
- Chief Financial Officer
- Chief Risk Officer
- CEO Mayban Investment Management (MIM)
- Head Corporate Planning & Strategy
- Head Program Management Office
- Head Corporate Secretarial
- Head Communications

HEAD GROUP ISLAMIC BANKING

- Head Corporate Planning & Analytics
- Head International Business Strategy
- Head Knowledge Management
- Head Shariah Advisory and Research & Development
- Head Product Management
- Head Sales & Distribution Management
- Head Risk Management

CEO MAYBANK SINGAPORE

PRESIDENT DIRECTOR BII

HEAD GROUP HUMAN CAPITAL

- Head Talent & Organisational Development
- Head Performance & Rewards Management
- Head Organisational Learning
- Head Industrial Relations
- Head Employee Communication & Engagement
- Head Business HR – Corporate Functions
- Head Business HR – Global Wholesale Banking
- Head Business HR – Community Financial Services & Islamic Banking
- Head Business HR – Insurance & Takaful
- Head Shared Service Centre
- Head Resourcing Centre
- Executive Leadership Coaches

HEAD ENTERPRISE TRANSFORMATION SERVICES

- Chief Information Officer
- Head Operations
- Head Service Quality
- Head Finance & Planning

CHIEF STRATEGY & TRANSFORMATION OFFICER

- Head Group Strategy
- Head Transformation Office
- Head Method & System
- Head Regional Development

Financial Highlights

Prior to 2011, Maybank's financial year ran from 1 July to 30 June. The annual totals below reflect that July-June financial year.

	Group				
Year ended 30 June	2007	2008	2009	2010	2011
OPERATING RESULT (RM' Million)¹					
Operating revenue	15,179	16,154	17,586	18,560	21,040
Operating profit	4,370	4,571	3,064	5,249	6,135
Profit before taxation	4,364	4,086	1,674	5,370	6,270
Profit after taxation and minority interest	3,178	2,928	692	3,818	4,450

KEY STATEMENTS OF FINANCIAL POSITION DATA (RM' Million) ¹

Total assets	256,667	269,101	310,739	336,700	411,959
Securities portfolio	33,692	36,551	57,727	54,170	61,039
Loans, advances and financing	140,865	164,614	185,783	205,555	253,976
Total liabilities	236,799	249,009	284,971	308,035	379,488
Deposit from customers	163,677	187,112	212,599	236,910	281,976
Commitments and contingencies	175,392	204,217	221,587	232,273	292,202
Paid-up capital	3,889	4,881	7,078	7,078	7,478
Shareholders' equity	19,198	19,302	24,899	27,877	31,461

Overhead expenses

	Group		Bank	
	2011 RM'000	2010 RM'000	2011 RM'000	2010 RM'000
Personnel expenses				
– Salaries, allowances and bonuses	2,691,440	2,265,710	1,889,916	1,703,243
– Social security cost	16,050	12,427	13,598	11,652
– Pension costs – Defined contribution plan	300,408	278,299	261,920	257,950
– Share options granted under ESS	65,000	–	65,000	–
– Other staff related expenses	494,856	361,985	316,136	211,457
Sub-total	3,567,754	2,918,421	2,546,570	2,184,302

* comparative figures were classified to confirm with current year presentation

Financial Highlights

As mentioned earlier, Maybank aligned its financial year with the calendar year in 2011. The totals below are for the six months from 1 July – 31 December 2011.

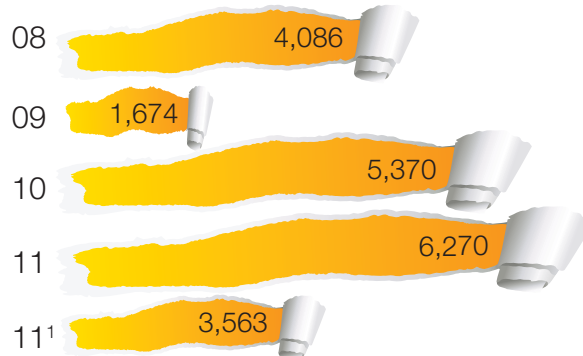
	Group		Bank	
	FP 31 Dec 2011 ¹	FY 30 June 2011 ¹	FP 31 Dec 2011 ¹	FY 30 June 2011 ¹
PROFITABILITY (RM' million)				
Operating revenue	12,885	21,040	8,175	13,588
Operating profit	3,489	6,135	2,670	4,561
Profit before taxation	3,563	6,270	2,670	4,561
Profit attributable to equity holders of the Bank	2,583	4,450	2,065	3,359
KEY STATEMENTS OF FINANCIAL POSITION DATA (RM' million)				
Total assets	451,289	411,959	323,845	293,661
Securities Portfolio	68,051	61,039	55,476	51,486
Loans, advances and financing	274,431	253,976	194,174	181,573
Total liabilities	416,613	379,488	294,365	265,662
Deposits from customers	313,710	281,976	222,895	201,465
Commitments and contingencies	370,710	292,202	336,480	265,846
Paid-up capital	7,639	7,478	7,639	7,478
Shareholders' equity	33,445	31,461	29,480	27,998

	YTD (Jul 11 to Dec 11)	
	Group without KE RM	Group with KE RM
GROUP PERSONNEL COST		
– Salaries, allowances and bonuses	1,437,457,167	1,589,835,521
– Social security cost incl. SOCSO	7,473,138	13,402,139
– Pension costs incl. EPF	168,037,249	171,991,895
– Other staff related expenses of which:	312,394,150	321,485,321
<i>ESOS Compensation Exp</i>	56,847,641	56,847,641
Sub-total	1,925,361,704	2,096,714,876

¹ The results consist of 6-month financial period ended 31 December 2011 due to the change of financial year end from 30 June to 31 December.
² Adjusted for rights issue completed on 30 April 2009 and bonus issue of 1:4 completed on 20 February 2008 and Maybank Group Employees' Share Scheme relating to the Restricted Share Unit as at 31 December 2011.
³ The capital adequacy ratios for December and June 2011 present the two range of extreme possibilities, i.e.
(i) where the full electable portion is not reinvested; and
(ii) where the full electable portion is reinvested in new ordinary shares in accordance with the Dividend Reinvestment Plan.
⁴ Annualised

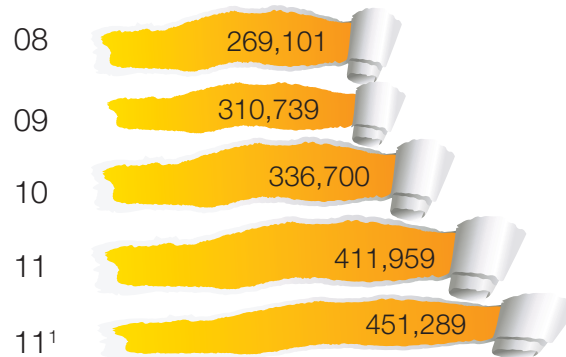
Profit Before Taxation

RM million



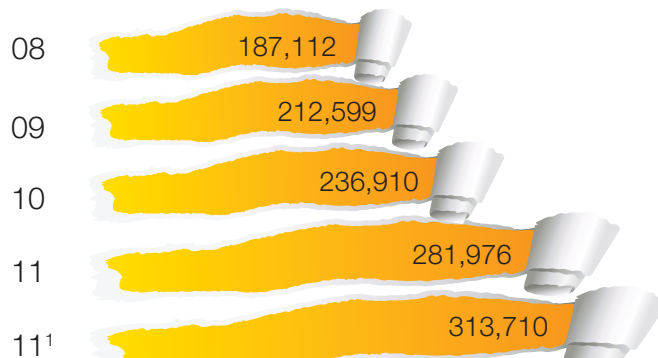
Total Assets

RM million



Deposit from Customers

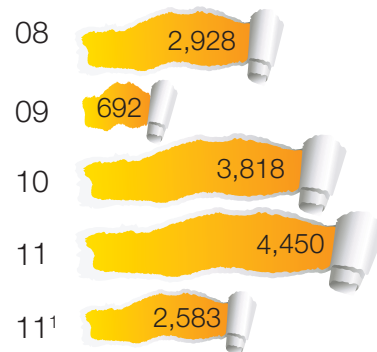
RM million



1 The result consist of 6-month financial period (FP) ended 31 December 2011 due to the change of financial year (FY) end from 30 June to 31 December.

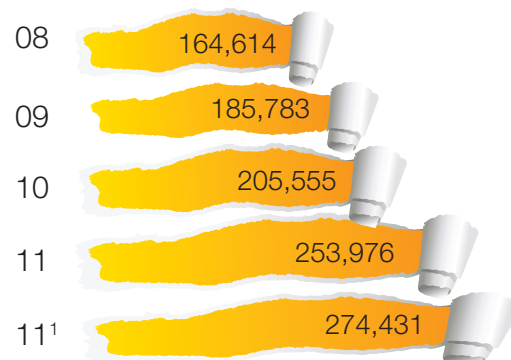
Profit Attributable to Equity Holders of the Bank

RM million



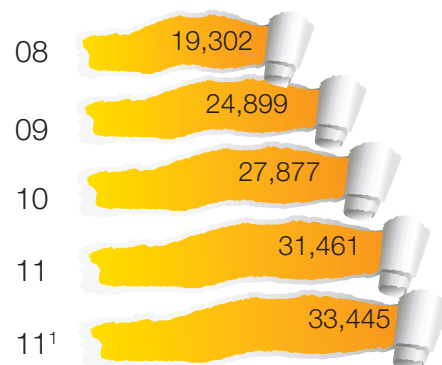
Loans, Advances and Financing

RM million



Shareholders' Equity

RM million



1 The result consist of 6-month financial period (FP) ended 31 December 2011 due to the change of financial year (FY) end from 30 June to 31 December.

We are honoured to be recognised by important organisations and publications for the many ways we have embraced diversity as part of our mission to humanise financial services across Asia. The following are some of the awards we have garnered in the reporting period:

*** ACCA MESRA AWARDS**

Best First Time Reporting 2011
Commendation for Strategy and Governance

*** NACRA AWARDS**

Gold Award for Best Corporate Social Responsibility Awards

*** Prime Minister's CSR Award 2010**

Honourable Mention for Outstanding Work in Community & Social Welfare
Honourable Mention for Outstanding Workplace Practise.



Awards 2011

RAM Ratings Award (Maybank Investment Bank)

- RAM Lead Manager Award 2010 - Number of Issues – 2nd Place
- RAM Lead Manager Award 2010 (Islamic) – Joint 1st Place

Reader's Digest Trusted Brands Award

- Credit Card Issuing Bank – Gold Award
- Islamic Financial Services – Gold Award

Malaysian Institute of Directors

- Innovative Leadership in Globalisation' Award – Banking & Finance – Maybank

Malaysian Takaful Association (Etiqa Takaful Berhad)

- Best Group Business Operator

The Asian Banker International Excellence in Retail Financial Services Awards

- Best Retail Bank in Malaysia
- Best Deposit and Liability Business

The Asian Banker Achievement Awards – Technology

- Implementations Awards
- Best Retail Payments Implementation

Euromoney Awards

- Best Private Banking Services Overall in Malaysia

Association of Accredited Advertising Agents Malaysia/ Malaysia's Most Valuable Brands

- Putra Brand Awards 2011
- The People's Choice
- Finance Gold Award: Maybank

The Asset Triple A Award

- Best Domestic Trade Transaction Banking
- Best E-commerce Bank
- Best Domestic Cash Management Bank

Asia Pacific Brands Foundation

- Societe Awards Best Brands – Corporate Responsibility

Asian Banking & Finance Awards

- Best Corporate Social Responsibility Program – Silver

People's Association Community Awards

- Excellence Award (Corporate Partner) Maybank Singapore

The Brand Laureate Masters Awards

- Best Brands in Banking

Philip Kotler Center – Malaysia Service to Care Champion

- Credit Card
- Conventional Banking (Asset > USD20 Billion)

Awards & Recognition 2011

Maybank Strategy

Vision...

“To Be a Regional Financial Services Leader”

Mission...

“Humanising Financial Services across Asia”

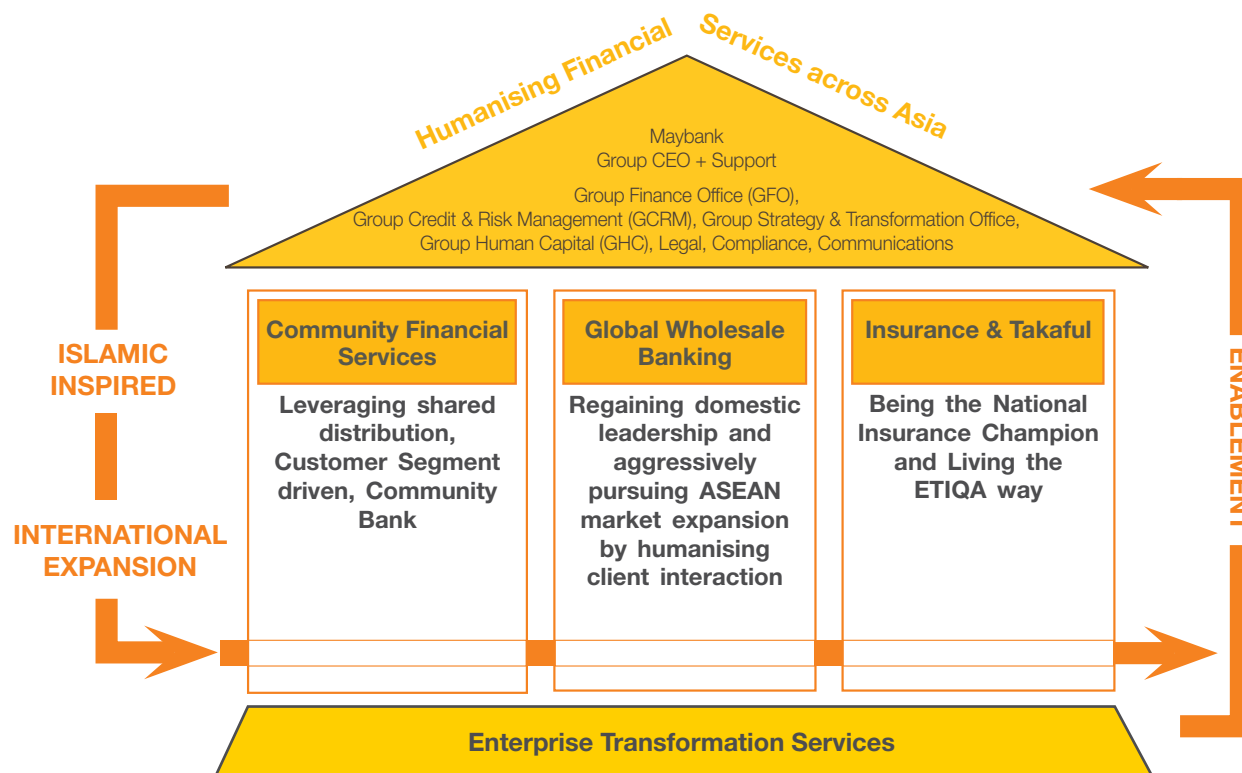
- *Providing the people with convenient access to financing*
- *Having fair terms and pricing*
- *Advising customers based on their needs*
- *Being at the heart of community*



2015 STRATEGIC OBJECTIVES

1. Undisputed No. 1 Retail Financial Services provider in Malaysia by 2015
2. Leading ASEAN wholesale bank eventually expanding further into the Middle East, China and India
3. Undisputed Insurance & Takaful Leader in Malaysia & Emerging Regional Player
4. Truly regional organisation, with ~40% of pre-tax profit derived from international operations by 2015
5. Global leader in Islamic Finance

The New House of Maybank



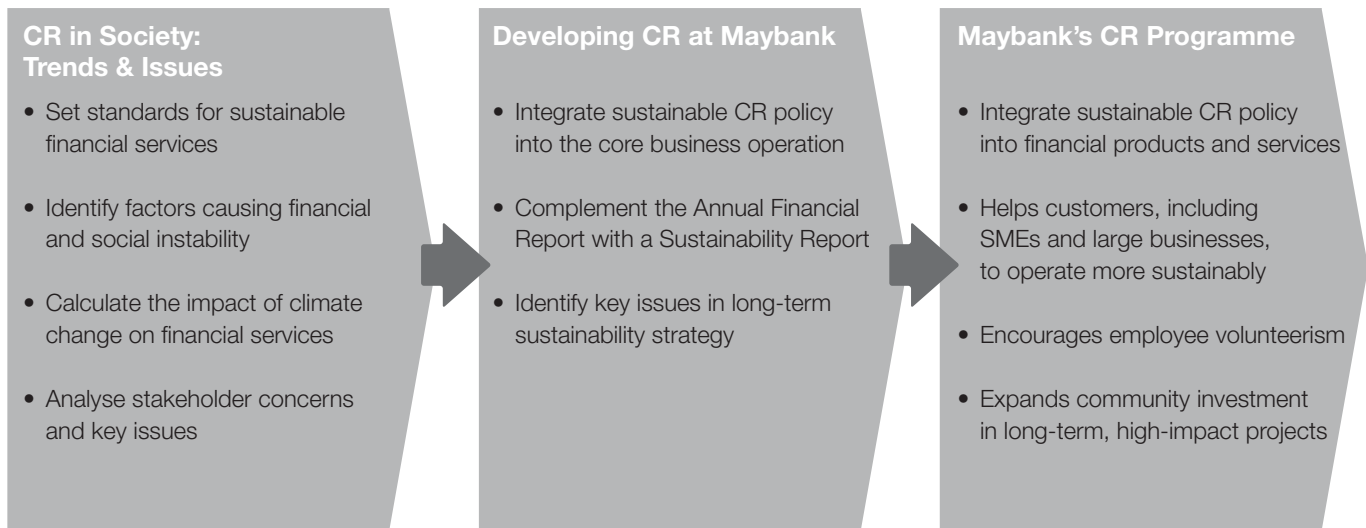
In July 2010, we reframed our aspirations and vision to expedite a Group-wide strategic transformation. Already, the reorganisation of our operational structure into the new House of Maybank is enhancing our service and product delivery and at the same time catalysing new financial solutions across our key markets.

The new structure aligns our operations into three business pillars; Community Financial Services, Global Wholesale Banking and Insurance & Takaful, enabling us to sharpen our focus on continuous improvement in profitability, market value and return on capital.

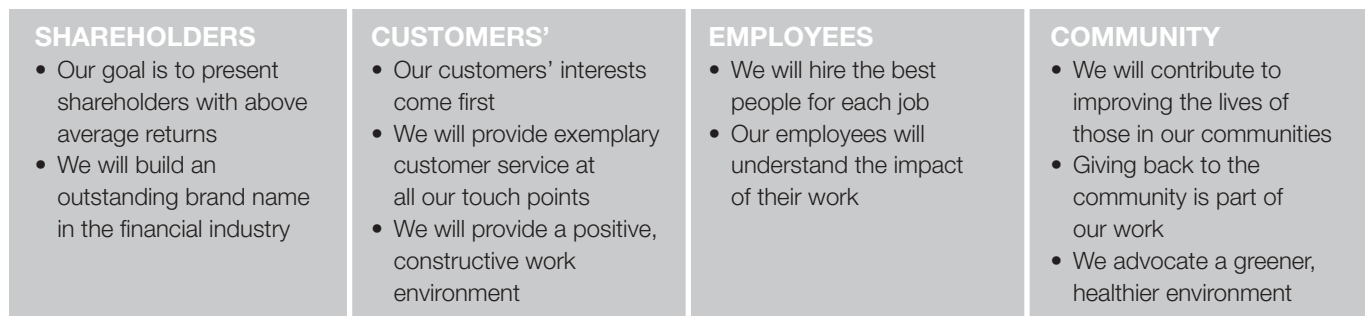
In line with our mission to humanise financial services across Asia, the House of Maybank structure is designed to deliver sustainable value to society at large not just in Malaysia but regionwide. It is also underpinned by a wholehearted commitment to transparent business practices based both on ethical values and respect for all our stakeholders – be they customers, investors, staff, business partners or communities – as well as for the environment.

Maybank Strategic Focus

MAYBANK JOURNEY IN ACHIEVING SUSTAINABILITY



CR as Part of Our Business



Maybank Group Corporate Responsibility Policy Statement

SUSTAINABLE CORPORATE RESPONSIBILITY (CR) POLICY

Maybank's Corporate Responsibility (CR) initiatives are integrated into the Group's business model. We are committed to being responsible corporate citizen, playing an active part in building a sustainable future for the ASEAN region. This commitment is driven by our vision of becoming a Regional Financial Services Leader and our mission of Humanising Financial Services Across Asia.

For Maybank, sustainability means more than just conducting business in a way that enhances our performance both today and over the long term. It means contributing to the socio-economic development of the countries in which we operate. It also means conserving the environment, enriching the livelihood of the community, caring for the development and wellbeing of our people and practising good governance.

Maybank lives and breathes its core **TIGER** values of:

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

MAYBANK GROUP SUSTAINABLE CR FRAMEWORK



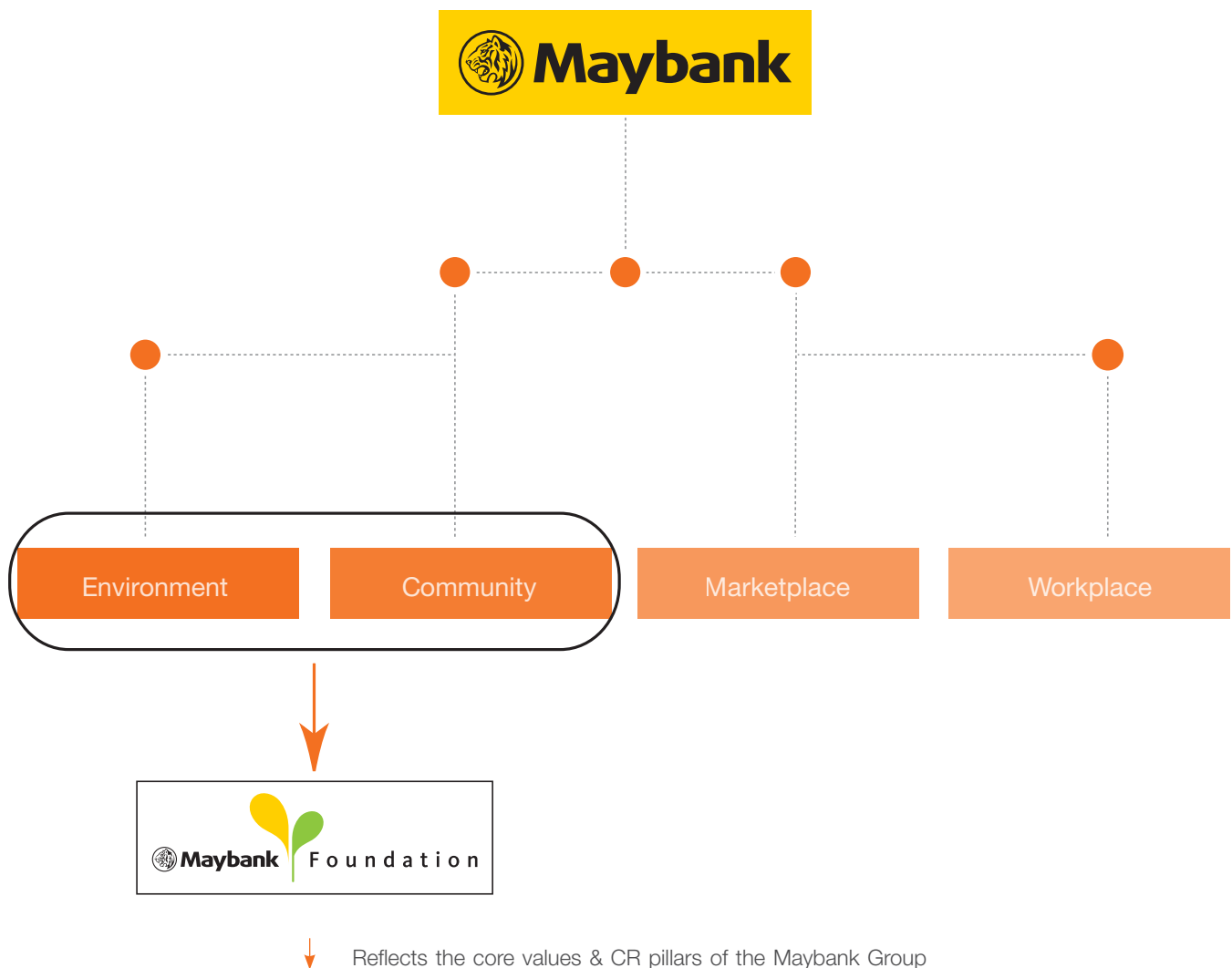
SUSTAINABLE CR FRAMEWORK

Maybank's Sustainability framework aims to improve financial and non-financial performance. Through our engagement with stakeholders, we are deepening our involvement in environmental and social sustainability internally and externally. The success of this framework is reflected in our strong brand value, customer base and market share as well as the long-term relationships we foster with stakeholders.

The Maybank Foundation

Empowering Communities and Conserving the Environment

Maybank's CR activities and initiatives are firmly based on the four key pillars of Community, Environment, Workplace and Marketplace. While the Group is proactive in all four areas, in 2010 we set up the Maybank Foundation which, as a charitable body, has special responsibility for formulating and implementing the Group's charitable initiatives. The Foundation's mandate is to identify the programmes which will have the most tangible and sustainable results – efforts that will bring measurable change over the long term. The Foundation will also serve as the central distributor of funding for the Group's charitable contributions. With its own Board of Trustees and management structure, the Foundation will act with transparency and objectivity.



Guided by Maybank's mission to humanise financial services across the region, the Maybank Foundation focuses specifically on empowering communities and conserving the environment.

The goal of the Foundation is to promote genuinely sustainable development that delivers a better quality of life. As well as leading by example, the Foundation aims to be the partner of choice, forming strategic partnerships with local stakeholders and NGOs to initiate meaningful programmes with lasting impact.

The Foundation aims to benefit communities by:

- Organising and supporting personal development programmes for children and youth
- Granting educational scholarships to deserving students
- Supporting programmes that promote sports, heritage, arts and cultural events as well as national unity programmes
- Assist the underprivileged to improve their quality of life
- Relieving victims of natural disaster, accidents, illness and disease
- Participating in community development activities including the improvement of health through medical assistance
- Conserving the environment through awareness activities and biodiversity programmes

Maybank had made an initial pledge of RM50 million to the Foundation, to be disbursed over three years. This will fund programmes not just within Malaysia but everywhere we operate across the region, always reaching out to those most in need.

In 2012, the Foundation plans to launch themed, regionwide flagship CR programmes that will reinforce the differentiation we are achieving through our strategy to humanise financial services. The Foundation will also be promoting a higher level of employee participation via our Cahaya Kasih initiative.

2013 will see a further expansion of our efforts, especially via Cahaya Kasih, while the outcomes of the various initiatives will be rigorously monitored and measured. This will not only keep our efforts on track, it will also enable us to roll out the most effective initiatives regionwide.

By 2014, we should be in a position to define the future direction of the Foundation, and to develop our Cahaya Kasih programmes further till they reach an ever larger target group across Asia and, ultimately, beyond.

In the years ahead, the Foundation also plans to focus especially on biodiversity and conservation projects across the region. At the same time, we hope to assist NGOs and community groups to expand their scope and enhance their skills and abilities, both via funding and other forms of practical support and assistance. To this end, the Foundation will bring together stakeholders from around Asia to form new coalitions that support community and environmental initiatives.

GOVERNANCE

Consistent with international standards, the Maybank Foundation is committed to exercising transparent and objective governance. Our Corporate Governance mechanisms/policies are constantly enhanced to increase both management flexibility and supervisory effectiveness.

The Foundation places emphasis on the composition and balance of the Board to ensure a synergistic integration of skills and backgrounds from a diverse pool of highly competent talent. The Board members demonstrate both rich industry experience and strong knowledge of economic, environmental and social development efforts.

The Chairman of the Foundation champions sustainable CR within Maybank, while the management of overall CR processes is handled by a dedicated management team. A Group Corporate Responsibility Committee (CRC) is in place to assist both the Foundation's management team and the Board of Trustees in carrying out their operations and activities.

MAYBANK FOUNDATION BOARD OF TRUSTEES



From left: Mr Spencer Lee Tien Chye, Pak Umar Juoro, Datin Paduka Marina Mahathir, Dato' Sri Abdul Wahid Omar and Dato' V. Danapalan.

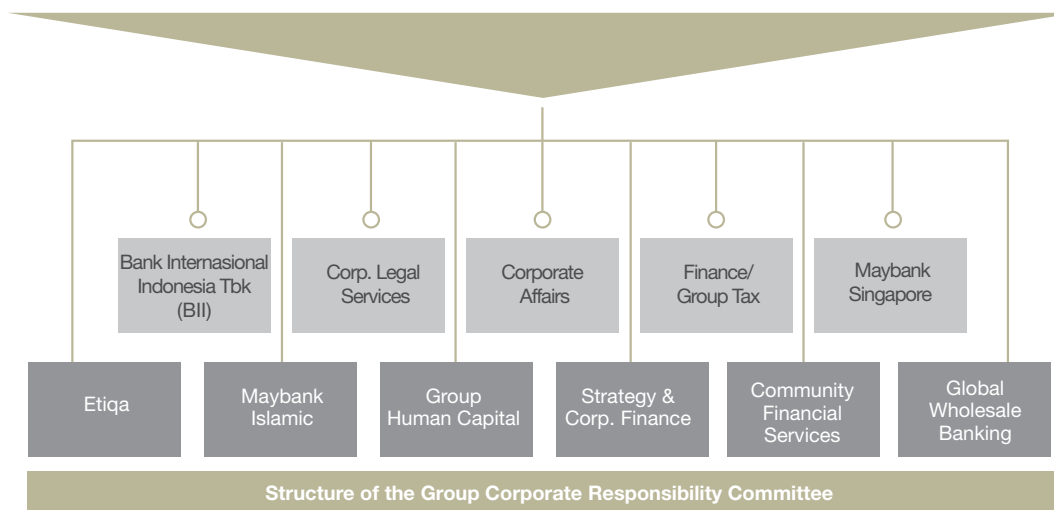
The Maybank Foundation (cont'd.)

CORPORATE RESPONSIBILITY COMMITTEE (CRC)

The CRC reports to the Board of Trustees, with Maybank's Head of Corporate Affairs as the Secretary of the CRC. The Committee comprises representatives from Group Human Capital, Corporate Legal Services, each business sector (i.e. Global Wholesale Banking, Community Financial Services, Maybank Islamic Banking and Maybank's insurance arm, Etiqa). The Committee is also supported by the Heads of Corporate Affairs from Singapore, Indonesia and the Philippines.

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

BOARD OF TRUSTEES



standing from left to right

1. Azni Ariffin
2. Esti Nugrahani
3. Sharifah Nur Izma Syed Izaddin
4. Abdul Aziz Atan
5. Azahary Kamarulzaman
6. Banita K. Sandhu
7. Eliza Mohamed

sitting from left to right

1. Surin Segar
2. Datin Orked Ahmad
3. Corrinne Tan Ai Ngee
4. Geraldine Selvie

Corporate Responsibility Committee

Moving forward, the Maybank Foundation will initiate, design, support and monitor the progress of programmes devised in close partnership with various non-governmental organisations (NGOs). These projects will fall within the Community and Environment arenas, and they will extend throughout the geographic region in which Maybank operates.

Although throwing money at problems may offer temporary relief, it rarely solves them. We have held numerous conversations with NGOs about what they need to construct programmes that will have the greatest impact over the longest term.

In addition to financial support, the NGOs have made clear that the Maybank Foundation can effect sustainable change by donating essential equipment. Maybank employees can make invaluable contributions by volunteering their time, energy and expertise. The Foundation can work with the NGOs to develop the skills and capacities of community members, helping them to help themselves in the long run.

And finally, the expenditures will be reported and monitored carefully to ensure that there is a measurable social return on the investment.



The Maybank Foundation (cont'd.)

	2010 TARGET	2011 PERFORMANCE	2012 MOVING FORWARD
EDUCATION	To help ensure educational access is available to all deserving Malaysians	School Adoption under the PINTAR Foundation School Adoption Programme, the Maybank Scholarship Programme and Financial Literacy Programmes with MoneyTree	To continue to stress the importance of and place great emphasis on education to deliver a generation of highly educated and effective ASEAN
SPORTS	To promote camaraderie and good sportsmanship to the new generation	Hosted various sporting activities and tournaments to encourage the holistic development of our future leaders	To support sporting activities and tournaments that will help boost national interest and encourage the new generation to participate in sports at the international level
ARTS	To promote national art and heritage to the new generation	Hosted various art exhibitions and competitions as well as supported the work of various artists	To continue with our support of young aspiring artists in upholding and promoting art, culture and heritage
ENVIRONMENT	To contribute positively to our environmental performance	Enable communities to increase their awareness of environmental issue and to take active steps to conserve the environment and animal protection	Enabling our people and our business to become more environment friendly and enable customers to go green

RELEVANCE TO STAKEHOLDERS

Our hope is that, by providing public and transparent reporting of our achievements measured against specific goals and indicators, our sustainability reporting will help strengthen our relationships with stakeholders.

In 2011 we analysed the content of our previous report so as to improve our ability to meet the expectations of our stakeholders. Our analysis uses the criteria of “materiality” and “stakeholder inclusiveness,” (i.e. involvement of stakeholders), in line with GRI – GS.1 Guidelines.

FOCUS AREAS

Throughout the year, we assess the CR focus areas that are most material to our business and stakeholders. These are not static but evolve constantly. The diagram overleaf illustrates the key areas we focused on in 2011. While all these areas are integral to our business, they are prioritised according to their relative importance.

