National Sustainability Reporting Framework (NSRF)
Guidance Document for Financial Institutions (FIs)

Banking Sector

Acknowledgment

The development of this Guidance Document for the banking sector was led by the National Sustainability Reporting Framework (“NSRF”) Financial Institutions (“FIs”) Guidance Document Taskforce (“Taskforce”), set up under the Joint Committee on Climate Change Sub-Committee 2 on Governance and Disclosure ("JC3-SC2"), which comprised representatives from financial institutions, with support from the Islamic Banking and Finance Institute Malaysia (“IBFIM”).

JC3 Sub-Committee 2 Co-Chairs:
- Bursa Malaysia Berhad
- CIMB Group Holdings Berhad

List of Taskforce Members:
- Alliance Bank Malaysia Berhad
- AmMetLife Insurance Berhad
- CIMB Group Holdings Berhad
- Great Eastern Life Assurance (Malaysia) Berhad
- Hong Leong Bank Berhad
- RHB Bank Berhad
- Standard Chartered Bank Malaysia Berhad
- Sun Life Malaysia Assurance/Takaful Berhad
- Syarikat Takaful Malaysia Keluarga Berhad
- Zurich Malaysia

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List of sponsors for this initiative:
- AIA Bhd.
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- Syarikat Takaful Malaysia Am Berhad
- Syarikat Takaful Malaysia Keluarga Berhad
- The Pacific Insurance Berhad
- United Overseas Bank (Malaysia) Bhd

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About this publication – an introduction

Background and context

The JC3-SC2 is one of five sub-committees under the Joint Committee on Climate Change ("JC3"), focusing on governance and disclosure-related aspects of financial institutions' climate-related practices. In 2022, JC3-SC2 issued the Task Force on Climate-Related Financial Disclosures ("TCFD") Application Guide for Malaysian Financial Institutions, which has since become a widely used industry reference.

The TCFD Application Guide has provided clear guidance notes to help financial institutions interpret and progressively implement the TCFD recommendations. Its use has been instrumental in enhancing understanding, building internal capabilities, and promoting greater consistency in climate-related disclosures across the sector.

The NSRF, which was launched in 2024, addresses the use of the IFRS Sustainability Disclosure Standards issued by the International Sustainability Standards Board ("ISSB"), specifically IFRS S1 *General Requirements for Disclosure of Sustainability-related Financial Information* ("IFRS S1") and IFRS S2 *Climate-related Disclosures* ("IFRS S2"), as the baseline sustainability disclosure standards for companies in Malaysia, together with assurance requirements. The NSRF will be implemented through a phased approach to support adoption and continuous improvement in disclosure quality across varying levels of readiness.

Objectives of the Guidance Document

The objective of this Guidance Document is to illustrate how an entity might structure its sustainability report to ensure compliance with the IFRS Sustainability Disclosure Standards issued by the ISSB, in line with Bursa Malaysia's Main Market Listing Requirements ("Main Market Listing Requirements").

Feedback obtained through JC3-SC2's engagements with various financial institutions indicated the need for a guidance document to facilitate the preparation of disclosures aligned with the NSRF. In response, the development of the Guidance Document was identified as a key deliverable of JC3-SC2 to provide practical, locally relevant guidance and illustrative examples that would promote consistency, comparability, and quality in sustainability disclosures across financial institutions.

To advance this initiative, the Taskforce for the Development of the NSRF FIs Guidance Document for Malaysian Financial Institutions ("NSRF FIs Guidance Taskforce" or "Taskforce") was established in October 2025 under the delegated authority of JC3-SC2 to make key decisions relating to the development of the NSRF FIs Guidance Document.

About the illustrative bank

This Guidance Document illustrates a sustainability report for a fictional listed company within the banking sector, Building Trust Bank Berhad, which is preparing its first report in accordance with the IFRS Sustainability Disclosure Standards issued by the ISSB, and in line with the Main Market Listing Requirements. Additional information required to be disclosed under the Main Market Listing Requirements has been included in Section 10 of this Guidance Document.

This Guidance Document is prepared on the assumption that the sustainability report, prepared in accordance with the IFRS Sustainability Disclosure Standards, is presented as a standalone report. Where sustainability-related information is presented together with other information to satisfy additional reporting requirements, an entity shall clearly identify and distinguish its sustainability-related financial disclosures from that other information. Further details are included in the guidance box in Section 1.1 of this Guidance Document.

Building Trust Bank Berhad is a fictional bank listed on Bursa Malaysia's Main Market and is the parent company of a consolidated group (the "Group"). The Group is a financial services provider operating in Malaysia and across the region, including Singapore, Indonesia, Thailand, and Vietnam, offering a range of banking and related financial services, such as Islamic banking, offshore banking, investment banking, including stockbroking, and asset management activities. Information about entities within the Group's reporting boundary is included in Section 3 of this Guidance Document.

The Group's structure, reporting boundaries, nature of operations and financial performance in the sustainability report are expected to be consistent with its financial statements. For the reporting of greenhouse gas ("GHG") emissions, the Group has applied the operational control approach to establish its organisational boundary. This Guidance Document includes examples of cross-references to disclosure notes indicated as Note [XX] in the hypothetical financial statements of the Group where relevant.

About this publication – an introduction (continued)

Navigating this Guidance Document

The illustrative sustainability report includes the following sustainability reporting policy notes:
1. Basis of preparation
2. Overview of the Group and value chain
3. Reporting boundary
4. Judgements and measurement uncertainties
5. Materiality assessment
6. Sustainability governance

For the purposes of this Guidance Document, only four sustainability-related risks and opportunities have been illustrated. Other sustainability-related risks and opportunities may exist for Building Trust Bank Berhad and may require disclosure, but they are not illustrated in this Guidance Document. Depending on the number of sustainability-related risks and opportunities that an entity identifies, a different report structure might be more appropriate.

The Group's sustainability report covers material information about sustainability-related risks and opportunities that could reasonably be expected to affect the entity's cash flows, its access to finance or cost of capital over the short, medium, and long term. This includes information from the Group's own operations and information that arises or might arise in the context of the Group's value chain. The Guidance Document also includes additional disclosures that provide material information to users.

Supporting commentary is provided in guidance boxes throughout the Guidance Document to provide additional guidance for preparers. The standard reference column on the left provides the following information:
- References highlighted in **Black** refer to the specific disclosure requirements in the IFRS Sustainability Disclosure Standards that are being illustrated;
- References in **Green** are not requirements of the IFRS Sustainability Disclosure Standards, but instead refer to guidance in the relevant standards related to the illustrated disclosure.

In a number of instances, the Guidance Document includes information in brackets [for example]. These should be understood as a placeholder for details which should be customised by an entity depending on its specific facts and circumstances.

This publication includes the following appendices to provide additional guidance for preparers:

- **Appendix I: Transition reliefs** – This section includes information on the transition reliefs provided in the IFRS Sustainability Disclosure Standards and the additional transition reliefs ("ATRs") available under the Main Market Listing Requirements that could be applied by Malaysian companies in preparing sustainability reports based on the requirements of Main Market Listing Requirements as well as Bursa Malaysia's ACE Market Listing Requirements for the first time. Further information on the applicability of the ATRs are set out in the frequently asked questions ("FAQs") on the NSRF, which may be updated periodically. Kindly refer to the latest FAQs as published on the *NSRF microsite*.

- **Appendix II: Additional guidance on financed emissions for asset management activities** – This section includes additional guidance on the disclosure of financed emissions from asset management activities.

- **Appendix III: Glossary of acronyms** – This section is included for ease of reference for preparers in understanding the acronyms used in this Guidance Document.

- **Appendix IV: Resources** – This section includes links to relevant resources and reference materials related to IFRS Sustainability Disclosure Standards and the NSRF.

The appendices do not form part of the illustrative sustainability report.

Important notes and limitations

This publication contains an illustrative example of a basis of preparation and selected sustainability notes for an entity reporting under the IFRS Sustainability Disclosure Standards issued by the ISSB, in line with the Main Market Listing Requirements. Additional information required to be disclosed under the Main Market Listing Requirements has been included in Section 10 of this Guidance Document. This Guidance Document is not intended to illustrate all disclosures under these standards but to offer guidance to those preparing such reports for the first time.

As at the date of issuance of this Guidance Document, only two standards have been issued by the ISSB, namely IFRS S1 and IFRS S2, including the Amendments to IFRS S2 *Amendments to Greenhouse Gas Emissions Disclosures* published on 11 December 2025. This Guidance Document does not include any standards or amendments issued on or after 31 December 2025 (if any). References to the specific requirements under the IFRS Sustainability Disclosure Standards and the Main Market Listing Requirements are included where applicable. These references are not intended to be exhaustive or to provide a complete disclosure and compliance checklist for users of this Guidance Document.

A fictional bank, Building Trust Bank Berhad, has been created to demonstrate example disclosures within this document. These examples are based on hypothetical scenarios and risks that may be relevant to both the Group and the industry in which the entity operates. The illustrated disclosures are not intended to cover all the disclosure requirements in IFRS S1 and IFRS S2, nor to represent the only manner in which the requirements could be applied.

For the purposes of this Guidance Document, only four sustainability-related risks and opportunities have been illustrated. In addition to the examples provided, there may be other sustainability-related risks and opportunities relevant to the Group that could warrant disclosure, but these have not been illustrated. An entity should tailor its sustainability report to include relevant information on its sustainability-related risks and opportunities that is useful to primary users of general purpose financial reports (such as investors, lenders, and other creditors) in making decisions relating to providing resources to the entity.

This Guidance Document is for illustrative purposes only and should be read in conjunction with the relevant sustainability reporting standards and any other pronouncements and legislation applicable in Malaysia. Information contained in this publication should not be used as a substitute for professional advice or formal reporting requirements. Any party relying on this Guidance Document is expected to exercise diligence and undertake its own relevant processes to ensure compliance with the latest applicable reporting standards, regulations, and legislation. Accordingly, the Taskforce, JC3, and contributors do not accept or assume responsibility or liability to any person who places reliance on this Guidance Document. Queries in relation to the NSRF can be directed to nsrf@seccom.com.my.

Building Trust Bank Berhad illustrative sustainability disclosures – 31 December 2025

(a) Content index

(b) Summary of sustainability-related risks and opportunities

The table below provides an overview of the Group's sustainability-related risks and opportunities, together with references to the relevant sections in this sustainability report.

Building Trust Bank Berhad				
Reporting basis, scope, and boundaries	**Basis of preparation (Section 1)**	**Overview of the Group and value chain (Section 2)**	**Reporting boundary (Section 3)**	**Judgements and measurement uncertainties (Section 4)**
Overview of process and governance	**Materiality assessment (Section 5)**		**Sustainability governance (Section 6)**	
Sustainability-related risks	**Climate-related physical risk: Flood impacting the Group's operations and customers' credit risk (Section 7)** Increased frequency and severity of flooding may result in operational disruptions to the Group and its customers, and heightened credit risk exposures.	**Climate-related transition risk: Changes in regulation and market pressure towards a low-carbon economy (Section 7)** Changes in regulations and market pressures towards a lower-carbon economy may increase the operating costs of the Group and its customers, particularly those operating in high-emitting sectors.	**Risk of financial loss, litigation, and reputational damage associated with breaches of labour and human rights in the Group's operations and value chain (Section 8)** Exposures to breaches of labour and human rights through its own operations, suppliers, customers, or financed activities could lead to financial loss, litigation, or reputational damage to the Group.	
Sustainability-related opportunities	**Emerging opportunities arising from sustainable finance (Section 9)** • Green and transition financing/investment to support the global transition towards a low-carbon economy. • Social financing for underserved segments to improve financial inclusion and social equity.			

Standard reference

IFRS S1 App A

Definition of sustainability-related financial disclosures

A sustainability report is referred to as "sustainability-related financial disclosures" in IFRS S1. The definition of "sustainability-related financial disclosures" is:

"A particular form of general purpose financial reports that provide information about the reporting entity's sustainability-related risks and opportunities that could reasonably be expected to affect the entity's cash flows, its access to finance or cost of capital over the short, medium, or long term, including information about the entity's governance, strategy, and risk management in relation to those risks and opportunities, and related metrics and targets."

These disclosures focus on the information needs of primary users of general purpose financial reports—existing and potential investors and other creditors—for decision-making purposes.

This focus distinguishes sustainability-related financial disclosures prepared under the IFRS Sustainability Disclosure Standards from other sustainability-related standards that focus on providing information to a broader set of stakeholders, such as employees or customers. The Global Reporting Initiative ("GRI") Standards, for example, provide information to a broader group of stakeholders on material topics in relation to impacts on the economy, environment, and people, including their impact on human rights, and therefore have a different focus from the information needs of primary users of general purpose financial reports.

Bank Negara Malaysia Climate Risk Management and Scenario Analysis Policy Document: Group 3 Reporting and Transition Reliefs

Annual climate-related disclosures under the Bank Negara Malaysia Climate Risk Management and Scenario Analysis Policy Document ("BNM CRMSA PD"), in line with the NSRF:

- In relation to the reporting approach, and as set out in paragraph 14.8 of the revised BNM CRMSA PD issued on 17 March 2025, all FIs, including those that fall below the NSRF reporting threshold, are required to produce annual climate-related disclosures in line with the NSRF. FIs not within the scope of NSRF reporting will be subject to the applicable implementation timeline for Group 3 under the NSRF.

Applicability of transition reliefs for Group 3 classification under the BNM CRMSA PD:

- In general, the proportionality mechanisms and additional transition reliefs under Section VI of the NSRF remain applicable to all FIs, including those classified under Group 3, as stated in paragraph 14.8 of the revised BNM CRMSA PD issued on 17 March 2025.

1. Basis of preparation

1.1 Compliance with IFRS Sustainability Disclosure Standards

IFRS S1.72

The sustainability report of Building Trust Bank Berhad and its subsidiaries (the "Group") has been prepared in accordance with the IFRS Sustainability Disclosure Standards issued by the International Sustainability Standards Board ("ISSB"), in line with the Main Market Listing Requirements. Additional information required to be disclosed under the Main Market Listing Requirements has been included in Section 10 of this report.

IFRS S1.55(a)

Disclosure topics in the Sustainability Accounting Standards Board ("SASB") Standards have been referred to and considered when preparing this report. Refer to Section 5 for further information on how the SASB Standards disclosure topics have been considered in the materiality assessment process.

Statement of compliance with IFRS Sustainability Disclosure Standards

An entity can only state that it has complied with the IFRS Sustainability Disclosure Standards issued by the ISSB if it meets all the requirements in the IFRS Sustainability Disclosure Standards. As the transition reliefs applied by Building Trust Bank Berhad in the first year of adoption are in line with the transition reliefs available in the IFRS Sustainability Disclosure Standards issued by the ISSB, the Group has asserted compliance with the IFRS Sustainability Disclosure Standards.

The Main Market Listing Requirements allows companies to adopt transition reliefs for sustainability reports prepared during the transition period. Some of these transition reliefs are in addition to the transition reliefs included in the IFRS Sustainability Disclosure Standards issued by the ISSB, for example, extended periods for certain transition reliefs. If an entity adopts an additional transition relief under the Main Market Listing Requirements that is not included in the IFRS Sustainability Disclosure Standards, the entity cannot assert compliance with the IFRS Sustainability Disclosure Standards issued by the ISSB. Instead, such entities would assert compliance with the IFRS Sustainability Disclosure Standards as modified by the Main Market Listing Requirements. Such entities may regularly update and communicate an assessment of their progress towards full compliance with the IFRS Sustainability Disclosure Standards in the basis of preparation of their respective sustainability reports. For example, the entity could disclose the jurisdictional modification that it has applied in preparing its sustainability report.

An example of basis of preparation for an entity adopting additional transition reliefs allowed by the jurisdiction in the second year of adoption is as follows:

"The sustainability report of the Group is prepared in accordance with the IFRS Sustainability Disclosure Standards, as modified by the Main Market Listing Requirements[1]. Specifically, the Group has adopted the following jurisdictional modifications:

- *Relief from reporting information on sustainability-related risks and opportunities beyond climate-related risks and opportunities in the second year of adoption;*
- *Relief from disclosing information for the principal business segment only in the second year of adoption; and*
- *Relief from disclosing Scope 3 GHG emissions in the second year of adoption."*

Refer to Appendix I for details of the transition reliefs provided under the IFRS Sustainability Disclosure Standards and the additional transition reliefs included in the NSRF and Main Market Listing Requirements.

[1] Non-listed companies should tailor their disclosures in accordance with applicable requirements, for example, as modified by the BNM CRMSA PD.

1.1 Compliance with IFRS Sustainability Disclosure Standards (continued)

Applying IFRS Sustainability Disclosure Standards and GRI together

In June 2025, GRI and the IFRS Foundation jointly published *GRI 102 and IFRS S2: Statement on reporting on both standards and equivalence for IFRS S2 on GHG Emissions Disclosures*, which explains how the GRI Standards and IFRS Sustainability Disclosure Standards can be used together. The statement reflects joint efforts by the ISSB and the Global Sustainability Standards Board ("GSSB") to identify and align common disclosures that address information needs within the distinct scopes and purposes of their respective standards.

The statement also includes examples of complementary disclosures in GRI 102 and IFRS S2 on transition plans, climate change adaptation plans, and just transition. In addition, it explains that an entity reporting in accordance with both GRI 102 and IFRS S2 may use the equivalent IFRS S2 disclosures for Scope 1, 2 and 3 GHG emissions to meet the corresponding requirements in GRI 102.

For further information, refer to *Facilitating efficient reporting when using the GRI and ISSB Standards*, which was subsequently jointly published by GRI and the IFRS Foundation in May 2026.

An entity shall not obscure material financial information with other information

Information required to be disclosed under the IFRS Sustainability Disclosure Standards might be disclosed by an entity in the same location as information disclosed to meet other requirements. In such instances, an entity shall clearly identify and distinguish its sustainability-related financial disclosures from other information it provides. The entity shall not obscure material information; information is obscured if its presentation has a similar effect on primary users as omission or misstatement.

IFRS S1.B27

Paragraph B27 of IFRS S1 provides examples of circumstances which might result in material information being obscured by other information, as follows:

a) *"material information is not clearly distinguished from additional information that is not material;*
b) *material information is disclosed in the sustainability-related financial disclosures, but the language used is vague or unclear;*
c) *material information about a sustainability-related risk or opportunity is scattered throughout the sustainability-related financial disclosures;*
d) *items of information that are dissimilar are inappropriately aggregated;*
e) *items of information that are similar are inappropriately disaggregated; and*
f) *the understandability of the sustainability-related financial disclosures is reduced as a result of material information being hidden by immaterial information to the extent that a primary user is unable to determine what information is material."*

1.2 Connectivity with financial statements (reporting period, reporting entity, and presentation currency)

IFRS S1.22

The sustainability report has been prepared for the Group and should be read in conjunction with the Group's financial statements, which are prepared in accordance with the Malaysian Financial Reporting Standards ("MFRS"), IFRS Accounting Standards, and the requirements of the Companies Act 2016 in Malaysia. This report covers the financial year ended 31 December 2025 and is aligned with the reporting period of the related consolidated financial statements.

IFRS S1.64

IFRS S1.30(c)
IFRS S2.10(d)

The Group defines time horizons based on when the effects of sustainability-related risks and opportunities could reasonably be expected to affect the Group's prospect. As of the end of the reporting period, the following time horizons were identified, which align with the timelines used for strategic decision-making. The short-term time horizon aligns with Building Trust Bank Berhad's annual budget cycle, the medium-term time horizon aligns with our strategic planning cycle, and the long-term time horizon includes risks or opportunities that may arise beyond the short and medium term.

IFRS S1.31

short term (0 to 12 months)	medium term (1 to 5 years)	long term (beyond 5 years)

Time horizons

IFRS S1.30(c)

IFRS S1 does not prescribe specific time horizons for "short term", "medium term", and "long term" as the relevant information about an entity's sustainability-related risks and opportunities is best understood in the context of entity-specific assessments.

For that reason, IFRS S1 requires an entity to disclose an explanation of how the entity defines "short term", "medium term", and "long term" time horizons, and how those definitions are linked to the planning horizons used by the entity for strategic decision-making.

IFRS S1.31

Time horizons often reflect management processes such as rolling forecast horizons, budget periods, and strategic planning cycles. IFRS S1 includes the following examples of entity-specific or industry-specific factors:
- Cash flow, as well as investment and business cycles;
- Planning horizons typically used in an entity's industry for strategic decision-making and capital allocation plans; and
- The time horizons over which primary users conduct their assessments of entities in that industry.

Consideration of time horizons in accordance with BNM CRMSA PD

Paragraph 10.3 of BNM CRMSA PD suggests that FIs may consider the following time horizons for strategic decision-making:
- *"short-term horizon (1 to 3 years) to capture impacts over the ordinary business plan horizon;*
- *medium-term horizon (4 to 10 years) and long-term horizon (beyond 10 years and reaching at least 30 years) to provide insights on impacts from the evolution and direction of climate-related risks as they materialise over time."*

IFRS S1.20
IFRS S1.B38

The sustainability-related financial disclosures cover the same reporting entity as the related consolidated financial statements. The reporting entity comprises the parent company, Building Trust Bank Berhad, and its subsidiaries. In preparing these sustainability-related financial disclosures, the Group has assessed its own operations and its value chain, which includes, among others, the joint ventures and associates of the Group. Refer to Section 2.2 for information on the value chain.

1.2 Connectivity with financial statements (reporting period, reporting entity, and presentation currency) (continued)

IFRS S1.24

The presentation currency of the sustainability-related financial disclosures is Ringgit Malaysia ("RM"), which aligns with the presentation currency used in the consolidated financial statements. Unless specified otherwise, all amounts are rounded to the nearest million.

Connection to IFRS financial reporting

IFRS S1.21

The IFRS Sustainability Disclosure Standards require an entity to provide connected information, including information about connectivity between sustainability-related financial information within the sustainability report, and connectivity with other general purpose financial reports published by the entity such as its financial statements.

Connectivity between sustainability-related financial information and the financial statements is a key area for preparers, as it impacts stakeholders' understanding of the entity's prospects in the short, medium, and long term. Concerns have been raised by stakeholders on the lack of information about uncertainties, particularly climate-related uncertainties, being disclosed in the financial statements, and inconsistencies in information provided by companies.

Sustainability reporting includes within its scope the effects of risks and opportunities which might not yet be captured in the financial statements until a future period. For example, in this Illustrative Sustainability Report, the Group has made a commitment to achieve net zero emissions by 2050 (refer to Section 7.2), which does not meet the definition of a provision for financial reporting and is therefore not recognised in the Group's financial statements.

IFRS S1.B40(c)

IFRS S1.34(b)

To explain the connections between the sustainability-related financial disclosures and the financial statements, an entity might explain that although it has committed to a net zero target, the commitment has not yet been reflected in its financial statements as the criteria for recognition have not been met. Information required to be disclosed about the anticipated financial effects of sustainability-related risks and opportunities would provide useful information to users about the commitments that are anticipated to be reflected in the financial statements in a future period.

The IFRS Foundation has issued materials which provide illustrations of the connections between financial statements and sustainability reporting. The educational material on *Effects of climate-related matters on financial statements* provides a non-exhaustive list of examples illustrating how climate-related risks could affect the measurement and disclosure requirements of various IFRS Accounting Standards. The International Accounting Standards Board ("IASB") has also produced *webcasts* on the connectivity between the financial statements and sustainability-related financial disclosures, discussing how IFRS Accounting Standards and IFRS Sustainability Disclosure Standards complement each other. In November 2025, the IFRS Foundation also issued illustrative examples showing how an entity reports information about uncertainties, including climate-related uncertainties, in its financial statements.

In addition, the IFRS Foundation has produced *webcasts* and educational material on *Disclosing information about anticipated financial effects applying ISSB Standards*, providing guidance on disclosure requirements related to current and anticipated financial effects of sustainability-related risks and opportunities on a company's financial performance, financial position, and cash flows. These webcasts and educational material also provide insights into how such disclosures connect with the financial statements.

1.2 Connectivity with financial statements (reporting period, reporting entity, and presentation currency) (continued)

Timing of reporting (transition relief under the IFRS Sustainability Disclosure Standards but not adopted by the NSRF)

IFRS S1.64

Paragraph 64 of IFRS S1 states that: *"An entity shall report its sustainability-related financial disclosures at the same time as its related financial statements. The entity's sustainability-related financial disclosures shall cover the same reporting period as the related financial statements."*

IFRS S1.E4

Paragraph E4 of IFRS S1 further states that: *"In the first annual reporting period in which an entity applies this Standard, the entity is permitted to report its sustainability-related financial disclosures after it publishes its related financial statements."* However, this relief is not adopted by the NSRF.

For the purpose of complying with the Main Market Listing Requirements, listed issuers must ensure that both their annual audited financial statements and Sustainability Statements issued earlier are incorporated into their annual reports. Refer to Appendix I for further details of IFRS Sustainability Disclosure Standards and NSRF reliefs.

1.3 First-time adoption of IFRS Sustainability Disclosure Standards and transition reliefs

IFRS S1.E1
IFRS S2.C1

The Group is reporting under the IFRS Sustainability Disclosure Standards for the first time for the annual reporting period ended 31 December 2025. It has applied the following standards and amendments to standards for its annual reporting period commencing 1 January 2025:

- IFRS S1 *General Requirements for Disclosure of Sustainability-related Financial Information*
- IFRS S2 *Climate-related Disclosures* including the Amendments to IFRS S2 *Amendments to Greenhouse Gas Emissions Disclosures*

IFRS S2.C1A
IFRS S2.C1B

In December 2025, the ISSB issued Amendments to IFRS S2 *Amendments to Greenhouse Gas Emissions Disclosures*, which are effective for annual periods beginning on or after 1 January 2027, but are available for early adoption. The Group has early adopted the Amendments to IFRS S2 for its annual reporting period ended 31 December 2025. As of 31 December 2025, there are no other IFRS Sustainability Disclosure Standards issued by the ISSB.

Amendments to IFRS S2 *Amendments to Greenhouse Gas Emissions Disclosures*

On 11 December 2025, the ISSB issued Amendments to IFRS S2 to provide clarity and flexibility on the measurement and disclosure of GHG emissions, including amendments to the disclosures on financed emissions, use of jurisdictional reliefs, and use of an industry-classification system for disclosing financed emissions.

The targeted amendments cover four topics:

- Allowing an entity to limit the measurement and disclosure of Scope 3 Category 15 GHG emissions to only “financed emissions”. The Amendments to IFRS S2 defines “financed emissions” as emissions attributed to loans and investments made by an entity to an investee or counterparty. The phrase “loans and investments” includes loans, project finance, bond investments, equity investments, and undrawn loan commitments. The amendments allow an entity to exclude its measurement and disclosure of GHG emissions associated with derivatives and other financial activities—on the basis that emissions associated with these activities are not “financed emissions”.

  For an entity that participates in asset management activities, financed emissions also include GHG emissions attributed to assets under management. Refer to Appendix II for additional guidance on the disclosure of financed emissions from asset management activities.

- Permitting an entity to select an industry-classification system to disaggregate “financed emissions”. Refer to the metrics and targets under Section 7.2 Climate-related transition risk for further details on the industry-classification system.

- Expanding the jurisdictional relief from using the GHG Protocol Standard, so that it applies if an entity—in whole or in part—is required to use a different method for measuring GHG emissions.

- Introducing a new jurisdictional relief allowing an entity to use global warming potential (“GWP”) values other than the GWP values based on a 100-year time horizon from the latest Intergovernmental Panel on Climate Change (“IPCC”) assessment available at the reporting date, required by IFRS S2.

The Amendments to IFRS S2 will be effective for annual reporting periods beginning on or after 1 January 2027, with earlier application permitted.

Refer to the *Amendments to IFRS S2* published by the ISSB for further guidance.

1.3 First-time adoption of IFRS Sustainability Disclosure Standards and transition reliefs (continued)

IFRS S1.E3
IFRS S2.C3

IFRS Sustainability Disclosure Standards provide transition reliefs for the first annual reporting period in which an entity applies the standards. The Main Market Listing Requirements provides additional transition reliefs for issuers listed on the Main Market of Bursa Malaysia. The Group has applied the transition relief where it is not required to disclose comparative information in the first annual reporting period other than those disclosed in Section 7.2(e) and Section 9.4.

Standards, pronouncements, and amendments illustrated

For this Illustrative Sustainability Report, the above standards and amendments to the standards issued as of 31 December 2025 were applied. Any new standards or amendments to the standards issued or effective after 31 December 2025 (for example, the *Exposure Draft on Proposed Amendments to the SASB Standards*) have not been considered.

Transition reliefs

IFRS S1.E5

An entity is permitted to apply several transition reliefs including the transition relief to disclose information on only climate-related risks and opportunities (in accordance with IFRS S2). If an entity uses this transition relief, it shall disclose that fact. Building Trust Bank Berhad has decided not to use this transition relief and, consequently, this Illustrative Sustainability Report includes information on other risks and opportunities, such as social-related topics.

Refer to Appendix I for further information on the transition reliefs provided in the IFRS Sustainability Disclosure Standards and the additional transition reliefs available under the Main Market Listing Requirements as well as ACE Market Listing Requirements, and for non-listed companies, under the NSRF. While not required by the IFRS Sustainability Disclosure Standards, disclosing the transition reliefs that have been applied will provide useful information to users of the general purpose financial reports.

1.3 First-time adoption of IFRS Sustainability Disclosure Standards and transition reliefs (continued)

Comparative information

IFRS S1.71

IFRS Sustainability Disclosure Standards require disclosure of comparative information for the preceding period (i.e. 1 year) for all amounts disclosed in the sustainability report. Paragraph 71 of IFRS S1 states that *"Amounts reported in sustainability-related financial disclosures might relate, for example, to metrics and targets or to current and anticipated financial effects of sustainability-related risks and opportunities."*

In addition to disclosing comparative information for all amounts, an entity is also required to disclose comparative information for narrative and descriptive sustainability-related financial information included in the sustainability report, if such information will be useful for the understanding of the sustainability-related financial information for the reporting period.

As Building Trust Bank Berhad has applied the transition relief where it is not required to disclose comparative information in its first annual reporting period (other than those disclosed in Section 7.2(e) and Section 9.4), the comparative information required as described above has not been illustrated in this Illustrative Sustainability Report.

Building Trust Bank Berhad will need to disclose comparative information when preparing its sustainability report in subsequent years.

If an entity is a listed issuer, refer to Section 10 Additional disclosures based on the Main Market Listing Requirements for further details on the minimum data disclosures required.

1.4 Events after the reporting period

IFRS S1.68

No transactions, other events, or conditions occurring after the end of the reporting period and before the date on which this sustainability report was authorised for issue have taken place that need to be disclosed in this sustainability report.

1.4 Events after the reporting period (continued)

Examples of adjusting and non-adjusting subsequent events

IFRS S1 provides guidance on the consideration of events that occur after the end of the reporting period but before the sustainability-related financial disclosures are authorised for issuance (that is, subsequent events). Consistent with financial reporting, the terms "adjusting" and "non-adjusting" events are used to distinguish between different types of events that occur after the end of the reporting period. There may be situations when judgement is required to determine whether a subsequent event should be treated as "adjusting" or "non-adjusting" event in an entity's sustainability reporting.

Type	Description	Disclosure consequences	Examples of subsequent events
Adjusting subsequent events	Provides evidence or insights about conditions that existed at the reporting date	Update estimates and disclosures within the Sustainability Report in light of new information	• Updated sustainability information for the reporting period is provided by one of the reporting entity's joint ventures. • A report that the Group previously relied on to assess the physical risk level of branches in Malaysia has been revised and reissued due to an error made by the third-party service provider.
Non-adjusting subsequent events	Provides evidence or insights about events and conditions that arise after the reporting period but before the date on which the sustainability-related financial disclosures are authorised for issue	Provide narrative disclosure indicating "existence, nature and potential consequences of these post year-end events"*	• An announcement about a change to the composition of a reporting entity's governance body. • Completion of an acquisition or disposal that will affect the entity's reporting boundaries.

*An example of a non-adjusting subsequent event disclosure is as follows:
"As disclosed in Note [XX] of the Group's financial statements, the Group completed the acquisition of a personal financing portfolio on 28 February 2026. The acquisition does not have a significant impact on the sustainability-related risks and opportunities, nor does it materially affect the Group's overall sustainability strategy or targets for the current reporting period. No adjustments have been made to the Sustainability Report for the financial year ended 31 December 2025."

IFRS S1.68

Paragraph 68 of IFRS S1 provides guidance that disclosure of "non-adjusting" subsequent events is only required if non-disclosure *"could reasonably be expected to influence decisions that primary users of general purpose financial reports make on the basis of those reports".*

2. Overview of the Group and value chain

2.1 Overview of the Group

Our key business activities

IFRS S1.32

The Group is a financial services provider operating in Malaysia and across the region, including Singapore, Indonesia, Thailand, and Vietnam, offering a range of banking and related financial services, such as Islamic banking, offshore banking, investment banking including stockbroking, and asset management activities.

The Group's key markets in 2025 were Malaysia—the largest revenue contributor—followed by Singapore, Indonesia, Thailand, and Vietnam. The geographical diversification aligns with the Group's growth strategy to expand its regional banking presence.

The Group's contribution to revenue from external customers per geographical location and its key business activities are summarised in the table below:

Malaysia **70%**	Malaysia is the Group's principal market and largest revenue contributor, where the Bank and its subsidiaries offer a range of banking and related financial services, including corporate and commercial banking, consumer banking and small and medium-sized enterprises ("SME") banking, Islamic banking, investment banking, offshore banking, and asset management activities.
Singapore **15%**	Singapore is a key regional market for the Group, contributing to revenue through corporate and commercial banking, consumer banking, and investment banking, including stockbroking activities.
Indonesia **8%**	Indonesia represents an important regional market for the Group, with operations focused on corporate and commercial banking and SME banking.
Thailand **5%**	Thailand contributes to the Group's regional presence, with operations focused on consumer banking and SME banking.
Vietnam **2%**	Vietnam forms part of the Group's regional footprint, with operations primarily focused on consumer banking.

Section 3.1 sets out how the Group's entities, assets, and operations have been included in the reporting boundary for sustainability reporting.

2.1 Overview of the Group (continued)

Our strategy and sustainability-related strategic goals

IFRS S1.32

As a leading banking group headquartered in Malaysia, the Group is committed to delivering responsible, sustainable, and innovative financial solutions through its core banking businesses. Guided by its vision to build trust and support long term economic resilience, the Group's overarching strategy focuses on providing customer-centric and sustainable banking services, underpinned by robust governance. These strategic initiatives are designed to strengthen the Group's market position and support strong, sustainable growth in its loan and financing portfolio and fee-based business.

The Group has set the following sustainability-related strategic goals that align with its long term business strategy under its Building Trust Bank Berhad Net Zero Roadmap:

1	**Achieve 90% reduction in Scope 1 and 2 (market based) GHG emissions by 2030 (Section 7.2)**

Through the Building Trust Bank Berhad Net Zero Roadmap approved by the Board of Directors in 2024, the Group is committed to achieving a target of 90% reduction in Scope 1 and Scope 2 (market-based) GHG emissions by 2030 against a baseline of 2023 through a combination of renewable energy adoption, energy efficiency initiatives, and operational optimisation across its branches and headquarters. This includes transitioning the Group’s vehicle fleet to electric vehicles, investing in rooftop solar installations for selected banking premises, replacing conventional lighting with Light-Emitting Diode (“LED”) solutions, enhancing energy management practices, and purchasing green electricity or renewable energy certificates (“RECs”).

2	**Achieve net zero emissions by 2050 (Section 7.2)**

The Group has set an overarching goal to achieve net zero emissions by 2050, in support of efforts to limit global warming to 1.5°C above the pre-industrial level.

In addition to the initiatives to achieve the above target of a 90% reduction in Scope 1 and Scope 2 (market-based) GHG emissions by 2030, the Group has established a sector-specific decarbonisation plan and targets for the two highest-emitting sectors within its financing portfolio. The plan outlines sector-specific transition pathways, customer engagement expectations, risk appetite considerations, and sustainable finance solutions to support emissions reduction over time. The Group plans to expand its sector-specific decarbonisation plan and targets to cover the remaining high-emitting sectors over the next few years toward achieving its goal of net zero emissions by 2050.

2.1 Overview of the Group (continued)

Our strategy and sustainability-related strategic goals (continued)

3	**Mobilise[1] RM100.0 billion in sustainable finance by 2030 (Section 9)**

The Group has set a target of RM40.0 billion in green and transition financing/investment and RM60.0 billion in social financing across corporate and commercial, SME, and consumer banking segments. The green and transition financing/investment includes renewable energy, green buildings, clean transportation, energy efficiency projects, and transition-aligned projects; whereas social financing focuses on extending financing to underserved segments.

4	**Uphold and respect labour and human rights across the Group's operations and value chain (Section 8)**

The Group is committed to respecting internationally recognised labour and human rights in accordance with the principles articulated in the United Nations Guiding Principles on Business and Human Rights ("UNGPs"), the Organisation for Economic Co-operation and Development ("OECD") Guidelines for Multinational Enterprises, and Malaysia's National Action Plan on Business and Human Rights ("NAPBHR").

The Group seeks to identify, prevent, and mitigate actual or potential adverse labour and human rights impacts arising from its operations, financing activities, and business relationships, including those involving customers and suppliers.

[1] Refers to the financing amount approved by the Group and the notional amount of the sustainable investment invested by the Group.

2. Overview of the Group and value chain (continued)

2.2 Our value chain

IFRS S1.2

The Group's operations rely on external capital providers, suppliers, third-party service providers, and business partners to support its financial intermediation activities across consumers, SME, corporate, and commercial segments, with the most significant environmental and social impacts arising from the activities of customers financed by the Group.

The table below summarises the Group's key upstream and downstream value chain relationships:

Upstream value chain	**Capital providers** • Shareholders • Depositors • Sukuk and bondholders	**Business partners** • Insurance and takaful partners (bancassurance / banca takaful) • Fund managers and investment product issuers
	Suppliers • IT solution vendors (including cloud infrastructure and technology solution providers) • Payment infrastructure providers (card schemes, clearing, and settlement services) • Office facilities, utilities, and equipment suppliers	**Third-party service providers** • Professional service firms (audit, tax, legal, advisory services)
Downstream value chain	**Customers** • Consumers • Small and medium-sized enterprises ("SMEs") • Commercial and corporate customers **Investees** • Government-related entities • Corporate entities • Central bank	**Value chain of the Bank's customers** • Parties linked to the upstream and downstream activities of the customers financed
Other business relationships	• **Investments in associates** • **Joint ventures**	

IFRS S1.B5

3.1 Reporting boundary (excluding GHG emissions)

Reporting entity

IFRS S1.20
IFRS S1.B38

The entities, assets, and operations (referred to as the "reporting entity") included in the Group's sustainability report are consistent with those included in the Group's financial statements as at 31 December 2025. During the reporting period, there were no changes to the group structure.

Effect of changes in the entity structure

Neither IFRS S1 nor IFRS S2 specifically addresses the effect of an acquisition or disposal on sustainability disclosures. However, paragraph 20 of IFRS S1 states that the reporting entity for the purposes of sustainability reporting is the same as the reporting entity for the related financial statements. Thus, the treatment of an acquisition or disposal would align with its treatment in financial reporting.

For example, if there is an acquisition or disposal during the reporting period, an entity that presents comparative information would not restate the comparative information to include (or exclude) amounts relating to the acquisition (or disposal) in the current year.

The Group's reporting entity and the extent of sustainability-related information considered and included in the Group's sustainability report are summarised below:

Entities and assets in the reporting entity	Additional information	Note in financial statements	Information considered and included (for GHG reporting boundary see Section 3.2)
Parent and subsidiaries	-	Note [XX]	100% of the sustainability information, **including consolidated subsidiaries which are not wholly owned.**
Leased assets - the Group is a lessee	The Group leases premises, leasehold land, office equipment, furniture and fittings, computer equipment, and motor vehicles. The Group has the right to control the use of the assets as well as the right to obtain substantially all of the related economic benefits during the term of the lease.	Note [XX]	100% of the sustainability information **related to the use of the leased assets during the lease term.**[1]
Leased assets - the Group is a lessor	The Group leases out some of its premises under operating leases. The premises continue to be recognised in the Group's statement of financial position.	Note [XX]	100% of the sustainability information related to the leased assets.[2]

[1] Sustainability-related information on leased assets where the Group is acting as a lessee and the assets are recognised as right-of-use assets is included in Section 7.1 Climate-related physical risk and Section 7.2 Climate-related transition risk, as part of the Group's own operations.
[2] Refer to the guidance box in Section 3.2 B. Operational boundary for further guidance on how leased assets should be considered in reporting GHG emissions.

3.1 Reporting boundary (excluding GHG emissions) (continued)

Leased assets

IFRS S1.20
IFRS S1.B38

IFRS S1 does not explicitly refer to leased assets when describing the reporting entity for sustainability disclosures. Paragraph 20 of IFRS S1 defines the reporting entity for sustainability disclosures as the same as the reporting entity for financial statements. Building Trust Bank Berhad applies MFRS in its financial statements, and as such, leased assets where the entity is a lessee are recognised as right-of-use assets in its financial statements. These leased assets are therefore part of the reporting entity for its sustainability disclosures throughout the lease period.

From the lessor's perspective, the accounting treatment in MFRS/IFRS financial statements depends on whether the lease is classified as an operating lease or a finance lease. In an operating lease, the lessor maintains the leased asset on its balance sheet, while in a finance lease, it records a lease receivable. Both types of leases are part of the reporting entity for the purposes of sustainability reporting. However, the classification of the lease—either an operating lease or finance lease—may influence how the lessor assesses sustainability-related risks and opportunities.

The treatment of leases for the purposes of GHG emissions disclosures under IFRS S2 may differ, depending on the approach adopted in establishing the organisational boundary. See Section 3.2 for more details.

Value chain

The Group also has entities (including investments in associates and joint ventures), activities, resources, and relationships that form part of its value chain. These have been considered in assessing the sustainability-related risks and opportunities of the Group.

Dependencies on resources and relationships in the value chain

IFRS S1.2
IFRS S1.B5

IFRS Sustainability Disclosure Standards require an entity to describe risks and opportunities that could reasonably be expected to affect the entity's prospects, including those in the value chain. As the entity and its value chain form an interdependent system, an entity should consider how its dependencies on, and impacts on, resources and relationships across upstream and downstream activities may give rise to sustainability-related risks and opportunities for the entity. This includes exposures arising from suppliers, customers, financing arrangements, and investments, where risks faced by business partners may in turn affect the entity's own prospects.

3.2 Reporting boundary for GHG emissions

IFRS S2.29 (a)(iii)(1)
IFRS S2.B26(a)
IFRS S2.B27
IFRS S2.B32

The Group uses the Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (2004) (the "GHG Protocol") to measure its GHG emissions unless otherwise required by IFRS S2. The Group uses the GHG Protocol Corporate Value Chain Standard 2011 ("Scope 3 Standard") to define the fifteen (15) Scope 3 categories as part of the requirements to disclose Scope 3 GHG emissions.

GHG emissions are generally required to be measured in accordance with GHG Protocol

IFRS S2.29(a)(ii)
IFRS S2.B23-B24

Under IFRS S2 (Amended in December 2025), an entity measures its GHG emissions in accordance with the GHG Protocol unless the entity is required, in whole or in part, by a jurisdictional authority or an exchange on which it is listed to use a different method for measuring its GHG emissions. For illustrative purposes, it has been assumed that Building Trust Bank Berhad and its subsidiaries are not required by a jurisdictional authority or an exchange on which it is listed to use a different method for measuring its GHG emissions. As such, Building Trust Bank Berhad follows the GHG Protocol to measure its GHG emissions as required by IFRS S2.

IFRS S2 references two GHG Protocol Standards

- Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (2004) (the "GHG Protocol"); and
- Greenhouse Gas Protocol Corporate Value Chain Standard (2011) ("Scope 3 Standard").

These two GHG Protocol Standards are referenced for different purposes.

GHG Protocol

IFRS S2.B23

The GHG Protocol is referenced in IFRS S2 for the measurement of GHG emissions, including the characterisation of the sources of GHG emissions as Scope 1, Scope 2, or Scope 3. IFRS S2 requires an entity to apply the requirements in the GHG Protocol only to the extent that they do not conflict with the requirements in IFRS S2. For example, while the GHG Protocol does not require an entity to disclose its Scope 3 greenhouse gas emissions, IFRS S2 requires the disclosure of Scope 3 greenhouse gas emissions in accordance with paragraph 29(a).

Scope 3 Standard

IFRS S2.B38

The Scope 3 Standard is referenced as part of the requirement for an entity to consider all 15 emission categories under Scope 3, and to disclose the Scope 3 categories that are included in its measure of Scope 3 GHG emissions. However, IFRS S2 does not reference the Scope 3 Standard for the measurement of Scope 3 GHG emissions. Instead, the GHG Protocol and the Scope 3 measurement framework in IFRS S2 Appendix B should be used for measuring Scope 3 GHG emissions.

Refer to the educational material on *Greenhouse Gas Emissions Disclosure requirements applying IFRS S2 Climate-related Disclosures* issued by the IFRS Foundation for more information.

3.2 Reporting boundary for GHG emissions (continued)

A. Organisational boundary

IFRS S2.29 (a)(iii)(1)
IFRS S2.B26(a)
IFRS S2.B27

Establishing organisational boundaries in accordance with the GHG Protocol

The GHG Protocol outlines two approaches for establishing organisational boundaries: the equity share approach and the control approach (where control is determined based on either financial or operational control). These two approaches are referenced in IFRS S2 as examples of approaches an entity can use under the GHG Protocol. Under the GHG Protocol, a single approach (either equity share, financial control, or operational control) shall be selected across the organisation. The selected approach should be disclosed and applied consistently.

Equity share approach

Under the equity share approach, a company includes its share of GHG emissions from operations based on its share of equity. The equity share reflects economic interest, which is the extent of rights that a company has to the risks and rewards flowing from an operation.

Financial control approach

Under the financial control approach, a company includes 100% of the GHG emissions from operations over which it has financial control. Financial control normally represents the right to the majority of the economic benefits of an operation; it does not necessarily align with ownership percentage.

Operational control approach

Under the operational control approach, a company includes 100% of the GHG emissions from operations over which it has operational control. An entity has operational control over an operation if it has full authority to introduce and implement operational policies. This approach focuses on the ability to operate the assets, notwithstanding the legal ownership of the asset. Examples of operational decisions and rights to consider when assessing whether an entity has operational control over those assets include:

- *whether the entity holds the operating license*
- *whether the entity is responsible or liable for the legal and contractual obligations regarding emissions*
- *whether the entity has the authority to introduce and implement operating policies.*

IFRS S2.29(a)(iii)(2)

IFRS S2.B27

3.2 Reporting boundary for GHG emissions (continued)

A. Organisational boundary (continued)

The Group's reporting boundary for GHG emissions includes its organisational boundary and operational boundary:

Acquisitions and disposals

The IFRS Sustainability Disclosure Standards do not contain guidance on how to incorporate changes in the entity structure into sustainability information. Note, however, that the Transition Implementation Group on IFRS S1 and IFRS S2 ("TIG") discussed the effect of an acquisition or disposal on the reporting of GHG emissions in its meeting on 13 June 2024. As highlighted in the meeting summary, the TIG concluded that the reporting entity for the purposes of sustainability reporting should align with financial reporting and that an entity should follow the applicable Generally Accepted Accounting Principles ("GAAP") to determine the consolidation requirements. An entity should not follow the guidance in the GHG Protocol but should instead follow the same approach for acquisitions and disposals in the general reporting boundary guidance (Refer to the guidance in Section 3.1 on "Effects of changes in the entity structure" and the *Summary of TIG meeting held on 13 June 2024* for more information).

The Group applies the operational control approach to establish its organisational boundary for the reporting of GHG emissions.

The Group believes that the use of the operational control approach is the most appropriate method to measure the Group's GHG emissions, as it reflects the emissions of assets, operations, and entities over which the Group has the full authority to introduce and implement operating policies. The Group has operational control over the parent company and its consolidated subsidiaries, as well as leased assets where it is acting as a lessee. The Group does not have operational control over its investments in associates and joint ventures[1], as well as leased assets where it is a lessor.

B. Operational boundary

Direct GHG emissions from sources that are owned or controlled by businesses and operations within the Group's organisational boundary are reported as Scope 1 GHG emissions of the Group. For the Group, GHG emissions from the generation of purchased electricity and cooling consumed by these businesses and operations are reported as Scope 2 GHG emissions of the Group. The Group's relevant portion of other indirect emissions arising from its activities is reported as the Group's Scope 3 GHG emissions.

Classification of emissions from leased assets

The classification of emissions from leased assets may be challenging in practice, because the classification depends on both the organisational boundary approach applied and the interaction with the applicable accounting standards. For example, if the financial control approach is applied instead of operational control, the Group is required to report the GHG emissions arising from leased assets where it acts as a lessor and retains the underlying assets (e.g. operating leases). Careful assessment is required, taking into consideration the guidance available in this area.

[1] *Emissions relating to associates and joint ventures are accounted for under Scope 3 Category 15 (Investments) – Financed Emissions.*

4. Judgements and measurement uncertainties

IFRS S1.75

In the process of preparing this sustainability report, management has exercised judgement in a number of areas, including the process of identifying sustainability-related risks and opportunities and identifying material information to report.

IFRS S1.79

Additionally, the preparation of this report requires the use of estimates for certain amounts which cannot be measured directly, such as forward-looking information or information that involves data limitations.

This section outlines the most critical judgements made by management in preparing this sustainability report, as well as the amounts that are subject to a high degree of measurement uncertainty. The details of the judgements made, or the sources of estimation uncertainty, are included in the section referenced.

IFRS S1.74
IFRS S1.75

4.1 Significant judgements

Description	Section reference
Materiality process Management applied significant judgement to identify the sustainability-related risks and opportunities that could reasonably be expected to affect the Group's prospects, as well as the material information related to those risks and opportunities. The process followed by the Group in assessing which information could reasonably impact the Group's financial prospects and influence the decisions of primary users is set out in Section 5 of this report.	Section 5
Calculation methods for GHG emissions The Group has applied a combination of different calculation methods to determine its Scope 3 GHG emissions. Management has applied judgement in determining the calculation methods that are most appropriate for each category depending on the availability and quality of data. For Scope 3 Category 15: Investments in particular, management prioritises the use of customer-/investee-specific data where available with sufficient quality. Where primary data is not available, proxy data is used to estimate the financed emissions.	Section 7.2
Climate scenario analysis The Group has applied significant judgement in its climate scenario analysis, particularly in the selection of climate scenarios, the underlying assumptions under those scenarios, and the modelling approaches used to assess the potential impacts of transition and physical risks.	Section 7.3

IFRS S1.75

Judgements

Paragraph 75 of IFRS S1 states that *"In the process of preparing sustainability-related financial disclosures, an entity makes various judgements, apart from those involving estimations, that can significantly affect the information reported in the entity's sustainability-related financial disclosures. For example, an entity makes judgements in:*

a) identifying sustainability-related risks and opportunities that could be reasonably expected to affect the entity's prospects;
b) determining which sources of guidance to apply in accordance with paragraphs 54–58;
c) identifying material information to include in the sustainability-related financial disclosures; and
d) assessing whether an event or change in circumstances is significant and requires reassessment of the scope of all affected sustainability-related risks and opportunities throughout the entity's value chain (see paragraph B11)."

IFRS S1.77-78
IFRS S1.79
IFRS S1.81

4.2 Measurement uncertainties

Description	Section reference
GHG-related metrics The related disclosed metrics are subject to high inherent uncertainties arising from reliance on activity data and emission factors obtained from third parties. Where activity data cannot be obtained on a timely basis, or are incomplete, estimates are used.	Section 7.2
Anticipated financial effects The measurement of anticipated financial effects is subject to high measurement uncertainty over the short, medium, and long term. There is a wide range of potential outcomes for these anticipated financial effects due to:	
i. **Climate-related physical risk –** shifting weather patterns, evolving climate conditions, limitations in data granularity, and reliance on third-party risk datasets.	Section 7.1
ii. **Climate-related transition risk –** emerging policy developments and regulatory interventions, including the timing of publication and implementation, technology cost trajectories, and market responses to the low-carbon transition.	Section 7.2
iii. **Environmental and social-related opportunities –** for green, transition and social financing, the timing of customer drawdowns and repayments of loans and financing; and for green and transition investments, the holding period and timing of disposal, market conditions, and the Group's liquidity requirements.	Section 9
Climate scenario analysis The related quantitative impacts of the climate scenario analysis are subject to significant uncertainty arising from the assumptions or proxies applied in the climate risk stress testing exercise when data is unavailable, insufficient, or limited. It also involves the usage of macroeconomic projections and long-term climate scenarios.	Section 7.3

IFRS S1.81

Measurement uncertainties

Paragraph 81 of IFRS S1 states that: *"The type and extent of the information an entity might need to disclose vary according to the nature of the amount reported in the sustainability-related financial disclosures—the sources of and the factors contributing to the uncertainty and other circumstances. Examples of the type of information an entity might need to disclose are:*

a) the nature of the assumption or other source of measurement uncertainty;
b) the sensitivity of the disclosed amount to the methods, assumptions and estimates underlying its calculation, including the reasons for the sensitivity;
c) the expected resolution of an uncertainty and the range of reasonably possible outcomes for the disclosed amount; and
d) an explanation of changes made to past assumptions concerning the disclosed amount, if the uncertainty remains unresolved."

4.2 Measurement uncertainties (continued)

Changes in estimates

IFRS S1.B50
IFRS S1.B51

A change in estimate takes place when an entity needs to revise an estimated metric in the preceding years because additional information becomes known, and the new information provides evidence of circumstances that existed in that period. The IFRS Sustainability Disclosure Standards require an entity to disclose a revised comparative amount, the difference between the amount disclosed in the preceding period and the revised comparative amount, and to explain the reason for revising the comparative amount.

Disclosure of a revised comparative amount is not required if it is impracticable to do so, or if the metric is forward-looking. Forward-looking metrics relate to possible future transactions, events, and other conditions. However, the entity is permitted to revise a comparative amount for a forward-looking metric if doing so does not involve the use of hindsight.

Material errors

IFRS S1.84

Prior-period errors are omissions from and misstatements in the entity's sustainability-related financial disclosures for one or more prior periods. Such errors arise from a failure to use, or the misuse of, reliable information that was available when the sustainability-related financial disclosures for that period(s) were authorised for issue, that could reasonably be expected to have been obtained and considered in the preparation of those disclosures.

IFRS S1.B58

If an entity identifies a material error in its prior period(s) sustainability-related financial disclosures, it should disclose: *"(a) the nature of the prior-period error; (b) the correction, to the extent practicable, for each prior period disclosed; and (c) if correction of the error is impracticable, the circumstances that led to the existence of that condition and a description of how and from when the error has been corrected."*

IFRS S1.51(g)
IFRS S2.34(d)

Additionally, the IFRS Sustainability Disclosure Standards state that if an entity revised its targets, it shall disclose the revised targets together with an explanation for such revisions. Refer to the guidance box in Section 7.1(e) for further guidance.

IFRS S1.B11
IFRS S2.B34-B35

An entity shall reassess the scope of any climate-related risk or opportunity throughout its value chain if there is an occurrence of a significant event or a significant change in circumstances as per the IFRS Sustainability Disclosure Standards. For example, refer to the guidance box in Section 3.1 for further guidance if there is change in the entity structure.

Materiality

IFRS S1.17

IFRS S1.18

The IFRS Sustainability Disclosure Standards require an entity to disclose material information about all sustainability-related risks and opportunities that could reasonably be expected to affect the entity's cash flows, its access to finance, or cost of capital over the short, medium, or long term. Such information is material if omitting, misstating, or obscuring that information could reasonably be expected to influence decisions made by primary users of general purpose financial reports (such as investors, lenders, and other creditors). Sustainability-related risks and opportunities arise from an entity's dependencies on and its impacts on resources and relationships throughout its value chain.

The identification of information that is material for primary users of general purpose financial reports corresponds with the "financial materiality" assessment under the European Sustainability Reporting Standards ("ESRS"). The ESRS and the GRI Standards also require an assessment of "impact materiality", which may identify information as relevant for reporting that would not be material for primary users of general purpose financial reports.

Refer to the interoperability guidance on *ESRS–ISSB Standards* issued by the IFRS Foundation and IFRS S1 paragraphs B1-B12 for more information.

Ongoing identification and assessment of sustainability-related risks and opportunities

IFRS S1.B11

The process of identifying and assessing sustainability-related risks and opportunities is not an activity that only takes place once. An entity is required to reassess its sustainability-related risks and opportunities throughout its value chain upon the occurrence of a significant event or a significant change.

IFRS S1.B6

An entity should use all reasonable and supportable information that is available to the entity at the reporting date without undue cost or effort. Refer to Section 5 (Step 1) for more information on the proportionality mechanisms included in the IFRS Sustainability Disclosure Standards.

IFRS S1.44(a)(vi)
IFRS S1.44(b)
IFRS S1.B13-B28

This year marks the first year Building Trust Bank Berhad is preparing a sustainability report in accordance with the IFRS Sustainability Disclosure Standards issued by the ISSB, in line with the Main Market Listing Requirements. Consequently, a robust and detailed materiality assessment was performed to identify sustainability-related risks and opportunities that could reasonably be expected to affect the Group's prospects.

IFRS S1.44(a)-(b)

The materiality assessment was performed by management and relevant business units across the Group and overseen by the Sustainability Executive Committee ("SEC") (refer to Section 6.2), with input from external advisors. The outcome of the process was validated and approved by the Board Sustainability Committee ("BSC") (refer to Section 6.1).

Materiality process

IFRS S1.44(a)-(b)

Paragraphs 44(a) and (b) of IFRS S1 require an entity to disclose the process and related policies that it uses to identify, assess, prioritise, and monitor sustainability-related risks and opportunities. This section illustrates some of these disclosures by describing the process followed by Building Trust Bank Berhad in assessing what information could reasonably affect its financial prospects and influence decisions of primary users. IFRS S1 does not prescribe specific thresholds for material information, nor does it predetermine what information would be material in a particular situation as materiality judgements are specific to an entity.

IFRS S1.B19

Group-level materiality assessments

An entity may leverage group-level processes and information, including outputs from its global headquarters' materiality assessments, to support the identification and assessment of sustainability-related risks and opportunities. However, materiality remains ultimately to be determined at the reporting entity level. In doing so, an entity needs to consider its entity-specific circumstances, including local market conditions, regulatory requirements and value chain exposures. Where group-level assessments are used, an entity can explain how these have been contextualised for the reporting entity and whether any local adjustments have been made.

Use of judgement

IFRS S1.74
IFRS S1.75

The identification of sustainability-related risks and opportunities that could reasonably be expected to affect the entity's prospects, and the identification of material information to be included in the sustainability-related financial disclosures could be areas of critical judgement that should be disclosed in accordance with IFRS S1 paragraphs 74 and 75. This section also includes the details of the judgement made by Building Trust Bank Berhad in its materiality process as highlighted in Section 4.1.

A two-step materiality process was conducted:

Step 1	**Identify sustainability-related risks and opportunities** that could reasonably be expected to affect the Group's prospects over the short, medium, and long term.
Step 2	**Identify material information –** The determination of the disclosures which are needed in relation to the sustainability-related risks and opportunities identified.

The purpose of this process was to identify information on sustainability-related risks and opportunities that could reasonably be expected to affect the Group's prospects, as well as to assess the information that could reasonably be expected to influence decisions that the primary users of general purpose financial reports make on the basis of those reports (such as investors, lenders and other creditors).

The Group finalised its materiality assessment, which includes the identification of sustainability-related risks and opportunities for the 2025 reporting period.

Step 1	Identification of sustainability-related risks and opportunities

The Group followed a systematic approach and referred to a number of different sources to identify the sustainability-related risks and opportunities of the Group. The Group considered its own activities, as well as activities in the upstream and downstream value chain (refer to Section 2.2) in the assessment. The process followed is summarised below:

1.1 Understand the Group's operations, resources, and relationships

IFRS S1.B2-B5

Understanding the context in which the Group operates was the first step of the process. The Group considered its business activities, including the products and services provided as well as the geographical, legal, and regulatory landscape of its operations.

The Group also considered the resources that it depends on and the relationships it has along its value chain.

A high-level overview of the context considered as part of this assessment is summarised below:

a. **Key locations and markets:** The Group operates primarily in Malaysia and regionally across Singapore, Indonesia, Thailand, and Vietnam, offering a range of banking and financial services, including Islamic banking, offshore banking, investment banking, including stockbroking, and asset management activities.

b. **Regulations:** As a regulated financial institution, the Group considered the applicable regulations in the jurisdictions in which it operates, including requirements relating to capital adequacy, risk management, anti-money laundering, consumer protection, and sustainability-related disclosures. The assessment also considered evolving regulatory expectations on climate-related and environmental risks, sustainable finance, and responsible banking practices, which may affect the Group's business model and enterprise risk management frameworks.

c. **Key resources:** The Group depends primarily on financial, human, and technological resources to conduct its banking activities. These include:
   - Capital and liquidity to support lending, financing, and investment activities;
   - Access to funding from depositors, wholesale markets, and other financial counterparties;
   - Skilled employees and management with relevant banking, risk, and sustainability expertise; and
   - Information technology systems, data, and digital infrastructure supporting core banking operations and risk management.

d. **Value chain:** The materiality assessment considered the Group's value chain as per Section 2.2.

Impacts on resources and relationships and sustainability-related risks and opportunities

IFRS S1.2
IFRS S1.B5

The effects of an entity's activities on resources and relationships, including on people and the environment, might give rise to sustainability-related risks and opportunities that could reasonably be expected to affect the entity's prospects, and these are relevant when applying the IFRS Sustainability Disclosure Standards.

Step 1 **Identification of sustainability-related risks and opportunities (continued)**

1.2 Identify risks and opportunities

IFRS S1.44(a)(i)
IFRS S2.25(a)(i)

The primary source used to identify the Group's risks and opportunities was based on the understanding of the Group's operations and value chain described on page 33. The Group considered whether its key resources, business relationships, and interdependencies with the value chain are subject to sustainability-related risks or whether they create opportunities that would affect the Group's ability to generate cash flows.

IFRS S1.59
IFRS S1.58

The Group also considered other internal and external sources of information to identify whether there were any additional risks and opportunities. The sources consulted included the following:

- existing risk management and due diligence processes performed by the Group;
- educational materials issued by the IFRS Foundation related to IFRS S1 and IFRS S2;
- disclosure topics in the SASB Standards for the following industries:
  - Asset Management & Custody Activities;
  - Commercial Banks;
  - Consumer Finance;
  - Mortgage Finance; and
  - Investment Banking & Brokerage
- sustainability-related risks and opportunities identified by entities that operate in the same industries as the Group; and
- engagement with the following stakeholders: employees, customers, investors, suppliers, regulators, analysts, and communities.

The Group also consulted with an independent sustainability advisor and third-party experts as part of this process.

Applicability of disclosure topics in the SASB Standards

IFRS S1.55(a)

In identifying sustainability-related risks and opportunities that could reasonably be expected to affect an entity's prospects, an entity shall refer to and consider the applicability of the disclosure topics in the SASB Standards, in addition to applying the IFRS Sustainability Disclosure Standards.

IFRS S1.58(a)

Similarly, when identifying applicable disclosure requirements about a sustainability-related risk or opportunity that could reasonably be expected to affect an entity's prospects, in addition to applying the IFRS Sustainability Disclosure Standards that specifically apply to that risk or opportunity, an entity shall refer to and consider the applicability of the metrics associated with the disclosure topics included in the SASB Standards.

The term "shall refer to and consider" means that an entity is required to consider the applicability of the SASB Standards. An entity might conclude that the disclosure topics or the metrics specified in the SASB Standards are not applicable in the entity's circumstances.

Refer to the educational material published by the IFRS Foundation on *Using the SASB Standards to meet the requirements in IFRS S1* for more guidance.

IFRS S1.50(a)

In addition, paragraph 50(a) of IFRS S1 specifies that an entity shall disclose how an entity-developed metric is defined, including its source and how it differs from the original metric, where applicable. Refer to the metrics and targets in Section 7.1(e) and 9.4 for examples of such circumstances.

Step 1	Identification of sustainability-related risks and opportunities (continued)

1.3 Assess whether the risks and opportunities could reasonably be expected to affect the Group's prospects

IFRS S1.B22-B23

Only those sustainability-related risks and opportunities that could reasonably be expected to affect the Group's cash flows, access to finance, or cost of capital (that is expected to affect the Group's prospects) are considered. In making this assessment, the Group considered a combination of the following, which are aligned with the Group's Enterprise Risk Management Framework:

- the likelihood of the event occurring; and
- the magnitude of the impact on the Group's financial prospects if the event did occur.

IFRS S1.44(a)(iii)
IFRS S2.25(a)(iii)

For risks and opportunities that relate to uncertain future events, the Group considered a range of possible outcomes and assigned a likelihood to that range. Where there had been past incidents of an event, a higher likelihood was assigned to a similar event occurring in the future.

The results of the assessment were plotted on a matrix, based on the likelihood and financial magnitude of each risk and opportunity, to identify those risks and opportunities that could reasonably be expected to affect the Group's prospects. No definitive thresholds were applied, but typically those with a higher likelihood and/or magnitude are disclosed.

IFRS S1.B28

As part of this process, the Group considered the perspective of certain external stakeholders (including investors and analysts) to obtain an external perspective on whether there were any additional risks and opportunities beyond those identified by the Group that could reasonably be expected to affect the Group's prospects. There were no additional risks or opportunities identified from the perspective of the stakeholders.

1.4 Mitigation actions and plans to remediate

IFRS S1.44(a)

The Group has taken steps to prevent and mitigate certain sustainability-related risks. However, for the purpose of the materiality assessment, these actions were assumed not to be in place. Accordingly, the sustainability-related risks and opportunities were assessed without considering the effects of existing mitigation plans and strategies.

Risk prevention and mitigation actions

IFRS S1 does not provide guidance on whether risks should be assessed before or after an entity's prevention and mitigation actions. In the absence of specific guidance, an entity should select an approach for considering prevention and mitigation actions which results in providing material information about risks that could reasonably be expected to affect an entity's prospects.

Refer to the educational material published by the IFRS Foundation on *Sustainability-related risks and opportunities and the disclosure of material information* for more guidance.

1.5 Final consolidation and approval of risks and opportunities for the Group

The determination of sustainability-related risks and opportunities requires judgement in assessing their significance and whether they could reasonably be expected to affect the Group's prospects and performance (including financial, operational and reputational aspects). The financially material sustainability-related risks and opportunities identified for the Group were presented to the Board Sustainability Committee for approval. The risks and opportunities identified within the scope of sustainability reporting are summarised in the table under "Step 2".

Proportionality mechanisms

The IFRS Sustainability Disclosure Standards include proportionality mechanisms to support the application of IFRS S1 and IFRS S2 to help companies with different levels of capability and preparedness apply the IFRS Sustainability Disclosure Standards. The two proportionality mechanisms in IFRS S1 and IFRS S2 as well as the areas in which these could be applied are summarised as follows:

	Areas in which these could be applied based on IFRS S1 and IFRS S2 requirements	An entity shall use all reasonable and supportable information that is available to the entity at the reporting date without undue cost or effort	An entity shall use an approach that is commensurate with the skills, capabilities and resources that are available to the entity for preparing those disclosures
IFRS S1.B6 IFRS S2.11	Identification of sustainability-related risks and opportunities that could reasonably be expected to affect the entity's prospects	✓	
IFRS S1.B6 IFRS S2.B36	Determining the scope of the value chain in relation to each sustainability-related risk and opportunity, including for Scope 3 GHG emissions	✓	
IFRS S1.37(a)-(b) IFRS S2.18(a)-(b) IFRS S1.39 IFRS S2.20	Anticipated financial effects of a sustainability-related risk or opportunity	✓	✓
IFRS S2.B1 IFRS S2.B2(b)	Approach to climate-related scenario analysis to assess climate resilience	✓	✓
IFRS S2.B39	Selection of the measurement approach, inputs, and assumptions it uses in measuring Scope 3 GHG emissions	✓	
IFRS S2.29(b)-(d) IFRS S2.30	Cross-industry metrics on the amount and percentage of assets or business activities vulnerable to climate physical and transition risks, as well as those that are aligned with climate-related opportunities	✓	

Refer to the educational material published by the IFRS Foundation on the *Proportionality mechanisms in IFRS Sustainability Disclosure Standards* for further information.