Materiality Analysis

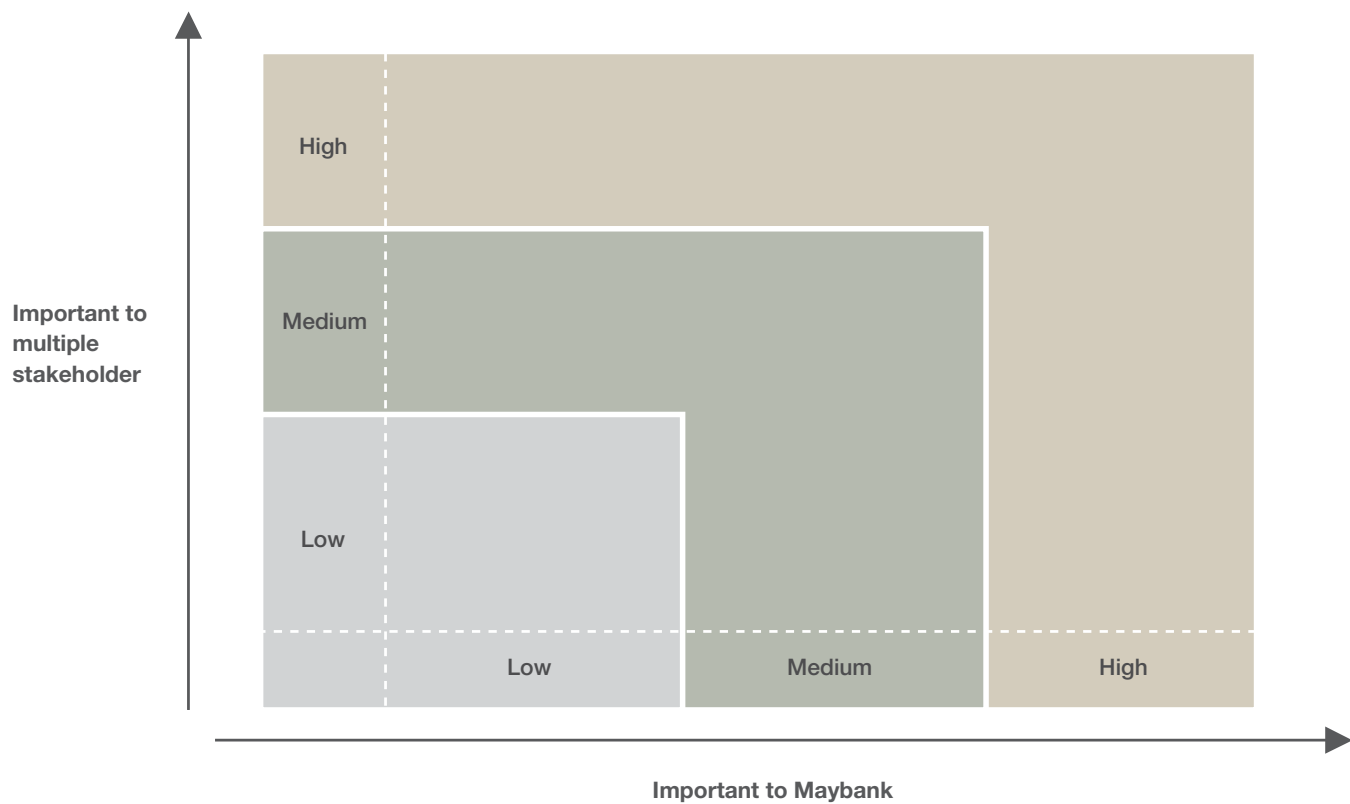


Our sustainability reporting fulfills an important function for building up and cultivating good relationships with stakeholders: For it is how we provide transparency, publicly reporting our achievements and progress against specific goals and indicators.

In 2011 we conducted a structured materiality analysis in order to ensure that the content orientation of our report fulfills the expectations of our stakeholders even better. In this context, we apply the criteria of “materiality” and “stakeholder inclusiveness,” i.e. involvement of stakeholders, which were established by the GRI - G3.1 Guidelines.

MATERIAL AREAS OF FOCUS

The areas of focus which are most material to our business and stakeholders are assessed throughout the year. These are not static; they evolve constantly. Below is an aggregation of the areas of focus that were identified as important in 2011. While all of these are integral to our business, they have been categorised into higher, medium and lower relative importance.



LOW	MEDIUM	HIGH
These issues are of low materiality and are not reported in detail.	These issues are reported but not necessarily with quantitative indicators. Some issues have only partial impacts on the business and stakeholders.	We report the issues that are most relevant and have high current/potential impact on our business and stakeholders.

Materiality Analysis (Cont'd.)

SECTION	IMPORTANCE OF MATERIALITY	ISSUES	IMPACT ON MAYBANK AND OUR APPROACH
Marketplace	High	Customer Welfare	To ensure our customers enjoy consistent and exemplary service wherever we operate, we have centralised our service units under a new service quality department with a remit to catalyse service transformation and coordinate and streamline customer service initiatives Groupwide. We are also committed to creating a healthy environment by continuously improving our services, promoting customer satisfaction and transparency, protecting customer privacy and rights.
Community	High	Youth and Education	Maybank supports financial and general education for the youth in the countries in which it operates. This has a great impact on community wellbeing, social inclusion and business productivity. Since 1972, the Maybank Scholarship Scheme has helped more than 1,000 young Malaysians to fulfil their dreams of studying at leading universities.
Workplace	High	Career Management and Employability	We have established various training courses, benefits plans and employee engagement initiatives. We hire the best people for the job and strive to retain, motivate, empower and reward them for their contribution.
Corporate Governance	High	Risk Management	Maybank's risk management covers most significant risk exposures and our responsibilities for its prevention and control.
Marketplace	Medium	Socially Responsible Products	Maybank continued its service innovation for customers who require special assistance with the official launch of sixteen disabled-friendly branches to cater to the needs of wheelchair-bound users. Maybank also offers various housing loan schemes for the low and middle income earners. We also launched an Asian focused clean energy fund on 20 July 2011.
Environment	Medium	Biodiversity and Climate Change	Maybank has a significant opportunity to mitigate the impact of climate change by implementing energy efficient initiatives. We also focus on supporting tiger conservation in Malaysia.
Workplace	Medium	Diversity	We have put a priority on recruiting, developing, retaining, and promoting qualified women. Close to 54% of our workforce are female employees, a percentage that is much higher than the national average of 47.3%.

SECTION	IMPORTANCE OF MATERIALITY	ISSUES	IMPACT ON MAYBANK AND OUR APPROACH
Marketplace	Medium	Supply Management	Maybank has an ethical supply management system and a structured procurement policy.
Workplace	Low	Human Rights	Maybank's human rights and policies and practices are generally covered in our daily workplace.
Workplace	Low	Occupational Health and Safety	Maybank has emplaced policies, practices and training to continually ensure that our employees work in a safe and conducive environment.
Community	Low	Supporting Heritage, Arts and Culture	Maybank promotes the historical heritage of the country by supporting exhibitions in its Gallery and through its Numismatic Museum.

IDENTIFYING KEY ISSUES

Maybank worked with internal and external stakeholders to determine materiality and prioritise the topics within this report. The "Guidance on Defining Report Content" and the associated Principles of the GRI G3.1 Reporting Guidelines provided a useful framework for determining what to include in this report.

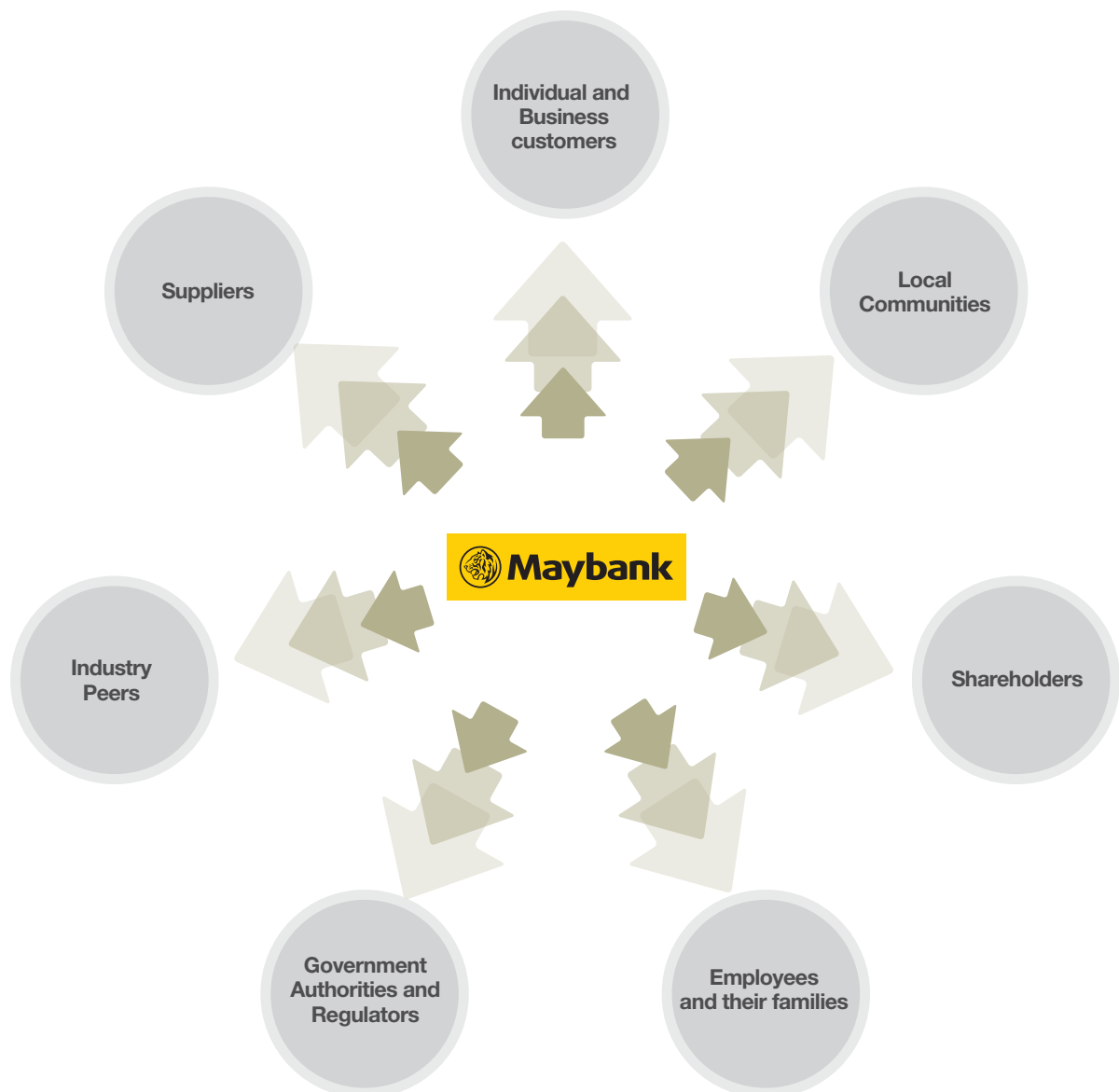
We have made use of the following sources in order to identify material fields of activities:

- an evaluation of inquiries that external stakeholders addressed to Maybank in FY2010/2011;
- results of our Employee Engagement Survey 2011;
- evaluations of the feedback from business partners;
- corporate strategy priorities that have been set.

Stakeholder Engagement

Humansing our services means being at the heart of the community. Maybank is committed to building a sustainable future for The Association of Southeast Asian Nations (ASEAN) region through long-term social and economic development. Our commitment to humanising our services is based on three key principles: providing people with access to funding; offering fair terms and pricing; and advising customers based on their needs. We conducted detailed research and engagement to understand the priorities and expectations of stakeholders across ASEAN. This helps us recognise and respond to emerging risks and opportunities and to further manage the expectations of those who shape our operating environment. Continuous engagement with stakeholders is integral to the success of our business.

MAYBANK'S STAKEHOLDER MAPPING:



MAIN STAKEHOLDERS	METHOD OF ENGAGEMENT	MAYBANK'S APPROACH WITH RESPECT TO STAKEHOLDER
Customers (Consumer / Business)	Customer satisfaction survey, customer feedback management, customer due diligence (customer privacy), product transparency and disclosure	Maybank monitors the fair terms of pricing and accessibility in its products and services offerings. It protects its customers' privacy and security of their personal information.
Local Communities	Community engagement via Maybank Foundation to support various NGOs in terms of donation, education and social welfare	Maybank through its Foundation supports various social and environmental initiatives throughout the region.
Shareholders/Investors	Annual General Meeting (AGM), Extraordinary General Meeting (EGM), Annual Report, shareholder updates, quarterly financial announcements, investor roadshows and conferences, investor meetings and corporate website. Maybank maintains effective two-way communication with individuals and institutional investors. Maybank keeps its shareholders informed through various resources and dialogues	Maybank is constantly developing products and services that address individual and institutional investors' expectations. Maybank keeps its shareholders informed through various resources and dialogues.
Employees (Current employees, employees' families)	Employee engagement survey, talent management, employee awards and recognition, performance management, training and awareness raising initiatives	Maybank implements initiatives to nurture talent. We hire the best people for the job and strive to retain, motivate, empower and reward them for their contribution.
Government Authorities and Regulators	Compliance with relevant government legislative frameworks and report on our performance status	Maybank communicates with Government authorities and regulators regarding commercial, policy, regulatory and other relevant matters.
Industry Peers	Conferences, meetings, industry workshops and networking events	Maybank is a member of financial industry specific associations. Issues impacting the financial industry including regulation, market trends and services developments.
Suppliers	Procurement management, training and communication	Maybank regularly engages with suppliers during and after the contract. We include an ethical supplier management relationship in our policy guidelines.

Corporate Governance

APPROACH TO CORPORATE GOVERNANCE

The Board of Directors of Maybank ("the Board") is committed to maintaining high standards of corporate governance with a view to enhancing stakeholder value, increasing investor confidence, establishing customer trust and building a competitive organisation to pursue the Group's corporate vision to be a regional financial services leader by 2015. The Board's fundamental approach in this regard is to ensure that the right executive leadership, strategy and internal controls for risk management are well in place. Additionally, the Board is committed to achieving the highest standard of business integrity, ethics and professionalism across all of the Group's activities.

Maybank Group's corporate governance model adopts the following requirements and guidelines:

- Revised Malaysian Code on Corporate Governance ("the Code");
- Bank Negara Malaysia ("BNM")'s Revised Guidelines on Corporate Governance for Licensed Institutions ("BNM/GP1");
- Bursa Malaysia Securities Berhad ("Bursa Securities")'s Main Market Listing Requirements ("Listing Requirements");
- "Green Book on Enhancing Board Effectiveness" ("Green Book") by the Putrajaya Committee on Government-Linked Companies ("GLCs") High Performance;
- Corporate Governance Guide ("CG Guide") by Bursa Malaysia; and
- Minority Shareholders Watchdog Group ("MSWG") Corporate Governance Guidelines.

THE BOARD OF DIRECTORS

The Board currently comprises twelve Directors. Eight out of the twelve Board members are Independent Non-Executive Directors, three are Non-Independent Non-Executive Directors and one Non-Independent Executive Director. The current composition of the Board is in compliance with Chapter 15.02 of the Listing Requirements as more than half of its members are Independent Directors.

The high proportion of Independent Non-Executive Directors within the current Board composition helps the Board to ensure and provide strong and effective oversight over management. The composition also reflects the interest of the Bank's majority shareholder which is adequately represented by the appointment of its nominee directors, balancing the interest of the minority shareholders. The Non-Executive Directors do not participate in the day-to-day management of the Bank and do not engage in any business dealing or other relationships with the Bank (other than in situations permitted by the applicable regulations) in order to ensure that they

remain truly capable of exercising independent judgement and act in the best interests of the Group and its shareholders. Further, the Board is satisfied and assured that no individual or group of Directors has unfettered powers of decision that could create a potential conflict of interest.

In line with the best practices and to ensure appropriate supervision of the Management, the roles and responsibilities of the Chairman and President & Chief Executive Officer (PCEO) are separated with clear division of responsibilities, defined and documented as approved by the Board. The distinction allows for a better understanding and distribution of jurisdictional responsibilities and accountabilities.

The Board has full and unrestricted access to all information pertaining to the Group's businesses and affairs to enable it to discharge its duties effectively. Individual Directors may seek independent professional advice at the Bank's expense when necessary.

The Directors are regularly updated and apprised of any new regulation and guidelines as well as amendments thereto issued by BNM, Bursa Securities, the Companies Commission of Malaysia and relevant regulatory authorities.

BOARD CHARTER

In discharging its duties, the Board is constantly mindful of the need to safeguard the interests of the Group's shareholders, customers and all other stakeholders. In order to facilitate the effective discharge of its duties, the Board is guided by the Board Manual ("Manual"), which provides reference for Directors in relation to the Board's role, powers, duties and functions. The Board encourages the Group's subsidiaries and associates' boards to adopt similar manuals for their respective entities. The manual comprises, amongst others, well define terms of reference as well as authority limits for the Board and its committees, and the various relevant internal policies.

The chapters covered under the Manual are as follows:

- Group's standard of business conduct
- Directors' duties and obligations
- Appointment and resignation of Directors
- Governance structure
- Board and Board Committee proceedings
- Remuneration and benefits for Directors
- Supply of information to the Board
- Training and induction programmes
- Annual Board Assessment
- Conflict of interest and related party transactions
- Other key policies of the Bank and the Group

BOARD COMMITTEES

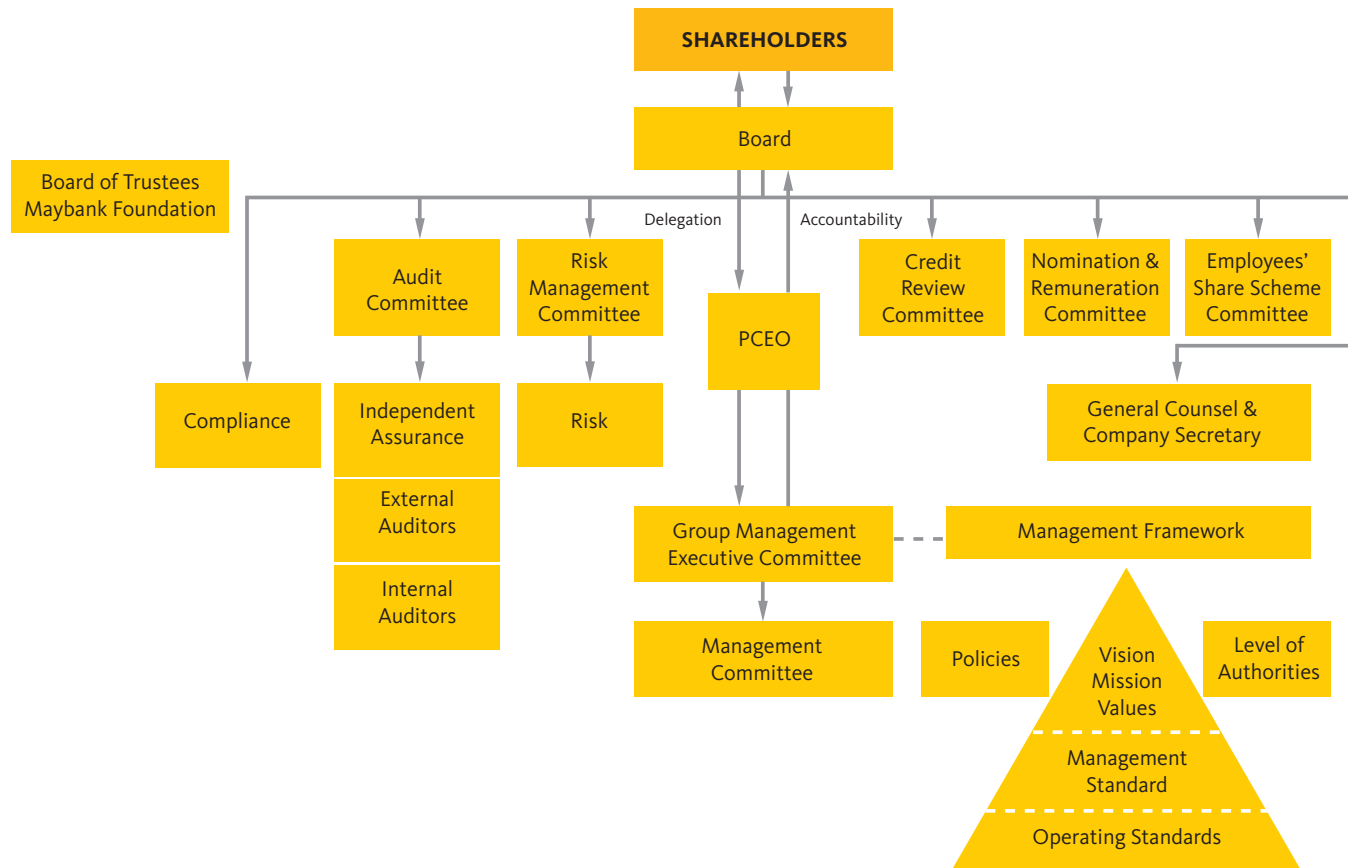
The Board delegates certain governance responsibilities to the Board Committees, which operate within clearly defined terms of reference, primarily to assist the Board in the execution of its duties and responsibilities. Although the Board has granted such discretionary authority to these Board Committees to deliberate and decide on certain operational matters, the ultimate responsibility for final decision on all matters lies with the entire Board. The Board Committees are Audit Committee, Credit Review Committee, Nomination and Remuneration Committee ("NRC"), Risk Management Committee and Employees' Share Scheme Committee.

EXECUTIVE LEVEL MANAGEMENT COMMITTEES ("ELC")

The PCEO, with the Board's support, has established various ELCs and delegated some of his authority to assist and support the relevant Board Committees in the operations of the Bank. The key ELCs, which are mostly chaired by the PCEO or the Group Chief Financial Officer, are as follows:-

- Group Executive Committee
- Group Management Credit Committee
- Internal Audit Committee
- Executive Risk Committee
- Asset and Liability Management Committee
- Group Staff Committee
- Group Procurement Committee
- Group IT Steering Committee

MAYBANK CORPORATE GOVERNANCE MODEL



Corporate Governance (cont'd.)

BOARD REMUNERATION AND PERFORMANCE EVALUATION

Directors' remuneration is generally set to be competitive to attract and retain high calibre Directors to provide the necessary skills and experience as required and commensurate with the responsibilities for the effective management and operations of the Group. In respect of the Executive Director, the component parts of remuneration are structured so as to link short and long-term rewards to corporate and individual performance. A significant portion of the Executive Director's compensation package has been made variable in nature depending on the Group's performance during the period, which is determined based on the individual Key Performance Indicators in a scorecard aligned with the corporate objectives, and approved by the Board. Remunerations for Non-Executive Directors generally reflects the experience and level of responsibilities. This is determined by the Board with recommendations from the NRC after independent benchmarking with relevant external peers.

BOARD AND INDIVIDUAL DIRECTOR'S EFFECTIVENESS

Upon the completion of every financial year, the NRC undertakes a formal and transparent process, to assess the effectiveness of individual Directors, the Board as a whole and its Committees, as well as the performance of the PCEO in respect of their respective skills and experiences, pursuant to the Board and Peer Annual Assessment exercise.

Further details on Corporate Governance during the year are outlined on pages 116 to 130 of Maybank Six Month Report - December 2011.

INVESTOR RELATIONS AND SHAREHOLDERS COMMUNICATION

Investor Relations ("IR") is an important part of Maybank's corporate governance framework to ensure that shareholders, stakeholders, investors and the investment community, both local and international, are provided with relevant, timely and comprehensive information about the Group. Maybank's dedicated IR unit is committed to providing effective and open communication in order to improve disclosure and transparency.

The Group's Extraordinary General Meetings (EGMs) and Annual General Meetings (AGMs) represent the primary platform for direct two-way interaction between the shareholders, Board and Management of the Group. In deference to shareholder democracy and the transparency policy adopted by the Group, shareholders' approval is required on all material issues including, but not limited to, the election and appointment of Directors, material mergers, acquisitions and divestment exercises, as well as the appointment of auditors and dividend payments. In addition to the AGMs and EGMs, shareholders and market observers are also welcomed to raise queries at any time through Corporate Affairs and Group Strategy Management.

INTERNAL CONTROL

The Board has an overall responsibility for maintaining sound internal control systems that cover financial controls, operational and compliance controls and risk management to ensure shareholders' investments, customers' interests and the Group's assets are safeguarded. The statement on Internal Control can be found on pages 222 to 225 of Maybank's Annual Report 2011, and this provides an overview of the state of internal controls within the Group.

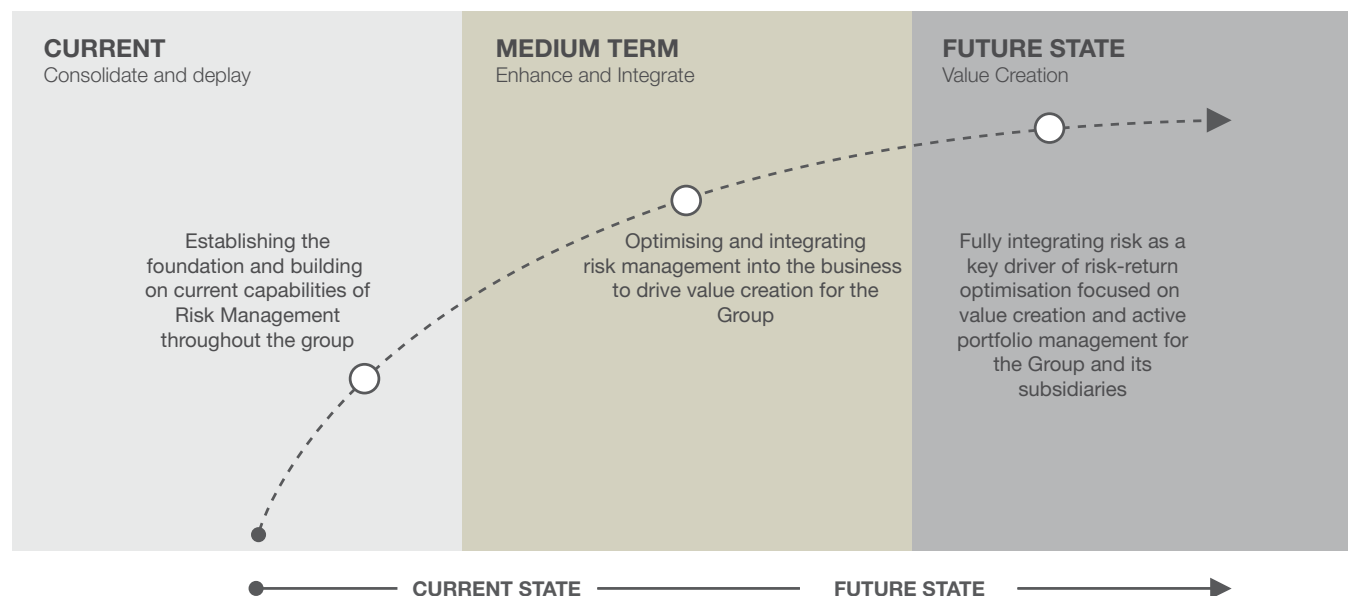
RISK MANAGEMENT PROCESS

Risk management and ensuring stable core business is an important responsibility for a financial institution. The Group adopts an integrated approach to the effective management of enterprise-wide risk in the Group. We classify business risk by evaluating the cause of losses. These risks are managed according to their respective characteristics including credit, market, liquidity, reputational, business/strategic and operational risks. These are comprehensively and systematically managed within established limits and controls.

RISK TRANSFORMATION PROGRAMME (RTP)

The key objective of the RTP is to redesign the current state risk architecture of the Group to align the capabilities of the Group risk function to the strategic aspirations of the Group. The RTP is aimed at enhancing our overall risk management processes globally, increasing our ability to manage risks in all markets that we operate, improving business responsiveness, optimising our risk-return capabilities, and becoming a market leader and thought leader in risk management in the region.

RISK TRANSFORMATION PROGRAMME (RTP)



Different types of risk managed at Maybank:

RISK TYPE	DEFINITION OF RISK TYPE
Credit Risk	Credit risk is the risk that the Bank will suffer a financial loss in the event a customer or counterparty fails to make a contractual payment.
Market Risk	Market risk is the risk of losses in earnings and capital resulting from movements in market factors such as interest rates, forex and capital spreads.
Operational Risk	Operational risk is defined as the risk of loss resulting from inadequate or failed internal processes, people and systems or from external events. It includes legal risk, but excludes strategic and reputational risk.
Liquidity & Funding Risk	Liquidity risk arises when a bank is unable to make a timely payment on any of its financial obligations to customers or counterparties in any currency. This may be due to the Bank's inability to liquidate assets or to obtain funding to meet its liquidity needs in a timely manner.
Reputational Risk	The risk that the Bank's reputation is damaged by one or more reputation events, as reflected from negative publicity about the Bank's business practices, conduct or financial condition. Such negative publicity, whether true or not, may impair public confidence in the Bank, result in costly litigation, or lead to a decline in its customer base, business or revenue.
Model Risk	Model risk is defined as the risk that models used in calculations of regulatory capital do not meet the required standards.
Credit Concentration Risk	Credit concentration risk refers to the concentration to any single exposure or group of exposures that has the potential to produce losses large enough to undermine the financial health of the Bank.
Business / Strategic Risk	The risk of current or prospective impact on the Bank's earning, capital, reputation or standing arising from changes in the operating environment, adverse strategic decisions, improper implementation of decision or lack of responsiveness to industry, economic or technological changes.
Compliance Risk	These are risks arising from non-compliance with laws, rules, regulations or other standards applicable to the Bank.



Empowering Communities

“Empowering communities means helping them develop in ways that are not merely beneficial but sustainable. Everywhere we operate across Asia, our community initiatives target diverse groups and, above all, the less fortunate. This will also foster a culture of caring amongst our employees and strengthen the bonds between Maybank and the communities we serve.”

Empowering Communities (cont'd.)

The Maybank Scholarship Award

The Maybank Scholarship Award is central to our educational initiatives. It is also part of the Group's human capital development programme, as Maybank aspires to be a top quartile employer of talent by 2015 in each of the markets we serve.

The scholarship award was established in 1972, and to date, we have sponsored over 1,000 bright individuals. Last year, Maybank awarded 27 new scholarships under its annual Maybank Scholarship Awards 2011 Scheme. The scholars are pursuing undergraduate studies at public universities as well as selected private institutions of higher learning. Each receives an annual grant of RM9,000 as well as a laptop computer and mentoring programmes in preparation for eventual employment in the Maybank Group. Over RM1.8 million is allocated yearly for the awards programme.

In addition, Maybank revamped its scholarship scheme to include full scholarships and has set aside RM3.54 million, sponsoring studies at top overseas universities for the first time. The scholarship covers all tuition fees and living allowances. We also provide more learning and development programmes to sharpen graduates' competitive edge when they embark on their Maybank careers.

We select students from a range of disciplines that will support the diverse business needs of the Maybank Group, as we believe this brings diversity to our scholarship programme and enriches our human capital pool.

Twenty students, selected from over 800 applicants, were awarded full scholarships under this scheme to pursue their education at universities such as Imperial College, London School of Economics, University of Chicago and University of Melbourne.

KEY IMPACTS IN THE SHORT AND LONG TERM

- **Students:** Students are assured of quality education, since they are given the opportunity to pursue their tertiary education abroad at prestigious universities.
- **Skills:** Our scholarship programme features more than just financial assistance. It includes a mentoring framework, opportunities for internships and development interventions to build skills.
- **Employment:** Maybank scholars are guaranteed job placements within the Maybank Group.

- **Mentorship Programme:** Maybank further nurtures scholars' development by pairing them with senior leaders in Maybank who guide, mentor and coach them throughout their studies.
- **Financial Services Industry:** Maybank's goal is to enhance the financial services industry through sustainable development of human capital.
- **Future Leaders:** The programme is a key part of the Group's human capital development strategy to ensure a pool of leaders who can help Maybank achieve its vision to be a regional financial services leader.

MOVING FORWARD

We will attract the most promising scholars from across the region, and fund an education whose calibre will enable them to fulfil their potential.



“Being a Maybank Scholar meant more to me than just financial support to pursue my tertiary education. It kick-started my career. On graduation, I got the chance to join the Global Maybank Apprentice Programme which launched me on a structured development journey and helped me built my technical and leadership skills”.

- Joey Liew Foong Yee.

Empowering Communities (cont'd.)

Maybank Financial Literacy Programmes

As the Government introduces various measures to propel the country to high-income status, we at Maybank believe that a national strategy is required to help Malaysians improve their personal financial literacy and skills. Our contribution to the New Economic Model (NEM) for Malaysia's economic development is to help prepare young Malaysians for the financial challenges they will face in the future by inculcating responsible personal financial habits.

Maybank runs a series of financial literacy programmes in tandem with Money Tree (M) Sdn Bhd. Maybank adopts primary schools, and the children learn about financial education through a series of workshops conducted by Money Tree. The Malaysian Ministry of Education has endorsed this programme.

The Maybank MoneyTree Financial Literacy Programme (FLiP) introduces the children to basic financial concepts

such as inflation and interest rates. Upon successful completion of the workshop, students earn both a certificate and core curriculum points. FLiP reached 3,035 primary school students in 2010, and the 2011 response was still greater, with 3,500 students participating.

The Maybank Moneytree Idea Exchange Programme (MIX) gives today's undergraduate youth the opportunity to pitch their business skills



to potential investors and employers, thereby exposing them to the realities of the labour market. Through rounds of elimination, eight selected teams of students present their business ideas to a panel of judges comprised of industry experts. MIX provides an attractive platform for organisations to 'headhunt' new talents to join them upon the completion of the students' education.

Whilst MIX targets career-minded youths seeking employment with top organisations, the Maybank Moneytree Young Entrepreneur Start-Up Challenge (YES) focuses on young entrepreneurs and their potential business ventures. YES provides these youngsters with the opportunity to acquire the necessary business skills and knowledge as they seek sponsorship to finance their ideas.

The process fine-tunes the students' entrepreneurial mind-set, gives them the experience of running a business, and offers them the opportunity to turn their ideas into profitable business ventures. Currently in their fourth seasons, MIX and YES have reached a total of 80,000 youths in 22 colleges and universities in Malaysia.

Beyond 2011, FiIP will introduce financial literacy games to boost student engagement and extend our reach to even more schools around the country. We have further developed and enhanced the MIX and YES programmes to reach a target of more than 60,000 undergraduates.