Step 2	Identification of material information

IFRS S1.B28

Once the sustainability-related risks and opportunities have been identified, the second step is to identify the material information that should be disclosed for each risk or opportunity. The Group considered whether information is material in the context of the Group's sustainability reporting as a whole and took into account both qualitative and quantitative characteristics. The judgements applied around the identification of material information for the sustainability-related risks and opportunities will be reassessed at each reporting date.

Sustainability-related risks and opportunities included in this report

Four sustainability-related risks and opportunities are included in this Illustrative Sustainability Report. The table below presents only those covered in this report, focusing on lines of businesses that are material for the identified risks and opportunities. Other sustainability-related risks and opportunities may also exist for Building Trust Bank Berhad.

In assessing material sustainability-related risks and opportunities, an entity should also consider, where applicable, exposures arising from other lines of business. For additional guidance on the insurance sector, an entity may refer to the *NSRF Guidance Document for FIs Insurance and Takaful Industry* and, for additional guidance on asset management activities, to *Appendix II*.

IFRS S1.30(a)
IFRS S2.10(a)

The table below includes the sustainability-related risks and opportunities identified as part of the materiality processes described. Further information can be found in the sections referenced in the table.

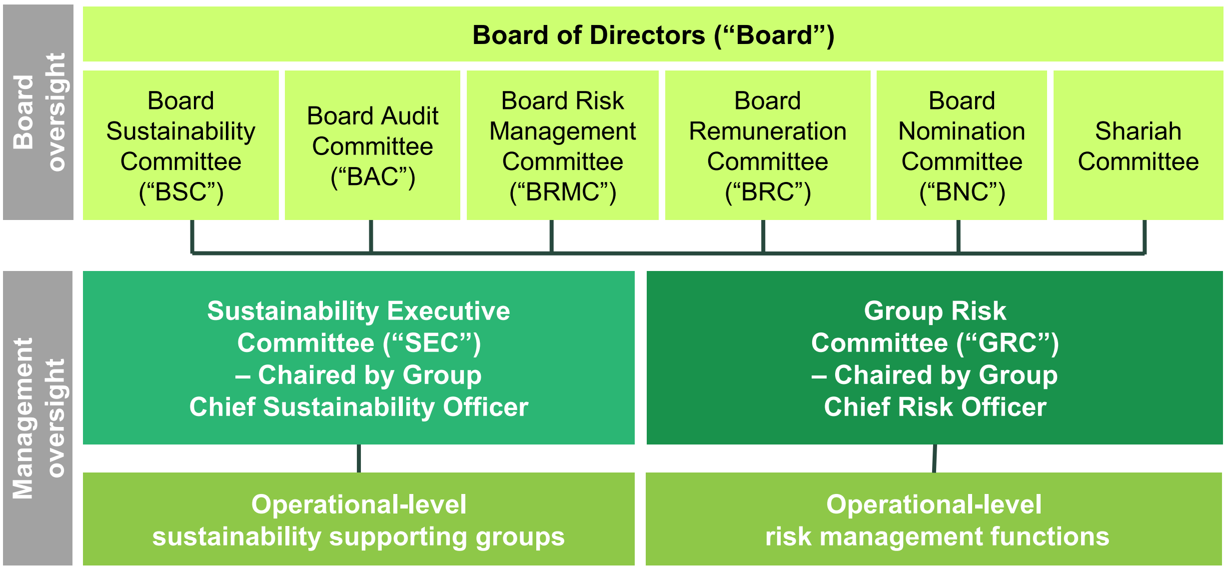
Climate-related risks			
1. Climate-related physical risk: Flood impacting the Group's operations and customers' credit risk			
Risk identified	**Summary of management approach**	**Affected component of the reporting boundary**	**Section**
Increasing frequency and severity of flooding could disrupt the operations of the Group and its customers and damage properties pledged to the Group as collateral.	• Location-based climate risk assessments and heat-mapping • Site-specific adaptation measures including flood protection systems and resilience measures • Incorporation of physical risk into credit assessments • Climate scenario analysis • Customer engagement	• Own operations • Downstream activities – customers	Sections 7.1 & 7.3
2. Climate-related transition risk: Changes in regulation and market pressure towards a low-carbon economy			
Risk identified	**Summary of management approach**	**Affected component of the reporting boundary**	**Section**
Increasing regulatory expectations arising from Net Zero 2050 commitments and decarbonisation policies, including the introduction of carbon taxes, give rise to transition risks for the Group. This could increase the operating costs of the Group and its customers operating in high-emitting sectors and, in some cases, result in stranded assets or reduced ability to operate or access markets.	• Establishment of the Group's Net Zero Roadmap • Development of sector-specific decarbonisation pathways, including key measures and target-setting across high-emitting sectors • Climate scenario analysis • Customer engagement	• Own operations • Downstream activities – customers (including investees)	Sections 7.2 & 7.3

Social-related risks			
Risk of financial loss, litigation, and reputational damage associated with breaches of labour and human rights in the Group's operations and value chain			
Risk identified	**Summary of management approach**	**Affected component of the reporting boundary**	**Section**
Increasing regulatory, investor, and broader stakeholder expectations surrounding labour and human rights may expose the Group to financial loss, litigation, and reputational damage arising from exposure to labour and human rights breaches.	• Incorporation of labour and human rights standards into internal policies, governance frameworks, and operating processes • Establishment of escalation and remediation processes, which include grievance and whistleblowing mechanisms • Integration of the Group's expectations on labour and human rights into supplier and customer onboarding due diligence processes and credit assessment • Alignment of financing and investment strategies with relevant national principles	• Own operations • Downstream activities – customers • Upstream activities – suppliers	Section 8

Environmental and social-related opportunities			
Emerging opportunities arising from sustainable finance			
Opportunity identified	**Summary of management approach**	**Affected component of the reporting boundary**	**Section**
Increasing global efforts to transition towards a low-carbon economy could drive demand for green and transition loans, financing, and investments, creating opportunities for the Group to expand its sustainable finance portfolio. In addition, the growing recognition of the need to address structural barriers to formal financing for underserved segments presents an opportunity for the Group to support financial inclusion through social financing.	• Development of the Group's Sustainable Product Framework ("SPF"), which sets out the list of eligible sustainable activity categories • Integration of sustainability criteria into the Group's credit evaluation, risk acceptance, and portfolio management frameworks • Setting targets to grow sustainable finance • Implementation of measures to quantify and monitor progress	• Downstream activities – customers (including investees)	Section 9

6. Sustainability governance

The Board of Directors of Building Trust Bank Berhad has oversight of the approach to sustainability issues, and it is supported by the Board Sustainability Committee and the Sustainability Executive Committee. An overview of the Group's sustainability governance structure is set out below:



6.1 Board oversight

The responsibilities and activities of the Board of Directors and each of the committees are set out below:

Board of Directors ("Board")

IFRS S1.27(a)(iv)
IFRS S2.6(a)(iv)

The Board is ultimately responsible for the Group's strategic direction on sustainability, including oversight of the Group's sustainability-related risks and opportunities that could reasonably be expected to affect the Group's prospects. The Board approves the resources needed for effective management of sustainability-related initiatives.

The Board ensures that sustainability is integrated into the Group's overall corporate strategy. In particular, the Board considers sustainability-related risks and opportunities when reviewing strategy, performance objectives, and risk management processes and policies—how these are designed to respond to sustainability-related risks and opportunities and how they align with the Group's business model, long term business strategy, and stakeholder expectations, including the Group's net zero commitment.

As part of its strategic decisions, including evaluating major transactions, the Board considers the effects of those transactions on the Group's sustainability-related risks and opportunities. The Board ensures that thorough due diligence is conducted to understand the sustainability practices of the target customers and their alignment with the Group's strategy.

A dedicated Board-level sustainability committee, the Board Sustainability Committee ("BSC"), was established in 2022 to support the Board in executing its sustainability oversight responsibility.

6.1 Board oversight (continued)

Board Sustainability Committee ("BSC")

IFRS S1.27(a)(i)
IFRS S2.6(a)(i)

The BSC is responsible for overseeing and approving the sustainability strategy and targets, material topics, policies, and the sustainability report. It also provides the Board with guidance on emerging sustainability matters. The terms of reference for the BSC set out its mandate and responsibilities.

IFRS S1.27(a)(iii)
IFRS S2.6(a)(iii)

The BSC is composed of six members, including two executive directors and four independent non-executive directors. The BSC meets quarterly to review the latest sustainability developments and challenges and to inform the Board on sustainability-related risks and opportunities.

IFRS S1.27(a)(ii)
IFRS S2.6(a)(ii)

Each member of the BSC has business experience and expertise related to at least one sustainability topic. To ensure that the BSC has appropriate skills and competencies to oversee the identification and mitigation of sustainability-related risks and opportunities, it regularly meets with its independent sustainability advisor, who is appointed by the Board. The independent sustainability advisor brings knowledge and expertise in sustainability-related issues and provides strategic advice on sustainability initiatives, policies, and practices. Furthermore, the BSC often engages third-party experts to provide the Board members with briefings and specific training on sustainability matters to ensure appropriate sustainability skills and knowledge at the Board level.

IFRS S1.27(a)(v)

The BSC works closely with management to establish sustainability-related targets in line with the Group's overall strategy and risk management processes. It has visibility over the implementation of the Group's climate transition plan, and it is updated quarterly on progress against climate and other sustainability-related metrics and targets. The targets and associated progress are reviewed at least annually by the BSC and the Board in line with the Group's internal budgeting and reporting timelines. In carrying out the responsibilities, BSC receives information from the GRC relating to relevant risk assessments, emerging risk insights, and financial risk implications to consider its impact to the overall sustainability strategy for the Group.

Board Audit Committee ("BAC")

The BAC is responsible for the oversight of financial and sustainability reporting, including compliance with relevant reporting standards, as well as performance, internal audit, and assurance (including on sustainability-related metrics), integrity and governance functions, and overall controls and governance for the Group.

Board Risk Management Committee ("BRMC")

The BRMC is responsible for the identification and management of overall risks (including sustainability-related risks) for the Group, as discussed in Section 6.4 of this report.

Board Remuneration Committee ("BRC")

The BRC is responsible for the development and implementation of the remuneration policy—including consideration of sustainability-related performance—for Board members as well as management, as discussed in Section 6.3 of this report.

Board Nomination Committee ("BNC")

The BNC is responsible for identifying and recommending individuals for Board positions. This includes ensuring that the Board and the BSC have the necessary expertise and diversity to effectively oversee and guide the Group's sustainability strategy.

6.1 Board oversight (continued)

Shariah Committee

The Shariah Committee is responsible for governing all Shariah-related matters, including providing objective and independent oversight on Shariah-related sustainability products and services, and advising management and the Board to ensure that the Bank's operations, business, and activities comply with Shariah principles and consider the relevant guidance such as the Value-based Intermediation Financing and Investment Impact Assessment Framework ("VBIAF") and the Maqasid Al-Shariah Guidance.

Board skills and experience matrix

IFRS S1.27(a)(ii)
IFRS S2.6(a)(ii)

The Board recognises that an appropriate balance of skills, experience, and qualifications is fundamental to effective oversight of the Group's strategy, including the management of sustainability-related risks and opportunities. To support evolving regulatory expectations and the external operating environment, the Board undertakes an annual assessment of its collective capabilities. The outcomes of these assessments inform the Board Skills and Experience Matrix, which identifies strengths and areas for development, supported by new appointments, succession planning, and targeted training initiatives.

The Board's collective competencies support its oversight of sustainability-related matters, including integrating sustainability considerations into strategic and risk deliberations, monitoring the progress of sustainability initiatives and targets, and ensuring that management is equipped to deliver the Group's sustainability strategy. The Board's effectiveness in applying these competencies is evaluated annually to confirm that it maintains an appropriate level of capability to discharge its governance responsibilities. An overview of the Board's sustainability-related skills and experience is presented below.

Skills and experience	Examples of skills and experience	Relevance to the Group
Sustainability-related matters 3 4 5 *Note: The numbers above represent the number of Board members who have the respective competency, knowledge or experience level*	Experience, qualifications, and understanding to oversee the strategies designed to respond to sustainability-related risks and opportunities	Understanding sustainability-related risks and opportunities, the relevance to the business, and oversight of strategies to respond. Oversight of setting sustainability-related targets, policies, and decisions over risks and opportunities.

- Advanced knowledge, experience and qualifications in sustainability-related matters
- Relevant practical experience in sustainability-related matters
- Awareness of sustainability-related matters

For a comprehensive overview of the skills and experience of our Board members, please refer to Section [XX] of the Group's Annual Report 2025.

6.1 Board oversight (continued)

Information included by cross-reference

Information required under the IFRS Sustainability Disclosure Standards may be included in other reports issued by the entity. For example, in many cases, the Board Skills and Experience Matrix is located within the Annual Report and may therefore be referenced within ISSB disclosures via cross-reference. For the purposes of illustration, an extract of a Board Skills and Experience Matrix has been included in this Illustrative Sustainability Report.

IFRS S1.B45

Paragraph B45 of IFRS S1 states that material information can be incorporated into an entity's sustainability-related financial disclosures through cross-referencing, provided that certain conditions are met. Specifically, the information referenced must be available to users on the same terms and at the same time as the sustainability-related financial disclosures, and the use of cross-referencing should not compromise the overall clarity and understandability of the complete set of sustainability-related financial disclosures.

IFRS S1.B47

Where disclosures are made by cross-reference, an entity is required to clearly identify the report in which the information is located and provide guidance on how to access the report. Furthermore, an entity should precisely specify the relevant section within that report where the information is disclosed.

IFRS S1.27(b)(i)
IFRS S2.6(b)(i)

IFRS S1.27(b)(ii)
IFRS S2.6(b)(ii)

IFRS S1.27(a)(v)
IFRS S2.6(a)(v)

6.2 Management's role in governance

Sustainability Executive Committee ("SEC")

The SEC, chaired by the Group Chief Sustainability Officer ("GCSO"), provides management-level oversight of the development and implementation of the Group's sustainability strategy, policies, and initiatives, and serves as the primary executive forum for sustainability-related matters prior to escalation to the BSC.

Key responsibilities of the SEC include but are not limited to:

1. Overseeing the implementation of the Group's sustainability strategy;
2. Reviewing the outcomes of the Group's materiality assessment;
3. Overseeing the management of the Group's sustainability-related risks and opportunities;
4. Overseeing the setting of sustainability targets and recommending these to the BSC for approval; and
5. Overseeing the preparation of the Group's sustainability report.

Country-specific sustainability-related matters are identified and assessed at the local management level and reported through established country governance forums, with material matters escalated to the SEC for Group-level oversight, consolidation, and decision-making.

The SEC convenes monthly and regularly receives updates on sustainability-related targets. It provides monthly reports to the BSC. Additionally, the SEC delivers quarterly updates to the BSC on any potential financial effects of sustainability-related risks and opportunities on the Group's financial statements that would provide material information, including targets and progress against non-financial metrics.

To effectively oversee and address sustainability-related risks and opportunities, the SEC works closely with the GRC, operational-level sustainability support functions, and risk management functions, and meets with these groups monthly.

6.2 Management's role in governance (continued)

Operational-level sustainability support functions

IFRS S1.27(b)(i)
IFRS S2.6(b)(i)

Operational-level sustainability support functions are responsible for the day-to-day execution of the Group's sustainability strategy and initiatives within their respective functions and business units.

These groups support the SEC by:

1. Implementing sustainability-related strategies, policies, frameworks, and initiatives across business operations;
2. Identifying sustainability-related issues, opportunities, and potential impacts arising from business activities for consideration in strategy development and business planning;
3. Supporting data collection, monitoring, and internal reporting for sustainability metrics and disclosures; and
4. Providing inputs to sustainability-related analyses, including climate-related analyses (e.g. transition planning, scenario narratives), in coordination with risk management where applicable.

Group Risk Committee ("GRC")

IFRS S1.27(b)(i)
IFRS S2.6(b)(i)

The GRC supports the Group Chief Risk Officer ("GCRO") in overseeing the management of the Group's material risks, including sustainability-related risks, within the Group's overall risk governance framework.

Key responsibilities of the GRC include but are not limited to:

1. Overseeing the identification, assessment, and management of the Group's material risks, including sustainability-related risks, within the enterprise risk management framework;
2. Integrating sustainability-related risks, including climate-related risks, into risk appetite, policies, stress testing, scenario analysis, and capital planning;
3. Monitoring risk exposures, key risk indicators, and emerging risks, and escalating material risk matters to the BRMC, where appropriate; and
4. Ensuring alignment between risk management practices, business strategy, and regulatory expectations.

The GRC convenes monthly and regularly receives updates on sustainability-related risks, including climate-related risks. The GRC provides monthly reports to the BRMC on the identification, assessment, and management of material risks, including sustainability-related risks, within the enterprise risk management framework. In addition, the GRC reports to the BRMC on material sustainability-related risks that may reasonably be expected to affect the Group's financial position, performance, cash flows, or capital and liquidity profiles, including the results of stress testing, scenario analysis, and key risk indicators, where applicable.

To support effective coordination between sustainability strategy and risk management, the GRC shares relevant risk assessments, emerging risk insights, and financial risk implications relating to sustainability matters with the SEC, where applicable. The GRC works closely with the SEC, operational-level risk management functions and sustainability support functions to facilitate the integration, monitoring, and escalation of sustainability-related risks, including climate-related risks, across business and operational activities.

6.2 Management's role in governance (continued)

Operational-level risk management functions

IFRS S1.27(b)(i)
IFRS S2.6(b)(i)

Operational-level risk management functions support the GRC by identifying, embedding, monitoring, and escalating sustainability-related risks, including climate-related risks that may affect the Group's financial condition, capital, liquidity, or risk profile.

These groups support the GRC by:

1. Identifying and assessing sustainability-related risks, including climate-related risks arising from business activities, portfolios, and customer relationships;
2. Embedding sustainability-related risk considerations into day-to-day risk management processes, including credit assessment, portfolio monitoring, and product governance;
3. Implementing Group-wide risk policies, methodologies, and internal controls across business and operational units; and
4. Monitoring and reporting risk exposures and emerging risks, and escalating material issues through established governance and reporting lines.

Operational-level risk management functions report to the GRC through established governance and reporting lines and support the ongoing identification, monitoring, and escalation of sustainability-related risks, including climate-related risks, within the enterprise risk management framework.

6.3 Impact of sustainability on remuneration policies

Remuneration structure

IFRS S1.27(a)(v)
IFRS S2.6(a)(v)

The Group's remuneration framework comprises fixed remuneration and variable remuneration, designed to support the delivery of the Group's long-term strategy and prudent risk-taking.

1. Fixed remuneration (base salary) reflects role, responsibility, experience, and market benchmarks, and is not directly linked to sustainability performance.
2. Variable remuneration is performance-based and reflects financial, strategic, risk, and sustainability outcomes, determined through a balanced scorecard approach.

Oversight of the remuneration framework, including the incorporation of sustainability-related considerations, is provided by the BRC, with input from the BSC on updates of sustainability priorities and performance.

Incorporation of sustainability-related targets into variable remuneration

Sustainability-related objectives, including climate-related targets, are incorporated into the Group's performance management and variable remuneration frameworks to reinforce accountability for sustainability outcomes and long-term value creation.

The Group's scorecard, which includes financial and strategic measures, is a key input in determining variable remuneration. Sustainability-related measures are included in the scorecard and, where relevant, cascaded to individual performance objectives based on role and seniority.

6.3 Impact of sustainability on remuneration policies (continued)

Sustainability-related considerations in executive remuneration

As part of its remuneration policy, an entity might establish how the restatement of sustainability-related financial information, for example, the restatement of GHG emissions, might impact variable remuneration of key management. An entity should disclose such policies when explaining how sustainability-related considerations are factored into the expected remuneration.

Key individuals or groups with sustainability-related objectives impacting variable remuneration

The table below summarises the key management roles where sustainability-related objectives, including climate-related targets, are incorporated into performance assessments and reflected in variable remuneration outcomes.

IFRS S2.29(g)

Key individual or group	How sustainability impacts remuneration
1 Senior Management /Group Executive Management	Sustainability-related objectives are incorporated into annual performance scorecards. Performance against these objectives influences variable remuneration outcomes, alongside financial and risk measures.
2 SEC members	Members are accountable for the delivery and coordination of sustainability initiatives. Progress against sustainability targets monitored by the SEC informs individual performance assessments and variable remuneration outcomes, where applicable.
3 Relevant employees and key function heads	Selected sustainability-related objectives are incorporated into individual performance scorecards based on roles and responsibilities. Achievement of these objectives is considered in annual performance assessments, variable remuneration outcomes, and promotion decisions, where applicable.

The sustainability-related performance indicators carried a weightage of approximately 25% of key management variable remuneration for 2025. Based on the performance assessment, approximately 20% of bonuses accrued for key management in 2025 were attributable to sustainability-related targets and outcomes.

6.4 Risk management

IFRS S1.44(b)-(c)
IFRS S2.25(b)-(c)

The processes and policies used to identify and assess sustainability-related risks and opportunities are set out in Section 5 of this report. The risk assessment process incorporates both qualitative and quantitative factors, and considers the nature, likelihood, and magnitude of potential risks.

Sustainability-related risks

Sustainability-related risks, including climate-related risks, are identified through a materiality assessment alongside other risks for the Group. Once the sustainability-related risks and opportunities are identified, the Group follows a process to prioritise and monitor them. The BRMC is responsible for identifying and managing the overall risks for the Group, which are integrated into the overall enterprise risk management framework.

IFRS S1.44(a)(iv)
IFRS S2.25(a)(iv)

The prioritisation of sustainability-related risks for the Group is performed by the BRMC based on inputs from the GRC, which identifies and assesses sustainability-related risks through the Group's enterprise risk management framework. Risks are prioritised based on severity and likelihood, considering potential financial impacts, operational disruptions, and regulatory changes. The SEC considers the prioritised risks to ensure alignment with the Group's sustainability strategy and disclosures, prior to approval by the BSC.

Sustainability-related opportunities

With regard to opportunities, the SEC is responsible for reporting and working together with the BSC to ensure prioritisation of the identified sustainability-related opportunities alongside other opportunities identified by the Group.

Monitoring of sustainability-related risks and opportunities

IFRS S1.44(a)(v)
IFRS S2.25(a)(v)

Monitoring of sustainability-related risks and opportunities is tracked individually based on the metrics and targets for which each member of senior management is responsible (refer to Section 6.3). These metrics and targets are reported to the SEC on a regular basis.

Roles, responsibilities, and oversight for sustainability-related matters

IFRS S1.27(b)(i)

IFRS S1.BC99

IFRS S1.27(b)(ii)

An entity shall disclose whether responsibility for sustainability-related matters is delegated to a specific management level position or committee, and how oversight of that role or committee is exercised. This disclosure enables primary users to understand how responsibilities are assigned and how the governance body or relevant individuals maintain oversight of those delegated responsibilities. Where management relies on controls and procedures to support oversight of sustainability-related risks and opportunities, the entity shall explain whether such controls and procedures are in place and how they are integrated with other internal functions.

7. Climate-related risks

This section provides information on climate-related risks that could reasonably be expected to affect the Group's prospects, including current and anticipated impacts over the short, medium and long term.

The Group has identified two climate-related risks:

i) Climate-related physical risk: Flood impacting the Group's operations and customers' credit risk (Section 7.1); and
ii) Climate-related transition risk: Changes in regulation and market pressure towards a low-carbon economy (Section 7.2).

In addition, the Group has assessed its climate resilience (Section 7.3) and application of internal carbon pricing (Section 7.4) as part of its climate-related risk management strategy.

7.1 Climate-related physical risk: Flood impacting the Group's operations and customers' credit risk

a. Description

IFRS S2.10(a)-(b)

The Group's operations are primarily based in Malaysia, where the frequency and severity of flooding from heavy rainfall have increased in recent years, posing risks that could disrupt economic activity, damage infrastructure, and interrupt business operations.

Based on the Group's assessment of its operational exposure, asset and portfolio composition, and geographic distribution of activities, flood risk is present across the Group's regional markets. Flood risk is assessed to be higher in Malaysia, Indonesia, and Thailand in comparison with other locations and the exposures in these locations have been considered and incorporated into the assessment.

b. Effects on business model and value chain

IFRS S2.13(a)-(b)

The impact of flood risk on the Group's business model and value chain arises mainly through its own operations and downstream activities across the short, medium, and long term.

IFRS S2.10(c)

Own operations

Flood risk may affect the Group's operational footprint, particularly the branches, offices, and other facilities in flood-prone locations[1]. Increased exposure to flooding in certain locations may disrupt branch accessibility and the service delivery at those branches. During the year, the Group has experienced an increase in high precipitation days leading to flooding at three of the Group's main branches. This has resulted in temporary disruptions to branch operations and increased operational costs for the Group. It is necessary for the Group to implement actions to mitigate and manage the flood risk, to reduce potential adverse effects on its operations.

Customers (Downstream)

Flood risk may disrupt customers' operations, particularly where businesses are reliant on physical assets or supply chains that are susceptible to flood risk. Physical damage to commercial and residential properties, industrial facilities, and other properties may impair the condition and value of assets pledged as collateral and, as a result, may lead to higher expected credit losses ("ECL").

[1] Flood-prone locations are defined as 100-year flood zone areas that are subject to:
Medium risk: a 0.1% to 1% chance of flooding in any given year.
High risk: a 1% or greater chance of flooding in any given year. Such areas may also be referred to as the 1% annual chance flood or the 1% annual exceedance probability ("AEP") flood.

7.1 Climate-related physical risk: Flood impacting the Group's operations and customers' credit risk (continued)

c. Effects on strategy and decision making

To address and manage the potential impacts arising from this physical risk, the Group has incorporated climate-related initiatives into strategic planning and decision-making across its operations and downstream activities.

IFRS S2.14(b)

These initiatives are implemented using internal funding and existing resources.

IFRS S2.14(c)

This is the first time the Group has formalised its plans and actions to mitigate the impacts of flood risk. Accordingly, quantitative and qualitative information on the progress of these plans against previous reporting periods has not been disclosed.

Quantitative and qualitative information about the progress of plans disclosed in previous reporting periods

If management has previously disclosed plans in accordance with IFRS S2 paragraph 14(a), it needs to disclose quantitative and qualitative information about the progress of plans disclosed in previous reporting periods in accordance with paragraph 14(c).

Own operations

IFRS S2.14(a)(i)-(iii)
IFRS S2.14(a)(v)

Flood risk is increasingly reflected in decisions relating to the Group's operational footprint and infrastructure planning. This includes the use of geocoding tools and geospatial physical risk data to identify branches, offices, and critical facilities located in Malaysia, Indonesia, and Thailand that are exposed to flood risk. Similar assessments are extended to potential new branch locations to ensure that the flood risk is incorporated at the planning stage.

As part of flood adaptation and resilience measures, the Group plans to install flood protection systems at branches and critical facilities identified in flood-prone locations. Where elevated flood risk is identified and cannot be adequately mitigated through flood protection systems alone, the Group plans to consider alternative relocation sites for the identified branches or facilities, with the aim of strengthening the resilience of the Group's operations over time.

Customers (Downstream)

IFRS S2.14(a)(i)-(iii)
IFRS S2.14(a)(v)

The Group has implemented the following initiatives to manage flood risk:

- **Use of geocoding tools and geospatial physical risk data:** The Group uses geocoding tools and geospatial physical risk data to identify customers' business locations and collateral locations, assess their exposure to flood risk and support the evaluation of potential financial effects of flood risk as part of the Group's customer onboarding and credit assessment processes.

- **Insurance coverage:** In managing its overall exposure to flood risk, the Group incorporates adequate insurance coverage requirements into loans and financing agreements, including loan covenants for customers with properties identified in flood-prone locations, thereby reducing the potential transmission of physical climate risk into credit losses.

- **Customer engagement and financing support:** In Malaysia, the Group supports customers through the provision of financing solutions, including participation in a facility introduced by Bank Negara Malaysia ("BNM"), the Relief and Adaptation Facility ("RAFt"), which is intended to facilitate financing for post-flood recovery efforts and climate adaptation initiatives for eligible SMEs. In Thailand and Indonesia, the Group supports customers affected by flooding through the provision of financing to help customers restore their business operations. This is further discussed in Section 9.1.

7.1 Climate-related physical risk: Flood impacting the Group's operations and customers' credit risk (continued)

d. Financial effects

Own operations

Current financial effects

The current financial effects on the Group's financial position, financial performance, and cash flows are primarily associated with measures undertaken to manage operational disruptions arising from flooding.

IFRS S2.15(a)
IFRS S2.16(a)

During the reporting period, the Group experienced temporary operational disruptions following flooding incidents at two of its main branches in Malaysia and one branch in Indonesia. As a result, operating expenses of RM1.3 million were incurred for emergency response activities, clean-up, repair, and reinstatement works to restore operations, affecting the Group's financial performance.

Following these incidents, the Group implemented additional flood adaptation and resilience measures at branches and critical facilities identified in flood-prone locations in Malaysia, Indonesia and Thailand. The Group incurred RM7.7 million to install flood protection designed to enhance the resilience of these locations. These expenditures were capitalised as property, plant, and equipment in the Group's financial position and are disclosed in Note [XX] of the Group's financial statements.

As a result, the cash outflows associated with these measures amounted to RM9.0 million, recognised under investing activities in the Statement of Cash Flows ("SOCF").

Anticipated financial effects

IFRS S2.15(b)
IFRS S2.16(c)-(d)

The anticipated financial effects on the Group's financial position, financial performance, and cash flows could arise from increases in the frequency and severity of flooding, which may affect the Group's operations over time.

To manage the flood risk, the Group expects to incur capital expenditure, capitalised as property, plant, and equipment in the Group's financial position:

- Short term: RM3.5 million for relocating two branches in high-risk flood-prone locations in Malaysia.
- Medium to long term: RM13.8 million for relocating eight branches in medium-risk flood-prone locations in Malaysia, Indonesia, and Thailand progressively.

As a result, the total cash outflows of RM17.3 million are expected to be recognised under investing activities in the SOCF over the short, medium and long term.

IFRS S2.16(b)

The Group does not expect a material adjustment to the carrying amounts of reported assets and liabilities within the next 12 months.

7.1 Climate-related physical risk: Flood impacting the Group's operations and customers' credit risk (continued)

d. Financial effects (continued)

Customers (Downstream)

Current financial effects

IFRS S2.15(a)
IFRS S2.16(a)

The current financial effects on the Group's financial position, financial performance, and cash flows are primarily associated with the loans and financing exposures with collateral located in flood-prone locations, resulting in an impact on ECL.

During the reporting period, the Group undertook an assessment to identify the property-backed loans and financing located in flood-prone locations using geocoding tools and geospatial physical risk data. Based on the assessment, the Group has identified that approximately 4% of the loans and financing have collateral located in flood-prone locations. In assessing ECL, the Group considered the potential effects of flood risk on the recoverability of the identified exposures and concluded that the impact of flood risk on the ECL is not material.

Anticipated financial effects

IFRS S2.15(b)
IFRS S2.16(c)-(d)

The anticipated financial effects on the Group's financial position, financial performance, and cash flows are primarily associated with the potential increase in the ECL arising from the loans and financing exposures with collateral located in flood-prone locations.

Based on the results of the Group's analysis (see Scenario 1 in Section 7.3[1]), the Group anticipates additional ECL impacts on the Group's financial performance as follows:

- Short term: immaterial as the flood risk is expected to remain low.
- Medium term: RM15.0 million to RM17.0 million per annum, arising from more frequent flood events.
- Long term: RM12.0 million to RM14.0 million per annum, reflecting lower flood risk over the long term under Scenario 1.

There are no effects on cash flows.

The Group is undertaking the following mitigation and adaptation measures:

- The Group plans to further extend the assessment to identify loans and financing with collateral located in flood-prone locations using geocoding tools as part of customer onboarding processes.
- Where collateral is identified to be in the flood-prone locations, the Group requires customers to maintain adequate insurance coverage against flood-related risks, commensurate with the value of the collateral.

IFRS S2.16(b)

The Group does not expect a material adjustment to the carrying amounts of reported assets and liabilities within the next 12 months.

[1] IFRS Sustainability Disclosure Standards do not prescribe the use of a specific scenario for the purpose of quantifying anticipated financial effects.

7.1 Climate-related physical risk:
Flood impacting the Group's operations and customers' credit risk (continued)

d. Financial effects (continued)

Identifying material information

Paragraph B19 of IFRS S1 states that materiality judgements are specific to an entity. Consequently, this Standard does not specify any thresholds for materiality or predetermine what would be material in a particular situation.

Consideration when quantitative information about the current and anticipated financial effects is not provided

IFRS S1.38

Quantitative information about the current or anticipated financial effects of a sustainability-related risk or opportunity need not be provided if the entity determines that:

a) *"those effects are not separately identifiable; or*
b) *the level of measurement uncertainty involved in estimating those effects is so high that the resulting quantitative information would not be useful (see IFRS S1 paragraphs 77–82)."*

IFRS S1.39

Paragraph 39 of IFRS S1 further states that quantitative information about the anticipated financial effects of a sustainability-related risk or opportunity need not be provided if the entity does not have the skills, capabilities, or resources to provide that quantitative information.

IFRS S1.40

However, where an entity determines that it need not provide quantitative information about the current or anticipated financial effects of a sustainability-related risk or opportunity, the entity shall:

a) *"explain why it has not provided quantitative information;*
b) *provide qualitative information about those financial effects, including identifying line items, totals and subtotals within the related financial statements that are likely to be affected, or have been affected, by that sustainability-related risk or opportunity; and*
c) *provide quantitative information about the combined financial effects of that sustainability-related risk or opportunity with other sustainability-related risks or opportunities and other factors unless the entity determines that quantitative information about the combined financial effects would not be useful."*

7.1 Climate-related physical risk: Flood impacting the Group's operations and customers' credit risk (continued)

e. Metrics and targets

IFRS S1.46
IFRS S1.50(a)
IFRS S1.50(d)
IFRS S2.33(a)-(e)
IFRS S1.50(g)

The Group has established a set of metrics to monitor and manage exposure to flood risk across its operations and financing activities in Malaysia, Indonesia, and Thailand over the short, medium, and long term, which are laid out in the table below. As this is the first year of establishing targets for physical risk, 2025 has been designated as the baseline year for measuring progress in future reporting periods.

IFRS S2.34(a)

The internally developed targets, methodologies, and metrics have not been independently validated by a third party. The assumptions underlying the targets are aligned with those used in the Group's climate risk stress testing ("CRST") and impairment assessment processes.

IFRS S2.29(c)
IFRS S2.34(c)
IFRS S1.50(a)
IFRS S1.50(c)-(d)

Metric	Methodology to calculate metric	2025	Targets		
			Short term (2026)	Medium term (2027-2031)	Long term (beyond 2031)
Own Operations					
Percentage (%) of branches in flood-prone locations[1]	Number of branches located in flood-prone locations[1] / total branches as at the end of the reporting period	6%	< 5%		
Customers (Downstream)					
Percentage (%) of loans and financing in flood-prone locations[1]	Outstanding balance (RM) of loans and financing with collateral located in flood-prone locations[1] / total outstanding balance (RM) of loans and financing as at the end of the reporting period	4%	< 5%		
Value (RM) of loans and financing in flood-prone locations[1] (Note 1)	Outstanding balance (RM) of loans and financing with collateral located in flood-prone locations[1] as at the end of the reporting period	RM9,880.0 million	No target set		
Number of loans and financing in flood-prone locations[1] (Note 1)	Number of loans and financing with collateral located in flood-prone locations[1] as at the end of the reporting period	9,700 loans and financing			

Target is met/on-track *Target is not met*

Note 1 – These metrics were developed with reference to the SASB Standards (Mortgage Finance FN-MF-450a.1) and have been adapted for the Group's purposes.

The Group aims to keep the number of branches located in flood-prone locations at lower than 5% of the Group's total branches. Currently, the exposure is at 6%, and the Group is working towards achieving this target by 2026, as outlined in its strategy to relocate two branches from high-risk flood-prone locations.

[1] *Refer to the footnote on* *page 49* *for the definition of flood-prone locations.*

7.1 Climate-related physical risk: Flood impacting the Group's operations and customers' credit risk (continued)

e. Metrics and targets (continued)

Metrics with targets and metrics used to monitor progress towards reaching the targets

Disclosure requirements for climate-related targets include two types of metrics:

IFRS S2.33(a)
IFRS S2.34(c)

- metrics used to set the targets (IFRS S2 paragraph 33(a));
- metrics used to monitor progress towards reaching the targets (IFRS S2 paragraph 34(c)).

Paragraph 33 of IFRS S2 requires an entity to disclose, for each target, the metric used to set the target. Separately, paragraph 34 of IFRS S2 requires an entity to disclose information about its approach to setting and reviewing each target, and how it monitors progress against each target. Hence, an entity is required to disclose the metrics used to monitor progress towards reaching the target.

IFRS S2.B67

In addition, paragraph B67 of IFRS S2 states that, in identifying and disclosing the metric used to set a climate-related target and measure progress, an entity should consider cross-industry metrics (refer to IFRS S2 paragraphs 29-31) and industry-based metrics (refer to IFRS S2 paragraph 32). In this context, industry-based metrics are metrics associated with business models, activities, or other common features that characterise participation in an industry.

IFRS S2.34(d)

If the entity revised any of its targets, it shall disclose the revised targets together with an explanation for such revisions.

Entity-developed metrics

IFRS S1.50

If a metric has been developed by the entity to measure progress towards a target, the entity shall disclose information about that metric in accordance with IFRS S1 paragraph 50, as follows:

a) *"how the metric is defined, including whether it is derived by adjusting a metric taken from a source other than the IFRS Sustainability Disclosure Standards and, if so, which source and how the metric disclosed by the entity differs from the metric specified in that source;*
b) *whether the metric is an absolute measure, a measure expressed in relation to another metric or a qualitative measure (such as a red, amber, green—or RAG—status);*
c) *whether the metric is validated by a third party and, if so, which party; and*
d) *the method used to calculate the metric and the inputs to the calculation, including the limitations of the method used and the significant assumptions made."*

7.1 Climate-related physical risk: Flood impacting the Group's operations and customers' credit risk (continued)

e. Metrics and targets (continued)

Disclosure of material sustainability-related information for primary users

The IFRS Sustainability Disclosure Standards are designed to provide disclosures on sustainability-related financial information to primary users—existing and potential investors and other creditors—for decision-making purposes. They do not require an entity to set targets, but they do require an entity to disclose material information about those targets that it has set or is required to set by law or regulation.

An entity should assess which material information should be provided in its sustainability report. For example, the fact that an entity has not established its own targets or metrics in managing a sustainability-related risk or opportunity, or that it does not have governance processes, controls, or procedures in place to monitor or manage specific sustainability-related risks or opportunities, could be material information to be provided to primary users.

7.2 Climate-related transition risk: Changes in regulation and market pressure towards a low-carbon economy

a. Description

IFRS S2.10(a)-(b)

Malaysia's commitment to achieving Net Zero by 2050 is supported by its Nationally Determined Contribution ("NDC") and the National Energy Transition Roadmap ("NETR"), which are accelerating the transition to a low-carbon economy through renewable energy expansion, industrial decarbonisation, and the development of carbon pricing mechanisms.

For banks, these commitments translate into both regulatory obligations and transition risks. Accordingly, the Group is expected to integrate climate-related risk considerations into governance, financing, and investment practices in line with emerging regulatory requirements and stakeholders' expectations.

Other jurisdictions in which the Group operates, including Singapore, Indonesia, Thailand, and Vietnam, have also articulated long-term net zero ambitions through updated NDCs and national transition strategies. The Group's own regional operations align their climate-related practices with the Group's policies while complying with jurisdiction-specific regulatory requirements. In parallel, financial regulators across these markets are strengthening expectations on climate-related governance, risk management, disclosures, and scenario analysis.

b. Effects on business model and value chain

IFRS S2.13(a)-(b)

The impact of this transition risk on the Group's business model and value chain arises mainly through its own operations and downstream activities across the short, medium and long term.

IFRS S2.10(c)

Own operations

The Group faces transition risks from emerging climate-related regulations and heightened stakeholder expectations, which exert increasing pressure on the Group to demonstrate progress in managing and reducing emissions from its own operations.

As a result, the Group is required to strengthen governance and implement operational measures aimed at managing Scope 1 and 2 GHG emissions. This leads to increased operational costs and changes in business processes within the Group. Failure to demonstrate improvements in operational emissions management may expose the Group to reputational risk.

Customers (Downstream)

Similarly, the Group's customers, particularly those operating in high-emitting sectors, face increasing transition risks from policy developments, market expectations, carbon-related costs, and technological change. These may affect the competitiveness of customers, affecting their operating costs, and long-term financial viability.

The Group's financed emissions provide an indicator of its exposure to transition risk, and reflect the extent to which its customers are progressing in their transition towards a low-carbon economy. Customers' responses to transition pressures are therefore important to the Group's ability to manage its financed emissions. Delayed or constrained customer transition may slow emissions reduction and increase credit and transition risks for the Group. This may lead to increased operational costs, higher ECL on loans and financing, and changes in the Group's business processes.

IFRS S2.34(b)
IFRS S2.36(a)

7.2 Climate-related transition risk: Changes in regulation and market pressure towards a low-carbon economy (continued)

c. Effects on strategy and decision making

To address and manage the potential impacts arising from this transition risk, the Group has incorporated climate-related initiatives into strategic planning and decision-making across its operations and downstream activities.

The Group introduced its Net Zero Transition Plan, outlining its net zero strategy and implementation plan, including the integration of just transition considerations. The Group does not plan to rely on carbon credits to meet its emissions targets, instead focusing on real-economy decarbonisation by directing capital towards sustainable financing, engaging customers and adopting low-carbon alternatives.

The Net Zero Transition Plan is reviewed every five years, or earlier upon the occurrence of significant events, such as changes in the Group's organisational boundaries or target-setting methodology. The emissions targets are for all seven greenhouse gases listed in the Kyoto Protocol.

Goal	**To be a net zero bank by 2050**		
Strategic priorities	**Decarbonising our operations**	**Decarbonising our value chain**	**Supporting our customers' transition**
Targets	**Achieve 90% reduction in Scope 1 and 2 (market-based) GHG emissions by 2030**	**Achieve net zero emissions by 2050**	**Mobilise RM40.0 billion in green and transition financing/investment by 2030**
Actions	• Transition operational energy use and mobility to low-carbon alternatives • Improve energy efficiency in our operations • Increase the share of renewable electricity in our operations	<u>Financed emissions</u> • Integrate climate-related risks and transition considerations into credit assessment and risk management processes • Develop decarbonisation pathways for high-emitting sectors • Support customers in developing and implementing transition and decarbonisation strategies <u>Other material Scope 3 GHG emissions</u> • Manage and reduce other material Scope 3 GHG emissions	• Expand sustainable finance and solutions • Develop products and services that enable customers' transition

7.2 Climate-related transition risk: Changes in regulation and market pressure towards a low-carbon economy (continued)

c. Effects on strategy and decision making (continued)

IFRS S2.14(a)(iv)

The Group's Net Zero Transition Plan has been developed based on several key assumptions, including:

- **Technology and operational capabilities:** The Group's continuous ability to progressively transition operational energy use and mobility to low-carbon alternatives, supported by ongoing deployment of renewable electricity through available market-based instruments and the implementation of energy-efficiency initiatives across operations.

- **Data, methodologies and risk integration:** Continuous improvement in climate-related data, methodologies, and analytical tools to support effective integration of climate-related risks and transition considerations into credit assessment and risk management processes. Credible, sector-specific decarbonisation pathways are assumed to remain available to engage customers from high-emitting sectors.

- **Market demand and customer engagement:** Increasing market demand for sustainable and transition finance, with customers increasingly engaging in transition and decarbonisation efforts over time. This includes customer readiness to adopt sustainable finance solutions and the Group's ability to expand sustainable products and services to support customers' transition objectives.

The Net Zero Transition Plan includes dependencies and requires the Group to engage with customers and suppliers, and to stay aligned with ongoing climate-related regulatory and policy developments.

Own operations

IFRS S2.14(a)(i)-(iii)
IFRS S2.14(a)(v)

The Group's Net Zero Transition Plan includes the decarbonisation of its operations, underpinned by the following targets:
- achieving a 90% reduction in Scope 1 and 2 (market-based) GHG emissions by 2030 (against a 2023 baseline); and
- achieving a 100% transition of the Group's vehicle fleet to electric vehicles by 2025.

Key measures to reduce Scope 1 and 2 GHG emissions include:
- transitioning the Group's vehicle fleet to electric vehicles;
- installing solar panels at the Group's headquarters and branches;
- replacing existing lighting with energy-efficient LED lighting;
- optimising air-conditioning and data centre energy usage; and
- purchasing RECs.

IFRS S2.14(b)

These initiatives are implemented using internal funding and existing resources.

7.2 Climate-related transition risk: Changes in regulation and market pressure towards a low-carbon economy (continued)

c. Effects on strategy and decision making (continued)

Customers (Downstream)

IFRS S2.14(a)(i)-(iii)
IFRS S2.14(a)(v)

As part of the Group's net zero roadmap, the Group has established decarbonisation pathways and targets, aligned with the objectives of the Paris Agreement, for the two highest-emitting sectors within its financing portfolio, namely the power generation and palm oil sectors. The Group plans to expand its sector-specific decarbonisation plan and targets to cover the remaining high-emitting sectors over the next five years towards achieving its goal of net zero emissions by 2050.

IFRS S2.14(b)

These initiatives are implemented using internal funding and existing resources.

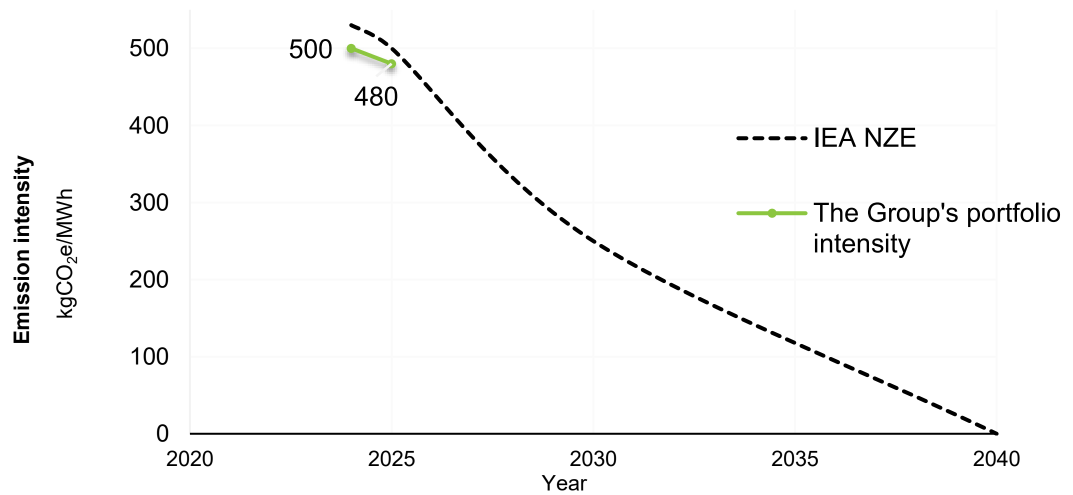
i. Power generation sector

Interim target

IFRS S2.14(c)
IFRS S2.36(d)

The power generation sector comprises upstream power generation, midstream transmission, and distribution, as well as downstream retail and trading activities. The Group established a decarbonisation pathway baseline based on its portfolio as of 31 December 2024. The Group has established an interim target to reduce the emission intensity of the power generation sector to 250 $kgCO_2e/MWh$ by 2030 (against a 500 $kgCO_2e/MWh$ 2024 baseline).

Sectoral decarbonisation pathway



Emission scope	Scope 1 GHG emissions
Reference scenario	International Energy Agency ("IEA") Net Zero Emissions ("NZE")
Measurement	$kgCO_2e/MWh$
2024 baseline	500
2030 interim target	250
2025 emission intensity	480

The Group's financed emissions in this sector primarily arise from upstream power generation. Refer to "Metrics and Targets" on pages 70 and 83 for further details of the Group's exposures and the associated financed emissions.

7.2 Climate-related transition risk: Changes in regulation and market pressure towards a low-carbon economy (continued)

c. Effects on strategy and decision making (continued)

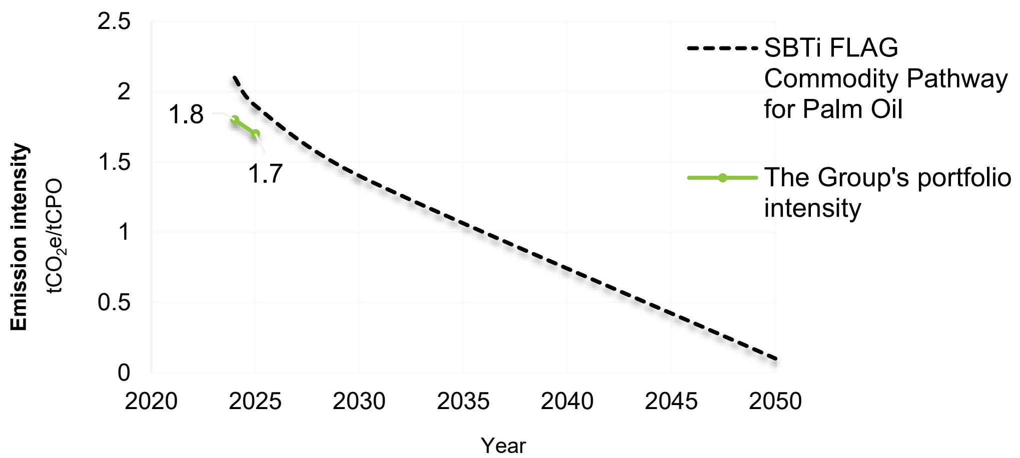
ii. Palm oil sector

Interim target

IFRS S2.14(c)
IFRS S2.36(d)

The palm oil sector comprises upstream planting and milling, as well as midstream and downstream activities. The Group established a decarbonisation pathway baseline based on its portfolio as of 31 December 2024. The Group has established an interim target to reduce the emission intensity of the palm oil sector to 1.40 $tCO_2e/tCPO$ by 2030 (against a 1.80 $tCO_2e/tCPO$ 2024 baseline).

Sectoral decarbonisation pathway



Emission scope	Scope 1 and 2 GHG emissions
Reference scenario	Science Based Targets initiative ("SBTi") Forest, Land and Agriculture ("FLAG") Commodity Pathway for Palm Oil
Measurement	$tCO_2e/tCPO$
2024 baseline	1.80
2030 interim target	1.40
2025 emission intensity	1.70

The Group's financed emissions in this sector primarily arise from upstream planting and milling activities. The Group expects the emission intensity to move in tandem with the SBTi FLAG commodity pathway for palm oil, using the portfolio intensity convergence methodology. Refer to subsection "Metrics and Targets" on pages 70 and 83 for further details of the Group's exposures and the associated financed emissions.

7.2 Climate-related transition risk:
Changes in regulation and market pressure towards a low-carbon economy (continued)

c. Effects on strategy and decision making (continued)

Key implementation measures

IFRS S2.14(a)(v)

To support the achievement of interim targets, the Group's decarbonisation approach includes the following key measures:

	Power generation sector	Palm oil sector
Transition risk integration	• Integrate transition risk considerations into credit assessment, portfolio monitoring, and the Group's risk appetite framework	
Sector-specific measures	• Cease loans and financing of new greenfield coal-fired power plants in line with national agenda and commitments • Conduct enhanced due diligence for existing coal-related exposures • Provide support to vulnerable groups through customer engagement and financing to enable an inclusive energy transition	• Cease loans and financing to customers that do not demonstrate alignment with the Group's *No Deforestation, No Peat, No Exploitation ("NDPE")* policy • Conduct engagement with customers on responsible land-use practices, supply-chain governance, and adoption of recognised sustainability standards and certification schemes such as the Malaysian Sustainable Palm Oil ("MSPO") or equivalent • Require evidence of compliance with traceability and sustainability standards across supply chains of downstream operators, such as reporting based on MSPO or the Implementation Reporting Framework ("IRF") to demonstrate NDPE commitments • Provide support to vulnerable groups across the value chain through financing and capacity building
Customer engagement	• Engage customers on their decarbonisation strategies and require time-bound action plans for customers that have yet to establish such plans • Impose escalation measures for customers that fail to demonstrate progress against their action plans • Conduct ongoing monitoring of customer performance and transition progress as part of the Group's credit assessment and portfolio review processes • Support customers' transition through the provision of sustainable financing solutions and products	

7.2 Climate-related transition risk:
Changes in regulation and market pressure towards a low-carbon economy (continued)

d. Financial effects

Own operations

Current financial effects

The current financial effects on the Group's financial position, financial performance, and cash flows are primarily associated with measures undertaken to achieve a 90% reduction in Scope 1 and 2 (market-based) GHG emissions by 2030 against the 2023 baseline.

IFRS S2.15(a)
IFRS S2.16(a)

During the reporting period, the property, plant, and equipment in the Group's financial position increased by:

- RM3.5 million following the replacement of existing company-owned petrol and diesel motor vehicles with electric vehicles. This transition was completed within the reporting period; and
- RM20.9 million in relation to the phased installation of solar panels at its headquarters and several of its branches. These investments are intended to reduce the Group's reliance on grid-supplied electricity and lower Scope 2 GHG emissions over time.

In addition, the operating expenses in the Group's financial performance increased by:

- RM0.2 million following the purchase of RECs from renewable energy producers in Malaysia, Singapore, Indonesia, Thailand, and Vietnam as part of the Group's strategy to reduce Scope 2 (market-based) GHG emissions; and
- RM11.1 million following the replacement of existing lighting with energy-efficient lighting.

As a result, cash outflows associated with these measures amounted to RM24.4 million and RM11.3 million, which were recognised under investing and operating activities in the SOCF, respectively.

7.2 Climate-related transition risk:
Changes in regulation and market pressure towards a low-carbon economy (continued)

d. Financial effects (continued)

Own operations (continued)

Anticipated financial effects

The anticipated financial effects on the Group's financial position and cash flows from investing activities are estimated based on the phased installation of solar panels at its remaining branches.

In addition, the anticipated financial effects on the Group's financial performance and cash flows from operating activities are primarily associated with the replacement of existing lighting with energy-efficient lighting over the short and medium term, as well as the purchase of RECs over the short, medium and long term.

These anticipated financial effects are summarised in the table below:

IFRS S2.15(b)
IFRS S2.16(c)-(d)

In RM million	Anticipated financial effects (per annum)		
	Short term (2026)	Medium term (2027-2031)	Long term (beyond 2031)
Financial position			
Property, plant, and equipment – increase	4.8	6.4	- (Note 1)
Financial performance			
Operating expenses – increase	2.0 – 2.5	1.0 – 1.2	0.1 – 0.2
Cash flows			
Cash flow from investing activities – outflow	4.8	6.4	- (Note 1)
Cash flow from operating activities – outflow	2.0 – 2.5	1.0 – 1.2	0.1 – 0.2

IFRS S2.21

Note 1 – The Group has not provided quantitative information for the long term anticipated financial effects, as transition plans extend only to the medium term (completion of solar panel installation at its remaining branches by 2030). No long-term initiatives have been established.

IFRS S2.16(a)-(c)

The Group does not expect a material adjustment to the carrying amounts of reported assets and liabilities within the next 12 months.

Customers (Downstream)

Current financial effects

The Group's strategic direction and customer engagement approach towards decarbonisation in high-emitting sectors are focused on long term transition planning. The incremental operating expenses arising from the initiatives are immaterial.

IFRS S2.15(a)
IFRS S2.16(a)
IFRS S2.21(a)-(b)

During the reporting period, the Group conducted climate scenario analysis to assess transition risks arising from stringent climate policies introduced by the government (see Scenario 1 in Section 7.3). As these risks are not captured in historically derived probabilities of default ("PD"), a climate-adjusted PD was applied to high-emitting sectors. The additional ECL impact was RM36.2 million and has been included as a management overlay in the Group's financial performance and is disclosed in Note [XX] in the Group's financial statements. There are no other material impacts of climate change in the ECL impact. However, there are no effects on cash flows.

7.2 Climate-related transition risk:
Changes in regulation and market pressure towards a low-carbon economy (continued)

d. Financial effects (continued)

Customers (Downstream) (continued)

Anticipated financial effects

The anticipated financial effects on the Group's financial position, financial performance, and cash flows are primarily associated with the potential increase in ECL attributable to customers in high-emitting sectors due to increasing pressures from more stringent climate-related policies introduced by the government. This may lead to higher credit risk associated with the Group's customers.

Based on the results of the Group's analysis (see Scenario 1 in Section 7.3), the Group anticipates additional ECL impact on the Group's financial performance as follows:

IFRS S2.15(b)
IFRS S2.16(c)-(d)

- Short term: no additional ECL impact as the Group has included it as a management overlay in the current financial year 2025.
- Medium term: RM10.2 million to RM12.0 million per annum arising from stringent climate-related policies implemented on the Group's customers.

IFRS S2.21

The Group has not provided quantitative information on the long term anticipated financial effects, as these effects depend on the timing of publication and implementation of regulations, technology cost trajectories, and market responses to the low-carbon transition. In addition, the level of measurement uncertainty is so high that any resulting data would not be useful to the users of the report.

There are no effects on cash flows.

The Group has assessed impacts arising from training costs, customer engagement initiatives, and market risk, and determined that the anticipated financial effects are not material to the Group.

The Group will continue to mitigate the potential impacts of these risks and is undertaking the following measures:

- In the short term, the Group continues to monitor customers across all sectors. For customers from the two high-emitting sectors, the Group has implemented sector-specific measures including negative screening criteria and transition risk integration.

- For the medium and long term, the Group plans to further enhance its credit assessment process by incorporating shadow carbon pricing for customers in high-emitting sectors. The Group will continue to monitor the progress of the customers' transition in the two high-emitting sectors based on the time-bound transition plans committed to by the customers.

IFRS S2.16(b)

The Group does not expect a material adjustment to the carrying amounts of reported assets and liabilities within the next 12 months.

7.2 Climate-related transition risk:
Changes in regulation and market pressure towards a low-carbon economy (continued)

e. Metrics and targets

i. Summary of GHG emissions

The table below summarises the Group's total emissions from financial years 2023 to 2025:

IFRS S2.29(a)(i)(1)
IFRS S2.29(a)(iv)
IFRS S2.29(a)(i)(2)
IFRS S2.29(a) (iv)-(v)
IFRS S2.B30
IFRS S2.B31
IFRS S2.29(a)(i)(3)
IFRS S2.29(a)(vi)(1)
IFRS S2.B23, B32-B33
IFRS S2.29(a)(vi)(2)
IFRS S2.29C

Scope of emissions (in tCO_2e)	2023	2024	2025
Scope 1 GHG emissions - The consolidated accounting group - Other investees within the organisational boundary[1]	 5,000 -	 3,800 -	 1,800Ⓐ -[1]Ⓐ
Total Scope 1 GHG emissions	**5,000**	**3,800**	**1,800Ⓐ**
Scope 2 (location-based) GHG emissions - The consolidated accounting group - Other investees within the organisational boundary[1]	 30,000 -	 27,000 -	 20,000Ⓐ -[1]Ⓐ
Total Scope 2 (location-based) GHG emissions	**30,000**	**27,000**	**20,000Ⓐ**
Scope 2 (market-based) GHG emissions[2] - The consolidated accounting group - Other investees within the organisational boundary[1]	 1,100 -	 950 -	 585Ⓐ -[1]Ⓐ
Total Scope 2 (market-based) GHG emissions	**1,100**	**950**	**585Ⓐ**
Scope 3 GHG emissions - Category 1: Purchased goods and services - Category 6: Business travel - Category 7: Employee commuting - Category 15: Investments • Financed emissions[3]	 29,000 2,500 10,000 N/A[4]	 28,500 2,000 9,000 60,200,000	 28,000 1,800 11,000 59,022,900
Total Scope 3 GHG emissions	**41,500**	**60,239,500**	**59,063,700**

Ⓐ These metrics have been subjected to a reasonable assurance by a [third party organisation]. Refer to the Independent Assurance Report included on pages [XX] to [XX] of the Group's Annual Report.

Materiality assessment of Scope 3 categories

IFRS S2.14(a)

During the reporting period, the Group conducted a materiality assessment of Scope 3 GHG emissions categories and identified Category 1: Purchased goods and services, Category 6: Business travel, Category 7: Employee commuting, and Category 15: Investments, as material. The Group has not established targets for Scope 3 emissions categories except Category 15: Investments at this stage, but aims to establish such targets over the next few years.

Scope 3 GHG emissions under Category 10: Processing of sold products, Category 11: Use of sold products, Category 12: End-of-life treatment of sold products, and Category 14: Franchises, are not applicable to the Group as it does not have tangible products requiring further processing nor any franchise agreements. The remaining Scope 3 categories were not disclosed, as they were assessed to be not material.

[1] *Emissions from other investees are nil, as the Group applies operational control to establish its organisational boundary. The Group does not have operational control over its investments in associates and joint ventures, as well as leased assets where it is a lessor. Therefore, these emissions are accounted for under Scope 3 Category 15 (Investments) – Financed Emissions.*
[2] *IFRS S2 only requires reporting location-based Scope 2 GHG emissions, while permitting market-based Scope 2 GHG emissions to be disclosed voluntarily. Refer to page 68 for further details.*
[3] *Refer to page 70 for further details on the Group's financed emissions.*
[4] *The financed emissions calculation commenced in 2024. Accordingly, no comparative data is available for 2023.*

7.2 Climate-related transition risk: Changes in regulation and market pressure towards a low-carbon economy (continued)

e. Metrics and targets (continued)

i. Summary of GHG emissions (continued)

Disaggregation of Scope 1 and Scope 2 GHG emissions between consolidated accounting group and other investees

IFRS S2.29(a)(iv)(1)-(2)

In accordance with IFRS S2 paragraph 29, an entity is required to disclose Scope 1 and Scope 2 GHG emissions and disaggregate these emissions between the consolidated accounting group and other investees. This category includes associates, joint ventures, and unconsolidated subsidiaries that are not part of the consolidated accounting group but in which the entity holds an interest. (Refer to Section 3.2)

For the purpose of this Illustrative Sustainability Report, disaggregation of GHG emissions for other investees is nil as the Group applies the operational control approach to establish its organisational boundary. The Group does not have operational control over its investments in associates and joint ventures or over leased assets where it is a lessor. Therefore, these emissions are accounted for under Scope 3 Category 15 (Investments) – Financed Emissions.

Disaggregating GHG emissions by constituent greenhouse gases

IFRS S1.B29-B30

IFRS S2 does not explicitly require disaggregation of GHG emissions by constituent greenhouse gases; however, the entity should consider the requirement in IFRS S1 paragraphs B29-B30 on aggregation and disaggregation. According to these paragraphs, aggregation is prohibited if doing so would obscure information that is material. Example 3 in the *IFRS S2 Accompanying Guidance on Climate-related Disclosures* illustrates how an entity in the oil and gas industry and the automotive industry considers that certain constituent GHG emissions might need to be separately disclosed. This is not illustrated in this Illustrative Sustainability Report.

Scope 3 GHG emissions categories

IFRS S2.29(a)(vi)(1)

IFRS S2 requires an entity to disclose which of the 15 categories defined in the Scope 3 Standard are included in its Scope 3 GHG emissions (IFRS S2 paragraph 29(a)(vi)(1)). As such, if an entity excludes any Scope 3 GHG emissions, it should provide useful information to users to explain which categories the entity has excluded and why. IFRS S2 does not provide specific guidance on how the assessment of which categories to be included should be performed. Reporting entities could potentially utilise both quantitative and qualitative aspects to evaluate an appropriate level of disclosure.

7.2 Climate-related transition risk: Changes in regulation and market pressure towards a low-carbon economy (continued)

e. Metrics and targets (continued)

i. Summary of GHG emissions (continued)

Contractual instruments

IFRS S2.29(a)(v)
IFRS S2.B30
IFRS S2.B31

The Group has purchased RECs from various renewable energy producers in the respective countries in which it operates as part of the Group's strategy to reduce market-based Scope 2 emissions. The Group acquired and retired 29,000 MWh RECs in 2025. The Group's market-based Scope 2 GHG emissions are 585 tCO_2e in 2025.

The Group has not purchased any carbon credits for its own operations as it is committed to reducing emissions through the current initiatives in its roadmap before considering the purchase of carbon credits.

Contractual instruments

Contractual instruments are any type of contract between an entity and another party for the sale and purchase of energy bundled with attributes on energy generation, or for unbundled energy attribute claims. Energy attribute certificates ("EACs"), such as RECs, represent attributes about the energy generated, generally renewable energy. All contractual instruments should meet the Scope 2 quality criteria under the GHG Protocol Scope 2 Guidance.

While EACs can reduce market-based Scope 2 GHG emissions if they are purchased and used within the same market, they cannot reduce location-based Scope 2 GHG emissions. IFRS S2 only requires reporting location-based Scope 2 GHG emissions, while permitting market-based Scope 2 GHG emissions to be disclosed voluntarily. Separately, however, the IFRS Sustainability Disclosure Standards require disclosure of information about any contractual instruments that the entity has entered into that could inform users' understanding of the entity's Scope 2 GHG emissions. For example, an entity should disclose whether the EACs are unbundled or bundled with the related power and whether conveyed through a power purchase agreement or a supplier-specific factor.

7.2 Climate-related transition risk: Changes in regulation and market pressure towards a low-carbon economy (continued)

e. Metrics and targets (continued)

i. Summary of GHG emissions (continued)

Carbon credits already purchased for net GHG emissions targets and current projected deficit of carbon credits

IFRS S2.36(e)

In accordance with IFRS S2 paragraph 36(e), an entity is only required to disclose its planned use of carbon credits. Such disclosure should clearly explain the extent to which achieving the target relies on the use of carbon credits. In particular, the entity is required to disclose information about:

i. *"the extent to which, and how, achieving any net greenhouse gas emissions target relies on the use of carbon credits;*
ii. *which third-party scheme(s) will verify or certify the carbon credits;*
iii. *the type of carbon credit, including whether the underlying offset will be nature-based or based on technological carbon removals, and whether the underlying offset is achieved through carbon reduction or removal; and*
iv. *any other factors necessary for users of general purpose financial reports to understand the credibility and integrity of the carbon credits the entity plans to use (for example, assumptions regarding the permanence of the carbon offset)."*

IFRS S2.B71

However, paragraph B71 of IFRS S2 allows an entity to include information about carbon credits that it has already purchased for its net GHG emissions target as part of this disclosure, if the information enables users of general purpose financial reports to understand the entity's GHG emissions target.

The disclosure of the current projected deficit of carbon credits is voluntary if the deficit does not expose an entity to a material price risk or other risks; otherwise, it might be considered material information related to the entity's "planned use of carbon credits" that is required to be disclosed.

Depending on the specific facts and circumstances, the use of carbon credits by an entity may significantly impact its financial position, financial performance, or cash flows.

The purchase and planned use of carbon credits are not illustrated in this Illustrative Sustainability Report.

7.2 Climate-related transition risk: Changes in regulation and market pressure towards a low-carbon economy (continued)

e. Metrics and targets (continued)

i. Summary of GHG emissions (continued)

Scope 3 Category 15 (Investments) – Financed Emissions

Summary of financed emissions

IFRS S2.B62(a)
IFRS S2.B62A(a)
IFRS S2.29B

The Group has defined its base year as 2024 for Scope 3 Category 15 (Investments) – Financed Emissions. The Group's financed emissions measurement methodology is based on the Global GHG Accounting and Reporting Standard for Financed Emissions, Part A (Third Edition, December 2025) issued by the Partnership for Carbon Accounting Financials ("PCAF").