MOVING FORWARD

Maybank and MoneyTree will be looking into the possibility to embark on a 3-year plan to develop a National Financial Literacy Programme.



“The Maybank-MoneyTree financial literacy programme is part of our effort to promote financial education among youngsters and to inspire the spirit of entrepreneurship among tertiary students.”,

Chong Wai Hong, Executive Vice President, Community Financial Services Maybank

Empowering Communities (cont'd.)

“We aim to help improve the students’ academic performance, increase parental awareness of the importance of education, encourage parental involvement with the school as well as celebrate the ‘success stories’ in the community and raise the stature of those from the low-income group.”

MOVING FORWARD

We will adopt more schools regionwide, and facilitate the implementation of a standard programme to improve English literacy and ICT skills in measurable ways.



Nurturing Future Talents

Our partnership with the PINTAR Foundation and our adoption of two schools entered their third year in 2011. Our adopted schools are Sekolah Menengah Kebangsaan (SMK) Sungai Ara and Sekolah Kebangsaan (SK) Sungai Duri, both located in Pulau Pinang. We offered the students a variety of incentives and encouragement for academic

achievements and excellence in sports. We also contributed computers to enhance the students’ computer literacy and conducted English courses for the teachers to improve their proficiency levels.

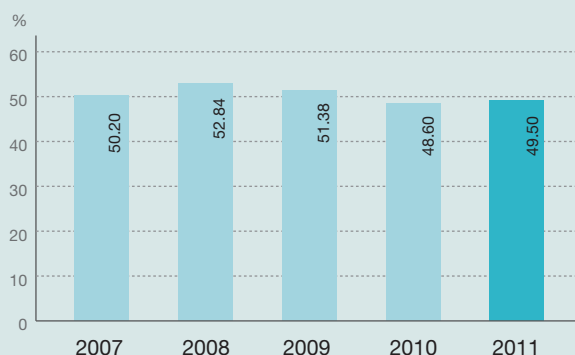
Through the PINTAR Programme, we aim to help improve the students’ academic performance, and also to

increase parental awareness of the importance of education and encourage parental involvement with the school. We celebrate the success stories in the community and strive to raise the stature of those in the low-income group.

In 2011, SMK Sungai Ara recorded a pass rate of 49.15% in the PMR examination which represents an increase of 0.55% from the previous year. Full details of the SMK Sungai Ara PMR grades and rates can be seen in the tables below.

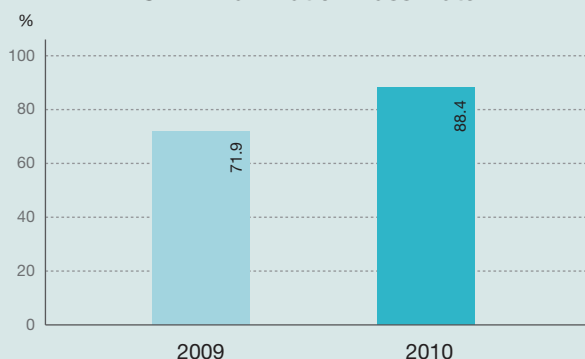
PMR Examination					
Year	9A	8A	7A	6A	5A
2007	0	0	0	2	2
2008	0	0	1	3	2
2009	0	1	1	0	3
2010	0	0	4	3	2
2011	0	4	2	5	4

PMR Examination Pass Rate



The school's pass rate for the SPM examination also increased from 71.9 % in 2009 to 88.4 % in 2010. We are currently waiting for the release of the SPM results and we forecast an upward trend in the pass rate at the school.

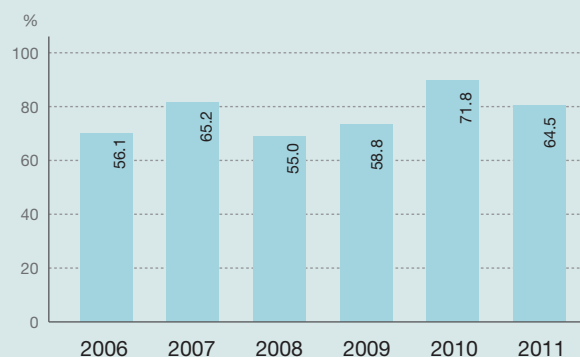
SPM Examination Pass Rate



The UPSR examination pass rates and grades for SK Sungai Duri can be seen below. The school achieved a pass rate of 64.5 % in the UPSR examination in 2011. There has been an improvement from 2006 when the pass rate was 56.1%.

UPSR Examination					
Year	Number of Candidates	5A	4A1B	3A2B	5C
2006	82	5	5	4	46
2007	89	6	9	11	58
2008	100	8	1	4	55
2009	102	4	6	5	38
2010	117	17	7	13	47
2011	121	7	7	8	56

UPSR Examination Pass Rate



“Maybank’s adoption of our school has brought about an immense improvement in the students’ welfare and personal development, as can be seen in both their attitudes towards achieving higher grades and their extra-curricular activities.”

Jalil Saad, Sekolah Kebangsaan Sungai Ara, Penang

Empowering Communities (cont'd.)



“Cahaya Kasih brings us together and allows us to see each other in a different light. We discover our hidden talents and shared goal to respect and serve humanity, and conserve the animals and the environment.”

Audrey Gan, Maybank Islamic

Cahaya kasih

‘Cahaya Kasih’ is the banner for our employee volunteerism programme. Through this programme, Maybankers donate their time and share their knowledge in a broad range of efforts. In so doing, they often collaborate with organisations and NGOs in community development work and fund-raising events.

Number of volunteerism hours and number of volunteers:

For the period of July 2010 to Jun 2011:
84,769 volunteerism hours and 18,562 volunteers.
For the period July 2011 to December 2011:
69,827 volunteerism hours and 15,813 volunteers.

This figure includes regular volunteering and one-of volunteering. The volunteerism hours are a multiple of the number of volunteers to the duration of the event for the period stipulated.





Cahaya Kasih community work in the last reporting period included:

- Maybank Apprentice Coaching Programme for the children of Rumah Kanak-Kanak Tengku Budriah (RKKTB)
- Health and Hygiene sessions for the children of RKKTB
- Academic excellence rewards and festive treats for the children of RKKTB
- Monthly birthday celebrations for RKKTB children hosted by EXCO members
- Global CR Day 2010 – “Close To You” programme for Maybankers worldwide
- Majlis Penganugerahan Ibu Mithali
- Maybank Golden Anniversary Celebration – Launch of 1Malaysia Sculpture and Maybank Foundation in conjunction with 50th Golden Anniversary Gala Dinner
- Berjaya Founder’s Day Carnival with underprivileged children from various homes
- Disney On Ice show for underprivileged children of various homes
- Visit to the Malaysian Association for the Blind (“MAB”)
- Mother’s Day celebrations with female inmates at Kajang Prison
- Joint alliance in CR initiatives for the homes of underprivileged, mentally and physically challenged children and underprivileged elderly
- Contribution of refreshed computers cum introductory computer lessons by Maybankers for single mothers at Rumah Nur centres nationwide
- A platform for fund-raising by members of the Single Parents Association
- Fund raising for Maybankers affected by natural calamities, locally and internationally

We now plan to make Cahaya Kasih a key programme under the Maybank Foundation, to enable and support Maybank volunteerism across a huge variety of causes. Funding apart, the role of the Foundation will be to select projects that are sustainable long-term and have maximum positive impact and measurable results. The Foundation will also be responsible for monitoring the outcomes of these projects to ensure that they achieve their agreed objectives.

MOVING FORWARD

We will tap the rich potential which exists in our 45,000 employees. Over 80% of Maybankers support volunteerism, and Cahaya Kasih exists to channel that enthusiasm most effectively.

Empowering Communities (cont'd.)



RUMAH SINGGAHAN KASIH MAYBANK

In 2006, we partnered with the Ministry of Women, Family and Community Development to launch our home adoption programme, "Rumah Singgahan Kasih Maybank". Aimed at supporting communities with special needs, we focused on orphans, abused children, juvenile delinquents and the physically challenged, and adopted seven homes around the country:

- **RUMAH KANAK-KANAK TENGKU AMPUAN FATIMAH, KUANTAN (PAHANG)**
- **RUMAH KANAK-KANAK KOTA KINABALU, PAPAR (SABAH)**
- **RUMAH KANAK-KANAK TENGKU BUDRIAH, KUALA LUMPUR**
- **TAMAN SINAR HARAPAN, KUALA KUBU BHARU (SELANGOR)**
- **TAMAN SINAR HARAPAN JUBLI, JOHOR BAHRU (JOHOR)**
- **SEKOLAH TUNAS BAKTI KUCHING, KUCHING (SARAWAK)**
- **SEKOLAH TUNAS BAKTI, BUTTERWORTH (PENANG)**

This programme encourages Maybank volunteers to engage with the residents of the seven adopted homes, participating in activities to promote social care, education, skill-building and improved quality of life.

Employee response exceeded our expectations. Volunteers organised special educational and social outings. They provided educational support in subjects like Science, Mathematics and English Language and coordinated basic health and hygiene sessions.

Academic excellence awards have inspired the children in the homes. Our weekly tutorial sessions that started with Standard 4 and 5 children have since been extended to include children from Standard 1 through Standard 6 and are now held twice a week at Menara Maybank, providing the children with the additional excitement of visiting the Head Office of one of the country's leading financial institutions.

Volunteers visit the homes during the festive seasons to deliver clothing and

food. Some of the children who have found mentors in our employees have progressed especially well in their studies and personal development. Our employees have also benefitted in many ways; their lives have been enriched, and their time and effort now produce a significant Social Return on Investment (SROI).

Going forward, we intend to track the children's progress so as to quantify this SROI and to measure the success of the home adoption programme.

RUMAH KANAK-KANAK TENGKU BUDRIAH

We share a common ground with institutions and organisations around the world that believe in community involvement and community programmes that help to create shared value; a belief that business success and the welfare of our communities are interdependent. Rumah Kanak-Kanak Tengku Budriah (RKKTB) in Cheras, Kuala Lumpur is just one of the seven homes adopted by Maybank under our home adoption programme. During our adoption period, we have provided educational support and nurture, general health and hygiene sessions and academic excellence rewards to the children of the home. This is in addition to upgrading and maintenance of the home's premises and playground as well as the social and educational outings for the residents of the home. The tutorial sessions are now being conducted in Menara Maybank, which also provides the children with the excitement of visiting the Head Office of the country's leading financial institution. This is in addition to our material contributions and upgrading of the home's premises. Visits to RKKTB are organised on festive occasions to deliver clothing and food to the residents and special educational and entertainment outings are also on the agenda. Some of the children of RKKTB have found themselves mentors in our employees and have progressed in their studies and personal development.



"Thank you to Maybankers for their effort and support in mentoring our 25 children who were once underscorers in Mathematics and English. The children have been showing some improvement in both subjects." Zubaidah Muhamad, Principal, Rumah Kanak-kanak Tengku Budriah thanking Maybank for conducting the coaching programme for the children of the Home.

MOVING FORWARD

We will improve our methods to measure and track the children's progress as we also expand the number of adopted homes.

Empowering Communities (cont'd.)

“We would like to thank Maybank for the generous contribution of sports equipment to the school. It means a lot to the pupils as 1Murid 1Sukan can now be realised in 2012. May your support and contribution to the school in both education and sports continue!”

Khasanah Ibrahim, Headmistress, Sekolah Kebangsaan Klang Gate, thanking the Audit team for their donation during Global CR Day 2011.

Global CR Day Project

Activities in 2010

20 November 2010 saw Maybankers worldwide unite for our first simultaneous Global CR Day. With some 40,000 employees in 14 countries participating, this momentous occasion reaffirmed our commitment to be involved with the communities in which Maybank operates.

Themed “Close To You”, our CR initiatives focused on the five key areas of Education, Welfare, Sports, Environment and Health & Medical. The participation of Senior Management and some of our Board Members mobilised Maybankers worldwide to live up to our CR philosophy of “Growing with Responsibility.”

Leading up to the inaugural event, employees contributed their own funds and organised various fund raising activities for their respective projects. Malaysian bank staff brought immense joy to many people when they visited orphanages, refugee centres, and homes for the underprivileged. Other activities such as tree planting, blood donation drives, beach cleaning and various recycling projects were also on the agenda.

Elsewhere, Maybankers in Singapore planted 50 trees in MacRitchie Forest to mark Maybank’s 50 years of operations in the country. Volunteers conducted

environmental awareness programmes in China and helped to clean Ting Kau Beach in Hong Kong. Indonesian bank staff presented five top students of a rural school with education funding, and the General Hospital of Port Moresby in Papua New Guinea received two brand new wheel chairs.

Activities in 2011

In 2011, our Chairman, Tan Sri Megat Zaharuddin Megat Mohd Nor, led a record 15,000 Malaysian Maybankers as they conducted over 150 different initiatives on Global CR Day. Volunteers landscaped and refurbished animal enclosures at Zoo Negara, visited refugee centres, hospitals and other homes, and entertained underprivileged children with a series of fun-filled activities such as magic shows, colouring contests and story-telling.

Employees also cleaned beach and lake areas, organised blood donation drives and initiated recycling efforts.

Our President and Chief Executive Officer, Dato’ Sri Abdul Wahid Omar, also took part in the Global CR Day 2011, planting trees at Taman Eko-Rimba KL, Bukit Nanas and assisting in Zoo Negara.

Meanwhile, Maybank employees in London conducted a talk on ethical banking practices at the Malaysian

Students Department, and Maybank Philippines staff organised a flu vaccination drive for elementary school students. In New York, Maybankers collected, sorted and delivered food donated by the staff and the Bank to City Harvest, the world’s first food rescue organisation dedicated to feeding the city’s hungry men, women, and children.

In Vietnam, Maybank employees contributed to the construction of a house for the handicapped and homeless students at the Long Thanh Vocational School. Maybank Cambodia led a community development programme to build houses and provided financial support to fund the project, while Maybank Singapore launched a massive collection of recyclable materials called Project ICE (I Care for Earth).

MOVING FORWARD

We will ensure that our Global CR Day remains a vibrant annual event, bringing the energy and dedication of Maybank volunteers out in force to benefit communities and the environment.



Empowering Communities (cont'd.)

International Women's Day

Over the years, Maybank has instituted policies that provide equal opportunities for women, while our CR initiatives recognise the essential roles that women play in our communities.

In 2011 we collaborated with the Ministry of Women, Family and Community Development on a number of programmes designed to promote sustainable change. We joined with our IT outsourcing partner, CSC, to celebrate this year's International Women's Day by donating some 200 refreshed computers to single mothers all over the country. Maybank employees nationwide contributed their

time to educate the women on the effective use of computers and internet banking and to broaden their understanding of communication and networking.

In Menara Maybank, we marked International Women's Day by hosting a forum entitled 'Empowering Women to Challenges: Change and Financial Independence'. Speakers addressed various issues on women's contribution to the economy. A sales carnival featuring products made by the single mothers of the Rumah Nur centres in Kuala Lumpur and Selangor gave Maybank staff a chance to support

their endeavours. Throughout the day, employees attended several talks covering topics from women's sexuality and financial independence to self-defence.

MOVING FORWARD

We will continue to mark this day with events designated to help women reach their full potential – professionally, physically, mentally and spiritually.

“The self-defense talk was superb. Many women think self-defense means martial arts, but there are simple things that every women can do to be safer. We don't need to feel so vulnerable”
Zainiah Zahar,
Corporate Affairs Maybank



Mother's Day Celebration

with inmates from Kajang Prison



“Maybank has contributed a sewing machine for shoes to Kajang Prison to help inmates learn a marketable skill.

Through self-reliant employment, they will make meaningful contributions to the economy.”

Nora Manaf – Senior Executive Vice President,
Group Human Capital Management

A Cahaya Kasih team of 55 Maybankers celebrated Mother's Day with 49 female inmates and their family members at Kajang Prison. As part of our effort to reach out to different sectors of the community, the visit not only gave our volunteers the opportunity to see life behind the prison walls, it also reminded the inmates that they are not forgotten. In one of the day's more poignant moments, the inmates presented flowers to their mothers. This event was especially precious, because it was an opportunity for two family visits within the same month.

Our volunteers, the inmates, their families, and the prison personnel participated in aerobics and tele-games, which helped to lighten the ambience of the prison for a short time. During visits to the infirmary and crèche, our staff met children under the age of three whose mothers are serving their sentences. The volunteers presented Maybank donations, a shoe sewing machine and an electronic Quran to the inmates to help them develop new marketable skills for economic independence and self-empowerment.

We intend to extend this project beyond 2011, making it an annual event in our Cahaya Kasih programme.

Empowering Communities (cont'd.)

Responding to Health Care Needs

MAYBANK LIVER TRANSPLANT CENTRE

Maybank is actively involved in promoting public healthcare development and helping the poor gain access to medical services.

In 1990, we established the Maybank Group Welfare Fund with an initial seed capital of RM1 million, later increased to RM2 million. The Fund helps to purchase medical equipment for public hospitals and welfare organisations, as well as supporting medical projects nationwide.

The Liver Transplant Centre in Hospital Selayang is a unique public-private initiative established in 2002. The Ministry of Health Malaysia operates Hospital Selayang and the Liver Transplant Centre, while a RM5 million grant from the Maybank Group contributes to the operational costs of the Centre.

The Centre provides affordable liver transplants for those who are unable to pay the significantly higher amount charged by private hospitals in Malaysia or abroad, whilst offering comparable facilities and expertise. The Centre's first liver transplant took place on 10 April 2002. Since then, 52 transplants have been performed.

In 2010, Maybank, under Tabung Kebajikan Kumpulan Maybank (TKKM), donated a further RM50,000 to the Centre for the purchase of medical equipments for the benefit of liver transplant patients.

“We looked into how we could come up with a facility that would not charge patients too much, especially one within the public hospital system where the costs of staffing and infrastructure were already covered by the Government. As our chosen partner, Maybank sponsors liver transplants on an individual basis.”

Dato' Dr. Harjit Singh, Consultant Surgeon at the Department of Hepato-Pancreato-Biliary Surgery, Hospital Selayang



MOVING FORWARD

We will engage with the Maybank Liver Transplant Centre to find ways in which the Maybank Foundation can make long-term, sustainable contributions to healthcare.

DISASTER RELIEF

When floods devastated the northern region of the country in late 2010, Maybank resolved to provide relief assistance to the thousands of Malaysians who were forced to leave their homes. We offered a six-month moratorium on monthly instalment payments, and waived certain charges on a case-by-case basis for customers affected by the floods. The moratorium extended to businesses and SMEs as well as individual customers and was the fourth moratorium we have offered since 2007 to those struck by natural disaster.

In addition, Maybank employees contributed over RM270,000 to assist colleagues affected by the floods.

JAPAN EARTHQUAKE

Following the deadly earthquake and tsunami in Japan which claimed tens of thousands of lives and rendered millions homeless, Maybank at once set up a fund in collaboration with the Malaysian Girl Guides Association. The Malaysian public was extremely enthusiastic in their response to the Malaysian Girl Guides - Maybank Disaster Fund, and within a short period of time the collection rose to over RM2 million, making it the highest collection for charity by a group recorded in the Malaysian Book of Records.

PADANG EARTHQUAKE

In October 2009, Maybank contributed RM500,000 to the Tabung Bencana NSTP-Media Prima Berhad fund to provide aid for those affected by the earthquake that hit Sumatra the month before. The Tabung funds are intended to aid victims of natural disasters, and the Sumatra earthquake elicited over RM2.2 million in donations. In December 2011, the funds were disbursed for the construction of a school and a hospital in the city of Padang. Maybank, among the first contributors to the Tabung, also facilitated public donations to the fund both via its branches and via its online banking service.

MOVING FORWARD

Our subsidiary Bank Internasional Indonesia (BII), will adopt the school in Padang, and will provide academic support, both in terms of material donations and mentorship.



Empowering Communities (cont'd.)

Sports



Sport delivers immense benefits to people of all ages by promoting a healthy and positive lifestyle. It plays a vital role in developing talent, building teamwork and boosting competitiveness. At the same time, it strengthens communities and reinforces national unity.

Sport is also crucial to youth development, while sports stars are inspirational figures who spur the young to ever-greater effort and achievement. For all these reasons, sports sponsorship is a major element in Maybank's CR programme.

GOLF

From 2006 to 2010, Maybank sponsored the nation's premier golf tournament, the Maybank Malaysian Open (MMO). In 2011, we committed to another five-year sponsorship. The Group has spearheaded the effort to attract more young people to the sport of golf, and its renewed sponsorship has attracted phenomenal young players like Louis Oosthuizen and Charl Schwartzel from South Africa and Martin Kaymer from Germany to the next tournament.

Last year, Italian Matteo Manassero won the MMO two days before his 18th birthday, a testament that successful sport programmes like the MMO are helping to nurture the talents.

The MMO prize money has risen to US\$2.5 million, and the number of Malaysian participants has jumped from 17 to 22. Malaysian golfers Danny Chia and Mohd Shaaban Hussin have also been sponsored as Maybank ambassadors in golf as part of the commitment to help nurture young Malaysian golfers.

MOVING FORWARD

We will sponsor the Champions Academy, both to encourage youngsters to take up golf from an early age and to boost the number of talented young Malaysian golfers.



BADMINTON

Badminton is one of the eight core sporting activities that the Malaysian Government promotes as a means of nation-building. Maybank has committed to a six-year partnership with the Badminton Association of Malaysia (BAM). This collaborative effort will establish various clinics and tournaments to provide valuable exposure for the younger generation of players. National players will contribute their expertise, encouragement, and inspiration. Malaysians are proud of the nation's high rankings in the sport of badminton, and Maybank is committed to supporting its continued success.



FOOTBALL

Believing that sport nourishes unity and the holistic development of our future leaders, Maybank brought immense joy to some 20,000 school children from our adopted schools around the country when we sponsored their attendance at the football match between England's Chelsea FC and our very own Harimau Muda in July 2011 at Putra Stadium, Bukit Jalil.

“Thank you to Maybank for believing in my talent and providing me with the opportunity to compete internationally. I am also glad that Maybank is developing young talents through its Champions Academy. Golf builds strong values – it is a great sport for youngsters to build self-discipline, respect and teamwork.”

Danny Chia, Maybank Ambassador

MOVING FORWARD

Maybank will continue to collaborate with Badminton Association of Malaysia (BAM) to promote excellence in badminton especially among the young by carrying out various joint programmes such as clinics and tournaments to provide exposure particularly to the new generation of players.

Empowering Communities (cont'd.)

Culture & Heritage



BALAI SENI (ART EXHIBITION HALL)

Maybank promotes heritage through activities at Balai Seni, located in our Head Office at Menara Maybank, Kuala Lumpur. Balai Seni provides a convenient venue for both well-established and budding artists. We often stage exhibition in conjunction with national cultural festivals and various friendship events.

Balai Seni also ensure that artists receive the widest possible audience by providing an exhibition hall that is open, free of charge, to the Bank's staff, customers and other visitors.

The first exhibition of Malaysian art at Balai Seni in 1988 featured the works of Latiff Mohidin, a well known Malaysian artist, while the second highlighted the winning entries from a special Chinese brush painting competition sponsored by Maybank.

Since then Balai Seni has held numerous regular art exhibitions to display local and international works by leading Malaysian artists such as Yusof Ghani, YBhg Datuk Kayoom b. Mustakim, Noni Taib bt Abdullah, Zaidah bt Abdullah, Adeputra, Din bin Omar, Soh Boon Kiong, Ungku Farrah Abdul Rahman and Goh Ah Ang.

International exhibitions have featured artists such as An Yunji, Sun Yipeng, Zhang Yu Xin, Zhang Li Nong and Du Ying Qiang from China, Anna Stiffi Fardella from Italy, Syrian born Eyad Elsibai, and a group of artists from Cuba.



EXPRESSION OF THE MALAYAN TIGER – EXHIBITION TO PROMOTE TIGER CONSERVATION

Maybank hosted an art exhibition showcasing 50 works of art by Malaysian artists who participated at an art competition held in conjunction with the Bank's 50th anniversary celebration as well as to create awareness on tiger conservation. The art exhibition, "Expressions of the Malayan Tiger" attracted 84 artists who submitted works in various art forms such as paintings, prints, collage and sculpture and using mixed medium including watercolour, oils and charcoal. The artistic style varies from realism to abstract, expressionism to impressionism as well as pop and nouveau art.

– Night hunter
Yusri Bin Sulaiman
Expressions of The Malayan Tiger Art Competition

"The works of art showcase the vision, passion, style and creativity of the artists in capturing the power and strength of the tiger and how people affiliated with Maybank may be inspired by their works. They have broadened our imagination of the Tiger as the painting come to life via their artistic styles", Tan Sri Dato' Megat Zaharuddin Megat Mohd Nor, Chairman Maybank

Empowering Communities (cont'd.)



“ART AND ANTS” EXHIBITION BY LOCAL ARTIST GOH AH ANG

A month long art exhibition featuring some notable works by Selangor-born artist Goh Ah Ang, renowned for his Chinese paintings on diminutive subjects, such as insects was hosted in Maybank. A total of 37 paintings featuring some of Goh's works in the last 11 years offered an opportunity for art lovers and the public to get a glimpse of Goh's mystery. Goh is one of very few Malaysian artists who has acquired the skill and dexterity using a Chinese brush and style to paint minute insects such as ants where details are preserved, adding realism to the subjects painted by the artist.

“My deepest gratitude to Maybank for hosting my solo exhibition ‘Art and Ants’ at Balai Seni in May 2011.”

– Goh Ah Ang, Malaysian Artist



ART & HERITAGE – BEYOND MENARA MAYBANK

In addition to our exhibitions at Balai Seni, Maybank has sponsored external events such as an art exhibition featuring portrayals of tigers at Wei Ling Gallery in 2010. In the same year, Maybank Singapore hosted a customer appreciation event at the Glass Atrium of the National Museum which included a children's art competition, while in Indonesia, Maybank-BII coordinated a Youth Jazz Band Competition.

In 2001, Maybank Singapore paired 13 disabled artists with nine renowned local artists who volunteered three months of guidance and mentorship. The resulting series of artworks appeared in a special exhibition



“The art community, like ants, has an important contribution to society. In a developed society, the arts and artists have their roles in giving balance to the life of a community. While our nation strives to be a developed society, we must also preserve and advance the rich cultural diversity we possess. In this regard, corporations have a role to ensure its sustainability and for Maybank, we will continue to support it as one of our corporate responsibility

initiatives”, Dato’ Mohd Salleh Harun,
Vice Chairman of Maybank

Empowering Communities (cont'd.)



THE MAYBANK NUMISMATIC MUSEUM

During the opening of Menara Maybank in 1988, we launched the Maybank Numismatic Museum to promote awareness of Malaysia's distinctive monetary history. The first of its type in the country, the museum displays a collection of rare coins and currencies from the 15th century Malacca Sultanate to the present day.

The collection includes unique forms of currency used at different times in the country's history including "coin trees" and monetary tokens in the form of elephants and hats. Informative notes on the history and usage of the items engage and educate museum visitors.

MAYBANK'S VISION FOR ARTS, CULTURE AND HERITAGE

- Maybank has proven its commitment to arts, culture and heritage with more than a decade of support for local artists, photographers, graphic designers and writers.
- The artistic works of more than 300 artists displayed in over 25 exhibitions since 1988 have touched the lives of thousands of people and inspired new artists to pursue their dreams.
- Proceeds from the sales in our exhibitions have helped support artists financially, making a sustainable impact on their lives, reputation and future income.
- Maybank has organised special exhibitions for the general public, the sales proceeds from which have benefitted disadvantaged groups and community organisations.
- The exhibits at Balai Seni promote the works of both established and new artists and include special exhibitions for disabled artists, children and amateur arts groups from local communities around Malaysia and the region.
- Special exhibitions of artists from China, Cuba, Italy, Singapore and elsewhere celebrate Malaysia's special links to the wider international community.
- Our artistic and cultural heritage is documented in the works themselves, and is promoted to a wider audience in our growing list of books and publications.
- More than nine books over the last five years promote photographic artists, graphic designers, printers and authors from Malaysia, whilst also highlighting special issues such as conservation of the iconic Malayan tiger.
- The Maybank Balai Seni Exhibition Hall assures artists of wide exposure by providing an exhibition hall open, free of charge, to Maybank employees, customers and other visitors.

“A country's art is one of its most priceless possessions. It is a representation of its people, society and environment as perceived and conceived by the artist. To promote the nation's art is thus to help enrich its culture”.

Tan Sri Hashim Aman, former Chairman of Maybank, at the 1988 opening of the inaugural Balai Seni art exhibition at Menara Maybank.



Empowering Communities (cont'd.)



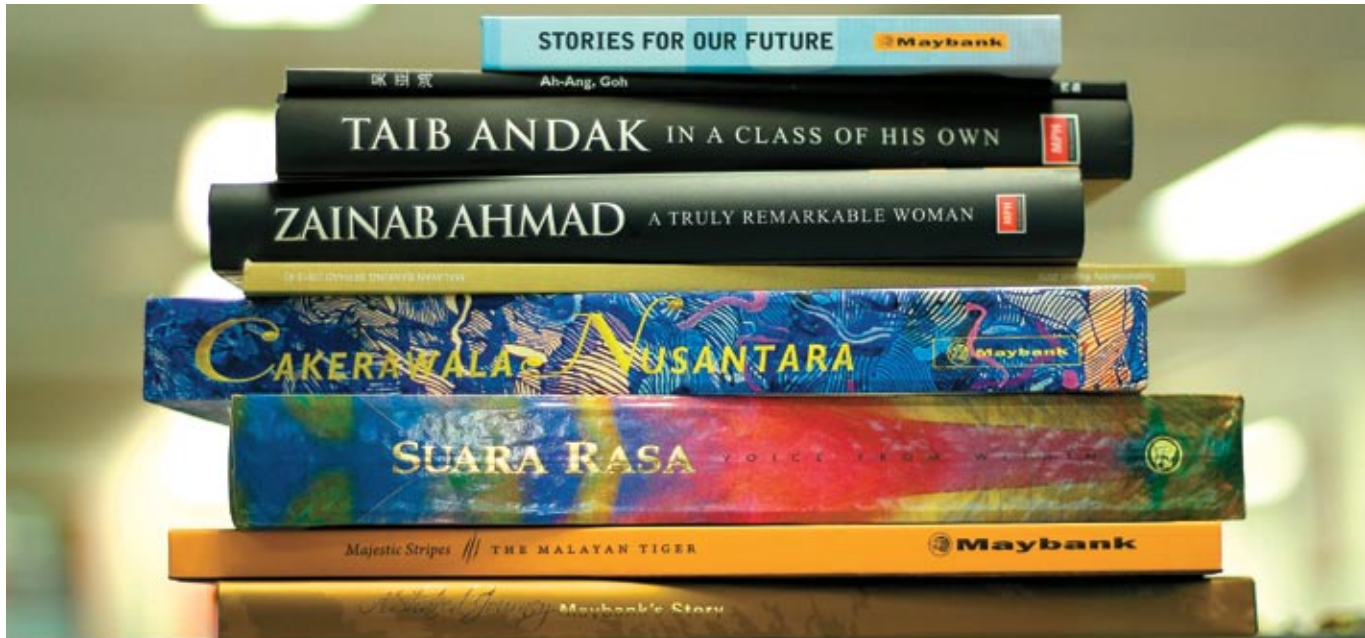
SUPPORTING THE COMMUNITY THROUGH ART

Maybank has hosted a number of special exhibits at Balai Seni to to raise funds for organisations such as the Alzheimer's Disease Foundation Malaysia, Yayasan Orang Kurang Upaya Kelantan, and the Cancerlink Foundation.

In 2004, Maybank invited 50 children, aged 7-12, from five homes to participate in a special exhibition featuring their own works.

We consistently look to the future of our local arts community by supporting and promoting amateur groups and budding artists from universities, art colleges and schools across Malaysia. A special exhibition of the work of students from Universiti Institute Teknologi Mara and Lim Kok Wing University College of Creative Technology in conjunction with World Peace Day in 2006 is but one more example.





DOCUMENTING OUR ARTISTIC AND CULTURAL HERITAGE

Over the last five years Maybank has sponsored the publication of more than nine books to promote regional photographic artists, graphic designers, printers and authors. Other Maybank publications highlight special issues such as conservation of the Malayan tiger, the photographic history of Perak, and the history and culture of neighbouring Indonesia.

Maybank publications include:

- Half a Century of Malaysia-Indonesia Relations (2010), edited by Mohammad Redzuan Othman – An engaging history of the two neighbouring nations sponsored as part of Maybank's effort to support the growth of economic and social ties between Malaysia and Indonesia.
- In A Class of His Own (2009), by Kalsom Taib – A biography of the late Tan Sri Taib Andak, a former Chairman of Maybank and the first Malaysian to be appointed as Chairman of the Federal Land Development Authority (FELDA) in 1958.
- Goh Ah Ang (1995-2011) – A catalogue of the works of Goh Ah Ang, a renowned Malaysian artist who excels in Chinese ink painting. His art combines traditional Eastern aesthetics with modern Western principles of design. Balai Seni staged solo exhibitions of Goh's works in 1995 and 2011.
- Majestic Stripes, The Malaysian Tiger (2010) – Images and insights into one of Malaysia's rarest and most endangered national icons. Maybank published this book as part of our programme to protect and conserve this precious species.
- Cakerawala Nusantara (1999) – A compilation of poems and paintings from four countries in the Malay archipelago.
- Stories For Our Future, A Collection of Tales For The Children of Malaysia (2010) – Published in conjunction with Maybank's 50th Anniversary, this anthology centres on the themes of nation-building and unity.
- PERAK: 300 Early Postcards (2009) by Cheah Jin Seng – Displays a rare and insightful view of the Malaysian state of Perak through the 19th and 20th centuries.
- Suara Rasa: Maybank's Painting Collection (1993) – A catalogue of Maybank's permanent art collection including poetry by prominent Malaysian poets.

Empowering Communities (cont'd.)

LONG-TERM SUSTAINABILITY OF MAYBANK'S ARTS, CULTURE AND HERITAGE PROGRAMMES

Right from the start, Maybank's support for arts and culture has focused on programmes that are sustainable long term. Ever since it opened in 1988, Balai Seni has acted as a venue for the sale of art, providing income and exposure for artists, as well as raising the value of the works themselves. Many of the artists we have sponsored have gone on to build flourishing careers.

A DECADE OF ART AND HERITAGE AT MAYBANK

DATE	TITLE OF EXHIBITION	ARTIST	SUMMARY
28/2/2001	Pameran Lukisan Persahabatan China - Maybank	Zhang Yu Xin & Zhang Li Nong	An exhibition organised with the cooperation of the Embassy of the People's Republic of China to commemorate the opening of Maybank Shanghai Branch.
06/12/2001	Duo Sensitivity	13 disabled artists	"Duo Sensitivity" was the theme of Maybank's Very Special Arts Singapore "Pair-With-An-Artist" exhibition. Nine renowned local artists volunteered for three months to mentor artists with disabilities. The exhibition of their works was a milestone for Very Special Arts Singapore, as it was the first such partnership programme in the country.
11/05/2002	Imajan Malaysia	Yusof Ghani & others	Perception and interpretation of the images of Malaysia were portrayed in 50 artworks by prominent Malaysian artist Yusof Ghani and his former students.
26/2/2003	Emotions of Asia	Anna Stiffi Fardella	The Italian artist, inspired by eight years in Malaysia, presented a mélange of faces and figures.
08/06/2003	Imajan dan Suara Kemerdekaan	107 local artists	In conjunction with the Merdeka celebration, this exhibition featured Malaysian artists' interpretations of the theme of independence.
05/08/2003	Inspirasi	Datuk Kayoom b. Mustakim, Noni Taib & Zaidah bt Abdullah	Inspirasi showcased three Malay artists with very different artistic views, disciplines and backgrounds.
16/6/2003	Made in Blessing Land	Adeputra	Bright colours and symbolism reflected the artist's life in this "blessing land".
16/7/2003	Dokumentasi Budaya III	Din bin Omar	The exhibition of still life compositions depicted simple ordinary ornaments used in traditional ceremonies.

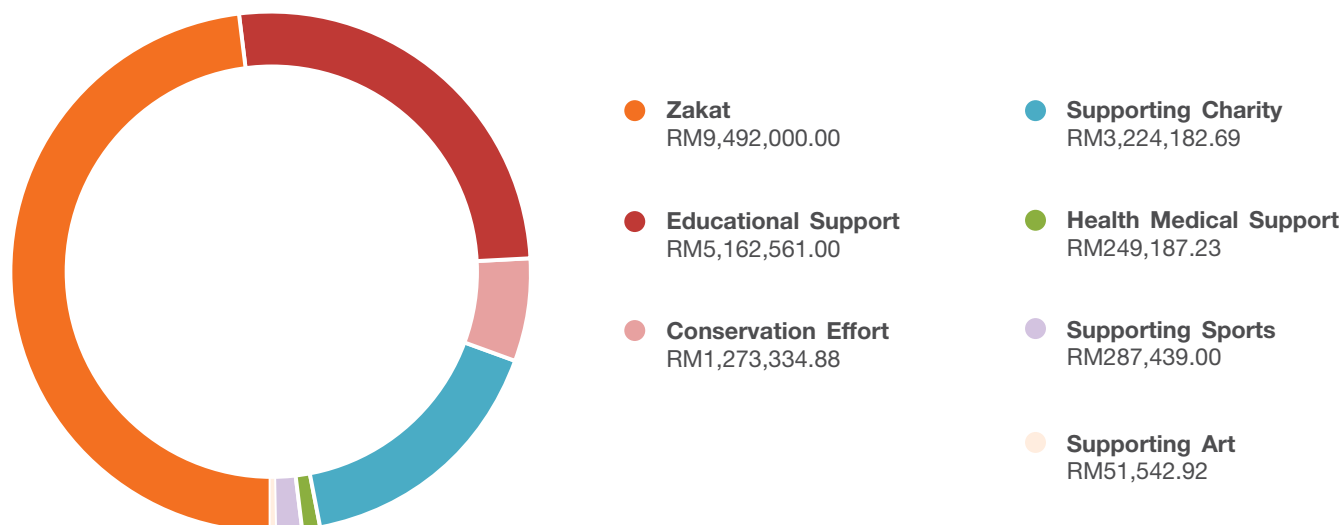
DATE	TITLE OF EXHIBITION	ARTIST	SUMMARY
09/10/2003	Beautiful Malaysia	20 members	By featuring works by 20 members of the Contemporary Malaysian Watercolourists Association, we hoped to stimulate interest in this medium.
12/09/2003	Poetic Meditation	Soh Boon Kiong	The Kuantan-born artist lived for a time in Amagasaki, Japan. His paintings reflected the influences of both locations. Part of the proceeds from the sale of his work were donated to the Cancerlink Foundation.
02/09/2004	Feline Beauty & Grace	An Yunji & Sun Yipeng	The exhibition, organised in conjunction with the "Malaysia-China Friendship Year", featured works by two Beijing artists. The theme reflected the glories of two species of the feline family, the tiger and the cat.
25/9/2004	'What Merdeka Means to You' Drawing Competition	Children from five orphan homes	The works of 50 children, aged 7-12 years, from five orphanages, were exhibited.
27/11/2004	Lambaian Kelantan	25 Kelantan-born artists	The lives and traditions of the Kelantanese people were portrayed through some 60 pieces of artworks which seemed to have captured the essence of the northern lifestyle and culture perfectly.
19/1/2005	Golden Passage through the World of Arabic Calligraphy	Eyad Elsibaie	The artist's graceful drawings provided insight into the passion and precision of calligraphy.
18/7/2005	I Exist	Ungku Farrah Abdul Rahman	Self-taught artist Ungku Farrah's paintings meditated on the themes of love, life, choices, hopes, ideals, fear and wonder.
14/4/2006	On War & Peace	Students	This exhibition, in conjunction with World Peace Day organised by Peace Malaysia, featured works by 16 student artists from Universiti Teknologi Mara and Lim Kok Wing University College of Creative Technology.
13/12/2006	No Time to Lose	Malaysian Ink Paintings Artists	This exhibition was a collaboration between Maybank and the Alzheimer's Disease Foundation of Malaysia to raise funds and awareness.

Empowering Communities (cont'd.)

DATE	TITLE OF EXHIBITION	ARTIST	SUMMARY
04/03/2007	Landscape	Du Ying Qiang	This exhibition displayed the artist's mastery of Chinese landscape painting. In partnership with Beverly Tower Development Sdn Bhd, the exhibition raised funds for the Alzheimer's Disease Foundation Malaysia.
23/5/2007	Independence, Presumptions & Convergence : A Homage to Malaysia's Independence through Cuban Art	Cuban Artists	This exhibition, organised in collaboration with the Cuban Embassy, used art as a means of forging closer cultural ties between Malaysia and Cuba.
18/12/2007	Through the Lens of PSPJ	Members of Photographic Society of Petaling Jaya	The Photographic Society of Petaling Jaya (PSPJ) organised this exhibition to celebrate its 20th anniversary.
24/5/2011	Art and Arts	Goh Ah Ang	This Selangor-based painter explored themes of human civilisation, juxtaposed with the survival instincts of ants.

COMMUNITY INVESTMENT

During the reporting period, Maybank made substantial contributions in its continuous support for arts, education, sports, environmental conservation, and health.



These funds have sometimes gone directly to those in need, such as the victims of natural disasters, and sometimes help to develop NGOs, enabling them to work more effectively as they address social and environmental problems. Some of the money helps to make people more healthy and then keep them so. Maybank has long recognised that working toward a better future requires a solid education for today's children, and much of the social investment reflects that. The earth's fragile ecology sustains our bodies, and the arts sustain our minds and spirits. Maybank profoundly hopes that its material contributions will develop well-rounded programmes and people and will result in better quality of life for all.

Compliance

During FY2010/2011, Maybank did not face any penalties for non-compliance with applicable laws and regulations concerning the impacts of its operations on communities.



Concern for the Environment

We believe that the future will be green, or not at all. The most pressing challenge that mankind faces today is to learn to live in harmony with nature. At Maybank, we will strive to play our part in protecting and conserving the natural environment through a range of programmes that enable development on a genuinely sustainable basis.

Concern for the Environment (cont'd.)

Love the earth campaign



Maybank supported three NGOs that run environmental conservation projects. Through our internet banking portal, Maybank2u, we encourage our customers to choose online statements over printed ones. The bank donated RM1 to the three environmental NGOs for every customer who accepted online statement delivery. This campaign accumulated over RM180,000, split equally amongst the three NGOs, which include:

- Treat Every Environment Special S/B (TrEES)
- Global Environment Centre (GEC)
- Regional Environmental Awareness Cameron Highlands (REACH)

Treat Every Environment Special S/B (TrEES)

TrEES aims to educate the urban community on the issues of climate change and biodiversity, and their links to human activity. Maybank organised a Love the Earth Campaign and donated the proceeds to TrEES. TrEES uses the money to promote awareness and conservation of Taman Negeri Selangor, which provides 98% of the water supply for Kuala Lumpur, Selangor and Putrajaya.

Global Environment Centre (GEC)

Focusing on community involvement and biodiversity conservation, GEC promotes the sustainable use of forests and wetlands. Maybank took part in GEC's Raja Musa Peat Forest Rehabilitation Programme, a community tree-planting activity that contributes to peat restoration.

Regional Environmental Awareness Cameron Highlands (REACH)

Over the years, the natural beauty of Cameron Highlands has deteriorated as a result of urbanisation and development. REACH works to preserve, restore and maintain Cameron Highlands as an environmentally sustainable agricultural zone and hill resort. Their reforestation project aims to plant 1,200 trees at Gunung Brinchang throughout the year. Money raised through Maybank's Love The Earth Campaign supported this reforestation project.



Earth Hour

According to the Earth Hour 2011 statistics, more than 5,200 cities and towns in 135 countries worldwide observed the event by switching their lights off. The 2011 theme, Beyond the Hour, challenged organisations to commit to more significant action on climate change.

Maybank headquarters in Kuala Lumpur and our global offices around the world went dark for Earth Hour on 26 March 2011, but we made a more significant contribution to energy conservation by investing in more efficient lighting and cooling for our headquarters.

Green Technology Financing

As Malaysian awareness of green technology grows, Maybank plays our part by supporting the Malaysian Government's Green Technology Financing Scheme. In Malaysia, we have financed wastewater treatment plants, a solid waste recycling plant, an oil palm biomass steam-powered generator and construction of several green buildings. We have also financed green projects in the Philippines, Indonesia, China and Vietnam.



Climate Change

The Malaysian Government has pledged to reduce carbon dioxide emissions by 40% by the year 2020. Maybank has implemented a number of initiatives to contribute to this goal. Our "Go Green" Council meets monthly to assess our climate impact and identify ways to reduce this impact. Recycle bins in our Head Office increase employee awareness, and we switch off lights during lunchtime to reduce energy consumption. In accordance with Green Building Index (GBI) guidelines, Maybank converted to energy-saving lighting, and all air-conditioning units now use more efficient jet fan technology.

We have also taken a number of steps to reduce our paper consumption. Management meetings now rely upon overhead projectors and iPads to present information rather than paper hand-outs, and in May 2011, the bank deployed its electronic procurement system. In Menara Maybank and Dataran Maybank, we use eco-friendly FujiXerox and Ricoh printers, and all our printers are programmed to print on both sides of the paper. These printers and settings were disseminated to all branches in 2011.

To reduce our carbon footprint, we use teleconferencing and videoconferencing whenever possible, and we have introduced "No-Polystyrene Day" on Fridays. Maybank also encourages rainwater harvesting for watering plants, washing cars and cleaning floors.

Concern for the Environment (cont'd.)



BIODIVERSITY - MALAYSIAN CONSERVATION ALLIANCE FOR TIGERS (MYCAT)

2011 is our second year of collaboration with the Malaysian Conservation Alliance for Tigers (MYCAT). Our RM1 million contribution over two years funds research projects into the effective conservation of wild tiger habitat in Malaysia. One such project led to construction of a kilometre-long flyover and two eco-bridges measuring up to 285 metres. These structures are at critical areas for wildlife crossings in the Sungai Yu Tiger Corridor, which is located in Taman Negara in Pahang. The flyover and bridges will help mitigate the negative impacts of human infrastructure on wildlife movement.

For the first time, biologists are using scientific methods to monitor Taman Negara's tiger population. During these projects, researchers also discovered the presence of other rare species including the Malay weasel, clouded leopard and crab-eating mongoose at the Sungai Yu Tiger Corridor.

MYCAT staff and 222 specially trained volunteers have conducted a series of outreach and public awareness programmes. To date, the volunteers have reached 14,890 Malaysians, sharing information about the Malayan tiger and how we might save it from extinction.

Through a series of games and dramatic art, 856 schoolchildren in Sg. Yu, Gua Musang and Gerik were exposed for the first time to an interactive wildlife conservation education programme. In addition, 38 Maybankers supported MYCAT by participating in MYCAT Tiger Roadshows at the Malaysian Nature Society Open Day 2010.

Our research team has joined with enforcement officers to intensify the battle against illegal poaching. Officers arrested a restaurant owner for the possession of tiger parts and other wildlife, and the officials raided a poacher's premises in Sg. Yu and arrested his workers. More than 100 snares in the area have been found and destroyed.



Our conservation projects have thus far produced positive results: the number of volunteers has increased over the years, and in response to the 146 reports we received through our Wildlife Crime Hotline since 2007, 87 actions have been taken. The passage of the Wildlife Conservation Act 2010, which we vigorously supported, makes illegal possession and trading of protected species, including tigers. For more detailed summary of our efforts to date, please refer to the table.

“If the numbers of one animal decrease, other animals will decrease too. Animals need water, food and habitat to survive. But we have destroyed their basic needs. They are facing extinction because humans poach them for wealth. We should protect our animals. I’ve learned a lot from this programme.”

Wang Khang Jeck, 11
SJK (C) Chung Wa
MyCat Outreach Programme.

MYCAT in Numbers

RAISING AWARENESS AND REACHING OUT TO PUBLIC

Rural Outreach (2005)*	8,698 people reached out to in 35 programmes
Urban Outreach (2007)	22,953 people in 43 programmes
Yahoo e-news (2003)	4,425 news items sent to 320 subscribers
Facebook Page (2010)	1,002 members
MYCAT WATCH in Malaysian Naturalist (2006)	19 articles

EMPOWERING MALAYSIAN (2005)

New Volunteers	467
Repeat volunteers	58

SUPPORTING LAW ENFORCEMENT: WILDLIFE CRIME HOTLINE (2007)

Calls with information	146
Actions taken	87

NATIONAL TIGER CONSERVATION ACTION PLAN (2008)

Assisting the govt. in developing the Plan	1 plan
Assisting the govt. in monitoring the progress	4 reports and 3 stakeholder meeting
Actions with known status	67

FACILITATED COMMUNICATION AMONG PARTNER NGOS (2005)

Working Group Meetings	19
E-group	2,841 messages

BETTER LEGAL PROTECTION FOR WILDLIFE (2007)

Supporters for a better wildlife law	56,062 worldwide
Wildlife Conservation Act 2010	1 Act passed
Deer hunting moratorium	6 years

AND WHERE WE ARE GOING TOGETHER.....

Wild Malayan tigers in 2020	1,000!!!
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* The year parentheses indicates when that particular activity began.

MOVING FORWARD

We will continue fighting for the survival of the Malayan tiger – preserving its habitat, raising public awareness of its plight, and lobbying for more vigilant enforcement of wildlife laws to protect it from illegal predation.

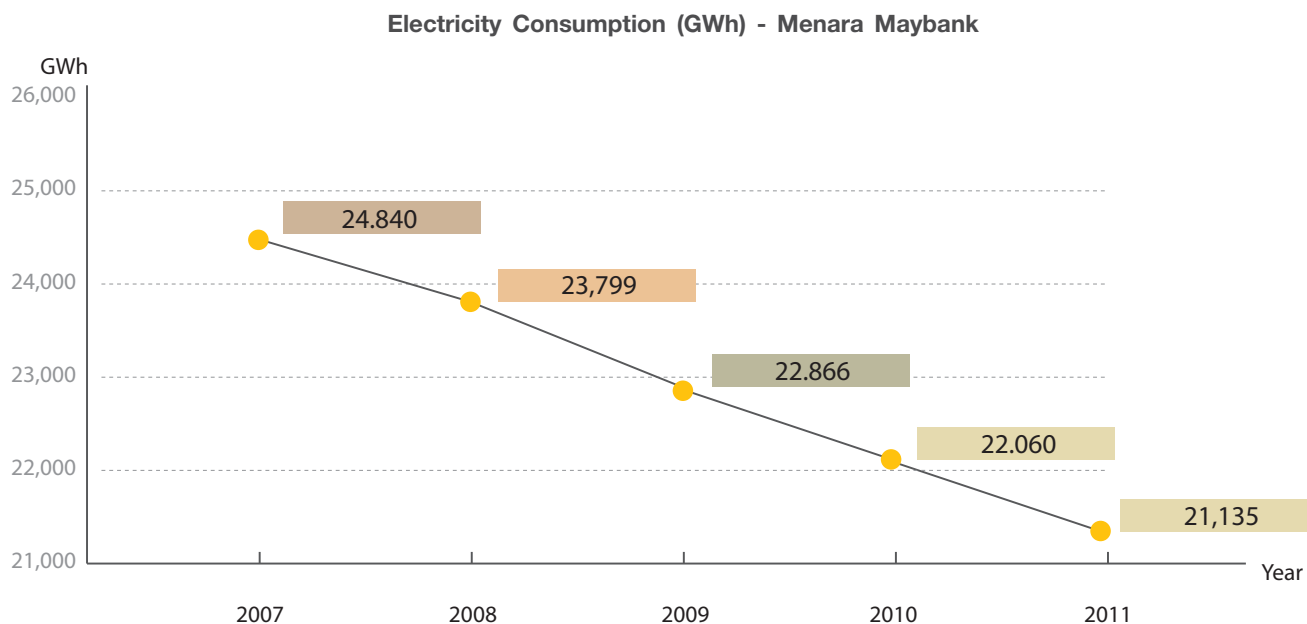
Concern for the Environment (cont'd.)

Carbon Disclosure Project

The Carbon Disclosure Project (CDP) is an independent not-for-profit organisation launched to accelerate solutions to climate change and water management. It collects and distributes high quality performance information to motivate investors, corporations and governments to set reduction targets and make performance improvements.

Maybank completed the CDP questionnaire in 2011 on our FY2009/2010 performance. We have reduced our greenhouse gas emissions and overall energy and water consumption, primarily by converting to new, energy-saving lift systems, by re-engineering ventilation and air-conditioning systems, and by installing more efficient lighting.

ENERGY EFFICIENCY AND CONSERVATION IN MENARA MAYBANK



Maybank has implemented a variety of measures to conserve energy. Initiatives include air conditioning control and retrofit, lighting efficiency and energy management systems. We have conducted extensive research on the feasibility of investing directly in alternative energy.

This research resulted in the need for new ventilation systems to be re-engineered, specifically in the surroundings of Menara Maybank and car parking areas.

Our energy conservation programmes include:

- Modernisation of building lift systems that conserve energy through latest controller technology
- New, high-efficiency chlorine-free chiller systems which have zero impact on the Ozone Depletion Potential (ODP)
- A 24-hour Building Automation System (BAS) that includes Schneider Electric software for newly installed chiller system control, and METASYS software for the Mechanical and Electrical daily operational control

Our plans to further improve Menara Maybank's environmental performance include:

- Achieving greater energy savings by changing all T8 light bulbs in Menara Maybank to T5 light bulbs including photo-voltaic installation
- Providing recycle bins at strategic areas or floors
- Converting the conventional car park ventilation duct system to a jet fan technology for more energy-efficient air circulation
- Installing a thermal energy storage cooling system for levels 36 to 44
- Implementing Variable Refrigerant Volume (VRV) air-cooled split air-conditioners
- Training employees as qualified Electrical Energy Managers and Indoor Air Quality (IAQ) assessors recognised by Suruhanjaya Tenaga and National Institute of Occupational Safety and Health
- Supporting the use of public transportation including LRT and bus for employees' commuting

MENARA MAYBANK, KUALA LUMPUR: ENERGY AND GREENHOUSE GAS (GHG) EMISSIONS REDUCTION

ENERGY CONSUMPTION (GJ)	2007	2008	2009	2010	2011
Direct Energy Consumption	–	–	4,492.80	4,300.00	4,070.00
Renewable	–	–	–	–	–
Non-renewable	–	–	–	–	–
Indirect Energy Consumption					
Renewable	–	–	–	–	–
Non-renewable	89,424.00	85,676.40	82,317.60	79,416.00	76,086.00
TOTAL	89,424.00	85,676.40	86,810.40	83,716.00	80,156.00

YEAR	Electricity Consumption (GWh)	Electricity Consumption (GJ)	CO ₂ Emissions (metric tonnes)**	Saving (%)*
2007	24.840	89,424.00	13,836	–
2008	23.799	85,676.40	13,256	4.2
2009	22.866	82,317.60	12,736	3.9
2010	22.060	79,416.00	11,860	6.9
2011	21.135	76,086.00	11,772	0.74

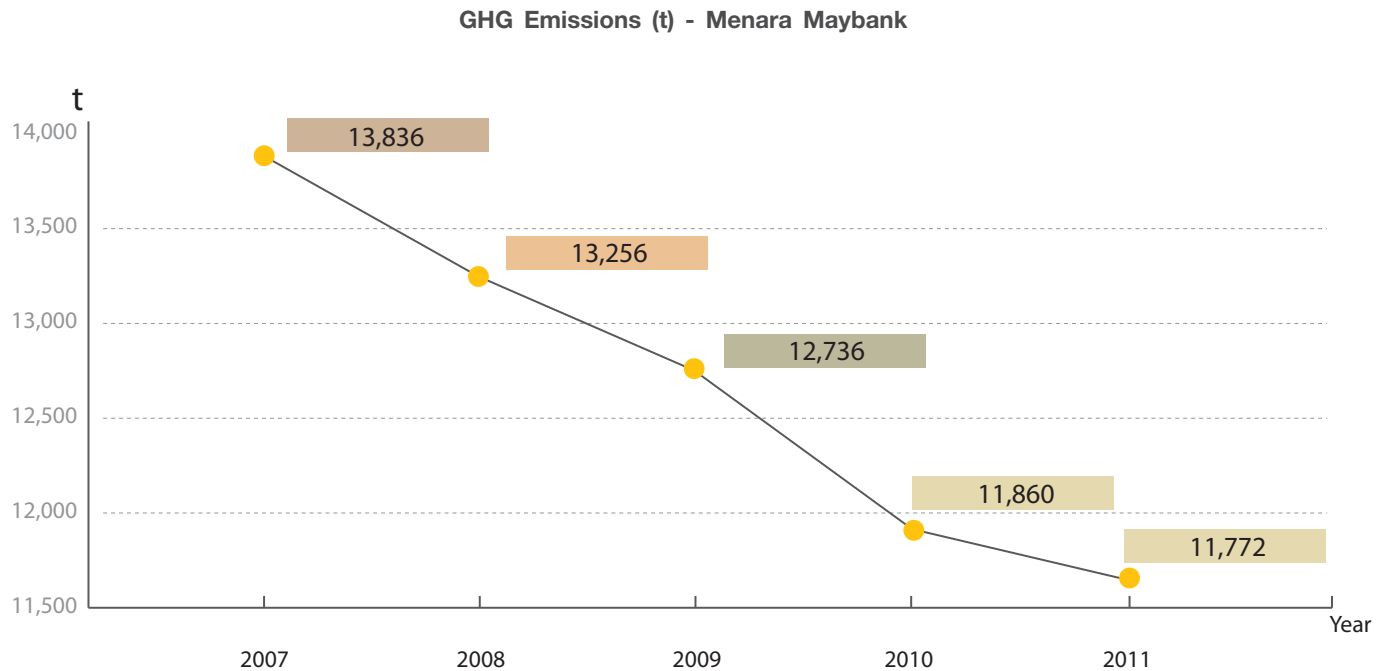
* Saving compared to previous year

** Estimates are based on the indirect GHG emissions protocol of the World Business Council for Sustainable Development and the World Resources Institute, <http://www.ghgprotocol.org>. CO₂ savings for Menara Maybank between 2009 and 2010 was 6.9%. We have been achieving the energy-related GHG emissions reduction every year.

*** 1 gigawatt-hour (GWh) = 3600 gigajoule (GJ) Source:

<http://www.unitconversion.org/energy/gigawatt-hours-to-gigajoules-conversion.html>

Concern for the Environment (cont'd.)



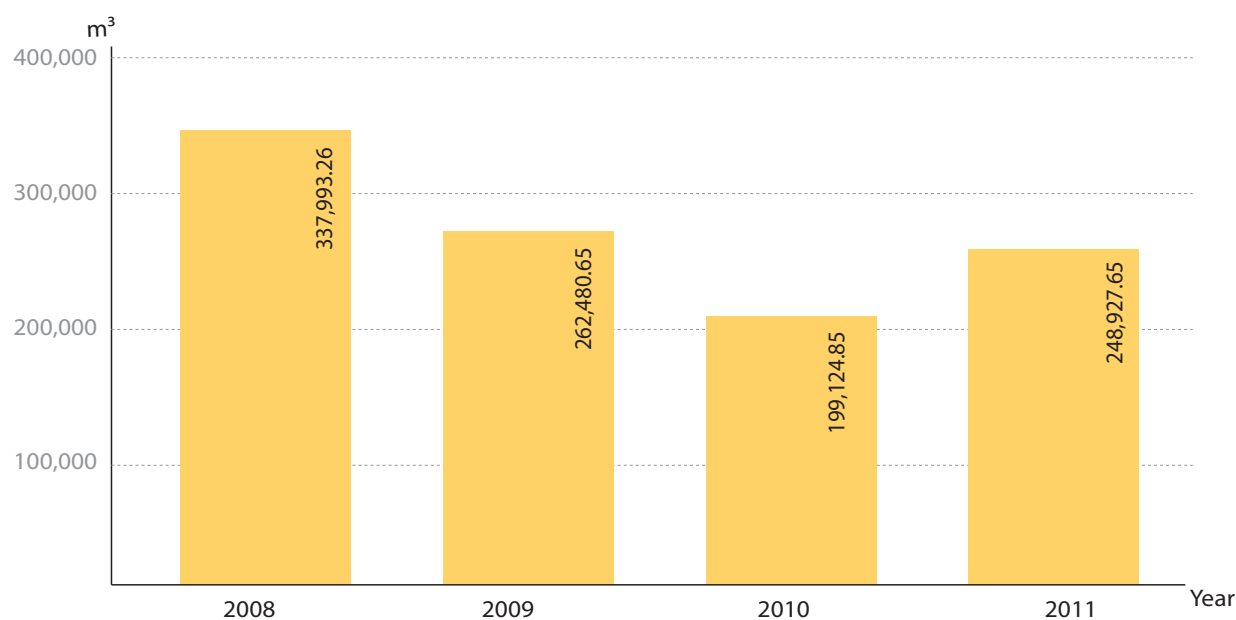
REDUCING WATER USAGE IN MENARA MAYBANK

Syarikat Bekalan Air Selangor (SYABAS) supplies water to Menara Maybank, and we have an internal committee supervising the water management system. Maybank consults with Jabatan Bekalan Air (JBA) on water conservation issues, and we align our efforts with the Malaysian Government's Ninth Malaysia Plan to develop infrastructure for more efficient water usage.

The majority of Menara Maybank's waste water is channeled to a centralised sewerage networking system and is disposed of by Indah Water Konsortium (IWK). Facing the prospect of limited water resources, Maybank has started to take steps to conserve water by educating employees on effective water usage.

Menara Maybank performed well between 2008 and 2010, consistently reducing water consumption levels by at least 22%. In 2011, however, the usage jumped by 25% due to an increased number of employees, frequent burst water pipes, and maintenance work such as painting the building. We will continue to monitor water usage and we expect it to decline again in the coming year.

Water Usage (m³) - Menara Maybank



STATEMENT OF COMPLIANCE

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

- Environmental Quality Act 1974 on pollution prevention and control
- Occupational Safety and Health Act 1994
- Road and Transport Act 1987 on noise and black smoke emission
- Local Government Act 1976 on waste dumping policy
- Street, Drainage and Building Act 1974 on spillage management

During FY2010/2011, Maybank did not face any penalties for violations of environment-related laws and regulations. Maybank complies with all significant environmental requirements under the Department of Environment's legal regulations. There were no significant fines or penalties incurred for environmental non-compliance during the course of operations.



Great Workplace

“Our mission to humanise financial services continues to drive what we do, how we do these things and how decisions are made everyday at Maybank”.

Great Workplace (cont'd.)

Since our transformation journey began in late 2008, we have already seen our efforts and initiatives bearing fruit. Our achievements today are fuelled by a culture of innovation, speed, customer-orientation, and are guided by our Corporate Values. Initiatives are in place to strengthen the alignment of our leadership and workplace culture with our Vision, Mission and Strategy. The policies, framework, strategies and initiatives undertaken are focused on leveraging on the capabilities of our franchise strength, network reach and more importantly, human capital expertise to create a synergistic relationship that will enable the Group to achieve its vision to be a leading Regional Financial Services Leader by 2015 and underline our mission of humanising financial services across Asia.

- The key to aligning with the Group's Vision and Mission starts with building and sustaining a great workplace for our employees and offering an environment and climate that is conducive to and harnesses employees' talents and strengths, as well as where our team members can thrive and find meaning in their work.
- Our people transformation initiatives continue to be focused on developing and building a strong leadership team, significantly improving our capability to attract the right talent, inculcating a high performance culture, creating opportunities for development and growth both personally and professionally, providing access to continuous learning and strengthening our holistic rewards framework that acknowledges excellent performance.

Our transformation has significantly improved business performance and results year-on-year. In FY2010/2011, the Group's PATAMI was RM4.45 billion which was 16.6% higher than RM3.82 billion for FY2009/2010. For the 6-month financial period (July to end December 2011), our PATAMI was RM2.58 billion or 29% higher than RM2.15 billion (July to end December 2010).

For FY2010/11, productivity improved with net income per headcount increased 4.4% to RM320,389 from RM306,853 (FY2009/2010), while profit before tax (PBT) per headcount also increased 11.95% to RM149,704 from RM133,725 (FY2009/2010).

For the 6-month financial period ended December 2011, our productivity also improved with net income per headcount increasing 15.3% to RM183,333 from RM159,003, while PBT per headcount rose to RM83,466 from RM73,288, which is a 14% increase from the corresponding period.

Moving forward into the next financial year, our focus and priorities are:

- To improve the Group's productivity. Our commitment to this is reflected in the stringent project protocol that we observe to ensure the right outcomes. The key to achieving productivity is to continue to be involved in mobilising and deploying our resources efficiently. This includes providing Maybankers with the right tools, efficient systems and processes which in turn will enable them to achieve their goals and results.
- To check the quality of implementation and regionalisation of our integrated talent management platform. This will include ensuring that the talents we have identified and developed are mobilised into the identified positions regionally.
- To sustain the culture-building programmes and initiatives that will help strengthen engagement with and amongst fellow Maybankers. This will always be a top priority. It is important to Maybank that employees not only enjoy and have pride in the work they do, but also have fun at work.



MAYBANK CULTURE AND EMPLOYEE ENGAGEMENT

Initiatives pursued to transform the workplace culture are broadly categorised into three core areas – leadership effectiveness, building capabilities and confidence and behaviour reinforcers. Within these areas are the different employee engagement mediums and approaches as well as multiple organisational climate change levers.

At Maybank, our leadership play a key role in driving the transformation roadmap Group-wide. The Chairman of the Board and the Group Executive Committee (EXCO) led by our PCEO take the lead through formal and informal communication mediums to provide strategic clarity, set direction and establish the right organisational climate and culture. Clear and meaningful two-way communication on the vision, mission, actions and expectations are given top priority. To support Group transformation, during the year, our EXCO continues to foster open communication by engaging with Maybankers through the many different methods of communication. Some of the channels employed include face-to-face sessions via townhalls, roadshows, teh tarik sessions, luncheons, sports events, corporate responsibility (CR) initiatives and other employee engagement events. A multitude of feedback channels through all mediums, whether phone, email, employee portal or face to face are used for communication between Management and employees.

Each year, our EXCO spends significant time with all Maybankers through themed roadshows. The themes that are chosen for each of the roadshows were consciously made to emphasise the key messages that are communicated and focus Maybankers towards the critical priorities for the next 12 months. In 2009, the roadshow was themed “Our Maybank, Our Future”, while in 2010, it was themed “Igniting the Tiger Spirit”. In 2011, the roadshow was themed “Powering the T.I.G.E.R”. Apart from clearly communicating the direction, priorities and goals for the next 12 months, the sessions also included updates on the progress of our transformation and was an opportunity for Maybankers to engage in dialogue, be inspired and motivated to excel. Thirty-three sessions were completed within a short time frame of 2 months to ensure clarity and facilitate faster progress.

The roadshows are sustained year on year as they reflect our leadership’s commitment to adopting an ‘Open Door policy’ and ensure accessibility through face-to-face meetings as well as opening up e-channels where everyone can communicate with the top team. Active and sustained leadership engagement

and role-modelling have seen significant results in changing the climate in the Group and shifting the culture to one that embraces what we also term Honest, Open and Trusting (H.O.T.) conversations. Our climate thrives on open dialogue and two-way communication that not only encourages feedback and candidness but also provides opportunities for learning from each other across all sectors, boundaries and levels of employees in the Group.

We openly acknowledge and recognise the contributions of our employees who have shaped this organisation and created many successes by contributing ideas to make a difference for the collective benefit of the Group. All feedback received through the various mediums, initiatives including the stringent change management protocol that is initiated for all integration or process change projects are acted upon, feedback loops/updates are closed and communicated via the different mediums.

Some of the different initiatives implemented to enhance service and efficiency levels and spark ideas, are as follows:

The ASM (Ask Senior Management)

The ASM channel was established in 2010 to complement our range of communication mediums and is another dedicated site where feedback is obtained, acted on and responses are posted back in an open site by the respective EXCO member. Feedback recorded a significant jump since its launch with 50 postings in 2010 to 323 postings in 2011.