The following table presents the Group's gross financed emissions disaggregated by Scope 1, 2, and 3 GHG emissions for each industry by asset class, attributed to loans, financing, and investments. The Group's derivatives, classified in accordance with IFRS Accounting Standards in its financial statements, and facilitated emissions are excluded from its measure of Scope 3 Category 15 (Investments) – Financed Emissions.

In addition, the Group engages in wealth management services, including the distribution of unit trust and insurance products to customers. Since these activities do not result in loans, financing, or investments being recognised in the Group's financial statements, they fall outside the scope of the Group's financed emissions calculations.

The industry classification is based on Malaysia Standard Industrial Classification ("MSIC") Codes. It is Malaysia's official national industry classification standard developed by the Department of Statistics Malaysia, used to classify all economic and business activities into defined industries across entities. Refer to page 79 for financed emissions methodology, inputs and assumptions.

IFRS S2.B62(a)-(b)
IFRS S2.B62A

7.2 Climate-related transition risk: Changes in regulation and market pressure towards a low-carbon economy (continued)

e. Metrics and targets (continued)

i. Summary of GHG emissions (continued)

Scope 3 Category 15 (Investments) – Financed Emissions (continued)

Summary of financed emissions (continued)

2025					
	Gross exposure - loans, financing, and investments	Absolute emissions for Scope 1 GHG emissions	Absolute emissions for Scope 2 GHG emissions	Absolute emissions for Scope 3 GHG emissions	PCAF data quality score
	(RM million)	(tCO_2e)	(tCO_2e)	(tCO_2e)	
Electricity, Gas, Steam and Air Conditioning Supply (including power generation)					
Loans • Business loans	16,500.0	14,509,800	120,200	36,700	4.8
Project finance	3,200.0	2,814,000	23,300	7,100	2.6
Bonds • Corporate bonds	8,300.0	7,298,900	60,500	18,500	2.5
Equity investments • Listed equity • Unlisted equity	100.0 10.0	87,900 8,800	700 100	200 -	1.5 4.5
Undrawn loan commitments[1]	1,000.0	879,400	7,300	2,200	4.8
Agriculture, Forestry and Fishing (including palm oil)					
Business loans	5,500.0	5,180,400	103,400	4,978,300	4.8
Project finance	3,500.0	3,296,600	65,800	3,168,000	4.5
Undrawn loan commitments[1]	500.0	470,900	9,400	452,600	4.8
Transportation and storage					
Loans • Business loans	500.0	2,000	2,000	465,700	4.8
Project finance	550.0	2,100	2,200	512,300	4.5
Undrawn loan commitments[1]	1,710.0	6,700	6,900	1,592,900	4.8

[1] *Undrawn loan commitments refer to agreements by which the Group offers customers the option to access funds under predefined terms in future periods.*

IFRS S2.B62(a)-(b)
IFRS S2.B62A

7.2 Climate-related transition risk: Changes in regulation and market pressure towards a low-carbon economy (continued)

e. Metrics and targets (continued)

i. Summary of GHG emissions (continued)

Scope 3 Category 15 (Investments) – Financed Emissions (continued)

Summary of financed emissions (continued)

2025					
	Gross exposure - loans, financing, and investments	Absolute emissions for Scope 1 GHG emissions	Absolute emissions for Scope 2 GHG emissions	Absolute emissions for Scope 3 GHG emissions	PCAF data quality score
	(RM million)	(tCO_2e)	(tCO_2e)	(tCO_2e)	
Real Estate Activities					
Loans • Business loans • Commercial real estate	 30,500.0 14,500.0	 33,500 90,500	 25,400 450,000	 2,516,600 -	 4.8 4.1
Project finance	27,500.0	30,200	22,900	1,965,800	3.5
Bonds • Corporate bonds	 18,000.0	 19,800	 15,000	 1,304,900	 4.1
Equity investments • Listed equity	 10.0	 10	 40	 150	 1.4
Undrawn loan commitments[1]	32,600.0	35,800	27,100	2,341,700	4.8
Not applicable[2]					
Loans • Mortgage - retail • Motor vehicles – retail	 90,500.0 7,500.0	 265,500 400,600	 1,500,400 30,100	 - -	 4.2 4.0
Bonds • Sovereign debt[3]	 8,000.0	 574,500	 24,600	 877,200	 2.0
Undrawn loan commitments[1]	1,500.0	107,700	4,600	164,500	4.8
Total	**271,980.0**	**36,115,610**	**2,501,940**	**20,405,350**	

[1] Undrawn loan commitments refer to agreements by which the Group offers customers the option to access funds under predefined terms in future periods.
[2] MSIC codes generally apply to businesses/non-individual customers. Hence, loans and financing to retail customers such as mortgages and motor vehicles as well as sovereign debt were classified as not applicable.
[3] Excluding emissions from Land Use, Land Use Change, and Forestry ("LULUCF").

IFRS S2.B62(a)-(b)
IFRS S2.B62A

7.2 Climate-related transition risk:
Changes in regulation and market pressure towards a low-carbon economy (continued)

e. Metrics and targets (continued)

i. Summary of GHG emissions (continued)

Scope 3 Category 15 (Investments) – Financed Emissions (continued)

Summary of financed emissions (continued)

2024					
	Gross exposure - loans, financing, and investments (RM million)	Absolute emissions for Scope 1 GHG emissions (tCO_2e)	Absolute emissions for Scope 2 GHG emissions (tCO_2e)	Absolute emissions for Scope 3 GHG emissions (tCO_2e)	PCAF data quality score
Electricity, Gas, Steam and Air Conditioning Supply (including power generation)					
Loans • Business loans	16,800.0	14,799,200	122,600	37,400	4.9
Project finance	3,300.0	2,870,100	23,800	7,300	2.6
Bonds • Corporate bonds	8,490.0	7,444,400	61,700	18,800	2.5
Equity investments • Listed equity • Unlisted equity	100.0 10.0	89,700 9,000	700 100	200 -	1.5 4.5
Undrawn loan commitments[1]	1,000.0	896,900	7,400	2,300	4.9
Agriculture, Forestry and Fishing (including palm oil)					
Business loans	5,600.0	5,283,700	105,500	5,077,600	4.9
Project finance	3,600.0	3,362,400	67,100	3,231,200	4.5
Undrawn loan commitments[1]	500.0	480,300	9,600	461,600	4.9
Transportation and storage					
Loans • Business loans	500.0	2,000	2,000	475,000	4.9
Project finance	600.0	2,200	2,300	522,600	4.5
Undrawn loan commitments[1]	1,700.0	6,800	7,000	1,624,600	4.9

[1] Undrawn loan commitments refer to agreements by which the Group offers customers the option to access funds under predefined terms in future periods.

IFRS S2.B62(a)-(b)
IFRS S2.B62A

7.2 Climate-related transition risk:
Changes in regulation and market pressure towards a low-carbon economy (continued)

e. Metrics and targets (continued)

i. Summary of GHG emissions (continued)

Scope 3 Category 15 (Investments) – Financed Emissions (continued)

Summary of financed emissions (continued)

2024					
	Gross exposure - loans, financing, and investments	Absolute emissions for Scope 1 GHG emissions	Absolute emissions for Scope 2 GHG emissions	Absolute emissions for Scope 3 GHG emissions	PCAF data quality score
	(RM million)	(tCO_2e)	(tCO_2e)	(tCO_2e)	
Real Estate Activities					
Loans • Business loans • Commercial real estate	 31,100.0 14,800.0	 34,200 95,000	 25,900 458,000	 2,552,900 -	 4.9 4.2
Project finance	28,000.0	30,800	23,300	1,975,100	3.5
Bonds • Corporate bonds	 18,400.0	 20,200	 15,300	 1,310,900	 4.2
Equity investments • Listed equity	 10.8	 20	 80	 200	 1.4
Undrawn loan commitments[1]	33,200.0	36,500	27,700	2,352,700	4.9
Not applicable[2]					
Loans • Mortgage - retail • Motor vehicles – retail	 92,300.0 7,600.0	 290,000 420,000	 1,600,000 28,000	 - -	 4.2 4.0
Bonds • Sovereign debt[3]	 8,200.0	 585,900	 25,100	 894,700	 2.0
Undrawn loan commitments[1]	1,500.0	109,900	4,700	167,800	4.9
Total	**277,310.8**	**36,869,220**	**2,617,880**	**20,712,900**	

[1] Undrawn loan commitments refer to agreements by which the Group offers customers the option to access funds under predefined terms in future periods.
[2] MSIC codes generally apply to businesses/non-individual customers. Hence, loans and financing to retail customers such as mortgages and motor vehicles as well as sovereign debt were classified as not applicable.
[3] Excluding emissions from Land Use, Land Use Change, and Forestry ("LULUCF").

7.2 Climate-related transition risk:
Changes in regulation and market pressure towards a low-carbon economy (continued)

e. Metrics and targets (continued)

i. Summary of GHG emissions (continued)

Scope 3 Category 15 (Investments) – Financed Emissions (continued)

Summary of financed emissions (continued)

IFRS S2.B62(c)

The Group has included 80%[1] of gross exposure in its financed emissions calculations. For undrawn loan commitments, 85%[2] have been included in the calculations. The remaining gross exposure (including undrawn loan commitments) primarily comprise retail unsecured loans and financing, which are currently excluded due to limitations in financial and emissions data availability. The Group has not identified any material transition risks associated with these gross exposures (including undrawn loan commitments).

Financed emissions for asset management

IFRS S2.B59

Paragraph B59 of IFRS S2 requires an entity that participates in asset management activities to disclose additional and specific information about its financed emissions as part of the Scope 3 Category 15 GHG emissions. The requirements are as follows:

IFRS S2.B61

"An entity that participates in asset management activities shall disclose:

a) *its absolute gross financed emissions, disaggregated by Scope 1, Scope 2, and Scope 3 greenhouse gas emissions.*
b) *for each of the disaggregated items in paragraph B61(a), the total amount of assets under management ("AUM") that is included in the financed emissions disclosure, expressed in the presentation currency of the entity's financial statements.*
c) *the percentage of the entity's total AUM included in the financed emissions calculation. If the percentage is less than 100%, the entity shall disclose information that explains the exclusions, including types of assets and associated amount of AUM.*
d) *the methodology used to calculate the financed emissions, including the method of allocation the entity used to attribute its share of emissions in relation to the size of investments."*

Although the financed emissions for asset management is not illustrated for the purpose of this Illustrative Sustainability Report, preparers can refer to Appendix II for additional guidance on the disclosure of financed emissions for asset management activities.

[1] *Coverage is calculated by dividing the gross exposures from loans, financing, and investments (including undrawn loan commitments) included in the financed emissions calculations by the total gross exposures (including undrawn loan commitments) as at the end of the reporting period.*
[2] *Coverage is calculated by dividing the undrawn loan commitments included in the financed emissions calculations by the total undrawn loan commitments as at the end of the reporting period.*

7.2 Climate-related transition risk: Changes in regulation and market pressure towards a low-carbon economy (continued)

e. Metrics and targets (continued)

i. Summary of GHG emissions (continued)

Scope 3 Category 15 (Investments) – Financed Emissions (continued)

Summary of financed emissions (continued)

IFRS S2.29(a)(iii)(1)

PCAF data quality score

While IFRS S2 does not require disclosure of PCAF data quality scores, the disclosure provides users with an indication of the quality of the data used in calculating emissions across asset classes.

IFRS S2.B19

Alignment of reporting period

The IFRS Sustainability Disclosure Standards require disclosure of GHG emissions during the reporting period, which is the same period used for financial reporting purposes (for example, an entity with a December financial year-end reporting period annually will disclose GHG emissions from January to December). When reporting GHG emissions, an entity may face challenges in obtaining timely information from entities within its value chain, including where those entities have different reporting periods or where GHG data for the same reporting period is not available in time for the entity's reporting purposes. In this case, paragraph B19 of IFRS S2 permits the use of a different reporting period under specific conditions:

a) *"the entity uses the most recent data available from those entities in its value chain without undue cost or effort to measure and disclose its greenhouse gas emissions;*
b) *the length of the reporting periods is the same; and*
c) *the entity discloses the effects of significant events and changes in circumstances (relevant to its greenhouse gas emissions) that occur between the reporting dates of the entities in its value chain and the date of the entity's general purpose financial reports."*

IFRS S2.29(a)(iii)(1)-(2)
IFRS S2.B26(c)
IFRS S2.B29
IFRS S2.B55-56

7.2 Climate-related transition risk: Changes in regulation and market pressure towards a low-carbon economy (continued)

e. Metrics and targets (continued)

ii. GHG methodology, inputs, and assumptions[1]

The Group calculates its Scope 1, 2, and 3 GHG emissions in accordance with the GHG Protocol. The Group uses an indirect measurement method as direct measurement is generally not feasible. Emissions are calculated using operational data, such as fuel consumption and electricity usage, together with relevant emission factors that convert these activities into tonnes of CO_2 equivalent ("tCO_2e").

The methodologies, inputs, and assumptions used for each emission scope are as follows:

Scope	Methodology and assumption (if any)	Activity data	Emission factors[2]
Scope 1 GHG emissions			
Mobile Combustion	• Direct emissions from motor vehicles owned or leased by the Group	• Fuel consumption based on monthly petrol card statements	• UK Government GHG Conversion Factors for Company Reporting (2025) by DESNZ
Stationary Combustion	• Direct emissions from generators owned by the Group	• Invoices from third-party vendors on the diesel top-up	• UK Government GHG Conversion Factors for Company Reporting (2025) by DESNZ
Fugitive Emissions	• Sales-based method: Activity data based on purchase records and service records • Direct emissions from air-conditioning units owned by the Group	• Invoices from third-party vendors on the maintenance of air-conditioning units	• Environmental Protection Agency (US, 2025) • UK Government GHG Conversion Factors for Company Reporting (2025) by DESNZ
Scope 2 GHG emissions			
Emissions from purchased energy	• Location-based method: Uses average emission factors for the electricity grids • Market-based method: Takes into account the purchase of RECs when calculating Scope 2 emissions	• Actual energy purchased from third-party bills • REC purchase agreements	• Grid Emission Factor in Malaysia (2022), by the Malaysia Energy Commission • Emission factors (2024) by the Singapore Energy Market Authority • Emission factors (2019) by the Indonesia Ministry of Energy and Mineral • Emission factors (2025) by the Thailand Greenhouse Gas Management Organization • Emission factors (2023) by the Vietnam Ministry of Natural Resources and Environment

[1] Refer to the guidance box in Section 6.1 for further guidance if information on the GHG methodology, inputs and assumptions is included by cross-reference.

[2] As Department for Energy Security and Net Zero ("DESNZ") emission factors were applied in the GHG calculations, Global Warming Potentials ("GWP") were not separately applied.

7.2 Climate-related transition risk: Changes in regulation and market pressure towards a low-carbon economy (continued)

e. Metrics and targets (continued)

ii. GHG methodology, inputs, and assumptions (continued)

Scope	Methodology and assumption (if any)	Activity data	Emission factors[2]
Scope 3 GHG emissions			
Category 1: Purchased goods and services	• Spend-based method: Amount spent on purchased goods or services	• Invoices issued by third-party suppliers/vendors	• Emission factors from [third-party data provider]
Category 6: Business travel	• Distance-based method: Distance travelled by employees for business-related purposes	• Invoices/receipts issued by third-party travel agencies or submitted by employees via claims	• UK Government GHG Conversion Factors for Company Reporting (2025) by DESNZ
Category 7: Employee commuting	• Average-data method: Estimation of distance travelled and mode of transport based on employee commuting survey	• Employee commuting survey (e.g. distance travelled and transport modes) • Number of employees • Number of working days per year	• UK Government GHG Conversion Factors for Company Reporting (2025) by DESNZ

Disaggregating methodologies, inputs and assumptions by Scope 3 GHG emissions categories

IFRS S1.B29-B30

IFRS S2 does not explicitly require the disaggregation of methodologies, inputs, and assumptions by Scope 3 GHG emissions categories; however, an entity should consider the requirements in IFRS S1 paragraphs B29-B30 on aggregation and disaggregation.

According to these paragraphs, aggregation is prohibited if doing so would obscure information that is material. In this example, the Group determines that disaggregating the disclosure for emissions under Category 1: Purchased goods and services, Category 6: Business travel, and Category 7: Employee commuting, and Category 15: Investments is necessary to provide material information to users of general purpose financial reports. Hence, methodologies, inputs, and assumptions for these categories have been separately disclosed for illustrative purposes.

[2] As Department for Energy Security and Net Zero ("DESNZ") emission factors were applied in the GHG calculations, Global Warming Potentials ("GWP") were not separately applied.

7.2 Climate-related transition risk: Changes in regulation and market pressure towards a low-carbon economy (continued)

e. Metrics and targets (continued)

ii. GHG methodology, inputs, and assumptions (continued)

Use of GWP values

IFRS S2.B21-B22

Paragraph B21 of IFRS S2 requires the use of the GWP values based on a 100-year time horizon from the latest IPCC assessment available at the reporting date. In some cases, however, published emission factors may include embedded GWP values that are not updated to the most recent assessment report. Paragraph B22 of IFRS S2 addresses this issue and provides a specific exception when a published emission factor includes embedded GWP values. In such cases, an entity is not required to recalculate the emission factors using GWP values based on a 100-year time horizon from the latest IPCC assessment available at the reporting date.

Illustrative metrics and guidance under IFRS S2 *Climate-related disclosures*

The "*Accompanying Guidance on IFRS S2 Climate-related Disclosures*" contains illustrations for a number of metrics including disaggregation of GHG emissions disclosures and examples of metrics an entity could provide in respect of the cross-industry metrics required in IFRS S2 paragraph 29(a) – (e), as well as illustrations of how to use industry-based guidance to fulfil these cross-industry metrics.

Scope 3 Category 15 (Investments) – Financed Emissions

IFRS S2.29(a)(ii)

The Group's financed emissions measurement methodology is based on the Global GHG Accounting and Reporting Standard for Financed Emissions, Part A (Third Edition, December 2025) issued by the PCAF.

Financed emissions represent the share of GHG emissions associated with the Group's loans, financing, and investment activities and are calculated by attributing a proportion of counterparties' emissions to the Group based on its share of exposures.

IFRS S2.29(a)(iii)(1)
IFRS S2.29(a)(vi)(2)

Financed emissions = **Attribution factor** × **Counterparty's emissions**

IFRS S2.B62(d)

7.2 Climate-related transition risk:
Changes in regulation and market pressure towards a low-carbon economy (continued)

e. Metrics and targets (continued)

ii. GHG methodology, inputs, and assumptions (continued)

Scope 3 Category 15 (Investments) – Financed Emissions (continued)

This calculation approach applies to all asset classes except for mortgage and commercial real estate asset classes, for which financed emissions are calculated using an energy-based estimation methodology in line with PCAF's methodology. The detailed methodologies, inputs, and assumptions are described as follows:

Asset class	Methodology and assumption	Activity data	Source
• Listed equity and corporate bonds • Business loans and unlisted equity • Undrawn loan commitments	• Attribution factor is the ratio of the outstanding amount or undrawn loan commitment to enterprise value including cash ("EVIC") for listed companies, and to total equity and debt for bonds to private companies and unlisted equity • For customers that do not have primary data, the Group uses sectoral proxy data	• Outstanding amount or undrawn loan commitment (RM) • Financial data[1] (RM) • Emissions data[1] (tCO_2e) • Sectoral proxy data (tCO_2e/RM)	• The Group's internal data • Financial and GHG emissions from customers or [third-party data providers] • External sectoral proxy data from [third-party data providers]
• Project finance	• Attribution factor is the ratio of the outstanding amount to the total equity and debt of the financed project	• Outstanding amount (RM) • Financial data[1] (RM) • Emissions data[1] (tCO_2e)	• The Group's internal data • Financial and GHG emissions from customers
• Sovereign debt	• Attribution factor is the ratio of the outstanding amount to the Purchase Power Parity ("PPP")-adjusted Gross Domestic Product ("GDP")	• Outstanding amount (RM) • PPP-adjusted GDP (RM) • Sovereign emissions (tCO_2e)	• The Group's internal data • External data for PPP-adjusted GDP from [third-party data providers] • External data for sovereign emissions from [third-party data providers]

[1] The financial and emissions data of customers are based on the most recent available data as at the end of the reporting period.

7.2 Climate-related transition risk: Changes in regulation and market pressure towards a low-carbon economy (continued)

e. Metrics and targets (continued)

ii. GHG methodology, inputs, and assumptions (continued)

Scope 3 Category 15 (Investments) – Financed Emissions (continued)

Asset class	Methodology and assumption	Activity data	Source
• Motor vehicle loans	• Attribution factor is the ratio of the outstanding amount to the value at origination	• Outstanding amount (RM) • Value at origination (RM) • Estimated distance travelled (km) • Emission factors	• The Group's internal data • Local and regional statistical data[1] • UK Government GHG Conversion Factors for Company Reporting (2025) by DESNZ

The Group applies the energy-based estimation methodology to calculate financed emissions for mortgage and commercial real estate asset classes. Under this approach, financed emissions are estimated by applying relevant emission factors to estimated energy consumption, before attributing the emissions to the Group based on its share of financing exposure.

Financed emissions = **Attribution factor** × **Estimated energy consumption** × **Floor area** × **Average emission factors**

The detailed methodologies, inputs, and assumptions are described as follows:

Asset class	Methodology and assumption	Activity data	Source
• Commercial real estate • Mortgage	• Attribution factor is the ratio of the outstanding amount to the property value at origination • Building emissions is calculated based on the building's energy consumption and the specific emission factors for each source of energy consumed	• Outstanding amount (RM) • Property value at origination (RM) • Floor area (m^2) • Estimated building energy consumption and average emission factors specific to the respective energy source	• The Group's internal data • Estimated building energy consumption and average emission factors provided by the utility provider

The PCAF provides guidance on measuring data quality through a data quality scorecard ranging from score 1 (most certain data) to score 5 (most uncertain data) for each asset class. The data quality score is calculated based on the weighted average score of the loans, financing, and investments as well as undrawn loan commitments.

[1] The Group prioritises the use of local statistical data where available. Where such data are not available, the Group uses regional statistical data. Other sources for the statistical data include the Malaysian Institute of Road Safety Research for Malaysia, the Land Transport Authority for Singapore, and the International Transport Forum at the Organisation for Economic Co-operation and Development for the remaining countries in which the Group operates.

7.2 Climate-related transition risk:
Changes in regulation and market pressure towards a low-carbon economy (continued)

e. Metrics and targets (continued)

iii. Performance against the GHG emissions targets

Own operations

IFRS S2.33(a)
IFRS S2.33(d)-(e)
IFRS S2.34(a)
IFRS S2.34(c)
IFRS S2.36(b)
IFRS S1.50(a)
IFRS S1.50(c)-(d)

The Group has defined 2023 as its base year for Scope 1 and 2 GHG emissions. The Group's internally developed targets, methodologies, and metrics have not been independently validated by a third party. The Group uses the following metrics to measure performance against the targets:

Metric	Methodology to calculate metric	2023 (base line)	2024	2025	Targets		
					Short term (2026)	Medium term (2027-2031)	Long term (beyond 2031)
Percentage of reduction in Scope 1 and 2 (market-based) GHG emissions against the baseline year (%)	Reduction in Scope 1 and 2 (market-based) GHG emissions between the current reporting period and the baseline year / Scope 1 and 2 (market-based) GHG emissions in the baseline year	Note 1	22%	61%	90% by 2030		No target set
Proportion of fleet vehicles that are electric (%)	Number of fleet vehicles that are electric / total fleet vehicles	50%	78%	100%	100%		
Number of fleet vehicles that are electric	Number of fleet vehicles that are electric	30	47	60	No target set		

Target is met/on-track

Note 1 – The baseline for Scope 1 and 2 (market-based) GHG emissions was established in 2023. Accordingly, no comparative data is available to derive the percentage of reduction for 2023.

IFRS S2.14(c)
IFRS S2.35

7.2 Climate-related transition risk: Changes in regulation and market pressure towards a low-carbon economy (continued)

e. Metrics and targets (continued)

iii. Performance against the GHG emissions targets (continued)

Own operations (continued)

The Group's Scope 1 GHG emissions decreased year-on-year (2025 versus 2024: 53%; 2024 versus 2023: 24%) and have decreased by 64% compared to the 2023 baseline year. The year-on-year decrease was mainly driven by the decreased consumption of petrol and diesel as the Group transitions its fleet to electric vehicles.

The Group's Scope 2 (market-based) GHG emissions decreased year-on-year (2025 versus 2024: 38%; 2024 versus 2023: 14%) and have decreased by 47% compared to the 2023 baseline year. The year-on-year decrease was mainly driven by the installation of solar panels and purchase of RECs.

The overall Scope 1 and 2 (market-based) GHG emissions decreased by 61% compared to the 2023 baseline year.

Customers (Downstream)

IFRS S2.33(a)
IFRS S2.33(d)-(e)
IFRS S2.34(a)
IFRS S2.34(c)
IFRS S2.29(b)
IFRS S1.50(a)
IFRS S1.50(d)

The Group has defined 2024 as its base year for Scope 3 Category 15 (Investments) – Financed Emissions. The internally developed targets and methodologies have not been independently validated by a third party. The Group uses the following metrics to measure performance against the targets:

Metric	Methodology to calculate metric	2024 (base line)	2025	Targets		
				Short term (2026)	Medium term (2027-2031)	Long term (beyond 2031)
Amount (RM) of loans, financing, investments, and undrawn loan commitments in high-emitting sectors	Gross exposure (RM) of loans, financing, investments, and undrawn loan commitments in high-emitting sectors	RM 23,600.0 million	RM 23,200.0 million	No target set		
Percentage (%) of loans, financing, investments, and undrawn loan commitments in high-emitting sectors	Gross exposure (RM) of loans, financing, investments, and undrawn loan commitments in high-emitting sectors / total gross exposure of loans, financing, investments, and undrawn loan commitments as at the end of the reporting period	7%	7%			

7.2 Climate-related transition risk:
Changes in regulation and market pressure towards a low-carbon economy (continued)

e. Metrics and targets (continued)

iii. Performance against the GHG emissions targets (continued)

Customers (Downstream) (continued)

IFRS S2.33(a)
IFRS S2.33(d)-(e)
IFRS S1.50(a)-(d)
IFRS S1.50(d)

Metric	Methodology to calculate metric	2024 (base line)	2025	Targets		
				Short term (2026)	Medium term (2027-2031)	Long term (beyond 2031)
Emission intensity of the power generation sector ($kgCO_2e/MWh$) – Note 1	Scope 1 GHG emissions of the power generation sector / Total annual electricity generation of the power generation sector – Note 2	500	480 ●	No target set	250 by 2030	0 by 2040
Emission intensity of the palm oil sector ($tCO_2e/tCPO$) – Note 1	Scope 1 and 2 GHG emissions of palm oil sector / Total annual crude palm oil production volume of the palm oil sector – Note 2	1.80	1.70 ●	No target set	1.40 by 2030	<0.2 by 2050

● *Target is met / on-track*

IFRS S1.50(c)

Note 1 – These metrics were internally developed based on the Group's targets and have not been independently validated by a third party.
Note 2 – All data used in the calculation (i.e. GHG emissions, electricity generation, and production volumes) have been adjusted using the applicable attribution factors to reflect only the portion attributable to the Group's financed exposures in the sector.

IFRS S2.36(d)

The Group's financed emissions targets focus on its high-emitting sectors for which sectoral decarbonisation targets have been established.

IFRS S2.35

In the power generation sector, emission intensity decreased by 4% from 2024 to 2025, mainly driven by an increase in financing to customers in downstream value chain activities and a reduction in the Group's exposure to customers in upstream value chain activities. The Group continues to monitor the progress of its customers' transition plans and to support their transition in a manner that considers just transition principles, including the social and economic impacts on affected stakeholders.

Similarly, emission intensity in the palm oil sector decreased by 6% from 2024 to 2025, primarily due to the adoption of renewable energy at oil palm mills by customers following the Group's engagement to support their transition efforts and changes in portfolio mix. This progress is aligned with the Group's commitment and decarbonisation pathway, while supporting an orderly and just transition in the sector.

For the remaining sectors, the Group continues to monitor customer performance and provides sustainable financing products and solutions to support customers' transition efforts, taking into consideration just transition aspects where relevant. This is further discussed in Section 9.1.

7.3 Climate resilience

Resilience of the Group's strategy and business model in relation to climate-related risks

IFRS S2.22(b)(iii)

The Group performed climate scenario analysis using a range of scenarios in 2025 as part of its strategic planning during the reporting period to understand and evaluate the potential impacts of physical and transition risks.

The scenarios are based on publicly available data from authoritative sources, including regional and international climate projections. They are reviewed at least annually to identify whether the estimated implications of climate-related uncertainties need to be updated, with a detailed analysis undertaken every three years or whenever significant material new climate-related data or regulatory guidance becomes available that may impact the Group's climate risk profile.

The Group's current strategies are designed to address the climate-related risks identified under Scenario 1 on page 86. If more severe conditions arise, the Group will escalate its mitigation and adaptation measures (see subsection "Capacity to adjust or adapt strategy and business model" for further details).

IFRS S2.22(b)(i)-(ii)

The Group has performed climate scenario analysis guided by the Network for Greening the Financial System ("NGFS") Phase V climate scenarios, incorporating relevant regional considerations across the Group's operations.

- **Scenario 1 – Orderly, Net Zero 2050 ("NZ 2050") (moderate transition risk):** This scenario limits global warming to 1.5°C through stringent climate policies and innovation, reaching global net zero CO_2 emissions around 2050.
- **Scenario 2 – Disorderly, Delayed Transition (high transition risk):** This scenario assumes no additional climate policies are implemented until 2030. Strong policies are then needed to limit warming to below 2°C. Negative emissions are limited.
- **Scenario 3 – Hot house world, Nationally Determined Contributions ("NDCs") (low transition risk):** This scenario includes all pledged targets even if not yet backed up by implemented effective policies.

The scenarios set are made based on the following assumptions:

	Scenario 1	**Scenario 2**	**Scenario 3**
Physical risk	Lower	Moderate	Higher
Mean global warming relative to pre-industrial average in 2100	1.4 °C	1.7 °C	2.3 °C
Shared Socioeconomic Pathways ("SSP") Representative Concentration Pathway ("RCP") scenario	SSP2 RCP 1.9	SSP2 RCP 2.6	SSP2 RCP 3.4
Range of surface temperature based on 95th Percentile (in 2050)[1]	25.99 °C – 28.67 °C	26.38 °C – 29.04 °C	26.29 °C – 28.96 °C
Transition risk	Moderate	Higher	Lower
Estimated range of carbon price (2030 to 2050, USD per tCO_2e based on 2010 prices, and regional carbon prices)[1]	USD 99.88 – USD 708.80	USD 5.95 – USD 149.38	USD 53.63 – USD 61.42

For the purpose of the climate scenario analysis, the Group's financial statements were modelled using the data as at December 2025, assuming current market dynamics remain unchanged. This gives a high-level view of the relative differences in how the balance sheet may evolve under different long-term scenarios. Balance sheet growth and therefore, profitability are aligned with the economic growth assumptions embedded in the scenarios.

[1] The ranges reflect the variability across the Group's operations covering Malaysia, Singapore, Indonesia, Thailand and Vietnam.

7.3 Climate resilience (continued)

Resilience of the Group's strategy and business model in relation to climate-related risks (continued)

IFRS S2.22(a)(i)

The results are summarised below, together with the impact of each scenario on the Group's strategy and business model:

Scenario 1: Orderly (NZ 2050)
Limits global warming to 1.5°C through stringent climate policies and innovation, reaching global net zero CO_2 emissions around 2050.

Short term (2026)	Medium term (2027-2031)	Long term (beyond 2031)
Transition costs are expected to be absorbed within the Group's business model, given its highly regulated operating environment. Nonetheless, customers in high-emitting sectors may experience margin pressure from increased operating and compliance costs, potentially affecting financial resilience. These risks are sector-specific and do not indicate a portfolio-wide decline in credit quality. Flood risk is expected to remain low across both the Group's operations and its customers' operations and collateral. [1] Under this scenario, the Group's profit before tax ("PBT") is expected to decrease by RM21.0 million to RM23.0 million per annum, mainly due to the increase in ECL.	The Group responds to and manages the impacts of increasingly stringent climate-related policies, such as carbon taxes, on its own operations and those of its customers. Customers aligned with climate-related policies and transition pathways are expected to be more resilient. In contrast, customers, particularly those in high-emitting sectors, that are slower to adapt to climate-related policies may face higher compliance costs. Flood risk is expected to increase gradually and impact the Group's operations and its customers' operations and collateral. [1] Under this scenario, the Group's PBT is expected to decrease by RM48.0 million to RM51.0 million per annum, mainly due to the increase in ECL.	Transition risk remains high for customers in high-emitting sectors and late adopters of climate-related policies. However, these impacts are sector-specific and do not indicate a portfolio-wide decline in credit quality. Flood risk is expected to stabilise as the economy transitions towards low-carbon products and climate mitigation efforts moderate the rate of global warming. However, flooding will still occur and impact the Group's operations and its customers' operations and collateral. [1] Under this scenario, the Group's PBT is expected to decrease by RM49.0 million to RM52.0 million per annum, mainly due to the increase in ECL.

[1] *The estimated impact is based on the assumptions that the mitigation actions did not materialise or were not effective.*

7.3 Climate resilience (continued)

Resilience of the Group's strategy and business model in relation to climate-related risks (continued)

IFRS S2.22(a)(i)

The results are summarised below, together with the impact of each scenario on the Group's strategy and business model (continued):

Scenario 2: Disorderly (Delayed Transition)
No additional climate policies are implemented until 2030. Strong policies are then needed to limit warming to below 2°C. Negative emissions are limited.