President’s Innovative Ideas Awards

The President’s Innovative Ideas Awards is designed to inculcate a culture of innovation and ‘blue-ocean’ thinking at Group level. The best ideas were awarded cash prizes, and received recognition at the Group Awards Night.

A ‘One Sector, One Innovation, One Month’ campaign was introduced in February 2011 offering a monthly reward to winners from each sector. A quarterly game show is also held to showcase the best ideas. The game show incorporates elements of fun, creativity and teamwork with audience participation which accounts for 20% of the judging scores. This is one example of where the element of fun at work is infused into all our engagement events. Apart from the winners from each sector pitching against each other in a lively environment, their supporters or cheer teams are called in to showcase their cheers to add the excitement.

Great Workplace (cont'd.)

Make A Difference (M.A.D) Campaign

The M.A.D. Campaign was launched to leverage on the creative energy of our employees to come up with service ideas that would improve our customer service levels. From end of November 2010 to end of January 2011, Maybankers sent in 3,095 ideas.

Core Values Champion (CVC) Programme

Our Core Values Champion (CVC) Programme has trained over 700 CVCs across the group (domestic and international) to act as change agents and role models to promote the Core Values through engagement as well as business improvement activities among the employees. Our outstanding CVCs were also recognised at our Awards Night. Among the initiatives to enhance awareness, understanding of our values and internalising them in our work and lives were providing sharing avenues via informal 'Morning Huddle' sessions and 'Moments of Truth' across all operating units. These initiatives and activities are reported and shared in a dedicated domain in the enterprise portal and various other communication mediums including email blasts to all employees to give momentum to embedding the core values in our lives. In February 2011, the 1Maybank 1001 Stories, Online Short Story Telling Competition campaign was launched to encourage Maybankers to share the internalisation of the values in their lives, family and community. More than 700 entries were received within two weeks and an e-book/internal publication was launched at a special symbolic ceremony. The stories, the publication and even the ceremony serve as a motivational tool to present and future Maybankers. This story telling mechanism is one example of the various types of initiatives to transform our culture and sustain employee engagement.

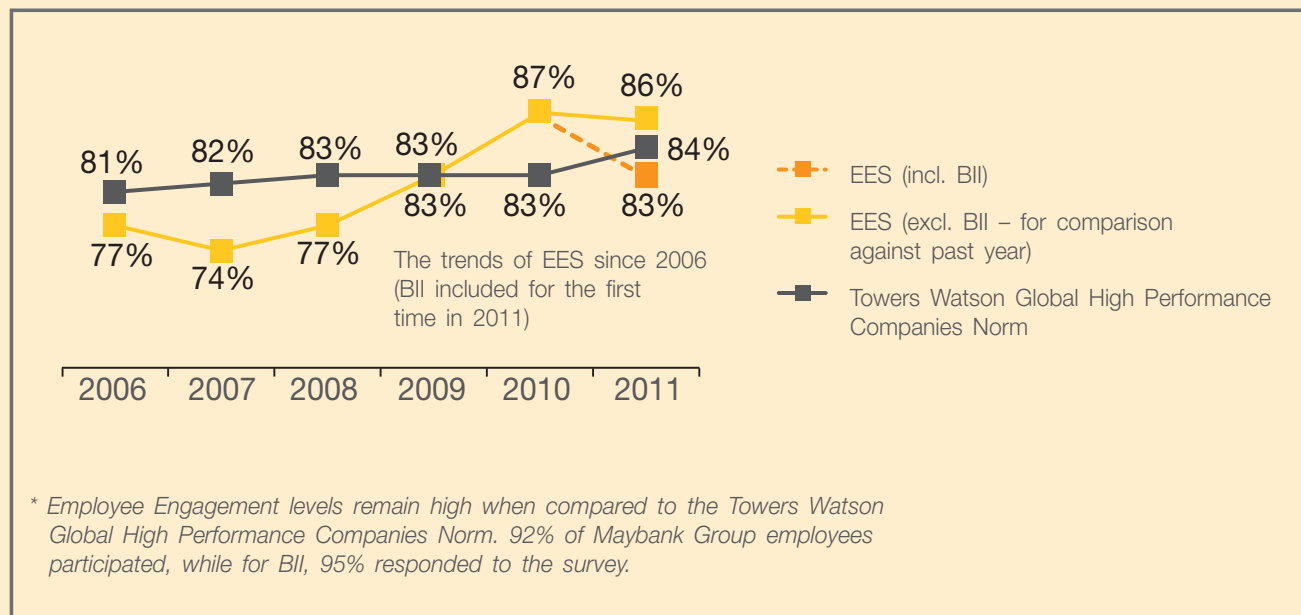
Employee Engagement

Our commitment to our employees to listen and act on their views is also visibly demonstrated through the annual Employment Engagement Survey (EES) where we engage Towers Watson, an independent professional services firm to measure the level of employee engagement with the Group and how effective our initiatives have been with employees. By combining the EES measurement indicators with the results from the External and Internal Customer Engagement Survey data (ECES and ICES), the Group has an even better understanding of areas of strength, gaps and how they co-relate. Apart from communicating the results back to our employees, these insights are obtained right down to granular details, with all branches and sectors receiving their own reports to initiate action planning for improvement.

The 2011 survey results show:

- High employee participation in the survey where 92% of Maybank Group employees participated and PT Bank Internasional Indonesia Tbk. (BII) with 95% responding to the survey – the high participation rate is reflective of the willingness of our employees to share their opinions to initiate change and an indication of the progress of the intended H.O.T. dialogues.
- Employees Engagement score was higher than the global high performance companies' norm of 84%. It was 86%.
- A high degree of optimism among Maybankers towards the organisation, its image, empowerment and accountability exceeding the global transformational norm.
- Employees support the transformation process which demonstrates the effectiveness of our communication on our vision and mission, an understanding of the need to change and participation in the change programmes implemented since 2009.
- Improving employees and customers' positive perception of the Bank's Competitive Position and Customer Focus. This shows employees' buy-in of the transformation is translated into improved customer service where customers are experiencing the difference.
- Communication is showing improvements from the last FY results and was higher than the global high performance companies' norms.
- Questions specifically on the channels available to express ideas have seen an increase in favourable response rate from the previous year.
- Although the Core Values Index has regressed by 3% from FY2009/2010 (when we sampled a smaller group of 10,000 employees as opposed to the present FY2010/2011 where we surveyed all employees), the Group's overall Core Values Index in FY2010/2011 was 5% higher than the Towers Watson Global Financial Services Norms. This demonstrates employees are embracing and internalising the core values as an integral part of Maybank's DNA. This remains a key driver of engagement and action plans for the Group continue to be centred around internalising the values and ensuring that all our practices and policies are aligned.

Employee Engagement Survey Result Trend



Values continue to be a key driver to engage Maybankers

Maybank Group Overall-Core Values Index (CVI)

	CVI Overall	Teamwork	Integrity	Growth	Excellence & Efficiency	Relationship Building
2008	69%	73%	75%	69%	57%	74%
2009	74%	78%	80%	72%	63%	77%
2010	78%	81%	85%	79%	67%	82%
2011	75%	79%	83%	73%	63%	80%
% Difference (2011 vs 2010)	- 3%*	- 2%*	- 2%*	- 6%*	- 4%*	- 2%*
% Difference against Global Financial Services Norm	+ 5%*	+ 7%*	+ 8%*	+ 11%*	0%	+ 2%*

* indicates a statistically significant difference

Note: While our overall CVI saw a dip of 3% compared to 2010, our CVI is 5% higher than Towers Watson's Global Financial Services Norms.

TW Global Financial Services Norm, N= 159,898

* CVI excluding BII

Great Workplace (cont'd.)

TALENT MANAGEMENT AND DEVELOPMENT

The Talent Management Framework guides the way in which Maybank aims to deliver the right talent with the skills, capabilities and motivations required to achieve its business goals. This framework enables all line managers to take an active role in talent management and development to further encourage our employees to achieve success.

We recruit, select the best talent and place them in the right jobs based on their background and skill sets. Various pipeline-building and resourcing initiatives have been launched to fulfil the Group's talent requirements. The Group talent management system that was rolled out regionally with increased visibility of talents through the multi-level talent review platform has resulted in greater cross-border movements and accelerated talent development. This effective and efficient succession planning process is integrated into Maybank's Personal Development Plan (PDP) and the Group's Annual Budget processes for impact at the individual employee and business levels. We have achieved 100% completion of the multi-level talent reviews across the group including the Country reviews for Maybank Singapore, BII and Maybank Philippines. The required development plans have also been rolled out and we see an increase in the agility of our talents to operate across different sectors and borders. Inter-sectoral transfers have upped from 4% in FY2009/2010 to 7% in the past year and our cross-border movements have also increased by 24% year-on-year. With more talents being deployed across the region, proliferation of best practice sharing and support from the corporate office also helps to align and strengthen our culture. Moving forward, our focus will be checking the quality of implementation, ensuring continuity and regionalisation of our integrated talent management platform. This will include ensuring that the talents we have further identified from the annual process that we have emplaced are developed and mobilised into the identified positions regionally.

Recruiting Young Talents

Maybank is a strong advocate of long-term initiatives to promote young talents. To support our talent pipelines, we offer entry level development programmes and internships to graduates and undergraduates respectively.

We developed these programmes with a dual purpose of contributing to society via providing job opportunities to graduates, and further, giving our organisation a competitive edge through early development of budding talents.

Entry Level Development Programmes

Global Maybank Apprenticeship (MA) Programme

The Maybank Apprenticeship (MA) Programme is a two-year programme aimed at nurturing future leaders by developing bankers with an appreciation of sales and service, insights into customer-centric product development and the prudence of measured risk-taking. Graduates for the MA Programme are recruited across all Maybank markets based on stringent conditions of academic and extra-curricular excellence. Maybank visits selected premier institutions and attends career fairs both locally and abroad to find the best candidates for the programme.

External Apprenticeship Programmes

External Apprenticeship Programmes are government sponsored corporate responsibility (CR) programmes that we support which aim to increase the employability of graduates in Malaysia. This enriches them with the necessary skills to commence employment.

PROGRAMME	DESCRIPTION
Graduate Employability Management Scheme (GEMS) by Khazanah Nasional Berhad	GEMS is a government capacity-building initiative developed to equip graduates with commercially useful skills and experiences that will enhance their employability.
Financial Sector Talent Enhancement Programme (FSTEP) by Bank Negara Malaysia	FSTEP is driven by the financial services industry with the objective to train and prepare highly calibre graduates for employment in the financial services institutions.
Group Executive Trainee (GET) by Permodalan Nasional Berhad (PNB)	An initiative by PNB that targets unemployed graduates for enhanced skills training.
Ministry of Higher Education Investment Bridging Programme (KPT-IB) by PNB	A special programme aimed at enhancing employment opportunities for graduates from local public universities. Through the programme, participants will obtain technical and product knowledge in investment, finance and unit trust as well as analytical, problem-solving and effective communication skills.
Skim Latihan 1Malaysia (SL1M)	A government initiative which allows fresh graduates to undergo practical training in government-linked companies (GLCs) to increase their capabilities and skills for future employment.

PERFORMANCE MANAGEMENT

Maybank is committed to building a work environment that strives for and rewards high performance, and encourages employees' professional growth and development. Our enhanced Maybank Performance Management System launched in 2009 improved the processes and guidelines for yearly performance management that is centred on the Balanced Scorecard approach adopted by the Group and is linked to our total rewards policy.

The performance management process encourages managers and employees to agree on clear performance objectives for the year, providing frameworks within which employees understand how they contribute to the objectives of their business area and the overall success of the Group. Meritocracy is applied to all performance management processes.

Rewards are strongly linked to individual performance against goals and behaviours aligned with Maybank's business strategy and shareholder expectations. Those whose performance is assessed as below standard are coached and nurtured through a structured and respectful "consequence management process" designed to ensure that all our employees are given the opportunity to improve while maintaining rapport and credibility in the process.

The performance management process continues to strengthen. A dedicated team is entrusted to ensure that:

- Balanced Scorecard quality checks are conducted to ensure Key Performance Indicators are aligned.
- The Performance Development Plan (PDP) discussions which is an avenue that instils the discipline of two-way communication are conducted at regular intervals on career development for impact and employee growth.
- One-to-one performance conversations are taking place continuously across the Group.

Great Workplace (cont'd.)

TOTAL REWARDS MANAGEMENT

Our approach to talent management and compensation is underpinned by what we term as the Group's "Total Rewards Philosophy".

Maybank's compensation structure is designed to be appropriately balanced between fixed and variable elements. We always take a holistic view of employee compensation within a total rewards framework that factors in base salary, benefits, short term variable bonuses/incentives and long term incentives in the form of an Employee Share Scheme. This is in addition to non-financial elements such as development opportunities. Over and above this, we have platforms which provide recognition for exemplary performance and are dedicated to our employees' well-being such as social networking engagement sessions, long service awards, best employee/team awards, best core values teams, staff academic excellence awards and others.

Maybank advocates and practises 'Pay for Performance'. Our reward policy supports our performance-driven culture by ensuring that individual rewards and incentives are linked directly to the performance of the individual, the business unit and the Group overall. Our rewards are also competitive within the external marketplace and aligned to the business, allowing us to attract and retain talented employees.

MAYBANK GROUP TOTAL REWARDS COMPONENTS

DEVELOPMENT & CAREER OPPORTUNITIES	<ul style="list-style-type: none"> • Training & Development Programmes – Technical and Self-Development • Career Progression 	TOTAL REWARDS	
BENEFITS	<ul style="list-style-type: none"> • Medical Benefits • EPF • Annual Leave • Insurance Coverage – GTL and GPA • Staff Loans – Housing Loans, Car Loans, Computer Loans, etc • Allowance e.g. Car Allowances, Hardship Allowances • Flexi Benefits • Recognition Awards (i.e. Best Talent Awards, President's Merit Award, President's Innovative Ideas Award) • Work Life Balance (Health Talks, Sports Events, Bungalow Stay, Cahaya Kasih etc) 	TOTAL COMPENSATION & BENEFITS	
LONG TERM INCENTIVE PLAN	<ul style="list-style-type: none"> • ESOS/Share Plans 		
VARIABLE CASH	Variable Bonus, Incentives		
OTHER FIXED CASH	e.g. Fixed Transport Allowance, Contractual Bonus, Dealing Allowance (for dealers)		
BASE PAY	Basic Salary	GUARANTEED CASH	TOTAL CASH

KEY BENEFITS FOR FULL-TIME EMPLOYEES AND SUBJECT TO ELIGIBILITY

Leave	Annual leave, marriage leave, sports leave, retirement leave, compassionate leave, study leave, maternity leave, medical leave including prolonged illness leave to all employees.
Medical	Maybank bears medical costs for employees of all grades and their immediate family members. Employees enjoy a wider choice of hospitals including specialist centres for treatment on a 24-hour basis. All employees are also provided executive medical examinations.
Allowances	Housing allowance, subsistence allowance, hardship allowance, child allowance, dealing allowance and Saturday banking allowance.
Employee Loans	Housing, car, computer, educational, festival, renovation and sundry loans.
Claims	Mileage claim, overtime claim and resettlement claim.
Insurance	Group Term Life and Group Personal Accident Insurance coverage for permanent employees.
Retirement	Monetary token with option to purchase insurance (Group Hospital and Surgical Insurance & Group Term Life Assurance & Group Personal Accident Insurance), special rates for banking facilities and use of Bank's Recreational Centre facilities, usage of holiday bungalows and invitation to Maybank's major events.

Over the last two years, Maybank disbursed exceptional financial assistance to help our staff with their children's education expenses. In 2011, for staff who earns below RM3,000, we gave RM1,500 to each child embarking on a diploma or degree study in local public and private universities. In addition, we also provided 'Back-to-School' financial assistance of RM200 per school going child to staff who earns below RM2,500 per month and have children in Standard 1 to Form 5.

For FY2010/11, an ex-gratia of up to RM1,500 was also awarded to eligible clerical/non-clerical staff in addition to the contractual bonus of two months. The ex-gratia is based on the performance of the individual staff.

Opportunities for Continuing Service Upon Reaching Retirement Age

Our retirees are an important pool for skilled resources to meet our current and future business plan needs. Employees have the option to write in and request for consideration to continue their service upon reaching retirement.

UPSKILLING, LEARNING AND DEVELOPMENT

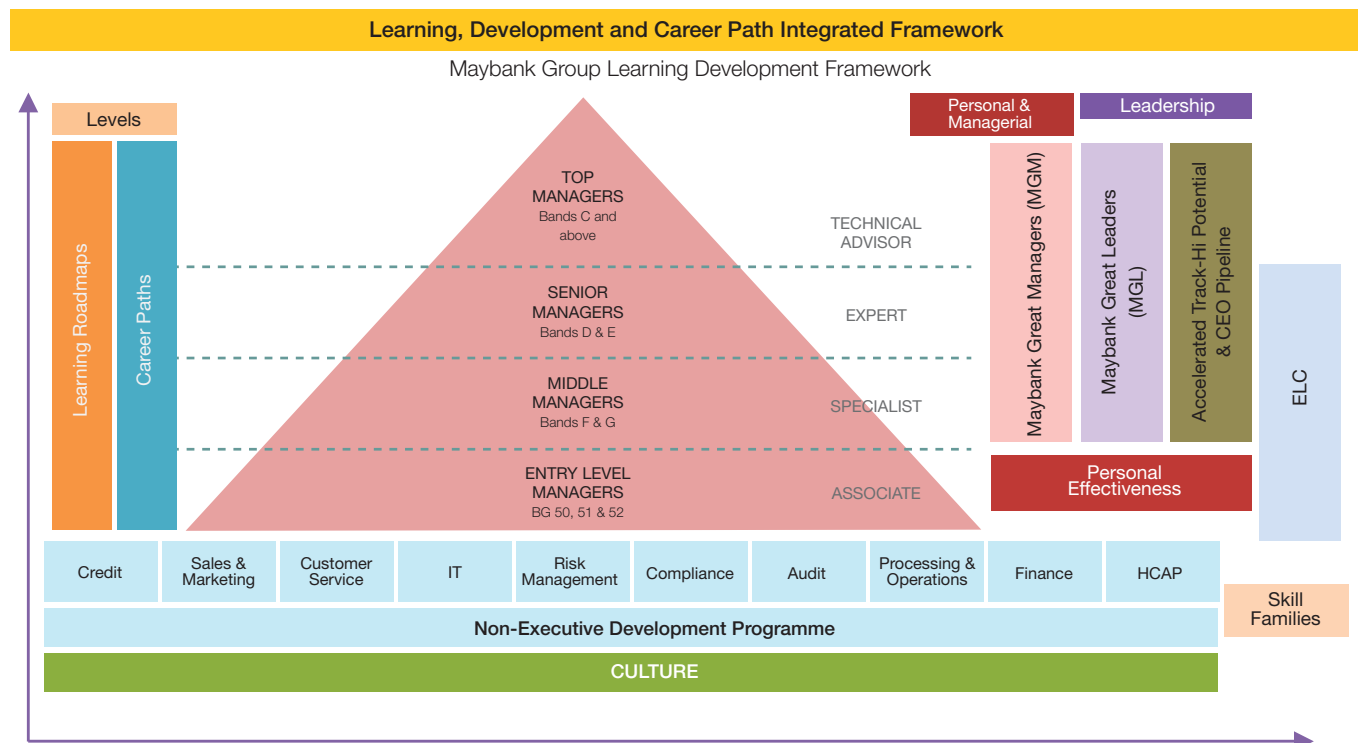
Employee learning and development is an investment for the future. Learning and development programmes are key areas of attention to ensure employees are equipped with the right knowledge, confidence, capability and skills to excel. It enables our employees to be efficient and productive, manage risk and sustain profitability. Our total learning spend was RM84.94 million for FY2010/2011. For the Financial Period (July-December 2011), Maybank has invested RM38.9 million in learning and development.

Great Workplace (cont'd.)

Learning and development opportunities cater to the diverse needs and aspirations of employees. Maybank offers varied and comprehensive development interventions from the regular classrooms, brown bags, townhalls and conversations with Chairman/ EXCO to interventions that include job rotations, attachments, secondments, projects, mentoring and coaching following a 70:20:10 principle. Our learning facilities include the Maybank Academy (our flagship learning centre) and are supported by MyCampus, our 24/7 online e-learning tool. We have 160 active e-learning modules accessible on the MyCampus website. 20% of employees with MyCampus access are regular users.

We constantly up-skill our people to promote a culture that thrives on innovation, high customer engagement and fast problem resolution. In this regard, basic product knowledge workshops were rolled out with 100% coverage rate across all branches, service centres and private banking centres in 2011. We also continue to build capability in Sales and Credit to give our employees the confidence to make the right decisions and excel. The number of employees who attended the sales and credit programmes between July 2010 and November 2011, were 4,688 and 5,039 respectively. Maybank also fully sponsors eligible staff for continuing education in degree and post-graduate degrees.

Apart from the technical and functional skills programmes, we offer managerial and leadership development. Please refer to the table below.



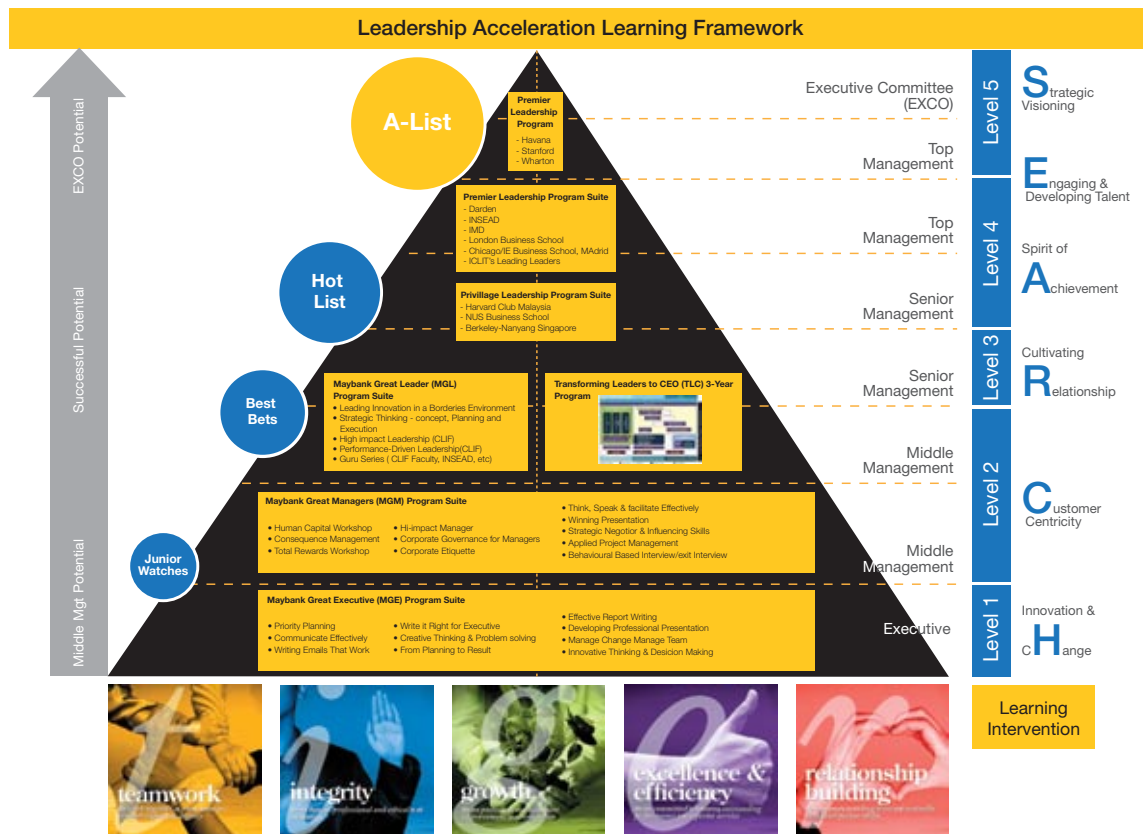
LEADERSHIP DEVELOPMENT

At Maybank, we aim to enhance the ability of our senior leaders and key talents to build a unique and effective leadership culture which puts our strategy into practice. We have a structured and strategic approach to leadership development that operates at various levels within the company. At the Group level, we place strong emphasis on identifying and developing tomorrow's leaders, driven by these flagship programmes:

PROGRAMME	DESCRIPTION
Maybank Great Leader (MGL) and Maybank Great Manager (MGM) Programmes	<p>These programmes are designed to hone managerial and leadership skills. All identified managers and leaders completed the MGM and MGL programmes against S.E.A.R.C.H. (Strategic Visioning, Engaging & Developing Leaders, Spirit of Achievement, Cultivating Relationship, Customer Centricity and Innovation & cHange) competencies.</p> <p>The Guru Series combines our leadership development with motivation and inspiration, exposing our leaders to world class best practices and leading thoughts via shared experience by top leaders in various industries.</p>
"Emerging Leaders" Programme. Also known as "Transitioning Leaders to CEO" Programme (TLC)	<p>Designed to identify, develop and groom young, high-potential talent for a variety of CEO-like positions within the Group. The structured programme includes best-in-class learning modules, top team engagement, international exposure, stretch projects and executive coaching. Fifty eight talents have completed year one of the three-year programme, and the results have been encouraging. Participants achieved an overall 60% improvement in their team engagement levels, and 49% of these talents were promoted within the past year.</p>
Top Team Effectiveness Programme	<p>A 24-month programme to strengthen Business and Functions' Top Team. This programme focuses on personal and team effectiveness.</p>
Mentoring and Coaching	<p>Internal mentors and full-time professionally certified in-house coaches are among the core drivers of our culture change programme. Our in-house dedicated Executive Leadership Coaches (ELC) conducted more than 628 coaching sessions for 159 managers and leaders, as well as two Leadership pilot programmes for 54 leaders. They have also led over 26 team motivation and engagement sessions for 926 staff from July 2010 to December 2011. The ELC and Leadership Programmes will be extended to Maybank Singapore and BII-Maybank Indonesia in 2012.</p>

Leadership development is crucial to ensure that our leaders, from top management to other levels of leaders in the organisation, reach similar levels of engagement and convergence to be able to build, energise and mobilise high performance in their teams. Our leadership development strategy therefore departs from one that is directive, rigid and bureaucratic to a more strategy-aligned coaching style of encouraging feedback and ideas, prompt decision-making and speed, as well as being solution-oriented, inspiring and regional.

Great Workplace (cont'd.)



OCCUPATIONAL SAFETY AND HEALTH

Maybank is committed to providing a safe, healthy and secure workplace to all its employees, contractors, visitors and customers. Our commitment to the effective implementation of our Occupational Safety and Health (OSH) policy will help us achieve a work environment of zero harm for all people that work within or visit our workplaces.

Maybank has made investments and improvements to provide a conducive and safe workplace environment for its employees. Under the flagship of the OSH programmes and campaigns, we focused on strengthening the OSH management structure and increasing the level of awareness within Maybank. Implemented campaigns have focused primarily on healthy lifestyle and health talks to educate employees on ways to maintain well-being.

We ensure all requirements under the Occupational Safety and Health Law (Occupational Safety and Health Act 1994, Factory and Machinery Act 1967, Environment Quality Act 1974) are achieved and continuous compliance. We also ensure that all requirements by the enforcement agencies (Department of Occupational Safety and Health, Department of Environment) are met and that good rapport is maintained.

An OSH unit, comprising the OSH Central Committee in Head Office and OSH Regional Secretaries, oversee the OSH programmes. At every branch in Malaysia, there is an OSH Committee/Team to ensure that all OSH programmes are implemented efficiently and effectively. The OSH Regional Secretaries Meeting is held half yearly.

TRAINING AND OSH AWARENESS RAISING INITIATIVES

Maybank was the first financial institution in Malaysia to begin a year-long OSH Mentorship Programme with a small-and-medium sized enterprise (SME), Usaha Sama Security (USS), in April 2009. The programme is part of the Federal Territory Department of OSH Mentor-Mentee and Good Neighbourhood's programme with SMEs. It is aimed at increasing the level of OSH for the SME sector with the support of key corporations. This partnership shows the proven high standards of OSH practices employed by Maybank. Under the mentorship programme, Maybank has undertaken activities including the sharing of expertise by training USS employees, conducting OSH audits and providing advisory on laws and regulations pertaining to OSH. This programme is currently at its final stage where a final audit will need to be performed.

Maybank's Emergency Response Plan (ERP) was launched in April 2007 and it is available to all employees via MyCampus, an on-line learning system. The objective of the ERP is to create awareness among all employees on general escape strategies during emergency situations. It educates employees on safety and preventive measures taken during emergency situations. We conducted crisis simulation exercises on 31st July 2010 and 18th June 2011 at Menara Maybank.

In November 2011, Maybank became the first financial institution to implement a Contractor Safety Programme in collaboration with the National Institute of Occupational Safety and Health (NIOSH) called the NIOSH-Maybank Safety Passport Programme (NMSP). The NMSP is a training programme jointly developed by NIOSH Malaysia and Maybank to improve safety practices and implement OSH standards among the Bank's resident and panel contractors in Menara Maybank. Contractors are required to attend a one-day training session and those who pass an assessment test will be awarded with a three-year validity NMSP passport which allows them to carry out work in the Bank's premises.

At Maybank, we believe there is a close link between employee productivity and the promotion of a healthy workplace culture. Employees are able to access the OSH database and online library to gather information which is related to their working environment. This self-service method has been successful as more employees benefit from the OSH tips, such as understanding and being aware of the root causes of major illnesses, medical threats and preventive measures for a healthy lifestyle. Other awareness programmes have been well received including light stretching activities. All departments are encouraged to participate for a few minutes daily.

Some of the OSH and wellness activities undertaken by the Bank in 2011 were:

Parenting@Work Workshop conducted in collaboration with Lembaga Penduduk and Pembangunan Keluarga Negara (National Population and Family Development Board). A total of eight workshop sessions conducted throughout the nation for employees and their spouses were aimed at improving work life balance for working parents by being an efficient employee and effective parent in their family life.

NIOSH Safe Riding Program in collaboration with NIOSH Malaysia and PERKESO (Social Security Organisation) for the Bank's messengers providing defensive motorcycle driving to prevent commuting accidents for employees. Fifteen training sessions for the Bank's messengers and employees throughout Malaysia were organised.

Trim & Fit Programme, run with cooperation from the Ministry of Health, Federal Territory, aimed to reduce health risks among employees due to weight problems. Employees with a Body Mass Index (BMI) of 25-30 were selected after undergoing medical assessment by our panel doctors and an interview session with Ministry of Health officials. Those selected attended a 6-month programme undergoing activities such as exercise, group outdoor activities and lectures on diet and nutrition.

Total Wellness and Health Promotion (TWHP) aimed at creating awareness amongst employees on the importance of maintaining a good and healthy lifestyle through the dissemination of right information and techniques. The pilot programme in collaboration with NIOSH was held in May 2011 at Maybank Academy for 42 Maybankers nationwide. The 3-day programme provided motivational talks and tips on various exercise methods, as well as cardiovascular and fitness assessments. As a result of the success of this programme, the TWHP will be extended to other regions.

Ergonomics improvements on the Bank's Chief Cashiers' work process were implemented after an assessment was conducted by an ergonomics expert to mitigate back pain health concerns for these employees. A new design of the cash/coin boxes will be introduced and standardised to minimise the health risk to employees.

Great Workplace (cont'd.)

A number of **Healthy Lifestyle Campaigns** to promote a healthier lifestyle were also held nationwide. At the Head Office, Dataran Maybank and in the Region Office of Selangor/Negeri Sembilan, the campaigns also involved participation from various medical, healthcare and lifestyle organisations. These campaigns disseminated tips on healthy lifestyle activities, prevention of diseases as well as basic health screenings.

Maybankers have always supported the various blood donation drives held throughout the year or as part of its corporate responsibility activities. In June 2011, in conjunction with World Blood Donation Day, Maybank was awarded an Appreciation Award under the Private Category by the Ministry of Health Malaysia as the highest contributor to the National Blood Bank's donation initiative. It was estimated that more than 3,000 of the Bank's employees have participated in the National Blood Bank's half-yearly CR event.

The Bank's OSH activities are well-received by employees. The inculcation of a safety and health working culture has seen an increase in the level of awareness and its impact on employee engagement. The OSH initiatives will be sustained and organised yearly to promote employee well-being.

EMPLOYEE VOLUNTEERISM

We empower employees to play a role in meeting the challenges faced by their local markets as well as be at the heart of the community through employee volunteerism. Maybank Corporate Responsibility (CR) is premised on the philosophy of 'Growing With Responsibility' and initiating sustainable CR initiatives to enrich the lives of the local communities where we have a presence.

Our Cahaya Kasih programmes enable Maybankers to contribute their time and talents to create a positive impact on the various CR initiatives organised by the Group. During the year, Maybank adopted a sustainable approach to its Global CR with over 15,000 Maybankers in 17 countries holding a simultaneous one-day CR activity. The Global CR 2011 is believed to be the biggest CR event by a Malaysian company for the second consecutive year.

WORKPLACE DIVERSITY

Making progress in diversity is a business priority for Maybank. We seek employees who are committed to preserving and enhancing our core values and business practices. There are no barriers in employment or development at Maybank because of an individual's gender, race, religion and age. We support employees in their efforts to excel and reach their full potential and will commit both time and resources to enable them to do so.

WOMEN'S EMPOWERMENT

- In 2011, the proportion of women in management (Band G and above) at Maybank was 40.87% compared with 39.46% in 2010, while women in top management (Band D and above) was 22.7% (17.45% in 2010)
- Close to 54% of our workforce are female employees – a percentage that is much higher than the national average of 47.3%
- Women help us achieve our success in every position in the bank, from senior management to middle level managers and even security personnel
- Effective August 10, 2010, Maybank increased the paid maternity leave for its female employees from 60 days to 90 days

More than half of Maybankers are women and at every level in our company, women play an important and vital role in building and sustaining the success of our business.

At Maybank, we honour and empower women in everything we do to enhance the quality of their lives, to improve the economic and social conditions of their families and communities. Maybank has over the years pursued strategies that respond to the needs of women, whether in career development, employee benefits or welfare.

The Maybank Fair Pay Policy supports the principle of equality of opportunity in employment and believes as part of that principle that pay should be awarded fairly and equitably. We protect women in the workplace with our Sexual Harassment Policy through which Maybank is dedicated to providing a safe and supportive workplace free of actual or perceived abusive or sexual harassment.

COLLECTIVE BARGAINING AGREEMENTS

Protecting employees' rights is fundamental to our human resources management. We continued to implement respective collective agreements covering all employees of comparable grade. Signing comprehensive collective agreements with employees and providing them with consultation mechanisms is important to us. We strictly comply with the existing national labour regulations in the respective countries in which we operate. Employees are notified of changes via Maybank's communication channels including face-to-face communication.

Maybank regularly conducts open dialogues with our in-house unions and national unions to discuss operational and industrial matters. These unions include four national and three in-house unions in Malaysia, two in-house unions in Indonesia, one in the Philippines and a national union in Singapore. An Office Committee/Inter-Relations Committee (IRC), comprising representatives of employees in Maybank, may be formed for the purpose of fostering and maintaining good relations between management and employees. We aim to work in a constructive partnership with unions in the best interests of employees.

UNION	DURATION OF COLLECTIVE AGREEMENT (CA)	LATEST STATUS
National Union of Commercial Workers (NUCW)	1/1/2008 – 31/12/2010	Concluded and signed on 3/11/2011.
Association of Maybank Class One Officers (AMCO)	1/3/2008 – 28/2/2011	To be concluded by 1st Quarter of 2012.
Serikat Pekerja Bank Maybank Indocorp (SP-BMI)	1/2/2009 – 31/1/2011	Concluded and signed on 11/5/2011.
Maybank Philippines Inc. Employees Union (MPIEU)	1/1/2010 – 31/12/2011	Concluded and signed on 12/3/2010.
Sarawak Bank Employees' Union (SBEU)	1/1/2009 – 31/12/2011	Concluded and signed on 26/3/2010.
National Union of Bank Employees (NUBE)	1/1/2009 – 31/12/2011	Concluded and signed on 10/8/2010.
Sabah Banking Employees' Union (SBEU)	1/1/2009 – 31/12/2011	Concluded and signed on 2/11/2010.
Association of Maybank Executives (AME)	1/1/2009 – 31/12/2011	Concluded and signed on 22/11/2010.
Kumpulan Pengawal-Pengawal Keselamatan Malayan Banking (KPPKMB)	1/1/2009 – 31/12/2011	Concluded and signed on 2/12/2010.

HUMAN RIGHTS

Maybank is committed to protecting and enhancing the human rights of its employees. Our Group employment policies are consistent with national standards and we recognise the rights of our employees to freely choose to join relevant unions. We continue to ensure equal opportunity in the workplace and encourage employee diversity based on the basic employment principles of equal work for equal pay regardless of gender. We oppose forced labour and we support measures to effectively eliminate child and compulsory labour. Maybank has had a policy against sexual harassment since 2000 to ensure that our employees work in a safe environment. Appropriate and serious action is taken against any employees who breach this policy.

Great Workplace (cont'd.)

STATEMENT OF COMPLIANCE

Maybank complies fully with The Children and Young Persons (Employment) Act of Malaysia which prohibits the employment of children under the age of 14. We also comply with applicable international agreements against child labour. There have been no incidents or risks of child, forced or compulsory labour. In addition, there have been no reported incidents of violations involving the rights of indigenous people at any time in the Company's history. Maybank's operation in Malaysia is structured by the Malaysian Employment Act 1955, which makes provisions against exploitative labour practices.

GRADUAN®

In 2011, Maybank was acknowledged by some of the best minds in the country and region as an employer of choice. In a survey administered by GRADUAN Aspire 2011 Career Fair, Maybank was voted as the No. 1 Preferred Employer in the country. The survey polled 10,000 fair participants from 29 countries, including Malaysia, the United Kingdom and the United States, who were asked to name their preferred companies. From the companies voted by participants, GRADUAN selected the top 50, of which Maybank was ranked as No. 1 Preferred Employer receiving 31% of the votes. The respondents were 90% undergraduates and 10% postgraduates from various academic disciplines, with 37% from accounting and finance fields, 30% engineering, 13% sciences and 20% IT, Law and others.



WE ARE ONE OF MALAYSIA'S LEADING GRADUATE EMPLOYERS!

In Malaysia's 100 Leading Graduate Employers 2011 Rankings, a survey conducted by GTI Media and Trendence, Maybank was once again voted one of Malaysia's 100 Leading Graduate Employers for the fourth consecutive year in 2011. Maybank was winner in the Banking & Financial Services Sector and in the rank up made an impressive jump to 5th ranking in 2011 from 17th ranking in 2010.

The Malaysia's 100 Leading Graduate Employers Awards celebrate the most sought after employer brands as well as recognises the effort that employers put in to make their organisations attractive places to work. The results were based on the Malaysian Student and Graduate Barometer 2011, which examines the preferences, priorities and influences of university students and fresh graduates in Malaysia and abroad when selecting their first employer after graduating.

As one of the top 5 employers out of 100 companies, Maybank was ranked ahead of major global banking and financial services institutions in the Banking and Financial Services Sector as shown below:

MALAYSIA'S 100 LEADING GRADUATE EMPLOYERS 2011 RANKINGS - BANKING & FINANCIAL SERVICES SECTOR	
5	Maybank
6	CIMB Group
9	Public Bank
14	Citibank (Malaysia)
16	HSBC Bank (Malaysia)
25	Standard Chartered Bank (Malaysia)
34	OCBC Bank (Malaysia)
48	Bank Kerjasama Rakyat (Malaysia)
48	Hong Leong Group (Malaysia)

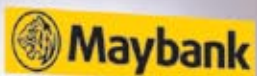
* Source: <http://malaysias100.com/2011-ranking/>

These two awards are testimony to the efforts that Maybank has emplaced to create an environment where career opportunities and progression are diverse and numerous, and innovation, collaboration and relationship building are nurtured for peak performance.

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Financial Advisor

Financial Advisor



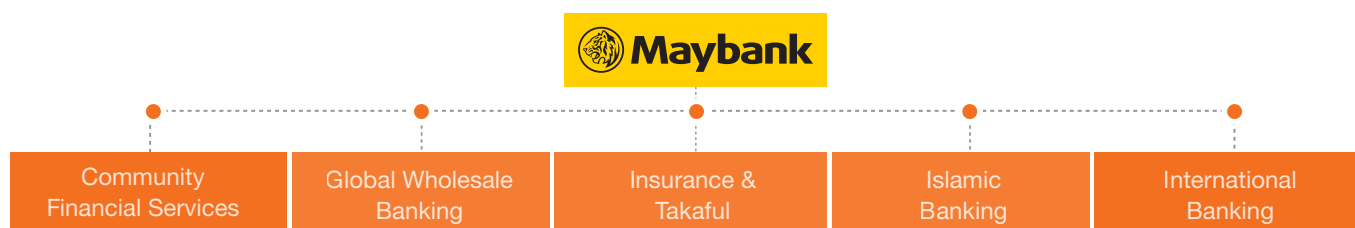
Responsible Marketplace

“Innovative products as well as greater accessibility and convenience are also key factors to ensure all our customers have an enhance and consistant banking experience”

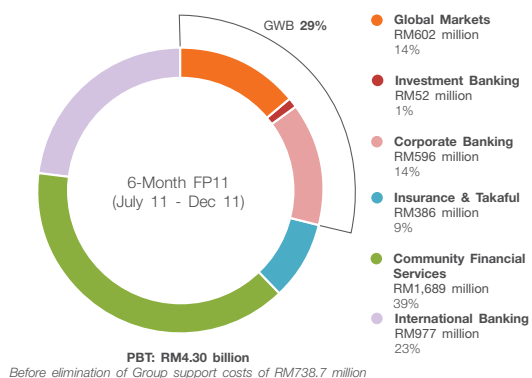
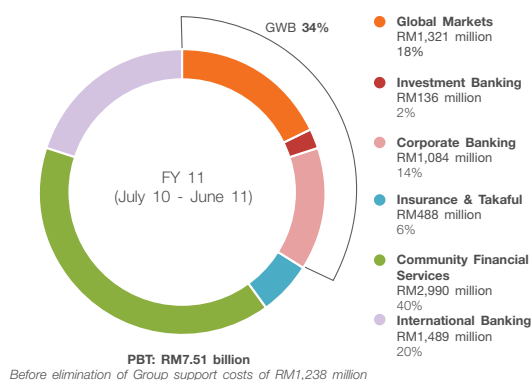
Responsible Marketplace (cont'd.)

Humanising financial services across Asia means that customer welfare comes first. Our commitment to humanising our services is based on three key principles: providing people with access to funding; offering fair terms and pricing and advising customers based on their needs.

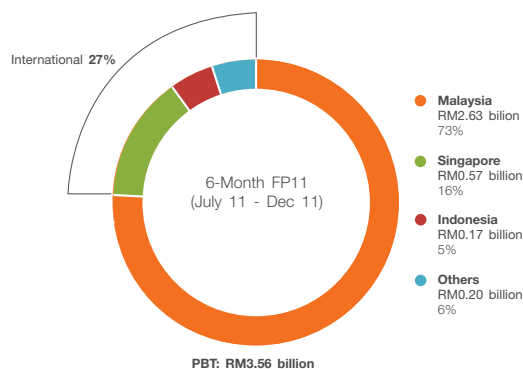
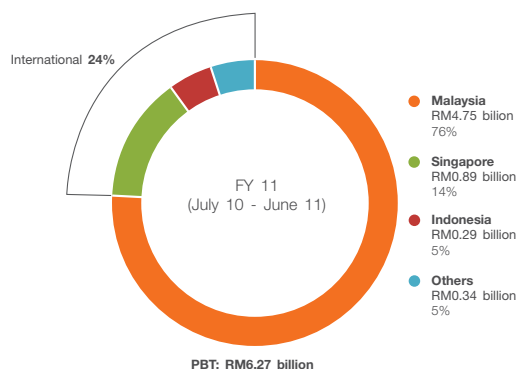
To achieve these ends, we have the most extensive financial network in Malaysia, with 392 branches. In remote rural areas we provide mobile bus banking, and in 18 rural areas we are the only bank there. We also have the nation's biggest internet banking presence, with a 55% market share.



PBT BY BUSINESS PILLARS



PBT BY GEOGRAPHY



COMMUNITY FINANCIAL SERVICES

Community Financial Services (CFS) has expanded from Consumer Banking to encompass Small-Medium Enterprise (SME) and Business Banking. Over the years, our dedication to enhance our customers' experience has won CFS ten million individual, SME and Business Banking customers.

We aspire to be the community financial services leader in Malaysia serving our customers from the heart and becoming part of every community where we operate. We empower our customers with innovative financial solutions. We enrich community life by promoting wider ownership of homes, vehicles and financial assets, and by supporting local business growth. In all these ways, we help boost the local economy and contribute to a higher standard of living.

Lines of Business Operation

• Mortgage Financing	• Bancassurance
• Automobile Financing	• Payment Systems
• Credit Card	• SME Banking
• Retail Financing	• Business Banking
• Funding & Deposit	• Virtual Banking
• Investment	

GLOBAL WHOLESALE BANKING

Global Wholesale Banking (GWB) was formed in July 2010 as a result of Maybank reframing its strategic mission to humanise financial services across ASEAN. The new structure of GWB reflects the strategic need to better respond to the needs of our corporate and institutional clients. In this new way of engaging, GWB aims to provide our clients with a seamless offering across all our product whole product range, giving clients a complete view encompassing all their needs.

Maybank's GWB includes the following divisions:

CLIENT COVERAGE DIVISION	INVESTMENT BANKING DIVISION	GLOBAL MARKETS DIVISION	CORPORATE BANKING DIVISION	TRANSACTION BANKING DIVISION
Focuses on building long-term relationship with our clients and delivering customised solutions.	Offers services ranging from financial advisory, mergers and acquisitions and IPOs to issuance of equity or debt, derivatives, equity trading and share margin financing.	Provides market making in fixed income securities, money market instruments and foreign exchange as well as restructuring interest rates, currency and other structured products for clients.	Provides funding solutions to all types of requirements for our clients including working capital and capital investments as well as complex project financing and acquisition financing.	Caters to all our clients' transactional needs such as cash management and trade finance (including structured trade), factoring, custody, trustee services as well as linking with our correspondent banks.

Responsible Marketplace (cont'd.)

INSURANCE & TAKAFUL

Etiga is the single master brand for all Maybank's insurance and takaful business and operates via two business arms - Etiga Insurance Berhad and Etiga Takaful Berhad. The Etiga brand platform of humanizing insurance and takaful is about making the business simpler and easier for the customers and help them protect their assets, maintain their lifestyle and build a sustainable future. This is translated into our community efforts where we seek to make life easier and simpler for the community around us.

Key Products

Mishap and accidents can befall anyone at any point in their life and those who are unable to afford the various costs and expenses as the result of the unfortunate events are particularly affected. In fact, it is only the select few who have the means to pay should the unfortunate happen. It has been with this thought in mind that Etiga targets those who need such coverage and assistance. Throughout the year Etiga has identified, developed and launched products that benefit and address the needs of the various market segments. These products are:

Flexi PA/Takaful Flexi PA provides an affordable 24 hour personal accident cover settling outstanding hire purchase loans when accidents happen.

Mustika is a savings plan that also provides protection, offering participants an affordable contribution amount for six years, and providing fixed annual cash payments for the first ten years of the policy and protection for 20 years. The fixed annual cash payments can help participants to plan and pay for their education, investment, holiday and other expenses.

For individuals who have a little left over to invest, VIP 50 combines guaranteed savings plan (VIP 50 PCI) with a flexible investment plan (VIP 50 Invest) to meet the need for a balanced investment portfolio.

In addition, Etiga rolled out Inteltek, a new product which addresses the social aspect of sustainability. The education plan offers protection, savings and rewards the policyholder's children on their achievement. The plan was designed upon maturity to assist or even cover paying for the rising cost of education that parents face when putting their children through school. It is a product that takes into consideration that many families have more than one child which makes Inteltek an affordable plan to sustain and maintain for their children's future.

Policyholders may also withdraw up to 80% of the available amount in the account to meet unexpected expenses. In times of misfortune, we will continue paying policyholders contribution in their absence. Hence, families with children will have peace of mind knowing that their children's future education will not be compromised.

Etiga Inteltek high-performance academic rewards table:

EXAMINATION GRADES	REWARD (RM) FOR MONTHLY CONTRIBUTION OF LESS THAN RM100.00	REWARD (RM) FOR MONTHLY CONTRIBUTION OF RM100.00 AND ABOVE
UPSR - 5As	250.00	500.00
PMR - 8As	350.00	750.00
SPM - 8As	500.00	1,000.00
STPM - 5 Principal As	1,000.00	1,500.00

In line with the brand platform of humanising insurance and takaful, Etiga has come up with product benefits and services that are meant to make life easier for policyholders during their time of need.

HUMANISING PRODUCT AND SERVICES	TARGET MARKET	OBJECTIVE
We offer RM1000 cash advance for funeral expenses	Policyholders	To immediately assist in times of sorrow and to make necessary arrangements for the funeral
We pay small claims of RM2,000 and below settled over the phone, with no documentation required	Policyholders	To avoid the hassle of waiting time for pay-out process for small claims which requires complete documentations as well as to reduce the usage of printed paper
We pay RM10,000 claims advance for Small Medium Enterprise (SME) in times of misfortune	Policyholders	To immediately assist the SME after a disaster (e.g. flood and fire)
We introduced paperless motor insurance transaction	Policyholders	Customers fill E-Forms rather than physical paper for faster processing purposes

Etika Takaful also contributes part of its annual zakat directly to homes and institutions around Malaysia, helping them to build basic infrastructures and facilities and providing better quality of life to the less fortunate. This Corporate Zakat Programme has assisted over 20 institutions and more than 2,000 individuals.

ISLAMIC BANKING

Maybank Islamic Berhad (MIB) operates as a wholly-owned, full fledged licensed Islamic bank of the Maybank Group. MIB is not only strengthening its brand and position as the leading Islamic financial service provider in the region but also recognised as the leading Islamic bank in the world. As of December 2011, Maybank has been ranked amongst the leading global sukuk advisors and this is a testimony to our Islamic wholesale banking strength. As at June 2011, Maybank Group is recognised as the largest sukuk advisor with a global market share of 35.3% amounting to RM10.2 billion.

MIB practices Muamalah principle and acts on the good faith of its shareholders. Among Maybank Islamic's notable efforts to give back to the community is the practice to pay business zakat on behalf of the shareholders in absence of any specific guidelines that requires banks to do so.

MIB does not impose any Early Settlement Fees (ESF) in its products and services, in-line with the Islamic principles of encouraging the public to settle payment obligation as early as possible. In contrast, MIB gives rebates to customers upon early settlement of financing for sale based contracts. This approach mirrors the concept of giving discount on price or reducing the debt of the customers who make early settlement.

MIB's Waqf is another philanthropic endowment that creates perpetual assets which generate a stream of revenue for social good. For example, Wakaf An-Nur Group provides medical treatment in its clinics for only RM5 per visit for consultations and medical products.

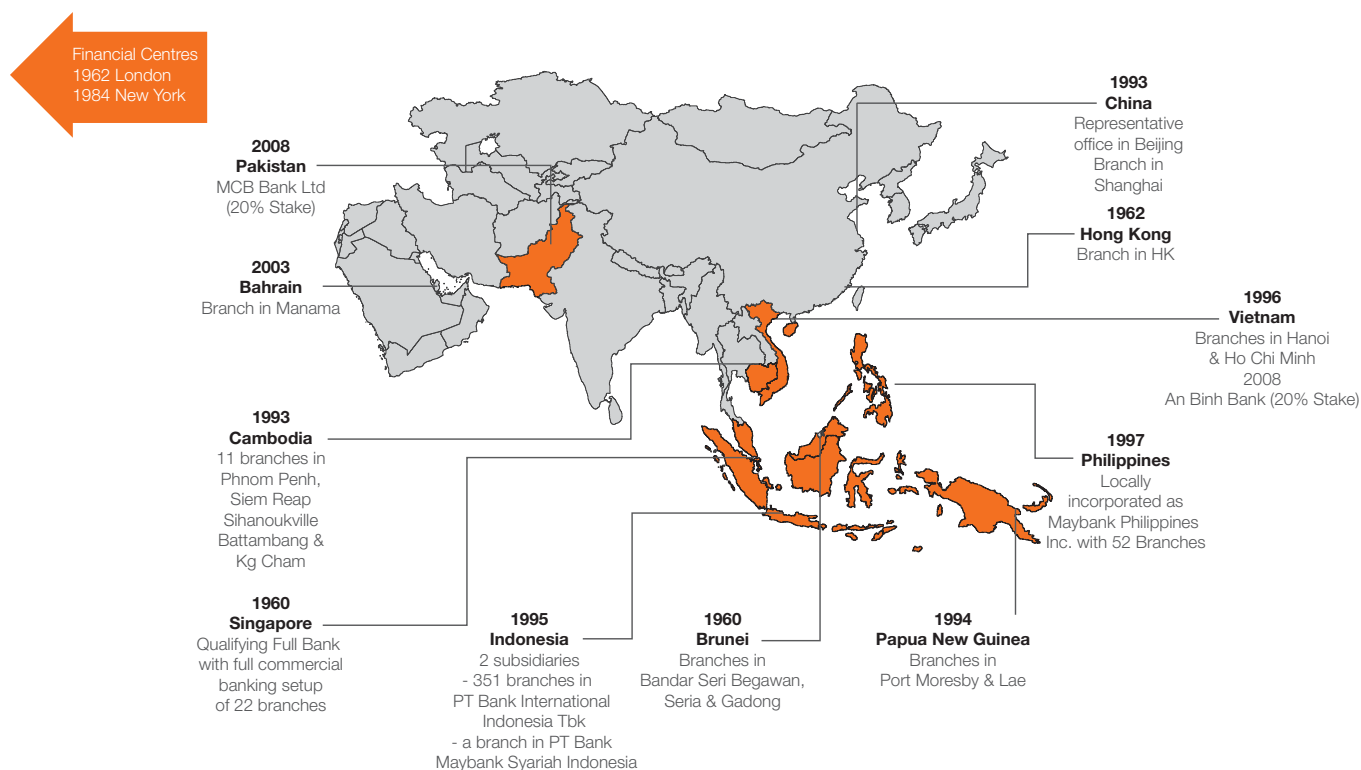
By strengthening intra-group links and capitalising on the strategic objectives of becoming a leading Islamic bank in ASEAN under the House of Maybank, MIB continues to build business sustainability through stronger collaboration with Community Financial Services (CFS), Global Wholesale Banking (GWB) and Enterprise Transformation Services (ETS). This has resulted in more innovative cross-selling and bundling of products and services, allowing greater market penetration and network expansion of Islamic Banking business domestically and overseas.

We have always strived to sustain our overall market share leadership for our financing and deposit products. In addition, together with CFS, MIB entered into a strategic partnership with Lembaga Tabung Haji through the launch of Tabung Haji Payment Solutions (THPS). THPS is the first to offer Maybank account holders access to perform Hajj registration via Self Service Terminal (SST) at all Maybank and MIB branches and network. This is in line with the Group's aspiration of humanising financial services.

INTERNATIONAL BANKING

Outside Malaysia, our commercial banking business operates in 13 countries, of which seven are in ASEAN and the rest in strategic markets such as China, the Middle East, the United Kingdom and the USA. Though our international business is largely wholesale, we are also active in consumer business in our home markets of Singapore and Indonesia, as well as the expanding markets of the Philippines and Cambodia.

OUR INTERNATIONAL PRESENCE:



SUPPORTING THE TRANSFORMATION

Enterprise Transformation Services (ETS) is the strong foundation for Maybank Group that delivers services to our clients within and outside of the Group to jointly achieve the aspiration of humanising financial services. ETS provides innovative solutions, excellent standards and quality delivery in 3 main areas; reducing per unit costs for the Group, increasing productivity for the Group and driving increased customer engagement. We support the Group through our respective departments consisting of Information Technology, Operations & Service Quality.

In 2011, the IT Transformation Programme (ITTP) successfully implemented several tactical projects such as Islamic Foreign Currency Loan, Global Wholesale Banking Customer Relationship Management and Master Foreign Currency Account. Islamic Foreign Currency Loan was implemented on 26 September 2011 and equipped Maybank Islamic to play a major role in supporting the Group's business expansion to various markets in the region. Global Wholesale Banking Customer Relationship Management was launched on 27 June 2011 and provided consistent management of customer data through a customer relationship management information tool. Master Foreign Currency Account created a system that offers customers the convenience of a Master Foreign Currency Account which handles almost 11 major currencies with reduced costs on fund transfers and losses during currency conversion.

Service Quality (SQ) department supports the customer service transformation initiatives of the Group. We are committed to understanding our customers' needs, delivering best in-class service experience and ensuring consistent customer service is rendered by the Group. To continuously drive productivity and enhanced service measurement that contribute to overall Group service performance, we have engaged with businesses and initiated the following:-

- Improve Problem Resolution initiative

To improve the end-to-end problem resolution as a source of differentiation, make customer excellence the norm and ensure "Zero tolerance" for bad customer service. This is a joint effort between SQ and business units namely; branch services, cards, ATM/CDM and virtual banking. The key measurement to ensure consistent delivery is the 'Quality and assurance of resolution' and SLA performance bank-wide complaint.

- Improve Branches Average Waiting Time initiative

To delight our customers with the shortest possible waiting time of not more than 2 minutes for single transactions and not more than 5 minutes for multiple transactions. The initiative was rolled out in May 2011 at Klang Valley branches. Our single and multiple transactions' customers waiting time had improved by 51.23% after the rollout of the initiative.

- Improve Frontliners Product Knowledge initiative

To improve product knowledge to all frontliners for operational and core products. We conducted refresher courses and product knowledge competitions i.e. product knowledge quarterly tests, quarterly product knowledge competition by zones and regions. Nationwide branches have taken part in this initiative and the mystery shopping (product knowledge component) actual results of 94% have surpassed baseline of 83%.

At Operations, we support the following Group back-end functions explicitly backroom branch operations, self-service terminals operations support, collateral management system, inward and outward funds transfers and trade processing. We assist and render our services to the businesses to ensure seamless process and fast turnaround time.

In 2011, our achievement for ATM uptime surpassed industry benchmark of 98.25% and CDM uptime surpassed industry benchmark of 95.00% respectively. Re-engineering our Credit Administration Centre process flow, our customer disputes claims which normally takes 4 days are now 80% closed within 1 working day. We have also centralised our Trade Operations Centre to be based at one venue to support our businesses at real time at a cost effective manner.

In 2012, ETS will continue its momentum to provide "in-service" model to support the House of Maybank by targeting to be the strong foundation for the Group that delivers first rate services to our customers within and outside the Group to jointly achieve the Group's aspirations by reducing per processing unit costs, increasing productivity and drive increased customer engagement for the Group.

Responsible Marketplace (cont'd.)

MARKETING AND COMMUNICATION

As Malaysia's financial sector becomes increasingly diverse and complex, Bank Negara Malaysia (BNM) has heightened its focus on market conduct and financial education to help ensure a stable financial system and fair treatment of customers. BNM has issued the latest guidelines on Product Transparency and Disclosure effective in January 2010. It was issued by Consumer Market & Conduct Department of BNM in May 2009 for compliance by all Financial Service Providers. Maybank's marketing policy is in compliance with the guidelines set by BNM & Statutory Body such as Public Islamic Dividend Fund (PIDF). The guideline aims to enhance disclosure quality, requiring that disclosures are to be made in an accurate, clear, consistent, comparable, relevant and timely manner.

We conduct regular training for front-liners and Branch Managers through branch merchandising programme orientation to avoid breaches during their own communications and hence providing wrong information. More than 10 training sessions were conducted for the branches throughout Fiscal Year 2010/2011.

Product Transparency and Disclosure Guidelines applicability:

- Banking Financial Institution (inclusive of Islamic Banks)
- Direct insurers
- Takaful operators and international Takaful operators
- Development financial institutions
- Designated payment instrument issuers

MAYBANK'S PRODUCT TRANSPARENCY GUIDELINE REQUIREMENT:

POLICY REQUIREMENT	DESCRIPTIONS
Timing of Disclosures	<p>Pre-contractual disclosure Key features, significant risks, salient terms and conditions and cost applicable to be clearly and prominently displayed.</p> <p>Point of entering contract Key contractual terms and conditions such as the rights and obligations of Bank and customers, liability for loss, contract details of the Bank should be highlighted.</p> <p>During the term of contract Continuous disclosure through notices of change, bank statements and disclosure following specific request.</p>
Disclosure Requirements for Advertisement	Advertisement must be clear and not misleading. It has to be easily understood and allow customers to identify it as a promotional material. Advertisement should disclose accurate and relevant information. Product features, risks, benefits and costs must be disclosed accurately and consistently.
Language requirement	Banks are encouraged to prioritise the use of Bahasa Melayu (Malay) in disclosing its information. Single language may be used for comprehensive documents such as contracts, agreements and insurance/Takaful policy certificates.
Product Specific Disclosure Requirements	Banks are required to disclose different information for different products in accordance with customer needs.
Product Disclosure Sheet	Banks are required to provide a Product Disclosure Sheet for customers to make informed decisions and to facilitate comparisons between products.

COMPLIANCE WITH MARKETING AND COMMUNICATIONS

In Fiscal Year 2010/11, there were two reported incidents of non-compliance with the regulations concerning marketing communication. Both incidents involved the Bank's funding & deposit and wealth & payment division. Necessary actions and rectifications have been taken accordingly.

With CRM, Maybank deployed its Centralised Campaign Management System which allows the synchronisation of multi-channel marketing. The use of alternative channels such as direct mail, telemarketing, sms marketing, e-mail marketing and M2u In-box marketing are used to inform customers of new product offerings and launches. This enhances customers' experiences as they are kept up-to-date with new financial solutions offered by Maybank.

CUSTOMER RELATIONSHIP MANAGEMENT

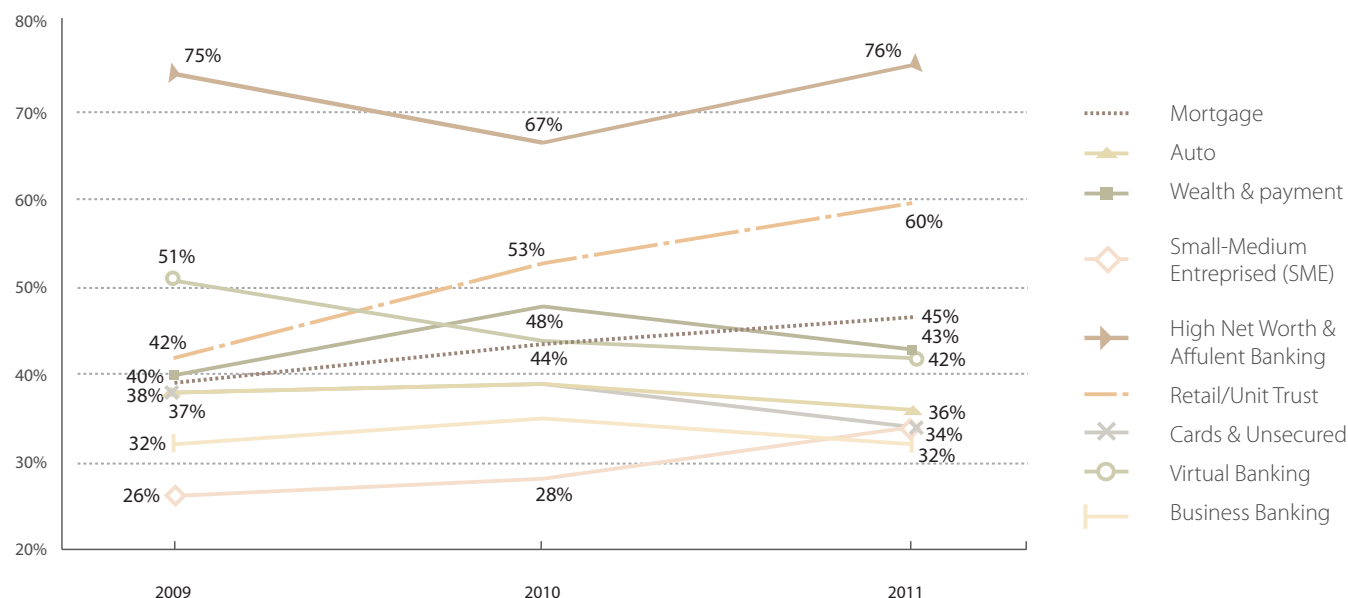
Customer Relationship Management (CRM) is treated as a core function, reflecting our customer-centric business approach. We have invested in an Analytical Customer Relationship Management (aCRM) system to transform the business fully and drive business by leveraging on the strategic use of information about our customers. By understanding our customers' behaviour better, we will improve the customer experience, hence increase customer loyalty, retention and profitability. Our aCRM enables us not only to meet current expectations, but also future expectations in a proactive manner. From this analytical tool, we hope to obtain a complete picture of customer's lifecycle, which will enable us to grow our value chain.

CUSTOMER ENGAGEMENT AND SATISFACTION

Maybank conducts an External Customer Engagement Survey (ECES) to gather valuable customer feedback and input on its products and services. Customer satisfaction is measured annually through our appointed survey research company. Our first survey was conducted in 2008. It targeted a group of customers classified under the 'High Net worth' or 'Mass Affluent' category which had transactions related to Sector/ Customer Segment within the last six months. We conduct telephone interviews in English, Bahasa Melayu and Mandarin.

The objective of the annual ECES is to understand and increase customer engagement with Maybank, benchmark our current performance and relate this to past performance. We are working to identify critical improvement areas in customer perceptions and behaviours.

Maybank's Community Financial Services (CFS) Customer Satisfaction Results for 2009-2011



Responsible Marketplace (cont'd.)



CUSTOMERS' FEEDBACK MANAGEMENT

The channels through which customers may lodge their complaints include branches/centres or contact centres, the website of Maybank2u.com, a designated email address or direct to Maybank's centralised complaints unit. Complainants may also refer any deadlocked cases to an external mediation agency called the Financial Mediation Bureau (FMB) for appropriate redress. The contact details of the centralised complaint unit of Maybank are available on BNM, FMB and Maybank websites.

All service delivery personnel may receive complaints from complainants and take appropriate steps to resolve the complaints in an efficient, fair and timely manner. Root-cause analysis is undertaken by Customers' Feedback Management to ascertain the root cause of complaints and provide appropriate remedial measures and improvement initiatives to overcome recurring or systematic problems.

The Head of the Centralised Complaints Unit reports directly to the PCEO and indirectly to the Service Quality Division. Currently, there is no specific committee which deals with complaints. A Mediation Committee has recently been established to handle specific appeal cases related to loans repayment. Other cases are handled at the respective levels in accordance with the prescribed approving limits of the respective approver. Complaints data are reported on a monthly basis to Maybank's Executive Committee (EXCO).

Complaints and Feedbacks Trends

FEEDBACK TYPE	FISCAL YEAR 08/09	FISCAL YEAR 09/10	FISCAL YEAR 10/11
Complaints	2,292	3,473	4,177
Feedbacks	62,583	68,561	77,915

CUSTOMER PRIVACY: CUSTOMER DUE DILIGENCE (CDD)

Maybank benefits from Customer Due Diligence (CDD) especially when establishing business relationship with customers, carrying out transactions that involve a sum in excess of the amount specified by Bank Negara Malaysia (BNM) or when Maybank has any suspicion of money laundering or financing of terrorism. The CDD undertaken by Maybank helps to verify a customer's identity using reliable independent source documents, data or information. The Group CDD protects the business from becoming the victim of financial crime. Any business relationships that fail to comply with the CDD requirements will be terminated. Maybank keeps all relevant documents including any material business correspondences and documents relating to transactions for at least seven years after the transactions has been completed or after the business relationship has ended.