Short term (2026)	Medium term (2027-2031)	Long term (beyond 2031)
While governments have begun considering and signalling potential climate-related policies such as the introduction of carbon taxes and regulatory reforms for high-emitting sectors, these measures remain largely consultative or at an early stage of development. As such, no material regulatory changes affecting the Group's operations or portfolio are expected. The Group and its customers are expected to experience increasingly frequent and severe flooding. [1] Under this scenario, the Group's profit before tax ("PBT") is expected to decrease by RM25.0 million to RM27.0 million per annum, mainly due to the increase in ECL.	Progress in implementing additional climate policies is expected to remain limited during this period. The delay in climate policy implementation may increase uncertainty regarding the timing and scope of future regulatory requirements. This uncertainty may make it challenging for the Group to assess potential impacts on portfolio exposures and credit risk. Customers, particularly those in high-emitting sectors, may face uncertainty in transition planning and decarbonisation-related investment decisions. Flood risk is expected to intensify with more frequent flooding and to impact the Group's operations and its customers' operations and collateral. [1] Under this scenario, the Group's PBT is expected to decrease by RM45.0 million to RM47.0 million per annum, mainly due to the increase in ECL.	The transition to a low-carbon economy is expected to accelerate as governments introduce more stringent net zero measures, such as carbon taxes, causing economic disruption. Both the Group and its customers will be required to enhance adaptation measures, with customers in high-emitting sectors expected to incur significantly higher compliance costs and capital expenditure associated with decarbonisation. Flood risk is expected to increase, resulting in disruptions to both the Group's operations and its customers' operations. [1] Under this scenario, the Group's PBT is expected to decrease by RM62.0 million to RM64.0 million per annum, mainly due to the increase in ECL.

[1] *The estimated impact is based on the assumptions that the mitigation actions did not materialise or were not effective.*

7.3 Climate resilience (continued)

Resilience of the Group's strategy and business model in relation to climate-related risks (continued)

IFRS S2.22(a)(i)

The results are summarised below, together with the impact of each scenario on the Group's strategy and business model (continued):

Scenario 3: Hot house world (NDCs) Include all pledged targets even if not yet backed up by implemented effective policies.		
Short term (2026)	**Medium term (2027-2031)**	**Long term (beyond 2031)**
The Group complies with the limited climate-related policies introduced by the government, resulting in low transition risk to the Group and its customers. The Group and its customers are expected to experience increasingly frequent and severe flooding. [1] Under this scenario, the Group's profit before tax ("PBT") is expected to decrease by RM27.0 million to RM29.0 million per annum, mainly due to the increase in ECL.	The Group continues to comply with the limited climate-related policies introduced by the government, including pledged policy measures, resulting in low transition risk to the Group and its customers. However, flood risk is expected to intensify, with more frequent flooding impacting the Group's operations and its customers' operations and collateral. [1] Under this scenario, the Group's PBT is expected to decrease by RM53.0 million to RM55.0 million per annum, mainly due to the increase in ECL.	The likelihood of policy strengthening increases as the government focuses on short term adaptation measures as opposed to decarbonisation, resulting in moderate transition risk to both the Group and its customers. Flood risk becomes increasingly severe, resulting in disruption to the Group's operations and its customers' operations and collateral. [1] Under this scenario, the Group's PBT is expected to decrease by RM58.0 million to RM61.0 million per annum, mainly due to the increase in ECL.

[1] The estimated impact is based on the assumptions that the mitigation actions did not materialise or were not effective.

7.3 Climate resilience (continued)

Resilience of the Group's strategy and business model in relation to climate-related risks (continued)

Selecting inputs and making analytical choices in climate-related scenario analysis

IFRS S2.B11

Paragraph B11 of IFRS S2 states that "*When an entity selects the inputs to use in its climate-related scenario analysis, the entity shall consider all reasonable and supportable information—including scenarios, variables and other inputs—available to the entity at the reporting date without undue cost or effort.*

The inputs used in scenario analysis might include information that is qualitative or quantitative, and is obtained from an external source or developed internally. For example, publicly available climate-related scenarios—from authoritative sources—that describe future trends and a range of pathways to plausible outcomes are considered to be available to the entity without undue cost or effort."

IFRS S2.B14

In addition, paragraph B14 of IFRS S2 states "*An entity's resilience assessment will be informed not only by the individual inputs to its climate-related scenario analysis, but also by the information it develops in combining those inputs to carry out the analysis. The entity shall prioritise the analytical choices (for example, whether to use qualitative analysis or quantitative modelling) that will enable it to consider all reasonable and supportable information that is available to the entity at the reporting date without undue cost or effort. For example, if an entity is able—without undue cost or effort—to incorporate multiple carbon price pathways associated with a given outcome (for example, a 1.5 degree Celsius outcome), this analysis is likely to strengthen the entity's resilience assessment, assuming such an approach is warranted by the entity's risk exposure.*"

IFRS S2.B15

Paragraph B15 of IFRS S2 further states that "*Quantitative information will often enable an entity to carry out a more robust assessment of its climate resilience. However, qualitative information (including scenario narratives), either alone or combined with quantitative data, can also provide a reasonable and supportable basis for the entity's resilience assessment.*"

Iterative development of climate-related scenario analysis

IFRS S2.B16

The climate-related scenario analysis can be resource intensive and might, through an iterative learning process, be developed and refined over multiple planning cycles. As an entity repeats the climate-related scenario analysis, it is likely to develop skills and capabilities that will enable the entity to strengthen its approach to climate-related scenario analysis over time.

7.3 Climate resilience (continued)

Resilience of the Group's strategy and business model in relation to climate-related risks (continued)

Significant areas of uncertainty

IFRS S2.22(a)(ii)

There is a range of uncertainties and judgements that need to be made when modelling different scenarios and their impacts. The significant areas of uncertainty to be considered in the Group's assessment of its climate resilience are as follows:

- **Future flood frequency and intensity:** There are significant uncertainties on the implications of climate change on the frequency and intensity of flood to the Group's counterparties. These uncertainties arise from the variability in projections and the potential unexpected changes in weather patterns and evolving climate conditions.

- **Geopolitical uncertainty and timing of implementation of government policies and regulations:** There are significant uncertainties on the timing of the regulations that will be implemented, as this depends on various factors such as geopolitical uncertainty and market conditions.

- **Availability and quality of climate-related data and model limitations:** There are significant uncertainties arising from limitations in the availability, consistency, and granularity of climate-related data and models, including third-party risk datasets, asset-level location data, emissions information, and counterparties' transition plans.

- **Long term technological development:** There are significant uncertainties relating to the pace and effectiveness of technological advancements, including the availability, affordability, and adoption of low-carbon technologies.

Capacity to adjust or adapt strategy and business model

IFRS S2.22(a)(iii)

The Group's strategy and business model, including its mitigation plans and actions, are currently based on the baseline scenario selected by the Group (see Scenario 1 on page 86). These mitigation plans and actions include integration of climate risk considerations into credit assessment, sectoral decarbonisation pathways, and increased financing and support for low-carbon activities.

As indicated in Section 6.1, the BSC periodically evaluates the Group's strategy and its progress against targets. This allows the Group to assess its capacity to adjust and adapt its strategy and business model to climate change as follows:

- **Use of geocoding tools and geospatial physical risk data:** The Group uses geocoding tools and geospatial physical risk data to identify flood-prone locations across the Group's branches, offices, and critical facilities, as well as customers' businesses and collateral, which are assessed during customer onboarding and credit assessments.

- **Insurance coverage:** To manage its exposure, the Group encourages customers with properties located in flood-prone locations to enhance their insurance coverage to ensure adequate protection against flood-related risks.

- **Customer engagement and portfolio rebalancing:** The Group engages customers, particularly those in the two high-emitting sectors, to understand their transition plans and decarbonisation strategies. The Group monitors progress on an ongoing basis and uses these insights to inform portfolio rebalancing decisions, supporting the transition towards a low-carbon economy.

7.3 Climate resilience (continued)

Resilience of the Group's strategy and business model in relation to climate-related risks (continued)

Capacity to adjust or adapt strategy and business model (continued)

- **Negative screening criteria:** The Group has established negative screening criteria for the two high-emitting sectors. In the power generation sector, the Group has ceased financing new greenfield coal-fired power plants. In the palm oil sector, the Group does not provide loans and financing to customers that do not comply with NDPE principles.

- **Sector-specific enhanced due diligence:** The Group conducts enhanced due diligence on the existing exposures within the high-emitting power generation sector (i.e. coal-related exposures) as part of its decarbonisation pathway.

Further details on the Group's existing strategy and associated financial effects are described in Section 7.1 and Section 7.2.

Processes, controls, and policies to manage climate-related risks

IFRS S2.25(a)(ii)

The process of identifying, assessing, prioritising, and monitoring climate-related physical and transition risks, particularly flood risk impacting the Group's operations and customers' credit risk, as well as risks arising from changes in regulation and market pressure towards a low-carbon economy, forms part of the general process described in Section 6.4.

The Group applies a structured approach to evaluating these risks across its operations and financing activities, incorporating data such as the exposure of branch locations to flood risk, portfolio emissions profiles and regulatory developments. A key tool in this process is climate scenario analysis, which supports the Group's understanding of potential impacts under different physical and transition pathways as described above.

Climate resilience and capacity to adjust to sustainability-related risks

IFRS S2.22

Paragraph 22 of IFRS S2 requires an entity to assess its resilience using a climate-related scenario analysis. Disclosures required include assessment of climate resilience based on the analysis performed, and disclosures on the approach used to carry out the scenario analysis.

7.4 Internal carbon pricing

IFRS S2.29(f)

The Group does not currently apply an internal carbon pricing to its strategic decision-making processes. As disclosed in Section 7.3, the Group applies a shadow carbon price, reflecting the estimated average future carbon cost per tonne of carbon dioxide equivalent (tCO_2e) emissions in 2050 for the purpose of climate scenario analysis.

Disclosing internal carbon pricing

Paragraph 29(f) of IFRS S2 requires an entity to disclose its internal carbon pricing, together with explanations of whether and how the entity is applying a carbon price in decision-making (for example, investment decisions, transfer pricing, and scenario analysis), as well as the price for each metric tonne of greenhouse gas emissions the entity uses to assess the costs of its greenhouse gas emissions.

8. Social-related risks

This section provides information on social-related risks that could reasonably be expected to affect the Group's prospects, including current and anticipated impacts over the short, medium, and long term.

8.1 Risk of financial loss, litigation, and reputational damage associated with breaches of labour and human rights in the Group's operations and value chain

a. Description

IFRS S1.30(a)

For the banking sector, labour and human rights risks are becoming increasingly material as regulatory, investor, and stakeholder expectations continue to strengthen globally and domestically. Worldwide, international frameworks such as the United Nations Guiding Principles on Business and Human Rights ("UNGPs") and the OECD Guidelines for Multinational Enterprises establish widely recognised expectations for human rights due diligence. In Malaysia, policy developments such as the National Action Plan on Business and Human Rights ("NAPBHR") (2025-2030) further reinforce the expectation for banks to embed labour and human rights considerations into governance, risk, and decision-making frameworks. Collectively, these developments elevate labour and human rights considerations from a primarily reputational concern to a financial and governance risk that is increasingly shaped by regulatory and supervisory expectations, with greater emphasis on Board-level oversight, accountability, and audit readiness.

For the Group, labour and human rights risks may arise across two interrelated dimensions: (i) the Group's own operations and workforce, and (ii) the Group's value chain, including suppliers, outsourced service providers, customers, and counterparties.

While banking is not typically labour-intensive, risks arising from the Group's own operations may relate to the Group's own recruitment and employment practices, including freedom of association, diversity and inclusion, occupational health and safety, and compliance with applicable labour laws and standards, including the Employment Act 1955 and the Occupational Safety and Health Act 1994.

Within the value chain, potential risks may stem from the Group's upstream relationships with suppliers, vendors, contractors, and outsourced service providers. These relationships encompass facilities management, security services, and other areas that may involve contract, temporary or migrant workers. However, risks would be more significant with the Group's downstream relationships, including customers, financed entities, investees, and other counterparties, particularly those operating in higher-risk sectors[1] or geographies[2]. Exposure is heightened for activities involving labour-intensive operations and extended supply chains, where vulnerabilities related to recruitment practices, working conditions, and access to worker protections may be more pronounced. For financing and investment activities, such risks may manifest as adverse human rights impacts linked to entities where the Group's downstream visibility and influence are limited.

[1] Higher-risk sectors are sectors that are generally associated with elevated labour and human rights risks due to factors such as labour-intensive operations, extensive use of subcontracting or labour intermediaries, reliance on migrant or temporary workers, complex or opaque supply chains, and a historically higher incidence of labour rights violations. These may include, but are not limited to, construction and infrastructure, agriculture and agribusiness, plantations, labour-intensive manufacturing, extractives and mining, transport and logistics, and other sectors identified through the Group's risk assessment frameworks and reference to external guidance from international organisations (e.g. International Labour Organization ("ILO")).

[2] Higher-risk geographies refer to countries or regions where labour and human rights risks are assessed to be elevated based on factors such as weaker regulatory enforcement, prevalence of informal labour, higher incidence of forced or child labour, limitations on freedom of association, or broader governance and rule-of-law challenges. Geographic risk assessment is applied on a risk-based basis and is informed by the Group's internal frameworks and reference to external indices and databases (e.g. ILO country profiles, World Bank governance indicators, and other recognised human rights risk indices), and is reviewed periodically.

8.1 Risk of financial loss, litigation, and reputational damage associated with breaches of labour and human rights in the Group's operations and value chain (continued)

a. Description (continued)

IFRS S1.30(b)

If not effectively managed, labour and human rights risks across the Group's operations and value chain can result in material financial impacts over the short, medium, and long term. As such, these risks are integral to the Group's strategy, business model resilience, and long-term value creation, requiring continuous monitoring, strengthened controls, and integration into enterprise risk management processes in response to evolving regulatory and market expectations.

b. Effects on business model and value chain

IFRS S1.32(a)-(b)

This risk affects the Group's business model and value chain through its own operations and value chain activities across the short, medium, and long term.

Own operations

In the short to medium term, increasing expectations around human rights due diligence heighten scrutiny of the Group's internal policies, governance arrangements, accountability structures, as well as grievance, escalation, and access-to-remedy mechanisms. Gaps in internal frameworks, data availability, or accountability, as well as insufficient workforce capability to collect, analyse, and interpret labour and human rights information, may limit the Group's ability to promptly identify, assess, and respond to labour and human rights issues. Examples include cases of discrimination or harassment among employees, as well as collective bargaining demands. This may increase the likelihood of delayed escalation and ineffective remediation, leading to higher indirect costs as well as reputational damage over time.

Over the medium to long term, perceived weaknesses in internal practices or responses to identified issues may expose the Group to reputational damage and workforce-related impacts. These may include workforce grievances, reduced employee engagement, loss of critical talent or brain drain, and operational inefficiencies that could affect the Group's ability to perform at full capacity. In particular, union-led industrial action such as work stoppages and strikes could cause significant disruptions to business continuity and service delivery. Compliance obligations may also arise should labour and human rights regulations be introduced or expanded domestically, or in jurisdictions where the Group operates. Failure to meet such requirements could result in financial penalties, enforcement actions, or other regulatory consequences.

8.1 Risk of financial loss, litigation, and reputational damage associated with breaches of labour and human rights in the Group's operations and value chain (continued)

b. Effects on business model and value chain (continued)

Value chain (customers and suppliers)

IFRS S1.32(a)-(b)

In the short to medium term, limited visibility and transparency over extended value chains may impede the detection of labour and human rights breaches and the implementation of timely responses. This may increase the severity of impacts when incidents occur, potentially resulting in litigation exposure, supervisory scrutiny, or reputational harm for the Group. Within the supplier base, gaps in oversight and monitoring of labour and human rights issues may also lead to outsourcing failures or service disruptions, affecting operational continuity.

In the medium to long term, labour and human rights incidents affecting customers or investees may undermine their cash flows, financial resilience, business continuity, licence to operate, or legal standing. This may translate into heightened credit risk for the Group, including deterioration in repayment capacity and an increased probability of default. Concurrently, persistent labour and human rights challenges within supplier and service-provider relationships may further destabilise operational support functions and threaten overall operational resilience.

Furthermore, evolving or expanded labour and human rights regulations may expose the Group to fines for non-compliance, including those arising from cross-border activities[1], as well as sanctions and remediation obligations beyond financial penalties, particularly where mandatory human rights due diligence requirements, modern slavery legislation, or supply chain transparency obligations apply. In more severe cases, regulatory enforcement actions may involve stop-work orders, licence restrictions or revocations, and criminal liability for responsible parties. Such incidents can significantly disrupt counterparties' operations and increase the Group's exposure, materially affecting the resilience of its business model and capacity to create long term value.

[1] *Cross-border activities include financing, investment, trade finance, and procurement activities involving counterparties, projects, suppliers, or service providers operating across multiple jurisdictions.*

8.1 Risk of financial loss, litigation, and reputational damage associated with breaches of labour and human rights in the Group's operations and value chain (continued)

c. Effects on strategy and decision-making

IFRS S1.33(a)

IFRS S1.35(c)(ii)

To manage labour and human rights risks, the Group's strategy and decision-making are guided by its Labour and Human Rights Policy, which is publicly available on the Group's website. The Policy articulates the Group's expectations, principles, and required practices for respecting labour and human rights across its own operations and value chain, which are operationalised through governance, risk management, and internal procedures, and are integrated into the Group's decision-making processes. These include decisions relating to portfolio composition, sector exposure, capital allocation, and whether certain activities are restricted, conditional, or prioritised. Overall, the Group adopts a risk-based, phased approach, prioritising higher-risk sectors and geographies while addressing lower-risk areas as needed, recognising that labour and human rights risks cannot be fully eradicated. These initiatives are implemented using internal funding and existing resources.

IFRS S1.33(b)

As this is the first time the Group has formalised these plans and actions to mitigate the impacts of labour and human rights risks, quantitative and qualitative information on the progress of these plans has not been disclosed. Management expects that these mitigating measures, as described below, will support the resilience of the Group's business model and value chain.

Own operations

Within its own operations, the Group has implemented the following measures to manage labour and human rights risks:

- **Policy-led governance and workforce practices:** The Labour and Human Rights Policy sets out the Group's expectations on fair labour practices and responsible treatment of employees. These expectations are implemented through governance structures involving the Board, the BRMC, the BSC, and the GRC, which together provide oversight and integration of labour and human rights considerations within the Group's strategy and risk management processes (refer to Section 6 for further details on the Group's sustainability governance structure). This supports effective oversight and ensures labour and human rights considerations are embedded in operational and managerial decision-making, including workforce planning, capability building, employee engagement, and industrial relations.

- **Grievance, escalation, and access to remediation:** The Group has established escalation and remediation processes, including grievance and whistleblowing mechanisms, to enable employees to raise labour and human rights concerns through appropriate channels without fear of retaliation (see subsection "Grievance management and access to remedy" for further details). In addition, the Group undertakes ongoing due diligence and oversight of its own operations to identify, assess, prevent, and mitigate potential labour and human rights risks. Such efforts include reviews of employment practices, working conditions, occupational health and safety performance, and compliance with applicable labour laws and internal policies.

- **Training and capacity building:** The Group recognises that the effective implementation of its Labour and Human Rights Policy relies on a well-informed and capable internal workforce. To this end, it invests in training programmes designed to raise awareness and deepen understanding of labour and human rights risks among employees at all levels. In addition, the Group recruits specialised professionals where needed to strengthen internal expertise and the management of labour and human rights risks within its own operations.

- **Engagement with employee unions:** The Group maintains open and constructive dialogue with recognised employee unions and associations to address labour and human rights concerns, support fair employment practices, and promote workforce wellbeing. This helps ensure that employee voices are heard and considered in decision-making processes affecting labour conditions within the Group's operations.

8.1 Risk of financial loss, litigation, and reputational damage associated with breaches of labour and human rights in the Group's operations and value chain (continued)

c. Effects on strategy and decision-making (continued)

Value chain (customers and suppliers)

The expectations set out in the Group's Labour and Human Rights Policy are integrated into its approaches to managing labour and human rights risks that may arise from its value chain, as detailed below:

- **Risk-based screening and due diligence:** Labour and human rights considerations are incorporated into onboarding, credit assessment, and investment due diligence processes for the Group's customers, with heightened focus on sectors and geographies with elevated risk profiles. As part of these processes, the Group considers a range of labour and human rights risk factors alongside relevant Shariah principles and social considerations in accordance with the Value-based Intermediation Financing and Investment Impact Assessment Framework ("VBIAF"). Specifically, the Group practices:
  (i) risk-based screening at origination and review at renewal;
  (ii) enhanced due diligence for cases identified as higher-risk, whereby customers identified as higher-risk are placed on the Group's watchlist for ongoing monitoring and management of labour and human rights risks;
  (iii) escalation to relevant risk committees where material concerns are identified; and
  (iv) incorporation of labour and human rights considerations into risk appetite frameworks.

  For suppliers, labour and human rights considerations are incorporated into onboarding, screening, and supplier due diligence processes, with particular attention given to those that rely on contract or migrant workers. Where applicable, the Group also assesses compliance with labour standards and contractual requirements as part of its supplier oversight and monitoring activities.

- **Value chain governance and oversight:** For customers, the Group has established governance frameworks that cover labour and human rights considerations during onboarding, credit assessment, investment due diligence, and ongoing portfolio monitoring, with enhanced oversight applied to those operating in sectors or geographies associated with higher labour and human rights risk profiles. For suppliers, the Group has established similar frameworks covering onboarding, contract management, and performance oversight, with greater focus placed on operationally critical supplier relationships.

- **Contractual requirements and codes of conduct:** Labour and human rights considerations are incorporated into relevant financing and investment policies, due diligence processes, and, where appropriate, financing and investment agreements for customers, as well as codes of conduct, contractual requirements, and procurement processes for suppliers. These arrangements are supported by defined escalation and remediation mechanisms to promptly address identified non-compliance or potential concerns.

- **Grievance, escalation, and access to remediation:** The Group's grievance and whistleblowing channels provide external stakeholders and members of the public with accessible avenues to report labour and human rights concerns related to its value chain activities. These include potential violations by suppliers and service providers, inadequate working conditions within financed entities or investee companies, and human rights impacts linked to projects, products, and business activities supported through the Group's financing and investment operations. These channels are supported by robust escalation and remediation procedures to ensure timely and effective resolution (see subsection on "Grievance management and access to remedy" for further details).

8.1 Risk of financial loss, litigation, and reputational damage associated with breaches of labour and human rights in the Group's operations and value chain (continued)

c. Effects on strategy and decision-making (continued)

Value chain (customers and suppliers) (continued)

- **Management of identified risks:** To manage identified risks, particularly where visibility is limited, the Group may, for customers, require additional information, embed conditions into financing or investment agreements (such as undertakings, action plans, or monitoring requirements), intensify engagement, or, when risks cannot be adequately mitigated, pause, decline, or exit financing and investment relationships. For suppliers, the Group may also strengthen oversight and monitoring activities, require corrective action plans, or, where necessary, restrict or terminate relationships. Triggers for escalation include credible allegations, repeated non-compliance, failure to remediate, significant labour and human rights concerns identified through due diligence and ongoing monitoring, or risks of service disruption, legal exposure, or reputational harm.

- **Specialist training and recruitment:** For employees involved in customer onboarding, credit assessment, investment due diligence, and portfolio monitoring, the Group provides targeted training to strengthen competencies in labour and human rights risk identification, risk-based screening, due diligence, customer engagement, and issue escalation. For employees involved in procurement, supplier oversight, and contract management, training focuses on supplier due diligence, performance monitoring, remediation processes, and the management of labour and human rights risks within supplier and outsourced service-provider relationships. Complementing these efforts, the Group also recruits specialists with expertise in managing labour and human rights risks across the value chain, strengthening its capacity for the identification, mitigation, and overall management of these risks.

8.1 Risk of financial loss, litigation, and reputational damage associated with breaches of labour and human rights in the Group's operations and value chain (continued)

c. Effects on strategy and decision-making (continued)

Grievance management and access to remedy

Grievance management and access to remedy are core elements of the Group's approach to labour and human rights risk management and form an important component of strategy and decision-making. The Group recognises that effective grievance mechanisms support timely escalation, investigation and remediation, provide access to remedy where applicable, and reduce the risk of prolonged or unmanaged impacts.

The Group's grievance and whistleblowing channels enable employees and relevant external stakeholders, including customers, suppliers, and vendors, as well as members of the public, to raise labour and human rights concerns throughout its own operations and value chain without fear of retaliation. In accordance with the Group's governance processes, matters raised are assessed based on severity, credibility, and potential regulatory, legal, or business impact, and may be escalated to senior management and, where appropriate, the Board. This enables appropriate investigation, remediation, and follow-up.

The Group recognises that while grievance mechanisms cannot eliminate all labour and human rights risks, they are essential tools for enabling proportionate responses and adapting strategies as risk profiles and regulatory expectations evolve. Insights gained from grievance cases support the Group's continuous improvement by helping to identify systemic issues, strengthen oversight, refine decision-making, and guide actions related to internal controls, workforce practices, and supplier or customer engagement.

Furthermore, recognising that labour and human rights issues may arise from a wide range of evolving circumstances across its own operations and value chain, the Group regularly monitors the effectiveness of its grievance and whistleblowing mechanisms to ensure that concerns can be raised safely and addressed promptly, while maintaining stakeholder trust.

8.1 Risk of financial loss, litigation, and reputational damage associated with breaches of labour and human rights in the Group's operations and value chain (continued)

d. Financial effects[1]

Current financial effects

IFRS S1.35(a)

During the current reporting year, the financial effects of labour and human rights risks on the Group's financial position, financial performance, and cash flows primarily reflect investments to strengthen governance, enhance oversight, implement training programmes, and manage talent-related initiatives. This includes recruiting and upskilling personnel with specialised labour and human rights expertise across both the Group's own operations and value chain.

These investments are recorded as operating expenses, embedded within existing operational workflows, and are not material to the Group's financial performance, financial position, or cash flows.

No material financial impacts arising from labour and human rights risks were identified in relation to the Group's own operations or value chain during the current reporting year.

Anticipated financial effects

IFRS S1.35(d)

Over the short, medium, and long term, the Group expects continued immaterial operating expenses to strengthen governance, enhance oversight, implement training programmes, and manage talent-related initiatives in relation to labour and human rights risks across its own operations and value chain.

IFRS S1.35(b)

The Group is of the view that its current strategy and internal processes are capable of addressing these risks, and accordingly, does not expect a material adjustment to the carrying amounts of reported assets and liabilities within the next 12 months. However, the Group recognises that the financial effects may be significant should labour and human rights incidents materialise and escalate into enforcement action, litigation, industrial action, or sustained reputational damage.

IFRS S1.40(a)-(b)
IFRS S1.38(b)

Specifically, reputational damage associated with labour and human rights incidents may erode stakeholder trust and confidence in the Group, which may in turn lead to customer attrition, pressure on funding costs, or reduced business opportunities over time. While such impacts do not typically give rise to immediate accounting impairments (e.g. additional ECLs for impacted customers), the Group recognises that they may indirectly affect its prospects. Additionally, these impacts may influence the Group's market-based valuation and access to funding (e.g. increased interest expenses). However, the Group has not provided quantitative information due to its uncertainty arising from variations in timing, severity, and potential outcomes. The level of measurement uncertainty is so high that any resulting data would not be useful to the users of this report.

The Group continues to monitor relevant indicators through established metrics and expects that the continued strengthening of due diligence, monitoring, and the integration of trends and data-driven insights into decision-making will help mitigate the potential financial impacts over time.

[1] *Refer to the guidance box in Section 7.1(d) for further guidance on the considerations when quantitative information about the current and anticipated financial effects is not provided.*

8.1 Risk of financial loss, litigation, and reputational damage associated with breaches of labour and human rights in the Group's operations and value chain (continued)

e. Resilience of the Group's strategy and business model in relation to social-related risk

IFRS S1.41

While labour and human rights considerations are already embedded within the Group's governance and enterprise risk management frameworks, the Group recognises that labour and human rights risks are dynamic, shaped by regulatory developments, sectoral risk shifts, and changing operating contexts, with visibility over extended value chains remaining an ongoing challenge. Accordingly, the Group adopts a continuous improvement approach rather than relying on static controls to effectively manage these risks across its own operations and value chain, thereby reinforcing the resilience and adaptability of its strategy and business model.

The Group regularly reviews and updates its Labour and Human Rights Policy, contractual obligations, and codes of conduct to keep pace with evolving standards and stakeholder expectations. Governance and oversight, including risk-based screening, due diligence, as well as mechanisms for grievance, escalation, and access to remediation, are progressively enhanced to promote accountability and responsiveness.

In addition, the Group continuously assesses the adequacy of roles, responsibilities, and internal capabilities to ensure that its labour and human rights commitments are upheld. To maintain business resilience, the Group regularly reviews its customer, financing, and investment portfolios, taking measures where appropriate to manage concentrations and exposures to sectors, geographies, and counterparties with elevated labour and human rights risks. To support operational continuity, the Group also periodically reviews supplier and vendor relationships and, where appropriate, diversifies or adjusts sourcing arrangements to reduce dependencies on individual suppliers and mitigate potential labour and human rights-related disruptions.

To further ensure the Group's strategy remains agile amid evolving risks, the Group considers emerging sector risk signals and draws insights from monitoring, escalation, and remediation outcomes. The Group also ensures that its approach aligns with the NAPBHR and will review and align with any emerging local or international regulatory requirements relevant to its cross-border operations.

Overall, the Group considers its strategy and business model to be resilient yet evolving. Management expects that this iterative approach will enable effective decision-making and responsible banking practices in managing labour and human rights risks, while supporting business continuity and long term value creation.

IFRS S1.41
IFRS S1.42

Disclosure of entity's resilience to sustainability-related risks

Paragraph 41 of IFRS S1 requires disclosures about an entity's resilience to sustainability-related risks, specifically its capacity to adjust to uncertainties arising from the identified risks, but does not mandate an entity to use a scenario analysis for risks other than climate. This Illustrative Sustainability Report illustrates disclosures on Building Trust Bank Berhad's resilience to other sustainability-related risks, specifically labour and human rights risk in this section.

8.1 Risk of financial loss, litigation, and reputational damage associated with breaches of labour and human rights in the Group's operations and value chain (continued)

f. Processes, controls, and policies to manage social-related risk

IFRS S1.44(a)(i)

The process of identifying, assessing, prioritising, and monitoring labour and human rights risks forms part of the general process described in Section 6.4. In particular, the Group has established a Labour and Human Rights Policy that sets out its commitment to respecting salient human rights and promoting fair labour practices across its value chain, consistent with applicable regulatory expectations and internationally recognised principles, including the UNGPs and the ILO Declaration on Fundamental Principles and Rights at Work.

This policy provides the overarching framework for identifying, preventing, mitigating, and addressing labour and human rights risks arising from the Group's own operations, upstream suppliers and outsourced service providers, and downstream financing and investment activities. It also sets out the Group's structured human rights due diligence approach, which helps to inform decision-making and support responsible financing and investment activities. The approach adopts a risk-based methodology to focus on higher-risk sectors and geographies, while considering a range of labour and human rights factors, including but not limited to wages, working conditions, fair treatment, occupational health and safety, and community rights such as free, prior and informed consent ("FPIC"). The approach is further supported by exclusion criteria that prohibit or restrict the provision of financing, investment, and other financial services to activities, projects, or counterparties that are identified through the Group's due diligence processes as presenting significant labour and human rights risks, or whose practices are inconsistent with the Group's labour and human rights commitments.

The Labour and Human Rights Policy is supported by a suite of procedures, controls, and governance arrangements that are embedded within the Group's broader risk management and internal control framework. It is approved by the BRMC, with input from the BSC, and is implemented by management-level teams on a day-to-day basis. Clear roles, responsibilities, and escalation pathways are defined to support consistent implementation and the timely management of potential issues. The policy and related processes are subject to periodic review to ensure continued alignment with evolving regulatory requirements, industry practices, and stakeholder expectations.

IFRS S1.44(a)(ii)

The Group does not currently apply dedicated scenario analysis specifically for labour and human rights, as management considers that existing regulatory requirements, internal controls, and established industry practices provide an appropriate foundation for risk identification and management at this stage. The Group expects to continue refining its policies, processes, and controls as practices mature and data availability improves over time.

8.1 Risk of financial loss, litigation, and reputational damage associated with breaches of labour and human rights in the Group's operations and value chain (continued)

g. Metrics and targets

IFRS S1.46
IFRS S1.50(a)
IFRS S1.50(d)

The Group has developed and established a set of metrics and targets aligned with commonly used industry indicators to monitor and manage its exposure to labour and human rights risks across its own operations and value chain over the short, medium, and long term.

Own operations

Metrics for the Group's own operations focus on tracking internal capabilities, the timeliness of escalation, and the effectiveness of remediation efforts. These include the percentage of Group's employees trained on labour and human rights, the number of substantiated[1] labour and human rights-related grievances, the number of labour and human rights-related grievances resolved within defined timeframes, and number of labour and human rights-related grievances that remain outstanding. Collectively, they provide critical visibility into whether the workforce is equipped with the necessary knowledge and awareness to uphold the Group's labour and human rights expectations, while also assessing the effectiveness and timeliness with which concerns raised through established grievance channels are addressed. This supports accountability and continuous improvement within the Group's operations.

Value chain (customers and suppliers)

To monitor labour and human rights risks across its value chain, the Group utilises metrics that focus on due diligence coverage and access to grievance mechanisms across upstream and downstream relationships. This includes tracking the percentage of material outsourcing vendors and customers[2] assessed for labour and human rights risks, with prioritisation given to those operating in higher-risk sectors and geographies, as well as the number of customers that are under the Group's watchlist for labour and human rights risks. Furthermore, the Group monitors the proportion of material outsourcing vendors and customers that are covered by grievance mechanisms to ensure that appropriate channels exist for stakeholders to raise labour and human rights concerns related to the Group's value chain. The Group also tracks the number of value chain-related grievances resolved within defined timeframes, and the number of labour and human rights-related grievances that remain outstanding.

Together, the Group's metrics and targets support an outcome-oriented approach aligned with internationally recognised frameworks such as the UNGPs and provide a consolidated view of the Group's coverage of labour and human rights risks across its own operations and value chain.

[1] Substantiated labour and human rights grievances are those that have been investigated and confirmed as actual labour or human rights breaches in accordance with the Group's grievance procedures.
[2] The Group's material outsourcing vendors are third parties providing goods or services to the Group, while material customers are clients with whom the Group has significant financing, investment or business relationships. Materiality is determined in accordance with the Group's internal framework, taking into account factors such as procurement value, exposure level, strategic importance, and potential ESG impacts within the Group's operations and value chain.

IFRS S1.50(a)-(b)
IFRS S1.50(d)
IFRS S1.51(a)-(c)
IFRS S1.52

8.1 Risk of financial loss, litigation, and reputational damage associated with breaches of labour and human rights in the Group's operations and value chain (continued)

g. Metrics and targets (continued)

Metric	Methodology to calculate metric	2025	Targets		
			Short term (2026)	Medium term (2027-2031)	Long term (beyond 2031)
Percentage (%) of the Group's employees trained on labour and human rights	Number of employees who completed mandatory annual training/refreshers on the Group's Code of Conduct, which includes labour and human rights commitments as set out in the Group's Labour and Human Rights Policy during the reporting period / total number of employees enrolled during the reporting period	100%Ⓐ	No target set		
Number of substantiated[1] labour and human rights-related grievances • Own operations • Value chain	Number of labour and human rights-related grievances relating to the Group's own operations or value chain investigated and confirmed during the reporting period	• 0 • 0			
Number of labour and human rights-related grievances resolved within defined timeframe • Own operations • Value chain	Number of all labour and human rights-related grievances relating to the Group's own operations or value chain resolved within the defined service-level timeframe as at the end of the reporting period	• 0 • 1			
Number of labour and human rights-related grievances outstanding • Own operations • Value chain	Number of all labour and human rights-related grievances relating to the Group's own operations or value chain outstanding as at the end of the reporting period	• 0 • 0			

IFRS S1.50(c)

Ⓐ This metric has been subjected to a limited assurance by a [third party organisation]. Refer to the Independent Assurance Report included on pages [XX] to [XX] of the Group's Annual Report.

[1] Substantiated labour and human rights grievances are those that have been investigated and confirmed as actual labour or human rights breaches in accordance with the Group's grievance procedures.

IFRS S1.50(a)-(b)
IFRS S1.50(d)
IFRS S1.51(a)-(c)
IFRS S1.52

8.1 Risk of financial loss, litigation, and reputational damage associated with breaches of labour and human rights in the Group's operations and value chain (continued)

g. Metrics and targets (continued)

Metric	Methodology to calculate metric	2025	Targets		
			Short term (2026)	Medium term (2027-2031)	Long term (beyond 2031)
Percentage (%) of the Group's value chain stakeholders operating in higher-risk sectors and geographies[1] assessed for labour and human rights risks • Material outsourcing vendors • Customers	Number of material outsourcing vendors or customers operating in higher-risk sectors and geographies[1] assessed for labour and human rights risks / total number of material outsourcing vendors or customers operating in higher-risk sectors and geographies[1] as at the end of the reporting period	• 100% ● • 100% ●	100% for both material outsourcing vendors and customers operating in higher-risk sectors and geographies[1]		
Number of customers that are under the Group's watchlist for labour and human rights risks	Number of customers that are under the Group's watchlist for labour and human rights risks as at the end of the reporting period	2	No target set		
Percentage (%) of the Group's value chain stakeholders covered by grievance mechanisms • Material outsourcing vendors • Customers	Number of material outsourcing vendors or customers to whom the Group's grievance mechanisms have been formally communicated and made accessible (through contractual agreements, onboarding, communication, and engagement activities) / total number of material outsourcing vendors or customers as at the end of the reporting period	• 100% ● • 100% ●	100% coverage		

● *Target is met / on-track*

[1] *Refer to the footnotes on page 92 for the definition of higher-risk sectors and geographies.*

8.1 Risk of financial loss, litigation, and reputational damage associated with breaches of labour and human rights in the Group's operations and value chain (continued)

g. Metrics and targets (continued)

As at the end of the reporting period, the Group achieved its targets for applicable labour and human rights metrics. As part of its commitment to continuous improvement, the Group will continue to review the relevance and effectiveness of its existing metrics and targets, while exploring additional indicators to evaluate its performance in managing labour and human rights risks across its operations and value chain.

Entity-developed metrics

IFRS S1.50

If a metric has been developed by the entity to measure progress towards a target, the entity shall disclose information about that metric in accordance with IFRS S1 paragraph 50, as follows:

a) *"how the metric is defined, including whether it is derived by adjusting a metric taken from a source other than the IFRS Sustainability Disclosure Standards and, if so, which source and how the metric disclosed by the entity differs from the metric specified in that source;*
b) *whether the metric is an absolute measure, a measure expressed in relation to another metric or a qualitative measure (such as a red, amber, green–or RAG–status);*
c) *whether the metric is validated by a third party and, if so, which party; and*
d) *the method used to calculate the metric and the inputs to the calculation, including the limitations of the method used and the significant assumptions made."*

9. Emerging opportunities arising from sustainable finance

The Group has identified sustainable finance as one of its material opportunities. All sustainable financing and investment activities across the Group's operations in its regional markets are identified, classified, and recognised in accordance with the Group's Sustainable Product Framework ("SPF"), which has been developed with reference to recognised market principles issued by the Loan Market Association and the International Capital Market Association, and aligned with the Sustainable and Transition Finance Guidance published by JC3. The SPF is further aligned with BNM's Climate Change and Principle-based Taxonomy ("CCPT") and the Association of Southeast Asian Nations ("ASEAN") Taxonomy for Sustainable Finance, drawing on the former's climate change mitigation and adaptation principles together with relevant elements of the latter to identify financing and investment opportunities that support pathways towards low-carbon and climate-resilient development.

In determining whether financing and investment activities qualify as sustainable finance, the SPF applies three qualification criteria:

1) **Use of proceeds:** Proceeds are assessed to determine whether they are directed towards eligible activities defined by the Group and aligned with recognised market guidance.
   - **Green and social use-of-proceeds financing** applies where proceeds are directed towards sustainable activities aligned with relevant Sustainable Development Goals, including Renewable Energy, Energy Efficiency, Green Buildings, Climate Change Adaptation, and Financial Inclusion, amongst others.
   - **Transition use-of-proceeds financing** applies where proceeds are directed towards decarbonisation activities in hard-to-abate and high-emitting sectors, where such activities are aligned to credible science-based decarbonisation pathways consistent with the Paris Agreement, with safeguards against carbon lock-in and due regard to just transition outcomes.

2) **General purpose financing:** Financing not tied to a specific use of proceeds may qualify where the counterparty is assessed at entity level under the Group's eligibility criteria. Green and social general purpose financing may apply where the counterparty's core business activities are substantially aligned with the Group's eligible sustainable activity categories. This is typically evidenced by over 90% of the counterparty's revenue derived from such activities, provided that the financing does not directly support expansion into activities outside those categories.

3) **Sustainability-linked products:** Financing is structured such that the terms of the instrument are linked to the borrower's achievement of pre-determined sustainability performance objectives, measured using Key Performance Indicators and Sustainability Performance Targets, which may include targets relating to greenhouse gas emissions, energy efficiency, renewable energy usage, water consumption, or other sustainability-related outcomes relevant to the borrower's business.

Under sustainable finance, the Group has identified two broad areas of opportunity:
i) green and transition financing/investment (Section 9.1); and
ii) social financing (Section 9.2).

These opportunities reflect the Group's ability to deploy capital in support of climate-related transition and resilience outcomes, as well as to expand access to finance for underserved segments across the markets in which the Group operates. The Group has, accordingly, set a target to mobilise[1] RM100.0 billion in sustainable finance by 2030.

[1] Refers to the financing amount approved by the Group and the notional amount of the sustainable investment invested by the Group.

9.1 Green and transition financing/investment

a. Description

IFRS S2.10(a)

The global transition towards a low-carbon economy, driven by strengthening regulatory frameworks and national net zero commitments, including in Malaysia, where the Group's primary operations are based, as well as in other jurisdictions where the Group operates, has given rise to growing demand for green and transition financing/investment, which the Group recognises as an emerging opportunity.

The Group defines green and transition financing/investment as the mobilisation of capital towards economic activities that are inherently low- or zero-emissions, or that enable material emissions reduction over time towards net zero through science-based pathways, particularly in hard-to-abate or high-emitting sectors where low- or zero-emissions alternatives are not yet technologically available or commercially viable in the regional markets in which the Group operates.

IFRS S2.13(a)-(b)

b. Effects on business model and value chain

IFRS S2.10(c)

This opportunity impacts the Group's downstream activities over the short, medium, and long term.

Customers (Downstream)

The Group's non-retail customers, including corporate, commercial and SME segments, are increasingly prioritising decarbonisation and climate resilience to meet evolving stakeholder expectations, regulatory disclosure requirements, and supply chain decarbonisation demands. At the same time, many customers face constraints such as high upfront investment costs, limited internal sustainability capabilities, and rising compliance requirements. This presents a material opportunity for the Group to expand its role as a strategic transition partner by providing accessible financing solutions alongside non-financial, value-added services. By supporting customers at different stages of their transition journey, the Group deepens long-term customer relationships and supports the resilience of customer activities and value chains, while capturing opportunities over the short, medium, and long term.

For the consumer segment, growing awareness of climate-related issues and increasing demand for low-carbon products create opportunities for the Group to expand its portfolio of green financing solutions. Products such as green mortgages and electric vehicle financing support customers in making lower-carbon purchasing decisions and contribute to the transition to a lower-carbon economy. This enables the Group to capture growing demand for green home and electric vehicle financing, while strengthening customer relationships and reinforcing its position in the growing market for green consumer finance.

In addition to customer financing activities, the Group supports decarbonisation and climate resilience outcomes through green investments where capital is provided to issuers for the funding or refinancing of eligible green and transition-aligned projects. The expanding depth of Malaysia's green bond and sukuk market presents a growing opportunity for the Group to scale its green investment portfolio.

9.1 Green and transition financing/investment (continued)

c. Effects on strategy and decision-making

Customers (Downstream)

IFRS S2.14(a) (i)-(iv)

The Group has positioned green and transition activities as a core strategic growth driver, supported by a target to mobilise RM40.0 billion in eligible green and transition financing/investment by 2030, as part of the Group's broader sustainable finance target of RM100.0 billion by 2030.

- **Financing:** On the non-retail side, the Group continues to expand its green product offerings, including green term financing, green project financing, green trade financing and sustainability-linked loans. The Group also participates in, and continues to onboard, BNM-supported facilities, including the Green Technology Financing Scheme and RAFt, to support customers undertaking decarbonisation and climate resilience initiatives through accessible financing. For customers in hard-to-abate and high-emitting sectors, the Group provides transition financing to support the implementation of credible decarbonisation plans and near-term emissions reduction measures.

  At the consumer level, the Group continues to offer green mortgages and expanded electric vehicle financing to meet growing demand for green consumer financing solutions and support the adoption of lower-emissions vehicles and green homes.

- **Investment:** The Group has integrated green investments into its capital deployment strategy, allocating a portion of its treasury and investment portfolio to green bonds and green sukuk. This strategic decision complements customer financing activities by enabling the Group to channel capital towards eligible green and transition-aligned projects through capital markets.

- **Capital markets solutions:** As part of its broader sustainable finance strategy, the Group also supports clients in accessing debt capital markets for green and transition-aligned activities through services such as green bond structuring and sustainability-linked bond advisory. Through these offerings, the Group enables its customers to raise capital for eligible green and transition-aligned activities while diversifying their sources of funding.

- **Sustainability engagement initiatives:** Beyond financing, investment and capital markets solutions, the Group also provides ESG training and capacity-building programmes, diagnostic and self-assessment tools, connections to green solution providers, and sustainability advisory support, positioning the Group as a strategic transition partner to its customers.

- **Sustainability-related capabilities:** Internally, sustainability criteria are being integrated into the Group's credit evaluation, risk acceptance, and portfolio management frameworks. This is supported by the development of ESG screening assessments and customer engagement guides, and by the upskilling of relationship managers to identify green and transition financing opportunities at the point of customer engagement.

IFRS S2.14(b)

These initiatives are implemented using internal funding and existing resources.

9.1 Green and transition financing/investment (continued)

d. Financial effects

Customers (Downstream)

Current financial effects

IFRS S2.16(a)

In the current reporting period, the expansion of the Group's green and transition-aligned activities contributed to an increase in loans and financing balances to RM12,300.0 million, as well as financial investments at fair value through other comprehensive income and financial investments at amortised cost to RM2,400.0 million and RM1,700.0 million, respectively. These balances are reflected in the table summary on page 110 and represent the Group's outstanding green and transition financing and investment balances as at the end of the reporting period, recognised in accordance with IFRS Accounting Standards in the Group's financial statements. The corresponding interest/profit income generated from these loans, financing and investment balances amounted to RM491.0 million during the reporting period.

Other operating income also increased during the period, driven by a higher volume of capital markets solutions delivered, including services related to the arrangement, structuring and advisory of green and transition-aligned bonds, resulting in fee income of RM68.0 million.

The Group also incurred operating expenses related to sustainability engagement initiatives and the development of internal sustainability-related capabilities; however, these amounts were not material to the Group.

Anticipated financial effects

IFRS S2.16(c)-(d)

With the continued execution of its sustainability strategy, the Group anticipates that the financial effects from its green and transition-aligned activities will increase progressively over the short and medium term, in line with its target to mobilise RM40.0 billion in green and transition financing and investment by 2030. Refer to the table summary on page 110 for the anticipated financial effects.

The anticipated financial effects on the financial position line items are based on the Group's budgeted annual growth in the outstanding green and transition financing and investment balances from the position as at 31 December 2025. The related interest/profit income per annum is estimated from those outstanding balances for the relevant reporting periods, while other operating income is estimated with reference to the Group's budgeted annual income from capital markets solutions delivered.

9.1 Green and transition financing/investment (continued)

d. Financial effects (continued)

Customers (Downstream) (continued)

Summary of financial effects

IFRS S2.16(c)-(d)

The following table presents the Group's current and anticipated effects on its financial position and financial performance over the short, medium, and long term, arising from green and transition financing/investment opportunities.

In RM million	Current financial effects	Anticipated financial effects (per annum) Short term (2026)	Medium term (2027-2031)	Long term (beyond 2031)
Financial position				
Loans and financing – increase	12,300.0	4,400.0 – 4,500.0	4,700.0 – 5,300.0	- (Note 1)
Financial investments at fair value through other comprehensive income – increase	2,400.0	800.0 – 900.0	900.0 – 1,100.0	- (Note 1)
Financial investments at amortised cost – increase	1,700.0	600.0 – 650.0	600.0 – 650.0	- (Note 1)
Financial performance				
Interest/profit income – increase	491.0	660.0 - 665.0	850.0 – 1,664.0	- (Note 1)
Other operating income – increase	68.0	82.0 – 83.0	99.0 – 100.0	- (Note 1)

IFRS S2.19(b)
IFRS S2.21

Note 1 – The Group has not provided quantitative information for the long term anticipated financial effects as it extends beyond the Group's current strategic planning period and the green and transition financing/investment target of RM40.0 billion by 2030. In addition, the level of measurement uncertainty is so high that any resulting data would not be useful to the users of the report.

The effects on cash flows are not presented separately as cash outflows arising from the disbursement of financing and acquisition of investments are largely offset by inflows from customer deposits, loan/financing repayments, and investment maturities in the normal course of the Group's operations.

IFRS S2.16(b)

The Group does not expect any material adjustment to the carrying amounts of reported assets and liabilities within the next 12 months.

9.1 Green and transition financing/investment (continued)

d. Financial effects (continued)

Summary of financial effects (continued)

IFRS S1.B34-B35

Commercially sensitive information

If an entity determines that information about a sustainability-related opportunity is commercially sensitive, the entity is permitted to omit that information from its sustainability-related financial disclosures. Such an omission is permitted even if information is otherwise required by the IFRS Sustainability Disclosure Standards and the information is material.

An entity qualifies for the exemption if and only if:

a) *"information about the sustainability-related opportunity is not already publicly available;*
b) *disclosure of that information could reasonably be expected to prejudice seriously the economic benefits the entity would otherwise be able to realise in pursuing the opportunity; and*
c) *the entity has determined that it is impossible to disclose that information in a manner–for example, at an aggregated level–that would enable the entity to meet the objectives of the disclosure requirements without prejudicing seriously the economic benefits the entity would otherwise be able to realise in pursuing the opportunity."*

9.2 Social financing

a. Description

IFRS S1.30

The Group believes that access to finance across all segments of society is a foundational principle of responsible banking and a driver of sustainable long-term value creation. Across the markets in which the Group operates, underserved segments continue to face structural barriers in accessing formal financing, including stringent collateral requirements, limited credit histories, and informal or semi-formal business arrangements. As a result, financing needs are often met through informal channels that may be inadequate or costly, constraining economic participation and enterprise growth.

The Group has identified social financing as a sustainability-related opportunity that could reasonably be expected to affect its prospects over the short, medium, and long term by broadening its reach into underserved segments, particularly low-income earners and micro, small, and medium enterprises ("MSMEs") across its regional markets.

b. Effects on business model and value chain

This opportunity impacts the Group's downstream financing activities over the short, medium, and long term.

Customers (Downstream)

IFRS S1.32(a)-(b)

Underserved segments across the Group's markets, including MSMEs, bottom 40% income earners ("B40") and asnaf communities, women-owned enterprises, as well as individuals and households seeking access to affordable housing, represent a sizeable market with demand for accessible credit and related financial services. This presents an opportunity for the Group to extend its core financing activities beyond its traditional customer profile. By reaching customers at an earlier stage of their financial journey, the Group broadens its customer base and establishes longer-term banking relationships as these customers' financing needs evolve.

9.2 Social financing (continued)

c. Effects on strategy and decision-making

Customers (Downstream)

IFRS S1.33(a)

The Group has set a social financing target of RM60.0 billion by 2030, forming part of the Group's broader sustainable finance target of RM100.0 billion by 2030 alongside green and transition financing/investment.

As part of its social financing approach, the Group provides mortgage financing solutions to support access to affordable housing[1] across the markets in which it operates. This includes mortgage financing extended to low-income earners, as well as mortgage financing for properties offered under designated affordable housing schemes. These solutions enable home ownership for individuals who may otherwise face barriers to formal home financing. Demand remains structurally supported by national housing policies and affordability gaps across the Group's key markets.

The Group also extends financing to MSMEs[1] across its regional markets, particularly for businesses that may face constraints in accessing formal financing due to size, scale, or limited operating history. MSMEs represent a significant and growing customer segment across the Group's key markets, and early-stage financing relationships position the Group to serve these businesses as they grow and formalise, supporting both economic participation and the Group's regional growth strategy.

In addition, the Group offers targeted delivery models that address specific access barriers within these underserved groups:

- **iTEKAD:** This is a Shariah-compliant microfinancing and micro-enterprise development programme conducted in collaboration with BNM. It serves as a strategic delivery model to advance the Group's social financing objectives for the B40 and asnaf[2] communities in Malaysia. Programme delivery is managed through the Group's Islamic banking division in partnership with state Islamic religious councils and selected social enterprises.

- **Women Empowerment Programme ("WEP"):** This is a social-financing initiative launched during the current reporting period to support women-owned MSMEs across markets in which the Group operates, including Malaysia. The programme combines access to conventional microfinancing with business development support, supporting the growth and formalisation of women-led enterprises across the Group's operating markets.

Across its social financing activities, the Group leverages shared internal delivery capabilities, including its retail distribution network and existing mortgage capabilities, dedicated programme teams, alternative credit assessment approaches for customers without conventional credit histories, and non-financial support encompassing business training, mentoring, and financial capability-building. These capabilities enable consistent implementation and the progressive transition of customers into mainstream consumer and SME banking, building a long term pipeline of bankable customers across the Group's businesses.

IFRS S1.35(c)(ii)

These initiatives are implemented using internal funding and existing resources.

[1] *Eligibility criteria and applicable thresholds for affordable housing mortgage financing (including income classifications and designated affordable housing schemes) and MSME financing vary by jurisdiction and are applied in accordance with relevant local government policies, regulatory frameworks, or nationally recognised standards.*

[2] *Refers to the eight specific categories of individuals entitled to receive zakat (obligatory almsgiving).*

9.2 Social financing (continued)

d. Financial effects

Customers (Downstream)

Current financial effects

IFRS S1.35(a)

In the current reporting period, the expansion of the Group's targeted social financing activities has resulted in an increase in loans and financing balances to RM21,100.0 million. This balance is reflected in the table summary on page 115 and represents the Group's outstanding social financing balance as at the end of the reporting period, recognised in accordance with IFRS Accounting Standards in the Group's financial statements. The corresponding interest/profit income generated from these loans and financing amounted to RM635.0 million during the reporting period.

The Group also incurred operating expenses associated with these social financing activities, which were not material to the Group.

Anticipated financial effects

IFRS S1.35(c)-(d)

With the continued execution of its sustainability strategy, the Group anticipates the financial effects from the social financing activities to increase progressively over the short and medium term, in line with its target to mobilise RM60.0 billion in social financing by 2030. Refer to the table summary on page 115 for the anticipated financial effects.

The anticipated financial effects on the financial position line item is based on the Group's budgeted annual growth in the outstanding social financing balance from the position as at 31 December 2025. The related interest/profit income per annum is estimated from those outstanding balances for the relevant reporting periods.

9.2 Social financing (continued)

d. Financial effects (continued)

Customers (Downstream) (continued)

Summary of financial effects

IFRS S1.35(a)
IFRS S1.35(c)-(d)

The following table presents the Group's current and anticipated effects on its financial position and financial performance over the short, medium, and long term, arising from social financing opportunities.

In RM million	Current financial effects	Anticipated financial effects (per annum)		
		Short term (2026)	Medium term (2027-2031)	Long term (beyond 2031)
Financial position				
Loans and financing – increase	21,100.0	7,200.0 – 7,500.0	7,800.0 – 8,700.0	- (Note 1)
Financial performance				
Interest/profit income – increase	635.0	840.0– 850.0	1,088.0 – 2,091.0	- (Note 1)

Note 1 – The Group has not provided quantitative information for the long term anticipated financial effects as the time horizon extends beyond the Group's current strategic planning period and the social financing target of RM60.0 billion by 2030. In addition, the level of measurement uncertainty is so high that any resulting data would not be useful to the users of the report.

IFRS S1.38(b)
IFRS S1.40

The effects on cash flows are not presented separately as cash outflows arising from the disbursement of financing are largely offset by inflows from customer deposits and loan repayments and in the normal course of the Group's operations.

IFRS S1.35(b)

The Group does not expect a material adjustment to the carrying amounts of reported assets and liabilities within the next 12 months.

9.3 Processes, controls, and policies to manage sustainable finance opportunity

IFRS S1.44(b)

The process of identifying, assessing, prioritising, and monitoring sustainability-related opportunities forms part of the general process described in Section 6.4.

The Group's SPF provides a consistent approach for classifying, assessing, and recognising sustainable finance opportunities across key business segments. This is supported by defined eligibility and exclusion criteria, verification processes, and governance requirements to ensure credibility and mitigate risks of misclassification and greenwashing.

The eligibility criteria under the SPF are reviewed periodically by management and are subject to oversight by the Board to ensure alignment with evolving climate-related and sustainability regulatory requirements, industry practices, and market developments. The SPF also supports the Group's strategic direction to expand sustainable finance product offerings in a disciplined and consistent manner.

No changes to the process were made during the current reporting period.

9.4 Metrics and targets for emerging opportunities arising from sustainable finance

IFRS S1.46
IFRS S2.34(a)

The Group has internally developed targets relating to opportunities from sustainable financing. The targets and associated methodology have not been validated by third parties. The Group uses the following metrics to measure performance against the targets:

IFRS S1.51(a)-(e)
IFRS S1.51(g)
IFRS S2.33(a)-(e)
IFRS S2.33(g)
IFRS S2.34(c)

In RM million	2023 (Base line)	2024	2025	Cumulative as of 2025	Targets		
					Short term (2026)	Medium term (2027-2031)	Long term (beyond 2031)
Green and transition financing/ investment[1]	5,300.0	5,600.0	5,800.0Ⓐ	16,700.0 ●	-	RM40.0 billion by 2030	Note 1
Social financing	8,000.0	8,300.0	8,700.0Ⓐ	25,000.0 ●	-	RM60.0 billion by 2030	
Total sustainable finance mobilised	**13,300.0**	**13,900.0**	**14,500.0Ⓐ**	**41,700.0** ●	**-**	**RM100.0 billion by 2030**	

● *Target is met / on-track*

Note 1 – No target has been set for the long term as the time horizon extends beyond the Group's current strategic planning period.

IFRS S1.50(c)

Ⓐ These metrics have been subjected to a limited assurance by a [third party organisation]. Refer to the Independent Assurance Report included on pages [XX] to [XX] of the Group's Annual Report.

Difference between metrics to monitor progress against the sustainable finance targets and financial effects disclosures

Amounts reported against the Group's sustainable finance target are measured in accordance with the Group's SPF and reflect the value of eligible financing, investment and facilitation activities (including sustainable capital markets activities and related advisory services) mobilised by the Group for the purpose of tracking progress against the Group's sustainable finance target. By contrast, the financial effects disclosed under the IFRS Sustainability Disclosure Standards on page 110 for green and transition financing/investment and on page 115 for social financing are intended to reflect how sustainable finance opportunities affect the Group's financial position, financial performance and cash flows, based on amounts recognised in accordance with IFRS Accounting Standards in the Group's financial statements.

IFRS S1.50(a)
IFRS S1.50(d)

The sustainable finance mobilised is measured based on the financing approved by the Group and the notional amount of the sustainable investments invested by the Group. These are classified in accordance with the Group's SPF.

The cumulative sustainable finance mobilised as of 2025 is calculated from the base year of 2023 and includes amounts relating to financing and investments that have matured, been repaid, or are no longer outstanding as at the end of the reporting period.

[1] IFRS Sustainability Disclosure Standards do not prescribe a specific format or require a breakdown for the disclosure of green and transition finance. Banks may refer to JC3's Sustainable and Transition Finance Guidance as a reference for definitions of sustainable finance and transition finance, to support classification for disclosure purposes.

9.4 Metrics and targets for emerging opportunities arising from sustainable finance (continued)

IFRS S2.35

During the year, the Group's green and transition financing/investment mobilised increased by 4%, bringing the cumulative total to RM16.7 billion, representing 42% of the 2030 target of RM40.0 billion. Growth was mainly driven by increased financing for customers' decarbonisation and climate-resilience initiatives, supported by national sustainability agendas across the Group's regional markets.

IFRS S1.51(f)

In parallel, cumulative social financing mobilised reached RM25.0 billion in 2025, representing approximately 42% of the 2030 target of RM60.0 billion, following a 5% increase during the year. The increase was supported by continued expansion in affordable housing financing and MSME financing for low-income earners across the Group's regional markets, further reinforced by the launch of WEP during the current reporting period.

The Group cumulatively mobilised RM41.7 billion in sustainable finance as at the end of the reporting period, representing 42% of its 2030 target of RM100.0 billion, positioning the Group on track to achieve this target.

In addition, the Group uses the following metric to measure the proportion of its assets aligned with sustainability-related opportunities:

IFRS S1.46(b)
IFRS S2.29(d)

	2023 (Baseline)	2024	2025
Percentage (%) of loans, financing, and investments aligned with sustainability-related opportunities	4%	8%	11%

IFRS S1.50(c)

The metric was developed with reference to IFRS S2 paragraph 29(d) and broadened to include social financing opportunities. The metric has not been independently validated by a third party.

IFRS S1.50(b)
IFRS S1.50(d)

This metric is calculated based on the outstanding sustainable finance (i.e. loans and financing, financial investments at fair value through other comprehensive income, and financial investments at amortised cost) as at the end of the reporting period, divided by total outstanding loans, financing, and financial investments as at the end of the reporting period.

9.4 Metrics and targets for emerging opportunities arising from sustainable finance (continued)

The Group also tracks the following metrics to assess the reach and outcomes of its social financing activities across programmes.

IFRS S1.50(b)
IFRS S1.50(d)

Metric	Methodology to calculate metric	2023	2024	2025
Number of iTEKAD participants enrolled	Total B40 and asnaf individuals enrolled in the iTEKAD programme since inception (cumulative)	400	600	800
Number of women-owned MSMEs supported under WEP	Total women-owned MSMEs that have received financing and/or business development support under WEP since inception (cumulative)	Note 1	Note 1	300

Note 1 – The Women Empowerment Programme ("WEP") was launched in 2025. Accordingly, no comparative data is available for 2023 and 2024.

IFRS S1.50(a)
IFRS S1.50(c)

These metrics were developed with reference to the SASB standards (Commercial Banks – FN-CB-240a.1) and have been adapted for the Group's purposes. These metrics have not been independently validated by a third party.

The number of iTEKAD participants enrolled and the number of women-owned MSMEs supported under WEP are presented on a cumulative basis from programme inception, with a base year of 2023 for iTEKAD and 2025 for WEP.

These metrics do not have separate programme-level targets. The financing mobilised under both programmes contributes to the Group's social financing target of RM60.0 billion by 2030, as disclosed in the sustainable finance metrics above.

10. Additional disclosures based on the Main Market Listing Requirements

The disclosures set out in this section are included to comply with the Main Market Listing Requirements and do not form part of the disclosure requirements under IFRS S1 and IFRS S2. This section presents the relevant regulatory requirements applicable to the Group, as a listed company in the Main Market.

Extracts of the Amendments in Relation to Sustainability Reporting Requirements

The following paragraphs are extracted from Practice Note 9 ("PN9") of the Main Market Listing Requirements:

6.1A A listed issuer must ensure that the Sustainability Statement is prepared in accordance with the IFRS S1 *General Requirements for Disclosure of Sustainability-related Financial Information* and the IFRS S2 *Climate-related Disclosures*.

6.2 In addition to paragraph 6.1A above, a listed issuer must also include the following in the Sustainability Statement:

c) The metrics and targets that demonstrate the listed issuer's performance and progress in relation to its sustainability-related risks and opportunities for the last 3 financial years, together with data as follows:

No.	Reporting of new metric	Minimum data disclosures
(a)	In the first year of reporting a new metric ("said metric")	Data for the financial year
(b)	In the second year of reporting the said metric	Data for the financial year and the immediate preceding financial year
(c)	From the third year onwards of reporting the said metric	Data for the financial year and the 2 immediate preceding financial years

e) A statement on whether the listed issuer has subjected the Sustainability Statement to:

- internal review by its internal auditor; or
- independent assurance performed in accordance with recognised assurance standards

to strengthen the credibility of the Sustainability Statement, and if so, the subject matter(s) and scope covered. In addition, for independent assurance, the conclusions must also be disclosed; and

f) A summary of the data for the metrics and targets disclosed in the Sustainability Statement, in a prescribed format.

The additional disclosures stated in paragraph 6.2 (c), (e), and (f) above of the PN9 are illustrated in this section.

Prescribed format for material sustainability data

The table below is an illustration of the prescribed format that listed issuers are required to generate a summary of the data for the metrics and targets disclosed in the Sustainability Statement in PDF format via Bursa's Centralised Sustainability Intelligence ("CSI") platform. The generated PDF format must be inserted into the Sustainability Statement in its original form without any edits or modification, for announcement to Bursa Malaysia together with the listed issuer's Annual Report.

Listed issuers should refer to the latest prescribed format in Bursa's CSI platform when preparing their sustainability statements.

10.1 Prescribed table

The Group's metrics and targets that demonstrate the Group's performance and progress in relation to its sustainability-related risks and opportunities are disclosed in Section 7, Section 8, and Section 9 of this report. These metrics and targets have been summarised in the prescribed table below.