COMPLIANCE WITH CUSTOMER PRIVACY

In 2010, there were three cases received concerning complaints of breaches of customer privacy. All three incidents have been investigated thoroughly and resolved with the customers.

CUSTOMER SERVICE PROGRAM

We S.E.R.V.E Programme

The “We S.E.R.V.E Programme” is the follow through of the GUEST customer service programme which is focused on service recovery at branches. The objective of the We S.E.R.V.E programme is to formalise our action and behaviour (including the scripts) on how we address and manage walk-in complaints. The programme was formally launched by the Head of Consumer Banking in December 2009 at the Suria KLCC branch complete with campaign pledge reading by the branch team. Maybank aims to take ownership and responsibility in solving customer issues and to prevent any negative impact from customer complaints.

H.E.A.R.T. (Humility, Efficiency, Appreciation, Respect, Trust) Campaign

The H.E.A.R.T. Campaign initiated in 2009 is focused on shaping behavioural change towards a desired service behaviour in our pursuit to creating as we pursue a culture of service excellence. Serve from the H.E.A.R.T. workshops, customer service etiquette programmes ranging from telephone etiquette, greeting adopting the G.U.E.S.T. checklist, grooming and customer resolution adopting S.E.R.V.E. guidelines are aimed to develop a service mindset and strong service driven attitude particularly those who are at service touchpoints internally and externally.

SOCIALLY RESPONSIBLE AND ENVIRONMENTALLY FRIENDLY PRODUCTS

SOCIALLY RESPONSIBLE PRODUCTS

Accessible Banking for the Disabled



Maybank now has 16 disabled-friendly branches in Malaysia to meet the special needs of wheelchair-bound customers. These branches offer more convenient access to the bank's facilities, and Maybank personnel are on hand to render extra assistance as needed. Further, the disabled-friendly branches have specially designated parking areas and ramps to provide easy entry.

Within the branches, specially built ATM and deposit machines are installed at a suitable height for people in wheelchairs, and service counters are available on the same level as the entrance for individuals requiring customer service.

In addition to these 16 branches in Malaysia, all of our 52 branches in the Philippines are wheelchair-accessible. These accessibility modifications are part of Maybank's ongoing service transformation initiative, both to raise service standards and to empower all communities that the Bank serves, including the disabled.



Responsible Marketplace (cont'd.)

Housing Loans for the Poor

Maybank has various housing loan schemes for the low and middle income earners. Our initiatives are in-line with the Ministry of Finance to ensure that those without a fixed income such as farmers and small traders can obtain financing facilities to purchase a home.

While Maybank is rebalancing its housing loan portfolio towards the higher end properties for a healthier portfolio mix and better asset quality, Maybank remains fully committed towards its social responsibilities and fully supports the government's aspiration towards ensuring affordable housing for all Malaysians. Maybank currently actively participates in housing schemes initiated by the government ie:

For properties costing up to RM100,000

- a) Syarikat Jaminan Kredit Perumahan (SJKP) - a housing loan guarantee scheme to assist non-fixed and fixed income earners without income documents to buy houses costing below RM100,000.
- b) DBKL-SJKP scheme - a lease-buy concept where rental is used to offset the sale price of homes built by DBKL. For properties costing above RM100,000 and up to RM400,000
- c) Skim Rumah Pertamaku (SRP) - a home ownership scheme guaranteed by Cagamas aimed at assisting young adults with income not exceeding RM3,000 per month to buy their first home.
- d) Skim PR1MA - a home ownership scheme aimed at assisting the middle income group with income not exceeding RM6,000 per month to buy affordable homes in urban areas especially in Greater KL and Penang.

My First Home Scheme

Maybank's My First Home Scheme (Skim Rumah Pertamaku) is backed by Cagamas, and caters specifically to first-time buyers, in-line with the Government objective to promote greater home ownership.

Microfinance

Maybank's approach to microfinance is to provide sustainable assistance programs for the country poor and the unbanked segments in the country.

Types of Microfinance offered by Maybank:

- Maybank Mikro & Maybank Islamic Mikro-i
- SmallBiz Express & SmallBiz Express-i
- Program Rakan Ladang for BERNAS members

ENVIRONMENTALLY FRIENDLY PRODUCTS

Clean Energy Fund

On November 15, 2011, Maybank Ventures launched a US\$500 million (RM1.568 billion) clean energy fund. The ten-year private equity fund is a series of diversified portfolios of clean energy projects in the Asia-Pacific region with a focus on China, India, Indonesia, Malaysia, Thailand, the Philippines, Vietnam, Cambodia and Laos. The structure of the fund was designed to tap into the growing interest in clean and renewable opportunities in Asia amongst a diverse investor base. It will be the first fund dedicated to clean and renewable energy by a South East Asian bank and will focus on clean energy projects in sectors such as wind, solar, geothermal, small hydro, biomass, bio fuels and energy efficiency in the region.

Clean energy is becoming more popular as a source of power to meet Asia's growing needs. The long-term fundamentals are compelling as rising fossil fuel prices, combined with high volatility in recent years, have sparked a greater worldwide interest in clean energy. Asian governments are prioritising policy guidelines and incentives for achieving clean energy targets. Broad ranges of clean energy sub sectors provide in-built diversification. Clean energy in Asia is a rapidly growing infrastructure asset class with multi-faceted opportunities. Carbon credits provide additional hard currency revenues and further enhance project returns.

The fund will be co-managed by Maybank Ventures Sdn Bhd and its joint venture partner, Mumtaz Khan, CEO of Maybank MEACP Pte Ltd. It immediately makes Maybank Ventures one of the leading players in the Clean Energy private equity space. The fund will comprise two parallel investment vehicles - US\$350 million Master fund supported by Maybank, Asian Development Bank and International Finance Corporation and US\$150 million co-financing vehicles supported by the Washington D.C. based Overseas Private Equity Investment Corporation of the US.

Green Technology Financing Scheme

The Green Technology Financing Scheme (GTFS) was established by the Government to promote investments in green technology. The government has set up a RM1.5 billion GTFS under budget 2010 to encourage the supply and use of green technologies, especially in energy, water and waste management industries. Maybank supports this national initiative of promoting green technology in business operation and processes to conserve the natural environmental resources and minimise the negative impact of human activities.

Investment in Green Technology refers to products, equipment or systems which satisfy the following:

- Reduction of environmental degradation
- Zero or low greenhouse gas emission
- Provision of safe products to promoting health and improved environment
- Active energy and natural resources conservation
- Promotion of the use of renewable resources

Companies which are interested can submit their application to obtain the Project Certificate from the Malaysian Green Technology Corporation through the website (www.ptm.org.my) or (www.greentechmalaysia.my).

The Bank provides finance for the capital expenditure of equipment and machinery that reduces production waste

and pollution. We have financed business ventures involved in waste management and recycling. Some of the green projects financed by Maybank include:

- Wastewater treatment plants for oil palm and other manufacturing industries
- River water treatment for domestic and industrial use
- Manufacturing reclaimed and crumb rubber
- Recycling of used computers and plastic containers
- Processing of scrap iron
- Bio-fertilisers
- Solid waste management recycling
- Oil waste recovery
- Renewable energy-generation of electricity from oil palm waste and solar power generation for domestic and industrial use

Maybank 2U – E-statement



Cut Down Paper. Not Trees

Together with Maybank,
YOU can help us to
preserve the environment
by signing up for
E-Statement TODAY!

**Please visit the nearest Maybank branch to
register for Maybank2u.com**



Go paperless and be rewarded

Join our in-house effort to cut down on the use of paper and let this be the last advertisement you'll receive. Sign up for your e-statement today and get 5,000 TreatsPoints!

Your e-statement is just a click away anytime, anywhere.

5,000 TreatsPoints when you sign up.

Many little efforts help.
Lead the way to sustainable environment.
You can start with these simple suggestions.

There are a few ways to help your footprint on the environment.
It's not just about saving the trees.
There are ways to be greener in a daily routine. We have got the right solution for you. Let's change the world together.
Visit our site, please, from now and visit again to get the latest on the Green.

Maybank



Get 5,000 TreatsPoints when you go green with Mail e-statement

Cut down on the use of paper and be rewarded. You'll get 5,000 TreatsPoints credited into your account upon signing up for Mail e-statement. That's more, you'll obtain a chance to win extra 10,000 TreatsPoints when you sign up between now to 31 December 2010. Don't miss and sign up today!

It's a Green Achievement. Be proud.

Send your photos here

How to sign up

It's easy. Just follow these simple steps:

- Login to M2U
- Select "Bills & Statements" then "Statements"
- For first time user, click "Accept" when prompted to acknowledge "T&C"
- Optional sign up for email statement delivery (click on "Email Statement" and enter your email address and password)

Special:
TreatsPoints will be credited into your card account within 48 hours after completion.

Don't miss!
Additional 10,000 TreatsPoints



Maybank

Protect the Environment & Sign up for E-Statement Today!

Thousands of trees are cut down every year to produce paper. You can help reduce the use of paper by switching to e-statement today and enjoy the convenience of Online statement.

How to sign up

It's easy. Just follow these simple steps:

- Login to **Maybank2u.com**
- Select "Bills & Statements" then "Statements"
- For first time user, click "Accept" when prompted "e-statement T&C"
- Optional sign up for email statement delivery, click on "Email Statement Delivery" and enter your email address and password

To register for Maybank2u.com, please visit the nearest Maybank branch.

Secure . Convenient . Environmentally Friendly

Responsible Marketplace (cont'd.)

SUPPLIERS

Maybank works with a wide range of suppliers and business partners including institutions that provide financial products and services.

PROCUREMENT POLICY

Maybank has established a Strategic Sourcing Process, which includes a number of possible ways to assess a supplier or a product in terms of sustainability. Maybank staff can use these suggestions as a means of determining which solution provides the greatest value for both the Bank and the economy and society at large, and which does minimal harm to the environment.

- When drafting specifications and evaluating proposals, the staff may consider issues including biodegradability, health and safety standards, minimal packaging and conserving power consumption.
- During the sourcing process, Maybank strives to use electronic forms and, when appropriate, allow users to bid via e-auctions, thus both saving paper and assuring bidding transparency.
- Maybank may ask suppliers to provide information about their own sustainability policies and whether or not the supplier has ever been prosecuted for environmental violations. Further, staff may ask the bidder or supplier to provide information about the environmental impact of the Maybank project.
- After a contract has been awarded, Maybank personnel may conduct site visits to evaluate the following factors, to the extent that they are applicable to a given project:
 - a) Possible air, noise and water pollution contributed from suppliers activities
 - b) Action taken to protect natural environment in production area
 - c) Methods use to dispose and management wastages
 - d) Age of staff hired
 - e) Safety measures and working environment for staff at site

Again, these are guidelines, not rules, for Maybank staff to use as the Bank strives to achieve sound, sustainable and ethical practices in the procurement of goods and services.

Maybank is committed to a world-class procurement practice and securing significant savings through strategic initiatives and collaboration with stakeholders. Our procurement policy supports the Group's strategic, business and financial objectives. We continue to achieve maximum effectiveness on procurement which results in positive impact on our cost-income ratio.

It is mandatory for all Maybank staff involved in any procurement activity to adhere to the procurement policies and procedures. The Group procurement manual is intended to be a high-level overarching document that provides direction to the overall Group on procurement guidelines and procedures.

SUSTAINABLE PROCUREMENT

Maybank adheres to the Sustainable Procurement Guideline and has taken various factors into consideration for procuring, materials, products and services at best value.

Maybank procures its goods and services in a way that is minimising environmental impacts, whilst maintaining the country's economic viability. Considerations shall be taken in aspect of environmental criteria by respect to introducing evaluation criteria during the procurement process and award of goods and services.

Economic Considerations

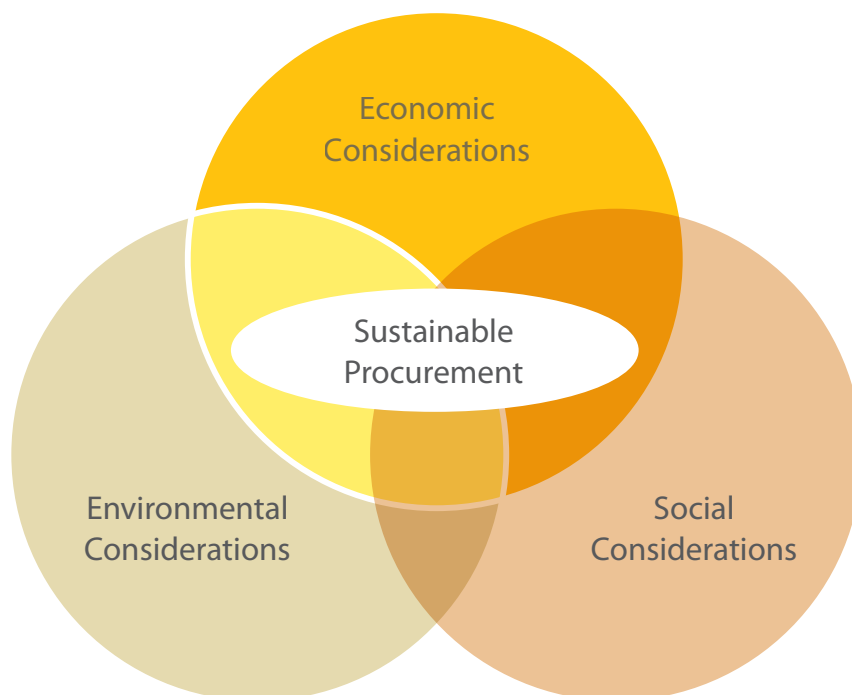
Material usage reduction, product performance and quality enhancement, leverage on buying power

Environmental Considerations

Pollutant releases, waste generation, greenhouse gas emission and energy consumption

Social Considerations

Human health impacts, support of local business, supplier social responsibilities, vendor diversification



SUSTAINABLE PROCUREMENT GUIDELINE

Responsible Marketplace (cont'd.)

SUPPLIERS ASSESSMENT

Procurement should follow the supplier assessment process to help prevent and deter potential problems with suppliers. Assessment for New Suppliers is an initial screening process to identify potential suppliers. Existing internal or external data can be used to evaluate suppliers. Also Request For Information (RFI) documents can be used to gather basic information from potential suppliers, if necessary.

Maybank adheres to the competitive supplier selection process whereby suppliers are evaluated based on overall competitiveness and relevant criteria such as quality, cost, lead-time, flexibility and service. Evaluation criteria and associated weighted factors vary by product category or service. The criteria should be determined by a cross-functional team prior to bidding and performing the actual evaluation. The goal is to achieve the best overall value for Maybank.

ETHICAL SUPPLIERS MANAGEMENT

Maybank is committed to working with key suppliers to contribute towards the goal of continual improvement in environmental, social and ethical performance. We assess our suppliers on these issues and expect a strict implementation of management system which indirectly influences its supply chain process. All suppliers must comply with the Company's declaration of conflict of interest.

Employees must adhere to Maybank's Code of Ethics. Any approach by a vendor that goes beyond the bounds of courtesy, or offer or receipt of gifts, is reported to the employee's superior.

PROTECTION OF INFORMATION

Confidential information is sought from suppliers only when necessary. This information shall not be disclosed without the supplier's prior written consent. Suppliers must not disclose any transaction details that may affect Maybank's business reputation and competitive advantage. We are committed to protecting confidential information, intellectual property and strategies that may cause negative impact to any of the parties.

Our procurement policy sets the following guidelines on information handling, including:

- There should be no release of any spent data or contract-specific information including supplier names, supplier pricing, except as may be necessary at an aggregate commodity level for supplier negotiation purposes, or as required by law.
- Under no circumstances is any Maybank person to release any supplier pricing to another supplier or third party.
- There should be no release of any specific supplier performance information to any external organisation, other than to the specific supplier being evaluated.
- Release of supplier names may only be made with supplier approval in conjunction with providing sourcing or reference information for specified parts or qualified suppliers.
- There should be no release of information or comment on any commercial or strategic planning aspects of Maybank's relationship with any supplier.

In all instances where Maybank's confidential information is to be disclosed to a supplier, or other external party, it is mandatory to execute a non-disclosure agreement prior to disclosure in order to protect Maybank's information and interests, and those of its customers.

OUR RELATIONSHIP WITH SUPPLIERS AND VENDORS

Maybank manages risks related to supply chain through its Group Procurement Policy and Code of Conduct. Maybank's procurement policy sets the minimum standards expected from all supply chain activities. All vendors must maintain the highest standards of integrity in their performance. This policy details conflicts of interest among parties, fair dealing and best practice standards of any subcontractors. Break of this provision is a breach of an essential term which leads to the termination of agreement.

Our contract and performance management require amendments to be authorised and agreed with both parties involved in the agreements. The business units (contract owners) are responsible for the day-to-day operations with suppliers.



A sourcing strategy is developed by Maybank's Strategic Procurement together with key stakeholders. Service Level Agreement (SLA) is the review process established to measure if performance objectives are achieved. Our sourcing strategy demonstrates how to achieve the lowest Total Cost of Ownership (TCO) and to avoid the risk of supply failure.

Maybank's supplier evaluation includes:

- Background regarding why the suppliers are being brought for review
- Background on how the suppliers' competency relates to Maybank's overall business strategy
- The essential drop-dead criteria that must be met by all suppliers
- Estimated value of the items being sourced
- The type of contract arrangements being proposed
- Product quality
- Pricing, timing and efficiency

The Group's Supplier Relationship Management (SRM) is responsible for managing the interaction between commercial user and suppliers. Users communicate their requests to the Group's strategic procurement division who sends this information to the suppliers. Our SRM continues to maintain its high standards in the supply chain practices.

Responsible Marketplace (cont'd.)

PREVENTION OF CORRUPTION

Maybank, as a custodian of public funds, treasures its reputation as an organisation that maintains and practices financial integrity in all its operations. The Bank regards fraud as a serious matter which may result in severe damage to its reputation in addition to any financial loss arising from the fraud.

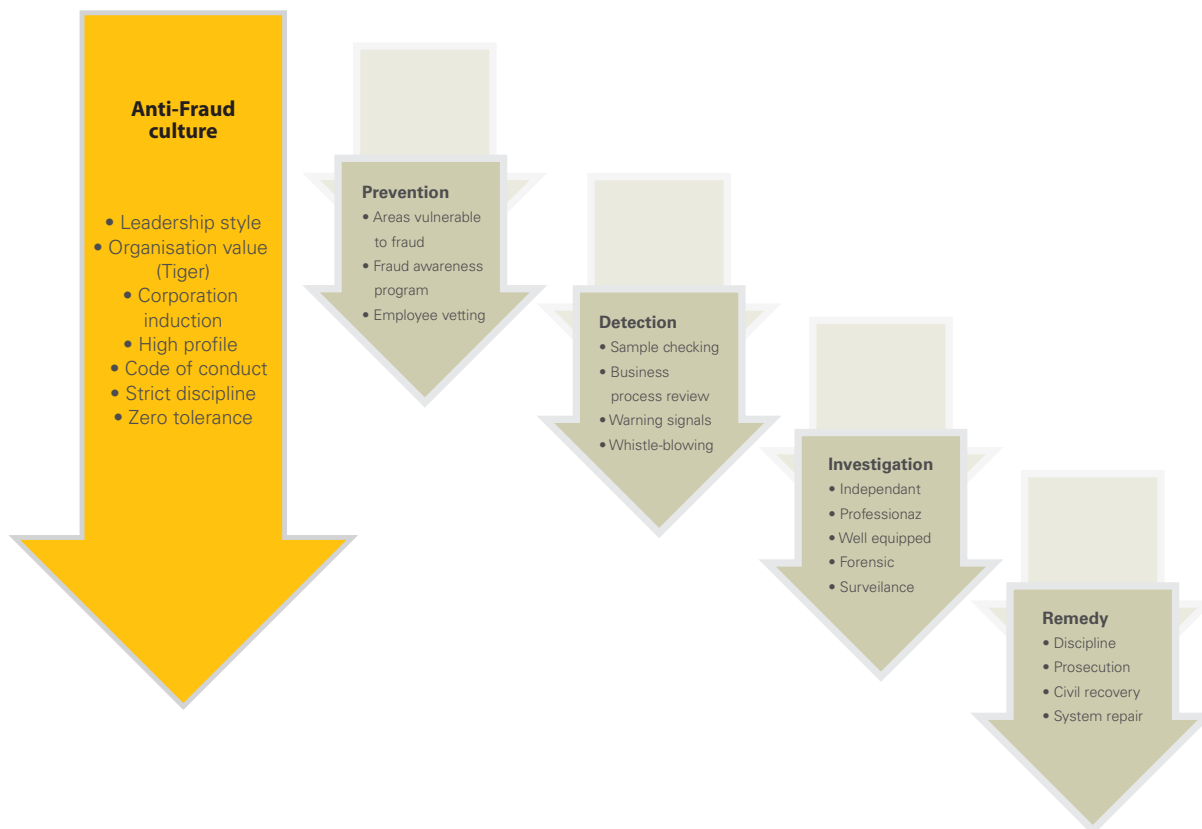
Maybank's Anti-Fraud Framework is established to provide principles, strategy and policy for the Group to promote high standard of integrity. It also highlights the roles and responsibilities at every level for preventing and responding to fraud. Additionally, the framework educates employees about the suitable channels of communication to be employed when communicating with external parties and proposes the methods to be employed in safeguarding sensitive and confidential information.

Understanding the importance of embracing an Anti-Fraud Culture, Maybank organised the Anti-Fraud Roadshow and launched the following FRAUD A.L.E.R.T. acronym to advocate the Anti-Fraud Culture:

- A – Awareness
- L – Learning
- E – Effective Enforcement
- R – Reporting
- T – Training

Maintaining its momentum of combating fraud, Maybank achieved yet another milestone in its proud history by being the first financial institution in Malaysia to sign the Corporate Integrity Pledge (CIP). To commemorate the Corporate Integrity Pledge, Maybank rebranded its "Fraud Reporting Hotline" to "Integrity Hotline" and launched the new Anti-Fraud poster.

MAYBANK'S STRATEGY TO ANTI-FRAUD CULTURE



ANTI-MONEY LAUNDERING AND COUNTER FINANCING OF TERRORISM (AML/CFT) POLICY

Maybank is committed to preventing money laundering and terrorism financing. We recognise our obligations to prevent financial channel, products and services from being used by money laundering and terrorist organisations for illicit purposes. Maybank complies with the Anti-Money Laundering and Anti-Terrorism Financing Act 2001 (AMLATFA 2001) that criminalises money laundering and financing of terrorism in any form. We do not take part in any process of converting cash or property derived from illegal activities. We are also against any actions of soliciting, collecting or provisioning of funds that come with the intention to support terrorism acts or organisations.

Maybank has developed a robust framework that is applicable Group-wide and is in line with the Financial Action Task Force (FATF) Recommendations, international best practices as well as the localised to the host jurisdictions where Maybank operates.

INTEGRITY HOTLINE

The Group's Fraud Reporting Hotline has been rebranded as the Integrity Hotline in September 2011. The rebranding reflects the enhanced scope of reporting as the coverage includes not only fraud but also other unethical and illegal acts such as dishonesty, malpractice and corruption.

The purpose of the whistleblowing policy is to provide a framework and avenue for all employees to report actual or suspected misconduct or violations in a safe and protected manner.

The Group assures that employees genuinely raising such concern will not be victimised, harassed or unfairly treated in their employment by reason of their raising of the concern. Any conduct culminating in such retribution suffered by the informer shall be treated as a serious misconduct warranting disciplinary action to be taken against the wrongdoer.

At the same time, the Group provides full assurance to informers that their identity shall be protected and their complaint treated with the highest level of confidentiality.

MALAYSIA COMPETITION ACT 2010

The Malaysian Competition Act 2010 came into effect on 1 January 2012. The Act is a legal framework that provides for two key prohibitions on anti-competitive agreements and the abuse of dominant position. The Act applies to the entire Group's commercial activity within and outside Malaysia, provided that such activity has an effect on market competition in Malaysia. This will provide a legal framework for curtailing anti-competitive practices in Malaysia.

The Group fully embraces the objective of encouraging efficiency, innovation and entrepreneurship and promoting competitive prices, improvements in quality of products and services as well as providing wider choices to consumers. To this end, the Group is committed to fully comply with the Act and has implemented various initiatives throughout the Group which include amongst others, review of business processes and awareness creation at all levels of employees. To further demonstrate the commitment from the top, a Group Antitrust Steering Committee was set up and chaired personally by the President & CEO to oversee the implementation of the compliance programme.

STATEMENT ON COMPLIANCE

We adhere to all relevant laws and regulations when marketing our products and services. In addition, being a law-abiding corporate citizen, Maybank strives to ensure that our operations are founded upon ethical practices within a framework of integrity and fairness.

Responsible Marketplace (cont'd.)

Performance Data – Environment

DESCRIPTION	2011	2010	2009	2008
Total Electric Consumption (GWh)	21,135	22,060	22,866	23,799
Direct Energy Consumption – Primary Fuel Sources – Liquefied Petroleum Gas (LPG) (Litre)	4,070	4,300	4,492.80	NA
Water Usage (cubic metre)	248,927.65	199,124.85	262,480.65	337,993.26

* Only at Menara Maybank

Performance Data – Workplace

DESCRIPTION	2011	2010	2009	2008
Employees				
Total number*	42,693	40,476	24,910	24,773
Inside Malaysia	25,841	24,055	22,535	22,370
Outside Malaysia*	16,852	16,421	2,375	2,403
Executive	28,578	25,613	14,564	14,021
Non-Executive	14,115	14,863	10,346	10,752
Full-time	42,693	40,476	24,910	24,773
Part-time	–	–	–	–

DESCRIPTION	2011	2010	2009	2008
Permanent Staff	39,487	36,317	24,126	24,244
Non-permanent Staff	3,206	4,159	784	529
Female	22,845	21,087	14,554	14,488
Male	19,848	19,389	10,356	10,285
Union members (For Maybank only)	10,015	9,907	11,676	11,822
Non-Union members (For Maybank only)	13,052	11,457	13,234	12,951
Age group				
< 30	13,481	12,924	6,400	7,083
30 – 40	17,177	16,725	11,208	10,924
40 – 50	9,491	8,612	5,655	5,336
> 50	2,544	2,215	1,647	1,430
Diversity (Malaysia Ops. only)				
Malay	18,201	17,024	16,499	16,654
Chinese	5,189	4,640	5,466	5,257
Indian	1,355	1,251	1,221	1,203
Others	1,096	1,140	1,724	1,659
Employee Turnover Rates				
Global	5,274	2,354	2,099	2,039
In Malaysia	1,742	1,866	1,800	1,559
Outside Malaysia	3,532	488	299	480
Global	12.35%	8.87%	8.43%	8.23%
In Malaysia	6.74%	7.80%	7.99%	6.97%
Outside Malaysia	20.96%	18.60%	12.59%	19.98%
Female	2,267	1,275	1,122	1,148
Male	3,007	1,079	977	891
Age Group				
< 30	3,095	1,340	1,191	1,178
30 – 40	1,529	540	487	523
40 – 50	386	194	153	150
> 50	282	280	268	188

Responsible Marketplace (cont'd.)

DESCRIPTION	2011	2010	2009	2008
Women in Management				
% Women in management (Band G & above)	40.87% (includes BII & WOM only)	39.46% (includes BII & WOM only)	38.23%	37.11%
% Women in top management (Band D & above)	22.7% (includes BII & WOM only)	17.45% (includes BII & WOM only)	15.68%	16.66%
Training				
Employee participation in training	24,909	21,985	20,660	22,078
Average attendance per training program	20.9	25.8	24	18.2
Average training budget per employee (RM)	2,427	2,063	537	372
Average and total hours of training per employee (average/Total hours)	47.97 / 1,379,602.18	38.34 / 1,016,270.52	34.5 / 797,635.75	50.9 / 1,152,784.14
Staff training expenditure vs total gross salary (note: Bank Negara Malaysia's minimum standard is 2.5%)	3.34%	2.79%	2.51%	3.25%
Performance Review towards Career Enhancement				
% Employee who are formally appraised (at least annually)	100%	100%	100%	100%
% Employee who are formally appraised (during Mid-Year Review)	NA (for Financial Period July-Dec 2011)	89%	86%	68%
One-on-one performance review for year-end evaluation	On-going	59%	61%	63%
Occupational Safety and Health (OSH)				
Total recordable injury frequency rate	0.032	0.07	NIL	NIL
Absenteeism Rate	NA	NA	NA	NA
Lost time injury severity rate	0.704	3	0	0
Fatal accident rate	NIL	NIL	NIL	NIL
Employee Engagement Survey Results	86%#	87%	83%	77%
Human Rights®				
No. of employee who receive Human Rights training	On-going	On-going	On-going	On-going
Security personnel trained on Human Rights issues	On-going	On-going	On-going	On-going
No. of disabled staff	4	4	8	NA

* Includes international branches and subsidiaries but excludes Maybank Kim Eng.

For year 2011, the figure is between Jan - Dec 2011.

excludes BII. 86% is higher than the Towers Watson global high performance companies norm of 84%.

@ Bank's on-going induction/training programmes incorporate human rights topics & issues.

GRI Context Index

GRI Reporting Area	STATUS
Profile Disclosures	
Strategy and Analysis	All Reported
Organisational Profile	All Reported
Report Profile	All Reported
Report Scope and Boundary	All Reported
GRI Context Index	All Reported
Assurance	All Reported
Governance	All Reported
Commitments to External Initiatives	All Reported
Stakeholder Engagement	All Reported
DMA and Performance Indicators	
Economic	Reported
Social Performance : Labour Practices & Decent Work	Reported
Social Performance : Human Rights	Reported
Social Performance : Society	Reported
Social Performance : Product Responsibility	Reported
Environmental	Reported

GRI Context Index (cont'd.)

G3 Content Index				
STANDARD DISCLOSURES PART I: Profile Disclosures				
1. Strategy and Analysis				
PROFILE DISCLOSURE	DESCRIPTION	STATUS	CROSS-REFERENCE	REASON FOR OMISSION & EXPLANATION
1.1	Statement from the most senior decision-maker of the organisation.	Fully	P2	
1.2	Description of key impacts, risks, and opportunities.	Fully	P4-7	
2. Organisational Profile				
PROFILE DISCLOSURE	DESCRIPTION	STATUS	CROSS-REFERENCE	REASON FOR OMISSION & EXPLANATION
2.1	Name of the organisation.	Fully	Cover	
2.2	Primary brands, products, and/or services.	Fully	AR 2011 P22-25	
2.3	Operational structure of the organisation, including main divisions, operating companies, subsidiaries, and joint ventures.	Fully	P8-11	
2.4	Location of organisation's headquarters.	Fully	P2-3	
2.5	Number of countries where the organisation operates, and names of countries with either major operations or that are specifically relevant to the sustainability issues covered in the report.	Fully	P8	
2.6	Nature of ownership and legal form.	Fully	AR 2011 P534-535	
2.7	Markets served (including geographic breakdown, sectors served, and types of customers/beneficiaries).	Fully	AR 2011 P105	
2.8	Scale of the reporting organisation.	Fully	P8; AR 2011 P7-9, 22-23, 33, 80, 105, 122, 256-257	
2.9	Significant changes during the reporting period regarding size, structure, or ownership.	Fully	P8	
2.10	Awards received in the reporting period.	Fully	P16-17	

G3 Content Index				
STANDARD DISCLOSURES PART I: Profile Disclosures				
3. Report Parameters				
PROFILE DISCLOSURE	DESCRIPTION	STATUS	CROSS-REFERENCE	REASON FOR OMISSION & EXPLANATION
3.1	Reporting period (e.g., fiscal/calendar year) for information provided.	Fully	P2	
3.2	Date of most recent previous report (if any).	Fully	P2	
3.3	Reporting cycle (annual, biennial, etc.)	Fully	P2	
3.4	Contact point for questions regarding the report or its contents.	Fully	P3	
3.5	Process for defining report content.	Fully	P28-31	
3.6	Boundary of the report (e.g., countries, divisions, subsidiaries, leased facilities, joint ventures, suppliers). See GRI Boundary Protocol for further guidance.	Fully	P2	
3.7	State any specific limitations on the scope or boundary of the report (see completeness principle for explanation of scope).	Fully	P2	
3.8	Basis for reporting on joint ventures, subsidiaries, leased facilities, outsourced operations, and other entities that can significantly affect comparability from period to period and/or between organisations.	Fully	P2	
3.9	Data measurement techniques and the bases of calculations, including assumptions and techniques underlying estimations applied to the compilation of the Indicators and other information in the report. Explain any decisions not to apply, or to substantially diverge from, the GRI Indicator Protocols.	Fully	P118-120	
3.10	Explanation of the effect of any re-statements of information provided in earlier reports, and the reasons for such re-statement (e.g., mergers/acquisitions, change of base years/periods, nature of business, measurement methods).	Fully	P4-7	
3.11	Significant changes from previous reporting periods in the scope, boundary, or measurement methods applied in the report.	Fully	P2	
3.12	Table identifying the location of the Standard Disclosures in the report.	Fully	P121	
3.13	Policy and current practice with regard to seeking external assurance for the report.	Fully	P142-144	

GRI Context Index (cont'd.)

G3 Content Index				
STANDARD DISCLOSURES PART I: Profile Disclosures				
4. Governance, Commitments, and Engagement				
PROFILE DISCLOSURE	DESCRIPTION	STATUS	CROSS-REFERENCE	REASON FOR OMISSION & EXPLANATION
4.1	Governance structure of the organisation, including committees under the highest governance body responsible for specific tasks, such as setting strategy or organisational oversight.	Fully	P34-37	
4.2	Indicate whether the Chair of the highest governance body is also an executive officer.	Fully	AR 2011 P184-199	
4.3	For organisations that have a unitary board structure, state the number of members of the highest governance body that are independent and/or non-executive members.	Fully	P34-37	
4.4	Mechanisms for shareholders and employees to provide recommendations or direction to the highest governance body.	Fully	P36	
4.5	Linkage between compensation for members of the highest governance body, senior managers, and executives (including departure arrangements), and the organisation's performance (including social and environmental performance).	Fully	P35, AR 2011 P210	
4.6	Processes in place for the highest governance body to ensure conflicts of interest are avoided.	Fully	AR 2011 P213	
4.7	Process for determining the qualifications and expertise of the members of the highest governance body for guiding the organisation's strategy on economic, environmental, and social topics.	Fully	AR 2011 P184-199, 204	
4.8	Internally developed statements of mission or values, codes of conduct, and principles relevant to economic, environmental, and social performance and the status of their implementation.	Fully	P18-20, AR 2011 P20-21	
4.9	Procedures of the highest governance body for overseeing the organisation's identification and management of economic, environmental, and social performance, including relevant risks and opportunities, and adherence or compliance with internationally agreed standards, codes of conduct, and principles.	Fully	P4-7	
4.10	Processes for evaluating the highest governance body's own performance, particularly with respect to economic, environmental, and social performance.	Fully	P34-37, AR 2011 P201-202	
4.11	Explanation of whether and how the precautionary approach or principle is addressed by the organisation.	Fully	P20-21	

G3 Content Index				
STANDARD DISCLOSURES PART I: Profile Disclosures				
4. Governance, Commitments, and Engagement				
PROFILE DISCLOSURE	DESCRIPTION	STATUS	CROSS-REFERENCE	REASON FOR OMISSION & EXPLANATION
4.12	Externally developed economic, environmental, and social charters, principles, or other initiatives to which the organisation subscribes or endorses.	Fully	P20-21	
4.13	Memberships in associations (such as industry associations) and/or national/ international advocacy organisations in which the organisation: * Has positions in governance bodies; * Participates in projects or committees; * Provides substantive funding beyond routine membership dues; or * Views membership as strategic.	Fully	P34-37	
4.14	List of stakeholder groups engaged by the organisation.	Fully	P32-33	
4.15	Basis for identification and selection of stakeholders with whom to engage.	Fully	P32-33	
4.16	Approaches to stakeholder engagement, including frequency of engagement by type and by stakeholder group.	Fully	P32-33	
4.17	Key topics and concerns that have been raised through stakeholder engagement, and how the organisation has responded to those key topics and concerns, including through its reporting.	Fully	P32-33	

STANDARD DISCLOSURES PART II: DISCLOSURES ON MANAGEMENT APPROACH (DMAS)					
G3 DMA	DESCRIPTION	STATUS	CROSS-REFERENCE	REASON FOR OMISSION & EXPLANATION	TO BE REPORTED IN
DMA EC	Disclosure on Management Approach EC				
Aspects	Economic performance	Partially	P12-15, P20, 30, 73, 76, 88-89 AR 2011 P83, 85, AR 2011 P338, 534-535	This indicator is partially disclosed as we do not have enough supporting document to disclose on the remaining parts.	2012
	Market presence	Partially	P82-84, 94, 112-115	This indicator is partially disclosed as we do not have enough supporting document to disclose on the remaining parts.	2012
	Indirect economic impacts	Partially	P4-7, 69, AR 2011 P14-16	This indicator is partially disclosed as we do not have enough supporting document to disclose on the remaining parts.	2012
DMA EN	Disclosure on Management Approach EN				

GRI Context Index (cont'd.)

STANDARD DISCLOSURES PART II: DISCLOSURES ON MANAGEMENT APPROACH (DMAS)					
G3 DMA	DESCRIPTION	STATUS	CROSS-REFERENCE	REASON FOR OMISSION & EXPLANATION	TO BE REPORTED IN
Aspects	Materials	Not		Even though we have increased the amount of data available, our process is still under development. Therefore, we have not reported on this indicator.	2012
	Energy	Partially	P77-78, 110-111	This indicator is partially disclosed as we do not have enough supporting document to disclose on the remaining parts.	2012
	Water	Partially	P78-79	This indicator is partially disclosed as we do not have enough supporting document to disclose on the remaining parts.	2012
	Biodiversity	Partially	P74-75	This indicator is partially disclosed as we do not have enough supporting document to disclose on the remaining parts.	2012
	Emissions, effluents and waste	Partially	P76	Even though we have increased the amount of data available, our process is still under development. Therefore, we have not reported on this indicator.	2012
	Products and services	Partially	P110-111	This indicator is partially disclosed as we do not have enough supporting document to disclose on the remaining parts.	2012
	Compliance	Partially	P79	This indicator is partially disclosed as we do not have enough supporting document to disclose on the remaining parts.	2012
	Transport	Not		We do not report on this point (no intention of reporting in the future) since the disclosure as prescribed by the GRI Guidelines is not applicable to our business as we are operating in the financial industry.	
	Overall	Not		We do not report on this point (no intention of reporting in the future) since the disclosure as prescribed by the GRI Guidelines is not applicable to our business as we are operating in the financial industry.	
DMA LA	Disclosure on Management Approach LA				

STANDARD DISCLOSURES PART II: DISCLOSURES ON MANAGEMENT APPROACH (DMAS)					
G3 DMA	DESCRIPTION	STATUS	CROSS-REFERENCE	REASON FOR OMISSION & EXPLANATION	TO BE REPORTED IN
Aspects	Employment	Partially	P88-89, 118-120	This indicator is partially disclosed as we do not have enough supporting document to disclose on the remaining parts.	2012
	Labour/management relations	Fully	P95		
	Occupational health and safety	Partially	P92-95, 120	This indicator is partially disclosed as we do not have enough supporting document to disclose on the remaining parts.	2012
	Training and education	Partially	P86-87, 89-91, 120	This indicator is partially disclosed as we do not have enough supporting document to disclose on the remaining parts.	2012
	Diversity and equal opportunity	Fully	P118-119		
	Equal remuneration for women and men	Fully	P94		
DMA HR	Disclosure on Management Approach HR				
Aspects	Investment and procurement practices	Partially	P112, 120	This indicator is partially disclosed as we do not have enough supporting document to disclose on the remaining parts.	2012
	Non-discrimination	Fully	92-96		
	Freedom of association and collective bargaining	Fully	P95-96		
	Child labour	Fully	P96		
	Prevention of forced and compulsory labour	Fully	P96		
	Security practices	Fully	P120		
	Indigenous rights	Fully	P96		
	Assessment	Not		We do not report on this yet (commitment to future reporting) as we have thus far been unable to gather supporting materials to support the statement but we will be able to report on this in the future.	2012
	Remediation	Not		We do not report on this yet (commitment to future reporting) as we have thus far been unable to gather supporting materials to support the statement but we will be able to report on this in the future.	2012
DMA SO	Disclosure on Management Approach SO				

GRI Context Index (cont'd.)

STANDARD DISCLOSURES PART II: DISCLOSURES ON MANAGEMENT APPROACH (DMAS)					
G3 DMA	DESCRIPTION	STATUS	CROSS-REFERENCE	REASON FOR OMISSION & EXPLANATION	TO BE REPORTED IN
Aspects	Local communities	Partially	P22, 39	This indicator is partially disclosed as we do not have enough supporting document to disclose on the remaining parts.	2012
	Corruption	Fully	P116-117, AR 2011 P176, 241		
	Public policy	Partially	P86, AR 2011 P85	This indicator is partially disclosed as we do not have enough supporting document to disclose on the remaining parts.	2012
	Anti-competitive behaviour	Fully	P117, AR 2011 P241		
	Compliance	Partially	P69	This indicator is partially disclosed as we do not have enough supporting document to disclose on the remaining parts.	2012
DMA PR	Disclosure on Management Approach PR				
Aspects	Customer health and safety	Not		We do not report on this point (no intention of reporting in the future) since the disclosure as prescribed by the GRI Guidelines is not applicable to our business as we are operating in the financial industry.	
	Product and service labelling	Fully	P100-104, 107, 117		
	Marketing communications	Partially	P106-107	This indicator is partially disclosed as we do not have enough supporting document to disclose on the remaining parts.	2012
	Customer privacy	Fully	P108-109		
	Compliance	Fully	P117		

STANDARD DISCLOSURES PART III: Performance Indicators					
Economic					
PERFORMANCE INDICATOR	DESCRIPTION	STATUS	CROSS-REFERENCE	REASON FOR OMISSION & EXPLANATION	TO BE REPORTED IN
Economic performance					
EC1	Direct economic value generated and distributed, including revenues, operating costs, employee compensation, donations and other community investments, retained earnings, and payments to capital providers and governments.	Fully	P12-15, AR 2011 P83, 85		
EC2	Financial implications and other risks and opportunities for the organisation's activities due to climate change.	Fully	P20, 30, 73, 76		
EC3	Coverage of the organisation's defined benefit plan obligations.	Fully	P88-89, AR 2011 P338		
EC4	Significant financial assistance received from government.	Partially	AR 2011 P534-535	This indicator is partially disclosed as we do not have enough supporting document to disclose on the remaining parts.	2012
Market presence					
EC5	Range of ratios of standard entry level wage compared to local minimum wage at significant locations of operation.	Partially	P94	This indicator is partially disclosed as we do not have enough supporting document to disclose on the remaining parts.	2012
EC6	Policy, practices, and proportion of spending on locally-based suppliers at significant locations of operation.	Fully	P112-115		
EC7	Procedures for local hiring and proportion of senior management hired from the local community at significant locations of operation.	Fully	P82-84		

GRI Context Index (cont'd.)

STANDARD DISCLOSURES PART III: Performance Indicators					
Economic					
PERFORMANCE INDICATOR	DESCRIPTION	STATUS	CROSS-REFERENCE	REASON FOR OMISSION & EXPLANATION	TO BE REPORTED IN
Indirect economic impacts					
EC8	Development and impact of infrastructure investments and services provided primarily for public benefit through commercial, in-kind, or pro bono engagement.	Partially	P69	This indicator is partially disclosed as we do not have enough supporting document to disclose on the remaining parts.	2012
EC9	Understanding and describing significant indirect economic impacts, including the extent of impacts.	Fully	P4-7, AR 2011 P14-16		
Environmental					
Performance Indicator	Description	Status	Cross-reference	Reason for omission & Explanation	To be reported in
Materials					
EN1	Materials used by weight or volume.	Not		Even though we have increased the amount of data available, our process is still under development. Therefore, we have not reported on this indicator.	2012
EN2	Percentage of materials used that are recycled input materials.	Not		Even though we have increased the amount of data available, our process is still under development. Therefore, we have not reported on this indicator.	2012
Energy					
EN3	Direct energy consumption by primary energy source.	Partially	P77-78	This indicator is partially disclosed as we do not have enough supporting document to disclose on the remaining parts.	2012
EN4	Indirect energy consumption by primary source.	Fully	P77-78		
EN5	Energy saved due to conservation and efficiency improvements.	Fully	P77-78		
EN6	Initiatives to provide energy-efficient or renewable energy based products and services, and reductions in energy requirements as a result of these initiatives.	Fully	P110-111		
EN7	Initiatives to reduce indirect energy consumption and reductions achieved.	Fully	P77-78		

STANDARD DISCLOSURES PART III: Performance Indicators					
Economic					
PERFORMANCE INDICATOR	DESCRIPTION	STATUS	CROSS-REFERENCE	REASON FOR OMISSION & EXPLANATION	TO BE REPORTED IN
Water					
EN8	Total water withdrawal by source.	Partially	P78-79	This indicator is partially disclosed as we do not have enough supporting document to disclose on the remaining parts.	2012
EN9	Water sources significantly affected by withdrawal of water.	Partially	P78-79	This indicator is partially disclosed as we do not have enough supporting document to disclose on the remaining parts.	2012
EN10	Percentage and total volume of water recycled and reused.	Not		Even though we have increased the amount of data available, our process is still under development. Therefore, we have not reported on this indicator.	2012
Biodiversity					
EN11	Location and size of land owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas.	Partially	P74-75	Even though we have increased the amount of data available, our process is still under development. Therefore, we have not reported on this indicator.	2012
EN12	Description of significant impacts of activities, products, and services on biodiversity in protected areas and areas of high biodiversity value outside protected areas.	Fully	P74-75		
EN13	Habitats protected or restored.	Fully	P74-75		
EN14	Strategies, current actions, and future plans for managing impacts on biodiversity.	Partially	P74-75	This indicator is partially disclosed as we do not have enough supporting document to disclose on the remaining parts.	2012
EN15	Number of IUCN Red List species and national conservation list species with habitats in areas affected by operations, by level of extinction risk.	Fully	P74-75		

GRI Context Index (cont'd.)

STANDARD DISCLOSURES PART III: Performance Indicators					
Economic					
PERFORMANCE INDICATOR	DESCRIPTION	STATUS	CROSS-REFERENCE	REASON FOR OMISSION & EXPLANATION	TO BE REPORTED IN
Emissions, effluents and waste					
EN16	Total direct and indirect greenhouse gas emissions by weight.	Fully	P76		
EN17	Other relevant indirect greenhouse gas emissions by weight.	Fully	P76		
EN18	Initiatives to reduce greenhouse gas emissions and reductions achieved.	Fully	P76		
EN19	Emissions of ozone-depleting substances by weight.	Fully	P76		
EN20	NOx, SOx, and other significant air emissions by type and weight.	Not		We do not report on this point (no intention of reporting in the future) since the disclosure as prescribed by the GRI Guidelines is not applicable to our business as we are operating in the financial industry.	
EN21	Total water discharge by quality and destination.	Partially	P78-79	Even though we have increased the amount of data available, our process is still under development. Therefore, we have not reported on this indicator.	2012
EN22	Total weight of waste by type and disposal method.	Partially	P73	Even though we have increased the amount of data available, our process is still under development. Therefore, we have not reported on this indicator.	2012
EN23	Total number and volume of significant spills.	Not		We do not report on this point (no intention of reporting in the future) since the disclosure as prescribed by the GRI Guidelines is not applicable to our business as we are operating in the financial industry.	
EN24	Weight of transported, imported, exported, or treated waste deemed hazardous under the terms of the Basel Convention Annex I, II, III, and VIII, and percentage of transported waste shipped internationally.	Not		We do not report on this point (no intention of reporting in the future) since the disclosure as prescribed by the GRI Guidelines is not applicable to our business as we are operating in the financial industry.	
EN25	Identity, size, protected status, and biodiversity value of water bodies and related habitats significantly affected by the reporting organisation's discharges of water and runoff.	Partially	P74-75	This indicator is partially disclosed as we do not have enough supporting document to disclose on the remaining parts.	2012

STANDARD DISCLOSURES PART III: Performance Indicators					
Economic					
PERFORMANCE INDICATOR	DESCRIPTION	STATUS	CROSS-REFERENCE	REASON FOR OMISSION & EXPLANATION	TO BE REPORTED IN
Products and services					
EN26	Initiatives to mitigate environmental impacts of products and services, and extent of impact mitigation.	Partially	P110-111	This indicator is partially disclosed as we do not have enough supporting document to disclose on the remaining parts.	2012
EN27	Percentage of products sold and their packaging materials that are reclaimed by category.	Not		We do not report on this point (no intention of reporting in the future) since the disclosure as prescribed by the GRI Guidelines is not applicable to our business as we are operating in the financial industry.	
Compliance					
EN28	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with environmental laws and regulations.	Partially	P79	This indicator is partially disclosed as we do not have enough supporting document to disclose on the remaining parts.	2012
Transport					
EN29	Significant environmental impacts of transporting products and other goods and materials used for the organisation's operations, and transporting members of the workforce.	Not		We do not report on this point (no intention of reporting in the future) since the disclosure as prescribed by the GRI Guidelines is not applicable to our business as we are operating in the financial industry.	
Overall					
EN30	Total environmental protection expenditures and investments by type.	Not		We do not report on this point (no intention of reporting in the future) since the disclosure as prescribed by the GRI Guidelines is not applicable to our business as we are operating in the financial industry.	

GRI Context Index (cont'd.)

STANDARD DISCLOSURES PART III: Performance Indicators					
Economic					
PERFORMANCE INDICATOR	DESCRIPTION	STATUS	CROSS-REFERENCE	REASON FOR OMISSION & EXPLANATION	TO BE REPORTED IN
Social: Labor Practices and Decent Work					
Performance Indicator	Description	Status	Cross-reference	Reason for omission & Explanation	To be reported in
Employment					
LA1	Total workforce by employment type, employment contract, and region.	Fully	P118-120		
LA2	Total number and rate of employee turnover by age group, gender, and region.	Partially	P118-120	This indicator is partially disclosed as we do not have enough supporting document to disclose on the remaining parts.	2012
LA3	Benefits provided to full-time employees that are not provided to temporary or part-time employees, by major operations.	Fully	P88-89		
LA15	Return to work and retention rates after parental leave, by gender.	Partially	P88-89	This indicator is partially disclosed as we do not have enough supporting document to disclose on the remaining parts.	2012
Labor/management relations					
LA4	Percentage of employees covered by collective bargaining agreements.	Fully	P95		
LA5	Minimum notice period(s) regarding significant operational changes, including whether it is specified in collective agreements.	Fully	P95		
Occupational health and safety					
LA6	Percentage of total workforce represented in formal joint management-worker health and safety committees that help monitor and advise on occupational health and safety programs.	Partially	P92-93	This indicator is partially disclosed as we do not have enough supporting document to disclose on the remaining parts.	2012
LA7	Rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities by region.	Partially	P120	This indicator is partially disclosed as we do not have enough supporting document to disclose on the remaining parts.	2012

STANDARD DISCLOSURES PART III: Performance Indicators					
Economic					
PERFORMANCE INDICATOR	DESCRIPTION	STATUS	CROSS-REFERENCE	REASON FOR OMISSION & EXPLANATION	TO BE REPORTED IN
LA8	Education, training, counseling, prevention, and risk-control programmes in place to assist workforce members, their families, or community members regarding serious diseases.	Fully	P93		
LA9	Health and safety topics covered in formal agreements with trade unions.	Fully	P93-95		
Training and education					
LA10	Average hours of training per year per employee by employee category.	Partially	P86-87, 120	This indicator is partially disclosed as we do not have enough supporting document to disclose on the remaining parts.	2012
LA11	Programmes for skills management and lifelong learning that support the continued employability of employees and assist them in managing career endings.	Fully	P89-91		
LA12	Percentage of employees receiving regular performance and career development reviews.	Fully	P120		
Diversity and equal opportunity					
LA13	Composition of governance bodies and breakdown of employees per category according to gender, age group, minority group membership, and other indicators of diversity.	Fully	P118-119		
LA14	Ratio of basic salary of men to women by employee category.	Fully	P94		
Social: Human Rights					
Performance Indicator	Description	Status	Cross-reference	Reason for omission & Explanation	To be reported in

GRI Context Index (cont'd.)

STANDARD DISCLOSURES PART III: Performance Indicators					
Economic					
PERFORMANCE INDICATOR	DESCRIPTION	STATUS	CROSS-REFERENCE	REASON FOR OMISSION & EXPLANATION	TO BE REPORTED IN
Diversity and equal opportunity					
HR1	Percentage and total number of significant investment agreements that include human rights clauses or that have undergone human rights screening.	Not		We do not report on this yet (commitment to future reporting) as we have thus far been unable to gather supporting materials to support the statement but we will be able to report on this in the future.	2012
HR2	Percentage of significant suppliers and contractors that have undergone screening on human rights and actions taken.	Partially	P112	This indicator is partially disclosed as we do not have enough supporting document to disclose on the remaining parts.	2012
HR3	Total hours of employee training on policies and procedures concerning aspects of human rights that are relevant to operations, including the percentage of employees trained.	Fully	P120		
Non-discrimination					
HR4	Total number of incidents of discrimination and actions taken.	Fully	P92-96		
Freedom of association and collective bargaining					
HR5	Operations identified in which the right to exercise freedom of association and collective bargaining may be at significant risk, and actions taken to support these rights.	Fully	P95-96		
Child labor					
HR6	Operations identified as having significant risk for incidents of child labor, and measures taken to contribute to the elimination of child labor.	Fully	P96		
Forced and compulsory labor					
HR7	Operations identified as having significant risk for incidents of forced or compulsory labor, and measures to contribute to the elimination of forced or compulsory labor.	Fully	P96		

STANDARD DISCLOSURES PART III: Performance Indicators					
Economic					
PERFORMANCE INDICATOR	DESCRIPTION	STATUS	CROSS-REFERENCE	REASON FOR OMISSION & EXPLANATION	TO BE REPORTED IN
Security practices					
HR8	Percentage of security personnel trained in the organisation's policies or procedures concerning aspects of human rights that are relevant to operations.	Fully	P120		
Indigenous rights					
HR9	Total number of incidents of violations involving rights of indigenous people and actions taken.	Fully	P96		
Assessment					
HR10	Percentage and total number of operations that have been subject to human rights reviews and/or impact assessments.	Not		We do not report on this yet (commitment to future reporting) as we have thus far been unable to gather supporting materials to support the statement but we will be able to report on this in the future.	2012
Remediation					
HR11	Number of grievances related to human rights filed, addressed and resolved through formal grievance mechanisms.	Not		We do not report on this yet (commitment to future reporting) as we have thus far been unable to gather supporting materials to support the statement but we will be able to report on this in the future.	2012
Social: Society					
Performance Indicator	Description	Reported	Cross-reference	Reason for omission & Explanation	To be reported in

GRI Context Index (cont'd.)

STANDARD DISCLOSURES PART III: Performance Indicators					
Economic					
PERFORMANCE INDICATOR	DESCRIPTION	STATUS	CROSS-REFERENCE	REASON FOR OMISSION & EXPLANATION	TO BE REPORTED IN
Community					
SO1	Nature, scope, and effectiveness of any programmes and practices that assess and manage the impacts of operations on communities, including entering, operating, and exiting.	Partially	P22, 39	This indicator is partially disclosed as we do not have enough supporting document to disclose on the remaining parts.	2012
SO9	Operations with significant potential or actual negative impacts on local communities.	Fully	P22, 39		
SO10	Prevention and mitigation measures implemented in operations with significant potential or actual negative impacts on local communities.	Fully	P22, 39		
Corruption					
SO2	Percentage and total number of business units analysed for risks related to corruption.	Fully	P116, AR 2011 P176, 241		
SO3	Percentage of employees trained in organisation's anti-corruption policies and procedures.	Fully	P116-117, AR 2011 P176, 241		
SO4	Actions taken in response to incidents of corruption.	Fully	P116-117		
Public policy					
SO5	Public policy positions and participation in public policy development and lobbying.	Partially	P86	This indicator is partially disclosed as we do not have enough supporting document to disclose on the remaining parts.	2012
SO6	Total value of financial and in-kind contributions to political parties, politicians, and related institutions by country.	Fully	AR 2011 P85		
Anti-competitive behavior					
SO7	Total number of legal actions for anti-competitive behaviour, anti-trust, and monopoly practices and their outcomes.	Fully	P117, AR 2011 P241		
Compliance					
SO8	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with laws and regulations.	Partially	P69	This indicator is partially disclosed as we do not have enough supporting document to disclose on the remaining parts.	2012

STANDARD DISCLOSURES PART III: Performance Indicators					
Economic					
PERFORMANCE INDICATOR	DESCRIPTION	STATUS	CROSS-REFERENCE	REASON FOR OMISSION & EXPLANATION	TO BE REPORTED IN
Social: Product Responsibility					
Performance Indicator	Description	Status	Cross-reference	Reason for omission & Explanation	To be reported in
Customer health and safety					
PR1	Life cycle stages in which health and safety impacts of products and services are assessed for improvement, and percentage of significant products and services categories subject to such procedures.	Not		We do not report on this point (no intention of reporting in the future) since the disclosure as prescribed by the GRI Guidelines is not applicable to our business as we are operating in the financial industry.	
PR2	Total number of incidents of non-compliance with regulations and voluntary codes concerning health and safety impacts of products and services during their life cycle, by type of outcomes.	Not		We do not report on this point (no intention of reporting in the future) since the disclosure as prescribed by the GRI Guidelines is not applicable to our business as we are operating in the financial industry.	
Product and service labelling					
PR3	Type of product and service information required by procedures, and percentage of significant products and services subject to such information requirements.	Fully	P100-104		
PR4	Total number of incidents of non-compliance with regulations and voluntary codes concerning product and service information and labelling, by type of outcomes.	Fully	P107, 117		
PR5	Practices related to customer satisfaction, including results of surveys measuring customer satisfaction.	Fully	P107		
Marketing communications					
PR6	Programmes for adherence to laws, standards, and voluntary codes related to marketing communications, including advertising, promotion, and sponsorship.	Partially	P106-107	This indicator is partially disclosed as we do not have enough supporting document to disclose on the remaining parts.	2012
PR7	Total number of incidents of non-compliance with regulations and voluntary codes concerning marketing communications, including advertising, promotion, and sponsorship by type of outcomes.	Fully	P107		

GRI Context Index (cont'd.)

STANDARD DISCLOSURES PART III: Performance Indicators					
Economic					
PERFORMANCE INDICATOR	DESCRIPTION	STATUS	CROSS-REFERENCE	REASON FOR OMISSION & EXPLANATION	TO BE REPORTED IN
Customer privacy					
PR8	Total number of substantiated complaints regarding breaches of customer privacy and losses of customer data.	Fully	P108-109		
Compliance					
PR9	Monetary value of significant fines for non-compliance with laws and regulations concerning the provision and use of products and services.	Fully	P117		

FINANCIAL SERVICES SECTOR SUPPLEMENT					
Product and Service Impact					
PERFORMANCE INDICATOR	DESCRIPTION	STATUS	CROSS-REFERENCE	REASON FOR OMISSION & EXPLANATION	TO BE REPORTED IN
Product Portfolio					
FS1	Policies with specific environmental and social components applied to business lines.	Fully	P109-111		
FS2	Procedures for assessing and screening environmental and social risks in business lines.	Fully	P109-111		
FS3	Processes for monitoring clients' implementation of and compliance with environmental and social requirements included in agreements or transactions.	Fully	P109-111		
FS4	Process(es) for improving staff competency to implement the environmental and social policies and procedures as applied to business lines.	Fully	P109-111		
FS5	Interactions with clients/ investees/business partners regarding environmental and social risks and opportunities.	Fully	P109-111		
FS6	Percentage of the portfolio for business lines by specific region, size (e.g. micro/SME/ large) and by sector.	Fully	AR2011 P86-87		
FS7	Monetary value of products and services designed to deliver a specific social benefit for each business line broken down by purpose.	Fully	AR 2011 P403-404		

FINANCIAL SERVICES SECTOR SUPPLEMENT					
Product and Service Impact					
PERFORMANCE INDICATOR	DESCRIPTION	STATUS	CROSS-REFERENCE	REASON FOR OMISSION & EXPLANATION	TO BE REPORTED IN
FS8	Monetary value of products and services designed to deliver a specific environmental benefit for each business line broken down by purpose.	Fully	P110-111		
Audit					
FS9	Coverage and frequency of audits to assess implementation of environmental and social policies and risk assessment procedures.	Fully	P110-111		
Active Ownership					
FS10	Percentage and number of companies held in the institution's portfolio with which the reporting organisation has interacted on environmental or social issues.	Fully	P109-111		
FS11	Percentage of assets subject to positive and negative environmental or social screening.	Partially	P109-111	This indicator is partially disclosed as we do not have enough supporting document to disclose on the remaining parts.	2012
FS12	Voting polic(ies) applied to environmental or social issues for shares over which the reporting organisation holds the right to vote shares or advises on voting.	Not		Even though we have increased the amount of data available, our process is still under development. Therefore, we have not reported on this indicator.	2012
FS13	Access points in low-populated or economically disadvantaged areas by type.	Fully	P109-110		
FS14	Initiatives to improve access to financial services for disadvantaged people.	Fully	P109-110		
Product Responsibility (Financial Service Sector Specific Disclosure on Management Approach)					
FS15	Policies for the fair design and sale of financial products and services.	Fully	P109-111		
Product and service labelling					
FS16	Initiatives to enhance financial literacy by type of beneficiary.	Fully	P42-43		



**Assurance Statement
MALAYAN BANKING BERHAD
(Company No: 3813-K)**

Introduction

OWW Consulting Sdn Bhd (OWW) is a specialist in Corporate Social Responsibility (CSR) and Socially Responsible Investment (SRI). We were engaged by Malayan Banking Berhad ("MAYBANK") to provide assurance services for their Sustainability Report 2011 (the "Report"). This is the second year in which we have conducted assurance of MAYBANK's Sustainability Report.

The Report and its contents are the exclusive responsibility of MAYBANK. Our responsibility is to perform limited assurance procedures over the Report and underlying processes within the scope set out below:

- Economic
- Social Performance: Labour Practices & Decent Work
- Social Performance: Human Rights
- Social Performance: Society
- Social Performance: Product Responsibility
- Environmental

In each case verification was conducted through low-level assurance via information provided by MAYBANK.

It is agreed that MAYBANK expects to be able to provide a response to each of the GRI-G3.1 Guideline Protocols and to provide an A+ Application Level which requires reporting on each of the GRI-G3.1 indicators, even if the report is an omission statement.

Exclusions from the scope of our work

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

- Statements of commitment or intention to undertake action in the future;
- Statements of opinion, belief or aspiration;
- Information in internal or external documents referred to in the Report, except insofar as we have viewed their existence as part of the assurance process.

Basis of our opinion

In conducting this engagement we have considered the principles of balance, comparability, accuracy, timeliness, clarity, relevance and reliability as in the Global Reporting Initiative (GRI) G3.1 Guidelines.

We have also taken into account the principles of independence of assurance in the GRI-G3.1 Guidelines and have been mindful of the AA1000AS and the International Standard on Assurance Engagements (ISAE 3000) although we have not been asked to apply these standards directly.

We have conducted this engagement to provide a reasonable rather than an absolute level of assurance and we believe that the work conducted and described herein provides a reasonable basis for our conclusions. The assurance provided should not be taken in isolation and should be evaluated in the context of other forms of verification, assurance and certification used by MAYBANK and described in the Report, the MAYBANK Annual Report and other disclosures.

Our review included the following activities:

- Interviews and one-to-one meetings with relevant personnel at corporate level responsible for the information in the Report, including Head of Departments and employees;
- Interviews and one-to-one meetings with operational staff at MAYBANK's headquarters (Menara MAYBANK) and various branches;
- Documentary evidence was reviewed from communications meant for both internal and external circulation but emanating from within MAYBANK. This comprised of manually generated internal reports, reports generated from internal specialist management information systems, PowerPoint slides (President & CEO's Briefing Notes), performance data, press releases, internal policies, established Code of Ethics and Conduct, operating manual, internal newsletters, safety procedures and the annual audited financial reports of MAYBANK;
- Interviews with external stakeholders including (surgeon and patient) of Selayang Hospital as well as the Vice-Principal of Rumah Kanak-Kanak Tengku Budriah in Cheras, Kuala Lumpur;
- Observation of related facilities and areas including notice boards, management offices and branches;
- A review of figures for all direct and indirect energy consumption and reductions (EN3 and EN4) as well as for economic value generated (EC1) to ascertain the accuracy of the calculation of the figures reported;
- Challenges to the Corporate Responsibility (CR) related statements and claims made in the Report.

During our investigation we discussed the necessary changes in the Report with MAYBANK personnel and determined that these changes have been adequately incorporated into the final version. We relied on representations made to us during the course of our assurance work by MAYBANK personnel.

Information in the Report that is directly sourced from MAYBANK Annual Reports is considered to be reliable based on the audit statement of the Independent Chartered Accountant and Registered Auditor to these statements.

We provided advice on which data is necessary and how this data should be compiled to comply with the GRI-G3.1 Guidelines. All data and corrections were provided directly by MAYBANK staff. In the same reporting period we have not provided any other advisory work for MAYBANK which may be material in determining our opinion.

Conclusions

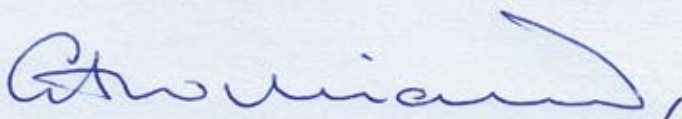
1. In our opinion, the Report meets the content and quality requirements of the Global Reporting Initiative Sustainability Reporting Guidelines (Version G3.1);
2. The Report provides a fair representation of MAYBANK's social accounting and reporting activity for the period covered by the Report;
3. The information in the Report is reliable and free from significant bias;
4. MAYBANK has processes in place for identifying, understanding and managing its environmental and social responsibilities and for capturing, understanding and responding to the views of its main stakeholders;
5. In our opinion, the Report contains new information in each domain which we believe is a fair and balanced reflection of the efforts of MAYBANK to develop and improve their approach to sustainability and reporting. It also reflects the Company's efforts in achieving better transparency, covering wider stakeholder groups.

Considerations and limitations

In relation to our assurance work and conclusions, the following considerations and limitations should be noted:

- Certain information is excluded from the scope of our assurance work, as stated above and in the Report itself;
- Due to its nature and the methods used for determining, calculating or estimating such data, environmental and social data are subject to inherent limitations. Therefore, this assurance statement should not be relied upon to detect all errors, omissions or misstatements in the Report.
- The assurance statement cannot guarantee the quality of social accounting and reporting processes used by MAYBANK.

15th December 2011
OWW Consulting Sdn Bhd



Dr Geoffrey Williams
Chief Executive Officer



Statement by OWW Consulting Sdn Bhd on Independence, Objectivity and Capability

OWW Consulting Sdn Bhd (OWW) is a specialist in Corporate Social Responsibility (CSR) and Socially Responsible Investment (SRI) with established experience in providing independent CSR advisory, reporting and assurance services.

OWW Consulting has implemented a Code of Conduct in Assurance and Assessment and a Code of Ethics across our company. Our Code requires that all of our employees maintain high ethical standards and makes explicit reference to the independence and objectivity of our assurance and assessment engagements which we believe conform to emerging international best practice.

Our assurance team conducting the work for this Report has experience in conducting engagements of this type for sustainability reports, systems and processes. They are familiar with current guidelines and best practice and update their experience on a regular basis.



MALAYSIA



SINGAPORE



INDONESIA



CAMBODIA





Everyday in Asia

Maybank plays a part in millions of lives. Helping people buy new homes, expand their businesses, get better education, save, invest and make plans for the future. By being at heart of the communities we serve, by innovating better products, and by putting our customers first, each and every day, 45,000 Maybankers around the world are Humanising Financial Services Across Asia.



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Everyday, 22 million customers come to Maybank for their banking needs, from simple transactions to multi-million dollar deals.



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