Market	: **Main Market**
Stock Code	: **XXX**
Name of PLC	: **Building Trust Bank Berhad**
Financial Year	: **31 December 2025**

Building Trust Bank Berhad
IFRS S1

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Sustainability Matter	Metric	Measurement Unit	2025	Target	Assurance
Risk of financial loss, litigation, and reputational damage associated with breaches of labour and human rights in the Group's operations and value chain (Section 8.1)	Percentage (%) of the Group's employees trained on labour and human rights	Percentage (%)	100%	No target set	External (Limited)
Risk of financial loss, litigation, and reputational damage associated with breaches of labour and human rights in the Group's operations and value chain (Section 8.1)	Number of substantiated labour and human rights-related grievances - Own operations	Number	0	No target set	No assurance
Risk of financial loss, litigation, and reputational damage associated with breaches of labour and human rights in the Group's operations and value chain (Section 8.1)	Number of substantiated labour and human rights-related grievances - Value chain	Number	0	No target set	No assurance
Risk of financial loss, litigation, and reputational damage associated with breaches of labour and human rights in the Group's operations and value chain (Section 8.1)	Number of labour and human rights-related grievances resolved within defined timeframe - Own operations	Number	0	No target set	No assurance
Risk of financial loss, litigation, and reputational damage associated with breaches of labour and human rights in the Group's operations and value chain (Section 8.1)	Number of labour and human rights-related grievances resolved within defined timeframe - Value chain	Number	1	No target set	No assurance
Risk of financial loss, litigation, and reputational damage associated with breaches of labour and human rights in the Group's operations and value chain (Section 8.1)	Number of labour and human rights-related grievances outstanding - Own operations	Number	0	No target set	No assurance
Risk of financial loss, litigation, and reputational damage associated with breaches of labour and human rights in the Group's operations and value chain (Section 8.1)	Number of labour and human rights-related grievances outstanding - Value chain	Number	0	No target set	No assurance

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Building Trust Bank Berhad
IFRS S1

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Sustainability Matter	Metric	Measurement Unit	2025	Target	Assurance
Risk of financial loss, litigation, and reputational damage associated with breaches of labour and human rights in the Group's operations and value chain (Section 8.1)	Percentage (%) of the Group's value chain stakeholders operating in higher-risk sectors and geographies assessed for labour and human rights risks - Material outsourcing vendors	Percentage (%)	100%	100% for material outsourcing vendors operating in higher-risk sectors and geographies	No assurance
Risk of financial loss, litigation, and reputational damage associated with breaches of labour and human rights in the Group's operations and value chain (Section 8.1)	Percentage (%) of the Group's value chain stakeholders operating in higher-risk sectors and geographies assessed for labour and human rights risks - Customers	Percentage (%)	100%	100% for customers operating in higher-risk sectors and geographies	No assurance
Risk of financial loss, litigation, and reputational damage associated with breaches of labour and human rights in the Group's operations and value chain (Section 8.1)	Number of customers that are under the Group's watchlist for labour and human rights risks	Number	2	No target set	No assurance
Risk of financial loss, litigation, and reputational damage associated with breaches of labour and human rights in the Group's operations and value chain (Section 8.1)	Percentage (%) of the Group's value chain stakeholders covered by grievance mechanisms - Material outsourcing vendors	Percentage (%)	100%	100% coverage	No assurance
Risk of financial loss, litigation, and reputational damage associated with breaches of labour and human rights in the Group's operations and value chain (Section 8.1)	Percentage (%) of the Group's value chain stakeholders covered by grievance mechanisms - Customers	Percentage (%)	100%	100% coverage	No assurance
Environmental and social-related opportunities (Section 9.4)	Social financing	Amount (RM million)	8,700.0	RM60.0 billion by 2030	External (Limited)
Environmental and social-related opportunities (Section 9.4)	Total sustainable finance mobilised	Amount (RM million)	14,500.0	RM100.0 billion by 2030	External (Limited)
Environmental and social-related opportunities (Section 9.4)	Number of iTEKAD participants enrolled	Number	800	No target set	No assurance
Environmental and social-related opportunities (Section 9.4)	Number of women-owned MSMEs supported under WEP	Number	300	No target set	No assurance

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Building Trust Bank Berhad

IFRS S1

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FYE 31/12/2025

Sustainability Matter	Metric	Measurement Unit	2025	Target	Assurance
Environmental and social-related opportunities (Section 9.4)	Percentage (%) of loans, financing, and investments aligned with sustainability-related opportunities	Percentage (%)	11%	No target set	No assurance

Building Trust Bank Berhad

IFRS S2

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FYE 31/12/2025

Sustainability Matter	Metric	Measurement Unit	2025	Target	Assurance
Impact of sustainability on remuneration policies (Section 6.3)	Percentage of executive management remuneration recognised in the current period that is linked to climate-related considerations	Percentage (%)	20%	No target set	No assurance
Climate-related physical risk: Flood impacting the Group's operations and customers' credit risk (Section 7.1)	Percentage (%) of branches in flood-prone locations - Own operations	Percentage (%)	6%	< 5%	No assurance
Climate-related physical risk: Flood impacting the Group's operations and customers' credit risk (Section 7.1)	Percentage (%) of loans and financing in flood-prone locations - Customers	Percentage (%)	4%	< 5%	No assurance
Climate-related physical risk: Flood impacting the Group's operations and customers' credit risk (Section 7.1)	Value (RM) of loans and financing in flood-prone locations	Amount (RM million)	9,880.0	No target set	No assurance
Climate-related physical risk: Flood impacting the Group's operations and customers' credit risk (Section 7.1)	Number of loans and financing in flood-prone locations	Number	9,700	No target set	No assurance
Climate-related transition risk: Changes in regulation and market pressure towards a low-carbon economy (Section 7.2)	Scope 1 GHG emissions - The consolidated accounting group	tCO_2e	1,800	No target set	External (Reasonable)
Climate-related transition risk: Changes in regulation and market pressure towards a low-carbon economy (Section 7.2)	Scope 1 GHG emissions - Other investees within the organisational boundary	tCO_2e	—	No target set	External (Reasonable)
Climate-related transition risk: Changes in regulation and market pressure towards a low-carbon economy (Section 7.2)	Scope 1 GHG emissions - Total Scope 1 GHG emissions	tCO_2e	1,800	No target set	External (Reasonable)

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Sustainability Matter	Metric	Measurement Unit	2025	Target	Assurance
Climate-related transition risk: Changes in regulation and market pressure towards a low-carbon economy (Section 7.2)	Scope 2 (location-based) GHG emissions - The consolidated accounting group	tCO2e	20,000	No target set	External (Reasonable)
Climate-related transition risk: Changes in regulation and market pressure towards a low-carbon economy (Section 7.2)	Scope 2 (location-based) GHG emissions - Other investees within the organisational boundary	tCO2e	—	No target set	External (Reasonable)
Climate-related transition risk: Changes in regulation and market pressure towards a low-carbon economy (Section 7.2)	Scope 2 (location-based) GHG emissions - Total Scope 2 (location-based) GHG emissions	tCO2e	20,000	No target set	External (Reasonable)
Climate-related transition risk: Changes in regulation and market pressure towards a low-carbon economy (Section 7.2)	Scope 2 (market-based) GHG emissions - The consolidated accounting group	tCO2e	585	No target set	External (Reasonable)
Climate-related transition risk: Changes in regulation and market pressure towards a low-carbon economy (Section 7.2)	Scope 2 (market-based) GHG emissions - Other investees within the organisational boundary	tCO2e	—	No target set	External (Reasonable)
Climate-related transition risk: Changes in regulation and market pressure towards a low-carbon economy (Section 7.2)	Scope 2 (market-based) GHG emissions - Total Scope 2 (market-based) GHG emissions	tCO2e	585	No target set	External (Reasonable)
Climate-related transition risk: Changes in regulation and market pressure towards a low-carbon economy (Section 7.2)	Scope 3 GHG emissions - Category 1: Purchased goods and services	tCO2e	28,000	No target set	No assurance
Climate-related transition risk: Changes in regulation and market pressure towards a low-carbon economy (Section 7.2)	Scope 3 GHG emissions - Category 6: Business travel	tCO2e	1,800	No target set	No assurance

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Sustainability Matter	Metric	Measurement Unit	2025	Target	Assurance
Climate-related transition risk: Changes in regulation and market pressure towards a low-carbon economy (Section 7.2)	Scope 3 GHG emissions - Category 7: Employee commuting	tCO2e	11,000	No target set	No assurance
Climate-related transition risk: Changes in regulation and market pressure towards a low-carbon economy (Section 7.2)	Scope 3 GHG emissions - Category 15: Investments (Financed emissions)	tCO2e	59,022,900	No target set	No assurance
Climate-related transition risk: Changes in regulation and market pressure towards a low-carbon economy (Section 7.2)	Scope 3 GHG emissions - Total Scope 3 GHG emissions	tCO2e	59,063,700	No target set	No assurance
Climate-related transition risk: Changes in regulation and market pressure towards a low-carbon economy (Section 7.2)	Percentage of reduction in Scope 1 and 2 (market-based) GHG emissions against the baseline year (%)	Percentage (%)	61%	90% by 2030	No assurance
Climate-related transition risk: Changes in regulation and market pressure towards a low-carbon economy (Section 7.2)	Proportion of fleet vehicles that are electric (%)	Percentage (%)	100%	100%	No assurance
Climate-related transition risk: Changes in regulation and market pressure towards a low-carbon economy (Section 7.2)	Number of fleet vehicles that are electric	Number	60	No target set	No assurance
Climate-related transition risk: Changes in regulation and market pressure towards a low-carbon economy (Section 7.2)	Amount (RM) of loans, financing, investments, and undrawn loan commitments in high-emitting sectors	Amount (RM million)	23,200.0	No target set	No assurance
Climate-related transition risk: Changes in regulation and market pressure towards a low-carbon economy (Section 7.2)	Percentage (%) of loans, financing, investments, and undrawn loan commitments in high-emitting sectors	Percentage (%)	7%	No target set	No assurance

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Sustainability Matter	Metric	Measurement Unit	2025	Target	Assurance
Climate-related transition risk: Changes in regulation and market pressure towards a low-carbon economy (Section 7.2)	Emission intensity of the power generation sector (kgCO2e/MWh)	kgCO2e/MWh	480	Short term: No target set Medium term: 250 by 2030 Long term: 0 by 2040	No assurance
Climate-related transition risk: Changes in regulation and market pressure towards a low-carbon economy (Section 7.2)	Emission intensity of the palm oil sector (tCO2e/tCPO)	tCO2e/tCPO	1.70	Short term: No target set Medium term: 1.40 by 2030 Long term: <0.2 by 2050	No assurance
Environmental and social-related opportunities (Section 9.4)	Green and transition financing/ investment	Amount (RM million)	5,800.0	RM40.0 billion by 2030	External (Limited)

Practice Note 9.6.2(e)

10.2 Statement of Assurance

In upholding transparency and accountability, the Group recognises the importance of independent verification to ensure the accuracy of the Group's sustainability disclosures. For 2025, the Group engaged [a third-party organisation] to conduct an independent reasonable and limited assurance on the metrics indicated in the performance table in Section 10.1.

The [third-party audit firm]'s Independent Assurance Report can be found on pages [XX] to [XX] of the Group's Annual Report.

Disclosure for statement of assurance

This disclosure shall be tailored accordingly based on an entity's facts and circumstances.

10.2 Statement of Assurance (continued)

Proposed framework for sustainability assurance

The Advisory Committee on Sustainability Reporting (“ACSR”) published a public consultation paper on 25 June 2025 outlining its proposed framework for sustainability assurance. This framework seeks to strengthen investor confidence and trust in sustainability information while combating greenwashing. The proposed framework covers the following matters:

a) The adoption of international standards relating to sustainability assurance, specifically ISSA 5000 *General Requirements for Sustainability Assurance Engagements*;
b) The expansion of the Audit Oversight Board’s role to regulate sustainability assurance providers of applicable entities;
c) Competency requirements for the sustainability assurance engagement leader; and
d) Timeframe for external reasonable assurance on sustainability information, as detailed in the table below.

Applicable entities	Proposed timeline for external reasonable assurance for annual reporting periods beginning on or after	
	Scope 1 & Scope 2 GHG emissions	IFRS S1 core contents (Governance, Strategy, Risk Management and Metrics and Targets) and Scope 3 GHG emissions
Group 1: Main market listed issuers with market capitalisation of RM2 billion and above	1 January 2027	1 January 2030
Group 2: Main market listed issuers (other than listed issuers in Group 1)	1 January 2028	1 January 2031
Group 3: ACE market listed issuers and large non-listed companies with annual revenue of RM2 billion and above	1 January 2029	1 January 2033

Paragraph 14.9 of BNM CRMSA PD states that FIs shall perform external reasonable assurance with the assurance framework under the NSRF.

The public consultation for the proposed framework has not been finalised at the time of publication of this Guidance Document. For the latest updates and information, please refer to the ACSR official website at *https://www.sc.com.my/nsrf* or contact the ACSR Secretariat at saf@seccom.my.

Appendices

Note: this section is not part of the Illustrative Sustainability Report

Appendix I: Transition reliefs

IFRS Sustainability Disclosure Standards provide transition reliefs for the first annual reporting period in which an entity applies the standards.

The *National Sustainability Reporting Framework* for Malaysia ("NSRF") also includes ATRs to support a smoother transition for an entity reporting under the IFRS Sustainability Disclosure Standards for the first time. For the listed issuers in Malaysia, these ATRs have been included in Practice Note 9A Saving and Transitional Provisions for Sustainability Statement of the Main Market Listing Requirements and Guidance Note 11A Saving and Transitional Provisions for Sustainability Statement of the ACE Market Listing Requirements respectively.

The following table provides a summary of the transition reliefs included in the IFRS Sustainability Disclosure Standards and the NSRF:

No	Description	Transition relief under the IFRS Sustainability Disclosure Standards	ATRs under the NSRF	Transition relief illustrated in the ISR?
A	Relief from disclosing comparative information	An entity is not required to provide the disclosures specified in IFRS S1 for any period before the date of initial application. Accordingly, the applicable entity is not required to disclose comparative information in the first annual reporting period in which it applies IFRS S1. *[IFRS S1 Appendix E3]* A similar relief is available in IFRS S2 where the applicable entity is not required to provide the disclosures specified in IFRS S2 for any period before the date of initial application. Accordingly, the applicable entity is not required to disclose comparative information in the first annual reporting period in which it applies IFRS S2. *[IFRS S2 Appendix C3]*	A similar transition relief as the IFRS Sustainability Disclosure Standards is available, subject to the respective regulators' requirements. Refer to item 2.6 in the *FAQ on the NSRF* issued by the ACSR for further information.	Yes – except for Section 7.2(e) climate-related transition risks and Section 9.4 Environmental and social-related opportunities.

The following table provides a summary of the transition reliefs included in the IFRS Sustainability Disclosure Standards and the NSRF (continued):

No	Description	Transition relief under the IFRS Sustainability Disclosure Standards	ATRs under the NSRF	Transition relief illustrated in the ISR?
B	Relief from reporting sustainability-related financial disclosures at the same time as the related financial statements	In the first annual reporting period in which an entity applies IFRS S1, the entity is permitted to report its sustainability-related financial disclosures after it publishes its related financial statements. In applying this transition relief, the entity shall report its sustainability-related financial disclosures: (a) at the same time as its next second-quarter or half-year interim general purpose financial report, if the entity is required to provide such an interim report; (b) at the same time as its next second-quarter or half-year interim general purpose financial report, but within nine months of the end of the annual reporting period in which the entity first applies IFRS S1, if the entity voluntarily provides such an interim report; or (c) within nine months of the end of the annual reporting period in which the entity first applies IFRS S1, if the entity is not required to and does not voluntarily provide an interim general purpose financial report. *[IFRS S1 Appendix E4]*	This relief has not been adopted by the NSRF. The ACSR is of the view that the applicable entity should issue its sustainability-related financial disclosures at the same time as its financial statements to ensure that the market attains the full set of information from the applicable entity. The applicable entity should also adhere to its respective regulators' requirements on timing of reporting in Practice Note 9.1.2A. Listed issuers that issue their annual audited financial statements earlier than their annual reports are required to concurrently issue their annual Sustainability Statements in order to comply with the ISSB Standards' requirements (IFRS S1 Paragraph 64). For the purpose of complying with the Listing Requirements, listed issuers must ensure that both their annual audited financial statements and Sustainability Statements issued earlier are incorporated into their annual reports. Accordingly, this relief in the IFRS Sustainability Disclosure Standards is not available for the applicable entity within the scope of the NSRF. Refer to items 2.6, 2.8 and 2.8A in the FAQ on the NSRF issued by the ACSR for further information.	No

The following table provides a summary of the transition reliefs included in the IFRS Sustainability Disclosure Standards and the NSRF (continued):

No	Description	Transition relief under the IFRS Sustainability Disclosure Standards	ATRs under the NSRF	Transition relief illustrated in the ISR?
C	Relief from reporting information about sustainability-related risks and opportunities beyond climate-related risks and opportunities	In the first annual reporting period in which an entity applies IFRS S1, the entity is permitted to disclose information on only climate-related risks and opportunities (in accordance with IFRS S2) and consequently apply the requirements in IFRS S1 only insofar as they relate to the disclosure of information on climate-related risks and opportunities. If the entity uses this transition relief, it shall disclose that fact. *[IFRS S1 Appendix E5]* If the entity uses the transition relief in paragraph E5: (a) in the first annual reporting period in which the entity applies IFRS S1, it is not required to disclose comparative information about its climate-related risks and opportunities; and (b) in the second annual reporting period in which the entity applies IFRS S1, it is not required to disclose comparative information about its sustainability-related risks and opportunities, other than its climate-related risks and opportunities. *[IFRS S1 Appendix E6]* The IFRS Foundation has issued additional educational material to help preparers understand which requirements in IFRS S1 are applicable when a company discloses information on only climate-related risks and opportunities in accordance with IFRS S2. Preparers may refer to the educational material – *Applying IFRS S1 when reporting only climate-related disclosures in accordance with IFRS S2*.	A similar transition relief is available for an extended period as follows: • Group 1* and Group 2* entities – this relief is available for two (2) years (i.e. an additional year compared to IFRS S1) • Group 3* entities – this relief is available for three (3) years (i.e. two (2) additional years compared to IFRS S1) *[NSRF ATR 1]*	No If this relief is adopted by a first-time preparer, information on non-climate related risks and opportunities (for e.g. other environment, social and governance risks and opportunities) is not required to be disclosed.

**Group 1, Group 2 and Group 3 entities are defined in the NSRF. Group 1 consists of Main Market listed issuers with a market capitalisation of RM2 billion or more. Group 2 comprises Main Market listed issuers not included in Group 1. Group 3 includes ACE Market listed issuers and non-listed companies ("NLCos") with annual revenue of RM2 billion or more.*

The following table provides a summary of the transition reliefs included in the IFRS Sustainability Disclosure Standards and the NSRF (continued):

No	Description	Transition relief under the IFRS Sustainability Disclosure Standards	ATRs under the NSRF	Transition relief illustrated in the ISR?
D	Measurement method other than the GHG Protocol can be used to measure Scope 1, Scope 2, and Scope 3 GHG emissions	In the first annual reporting period in which an entity applies IFRS S2, if, in the annual reporting period immediately preceding the date of initial application of IFRS S2, the entity used a method for measuring its GHG emissions other than the Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (2004), the entity is permitted to continue using that other method. *[IFRS S2 Appendix C4(a)]* If the entity uses the relief in paragraph above, the entity is permitted to continue to use that relief for the purposes of presenting that information as comparative information in subsequent reporting periods. *[IFRS S2 Appendix C5]*	A similar transition relief as the IFRS Sustainability Disclosure Standards is available.	No If this relief is adopted by a first-time preparer, information on the applicable method and measurement approach used by the entity to determine its GHG emissions and the reason for the entity's choice of method and measurement approach should be disclosed. *[IFRS S2 paragraph B28]* The entity should also disclose how the approach relates to the disclosure objective on metrics and targets as described in IFRS 2 paragraph 27 and B28.

Appendix I: Transition reliefs (continued)

The following table provides a summary of the transition reliefs included in the IFRS Sustainability Disclosure Standards and the NSRF (continued):

No	Description	Transition relief under the IFRS Sustainability Disclosure Standards	ATRs under the NSRF	Transition relief illustrated in the ISR?
E	Relief from disclosing Scope 3 GHG emissions	In the first annual reporting period in which an entity applies IFRS S2, the entity is not required to disclose its Scope 3 GHG emissions which includes, if the entity participates in asset management, commercial banking or insurance/takaful activities, the additional information about its financed emissions. *[IFRS S2 Appendix C4(b)]* If the entity uses the relief in the above paragraph, the entity is permitted to continue to use that relief for the purposes of presenting that information as comparative information in subsequent reporting periods. *[IFRS S2 Appendix C5]*	A similar transition relief is available, except for Scope 3 categories already required to be disclosed by the applicable entity's respective regulators. The relief is available for an extended period as follows: • Group 1* and Group 2* entities – this relief is available for two (2) years (i.e. an additional year compared to IFRS S2) • Group 3* entities – this relief is available for three (3) years (i.e. two (2) additional years compared to IFRS S2) *[NSRF ATR 3]*	No If this relief is adopted by a first-time preparer, the entity will only need to report Scope 1 and Scope 2 GHG emissions.
F	Relief on disclosing on principal business segment only	No such transition relief is available. Refer to the next column for the relief under NSRF and Bursa Malaysia's listing requirements.	An applicable entity is permitted to focus on providing climate-related disclosures for principal business segments. The relief is available for: • Group 1* and Group 2* entities – this relief is available for two (2) years (i.e. an additional year compared to IFRS S1) • Group 3* entities – this relief is available for three (3) years (i.e. two (2) additional years compared to IFRS S1) *[NSRF ATR 2]* A first-time preparer adopting this relief should refer to the guidance issued by the NSRF and Bursa Malaysia Securities Berhad on the application of this relief. Refer to Note 1 below.	No

**Group 1, Group 2 and Group 3 entities are defined in the NSRF. Group 1 consists of Main Market listed issuers with a market capitalisation of RM2 billion or more. Group 2 comprises Main Market listed issuers not included in Group 1. Group 3 includes ACE Market listed issuers and non-listed companies ("NLCos") with annual revenue of RM2 billion or more.*

Note 1:
How would listed issuers apply the transition relief that permits entities to focus on providing climate-related disclosures for principal business segment (item F in the table above)?

Pursuant to paragraph 7(c) in Part A of Appendix 9C of the Main Market Listing Requirements, a listed issuer is required to provide a "review of operating activities including discussion on the main factors that may affect the operating activities of each principal business segment of the group, impact on future operating activities, and the approach or action taken in dealing with the effect or outcome of such matters on its business activities" as part of the Management Discussion & Analysis ("MD&A") disclosures in its annual reports.

When complying with the IFRS Sustainability Disclosure Standards, the listed issuer is required to disclose material information about the sustainability-related risks and opportunities for the same reporting entity as for its financial statements. The IFRS Sustainability Disclosure Standards require the listed issuer to disclose material information about the sustainability-related risks and opportunities that could reasonably be expected to affect its prospects and in a manner that enables primary users to understand the connections between disclosures provided across its sustainability-related financial disclosures and its related financial statements and other information in general purpose financial reports. The listed issuer will need to consider these requirements when assessing the key operating activities and factors affecting the operating activities across its different business segments of the group to determine the disclosure of material information about sustainability-related risks and opportunities. The listed issuer will also need to consider how information about the sustainability-related risks and opportunities for key operating activities is presented to enable primary users to understand connections with information about business segments in the MD&A disclosures.

Refer to item 9.51I in the *Question and Answers in relation to Bursa Malaysia Securities Berhad Listing Requirements* and item 2.13 in the *FAQ on the NSRF* issued by the ACSR for further information.

Note 2:
Impact of applying extended reliefs or additional reliefs under the NSRF to the statement of compliance under IFRS Sustainability Disclosure Standards

The Guidance Document has been prepared without the application of any extended reliefs or additional reliefs provided under the NSRF. As Building Trust Bank Berhad in the Guidance Document applies only the transition reliefs on not disclosing comparative information that has been provided as part of IFRS S1 and IFRS S2, Building Trust Bank Berhad is able to provide a statement of compliance under IFRS Sustainability Disclosure Standards, as included under Section 1.1 Compliance with IFRS Sustainability Disclosure Standards. The reliefs applied are illustrated in Section 1.3 First-time adoption of IFRS Sustainability Disclosure Standards and transition reliefs.

Paragraph 72 of IFRS S1 requires entity preparing its sustainability-related financial disclosures in accordance with the IFRS Sustainability Disclosure Standards to make an explicit and unreserved statement of compliance. An entity can only state that it has complied with the IFRS Sustainability Disclosure Standards if it meets all of the requirements in the IFRS Sustainability Disclosure Standards. The adoption of any additional or extended reliefs under NSRF which are not part of the IFRS Sustainability Disclosure Standards will result in the reporting entity not being able to assert compliance with the IFRS Sustainability Disclosure Standards.

Refer to the guidance in Section 1.1 for an illustration of the statement of compliance when jurisdictional modifications are applied.

Appendix II: Additional guidance on financed emissions for asset management activities

Extracts of IFRS S2 *Accompanying Guidance on Climate-related Disclosures*

Further to the illustration of financed emissions in Section 7.2, the following paragraphs extracted from IE25 – IE38 of *IFRS S2 Accompanying Guidance on Climate-related Disclosures* provide additional guidance for an entity with asset management activities:

IE25 Examples 4–5 illustrate how an entity with asset management operations might disaggregate the Scope 3 greenhouse gas emissions of its portfolios (Category 15) when it applies the requirements in IFRS S2 (paragraph B61) and the principles of aggregation and disaggregation in IFRS S1 (paragraphs B29–B30) to disclose the greenhouse gas emissions associated with total assets under management ("AUM").

IE26 An asset manager manages CU11 billion in seven corporate bond portfolios[2]. Table 5 sets out details about the portfolios.

Table 5: Asset Manager AUM by portfolio and strategy

Portfolio name	Strategy	AUM (in CU)
Fund A	Active Corporate Bond	1.9bn
Fund B	Active Corporate Bond	1.9bn
Fund C	Active Corporate Bond	2.2bn
Fund D	Passive Corporate Bond	1.5bn
Fund E	Passive Corporate Bond	1.3bn
Fund F	Passive Corporate Bond	1.05bn
Fund G	Passive Corporate Bond	1.15bn

IE27 As an asset manager, the entity is required by IFRS S2 to provide information about the greenhouse gas emissions associated with its total AUM. The entity calculates the greenhouse gas emissions associated with its seven corporate bond portfolios and includes the portfolio emissions for 98% of its total AUM in its calculation. The remaining 2% of its total AUM, or CU220 million, is cash. The entity does not disclose any portfolio emissions associated with this cash. The entity discloses Scope 1, Scope 2 and Scope 3 greenhouse gas emissions at the total AUM level.

IE28 The entity considers how to disclose information about its financed emissions. In making its decision, the entity considers that:

a) the entity's portfolios within each of the active and passive strategy groupings are highly similar in their composition and risk exposure.
b) the active strategies have higher total fees than the passive strategies and contribute significantly more to the entity's revenue. This dynamic is not expected to change.
c) the greenhouse gas emissions of its active strategies are significantly lower than those of its passive strategies.

IE29 Additionally, the portfolio emissions of the entity's active strategies better reflect its climate-related risk analysis because the entity's passive strategies track the performance and holdings of a benchmark, whereas its active strategies seek to outperform a benchmark. While both strategies face the risk of poor performance, the entity also identifies differing risk exposures between active and passive strategies as its active strategies may face outflows from underperforming a benchmark, but those strategies also have greater flexibility in managing or reducing their financed emissions compared to the entity's passive strategies.

[2] *In this guidance, monetary amounts are denominated in currency units (CU).*

Extracts of IFRS S2 *Accompanying Guidance on Climate-related Disclosures* (continued)

Further to the illustration of financed emissions in Section 7.2, the following paragraphs extracted from IE25 – IE38 of *IFRS S2 Accompanying Guidance on Climate-related Disclosures* provide additional guidance for an entity with asset management activities (continued):

IE30 Although IFRS S2 does not explicitly require disaggregation of an entity's financed emissions by active and passive strategies, the entity considers the requirement in IFRS S1 that prohibits information from being aggregated if doing so would obscure information that is material.

IE31 For the reasons outlined in paragraphs IE28–IE30, the entity decides that disaggregating information about its financed emissions, specifically related to active and passive strategies, is necessary to provide material information to users of general purpose financial reports.

IE32 The entity disaggregates its portfolio emissions by active and passive strategies, as illustrated in Table 6.

Table 6: Financed emissions disclosure disaggregated between active and passive strategies

	Financed emissions (metric tonnes CO_2e)		
	Active strategies	**Passive strategies**	**Total**
Scope 1	12,880,551	27,300,950	40,181,501
Scope 2	2,983,115	8,120,335	11,103,450
Scope 3	43,771,005	103,799,005	147,570,010
Total disclosed	**43,771,005**	**139,220,290**	**198,854,961**
AUM (in CU) included	5.88bn	4.9bn	10.78bn
% of total AUM included (% of strategy-specific AUM included)	53.5% (98%)	44.5% (98%)	98% (N/A)

Note A: 2.0% of AUM, or CU220 million, is excluded from the financed emissions calculation, which represents cash held in the funds.

IE33 An asset manager manages CU60 billion in eight long term bond and equity portfolios. Table 7 sets out details about the portfolios.

Table 7: Asset manager AUM by portfolio and asset class

Portfolio name	Asset class	AUM (in CU)
Fund A	Long-term bond	6.8bn
Fund B	Long-term bond	6.9bn
Fund C	Long-term bond	8.9bn
Fund D	Equity (publicly traded)	6bn
Fund E	Equity (publicly traded)	6bn
Fund F	Equity (publicly traded)	7.9bn
Fund G	Equity (publicly traded)	8.6bn
Fund H	Equity (publicly traded)	8.9bn

Extracts of IFRS S2 *Accompanying Guidance on Climate-related Disclosures* (continued)

Further to the illustration of financed emissions in Section 7.2, the following paragraphs extracted from IE25 – IE38 of *IFRS S2 Accompanying Guidance on Climate-related Disclosures* provide additional guidance for an entity with asset management activities (continued):

IE34 As an asset manager, the entity is required by IFRS S2 to provide information about the greenhouse gas emissions associated with its total AUM. The entity calculates the emissions associated with its eight portfolios and includes the financed emissions for 98% of its total AUM in its calculation. The remaining 2% of AUM, or CU1.2bn, is cash. The entity does not disclose any financed emissions associated with this cash. The entity discloses these greenhouse gas emissions by Scope 1, Scope 2 and Scope 3 greenhouse gas emissions at the total AUM level.

IE35 The entity considers how to disclose information about its financed emissions. In making its decision, the entity considers that:

a) the long term bond portfolios seek long term capital appreciation (average holding period of seven years) and the publicly traded equity portfolios seek short term capital appreciation (average holding period of nine months).
b) its assessment of the climate-related risks affecting these two asset classes differs because each asset class is affected differently by climate-related risks and opportunities.
c) the entity's portfolios within each asset class are similar in their composition and risk exposure to the entity's other portfolios within the same asset class. This is true for both asset classes: long- term bonds and publicly traded equities.

IE36 Although IFRS S2 does not explicitly require disaggregation of an entity's financed emissions by long term bonds and publicly traded equities, the entity considers the requirement in IFRS S1 that prohibits information from being aggregated if doing so would obscure information that is material.

IE37 For the reasons outlined in paragraphs IE35–IE36, the entity decides that disaggregating information about its financed emissions, specifically related to long term bonds and publicly traded equities, is necessary to provide material information to users of general purpose financial reports.

IE38 The entity disaggregates its financed emissions by asset class, as illustrated in Table 8.

Table 8: Financed emissions disclosure disaggregated by asset class

	Financed emissions (metric tonnes CO_2e)		
	Long term bonds	**Publicly traded equities**	**Total**
Scope 1	48,600,415	101,487,332	150,087,747
Scope 2	33,805,025	27,187,765	60,992,790
Scope 3	159,615,008	301,001,718	460,616,726
Total reported	**242,020,448**	**429,676,815**	**671,697,263**
AUM (in CU) included	22.15bn	36.65bn	58.8bn
% of total AUM included (% of asset class-specific AUM included)	36.9% (98%)	61.1% (98%)	98% (N/A)

Note A: 2.0% of AUM, or CU1.2bn, is excluded from the financed emissions calculation, which represents cash held in the funds.

Appendix III: Glossary of acronyms

There is no specific requirement in the IFRS Sustainability Disclosure Standards to disclose a glossary of acronyms in sustainability reports. The glossary illustrated in the table below is solely for ease of reference for preparers in understanding the terms and acronyms referred to in this publication.

ACSR	Advisory Committee on Sustainability Reporting	IFRS S1	IFRS S1 General Requirements for Disclosure of Sustainability-related Financial Information
AEP	Annual Exceedance Probability	IFRS S2	IFRS S2 Climate-related Disclosures
ASEAN	Association of Southeast Asian Nations	ILO	International Labour Organization
ATRs	Additional Transition Reliefs	IPCC	Intergovernmental Panel on Climate Change
AUM	Assets Under Management	IRF	Implementation Reporting Framework
BAC	Board Audit Committee	ISSA	International Standard on Sustainability Assurance
BNC	Board Nomination Committee	ISSB	International Sustainability Standards Board
BNM	Bank Negara Malaysia	IT	Information Technology
Board	Board of Directors	JC3	Joint Committee on Climate Change
BRC	Board Remuneration Committee	JC3-SC2	Joint Committee on Climate Change Sub-Committee 2
BRMC	Board Risk Management Committee	$kgCO_2e$/ MWh	kilograms of carbon dioxide equivalent per megawatt-hour
BSC	Board Sustainability Committee	LED	Light-Emitting Diode
CCPT	Climate Change and Principle-based Taxonomy	LULUCF	Land Use, Land Use Change, and Forestry
CPO	Crude Palm Oil	MD&A	Management Discussion & Analysis
CRMSA PD	Climate Risk Management and Scenario Analysis Policy Document	MFRS	Malaysian Financial Reporting Standards
CRST	Climate Risk Stress Testing	MSMEs	Micro, Small, and Medium Enterprises
CSI	Centralised Sustainability Intelligence	MSIC	Malaysia Standard Industrial Classification
DESNZ	Department for Energy Security and Net Zero	MSPO	Malaysian Sustainable Palm Oil
EACs	Energy Attribute Certificates	MWh	Megawatt-hour
ECL	Expected Credit Losses	NAPBHR	National Action Plan on Business and Human Rights
ESG	Environmental, Social and Governance	NDC	Nationally Determined Contribution
ESRS	European Sustainability Reporting Standards	NDPE	No Deforestation, No Peat, No Exploitation
EVIC	Enterprise Value Including Cash	NETR	National Energy Transition Roadmap
FAQs	Frequently Asked Questions	NGFS	Network for Greening the Financial System
FIs	Financial Institutions	NSRF	National Sustainability Reporting Framework
FLAG	Forest, Land and Agriculture	NZ	Net Zero
FPIC	Free, Prior and Informed Consent	NZE	Net Zero Emissions
GAAP	Generally Accepted Accounting Principles	OECD	Organisation for Economic Co-operation and Development
GCRO	Group Chief Risk Officer	PBT	Profit Before Tax
GCSO	Group Chief Sustainability Officer	PCAF	Partnership for Carbon Accounting Financials
GDP	Gross Domestic Product	PD	Probabilities of Default
GHG	Greenhouse Gas	PDF	Portable Document Format
GRC	Group Risk Committee	PLC	Public Listed Company
GRI	Global Reporting Initiative	PN9	Practice Note 9
GSSB	Global Sustainability Standards Board	PPP	Purchase Power Parity
GWP	Global Warming Potential	RAFt	Relief and Adaptation Facility
IASB	International Accounting Standards Board	RAG	Red, Amber, Green
IBFIM	Islamic Banking and Finance Institute Malaysia	RM	Ringgit Malaysia
IEA	International Energy Agency	RCP	Representative Concentration Pathway
IFRS	International Financial Reporting Standards	RECs	Renewable Energy Certificates

Appendix III: Glossary of acronyms (continued)

SASB	Sustainability Accounting Standards Board	tCO_2e	Tonnes of Carbon Dioxide Equivalent
SBTi	Science Based Targets initiative	tCO_2e/ tCPO	tonnes of carbon dioxide equivalent per tonne of crude palm oil
SEC	Sustainability Executive Committee	TIG	Transition Implementation Group
SME	Small and Medium-sized Enterprises	UK	United Kingdom
SOCF	Statement of Cash Flows	UNGPs	United Nations Guiding Principles on Business and Human Rights
SPF	Sustainable Product Framework	US	United States
SSP	Shared Socioeconomic Pathway	WEP	Women Empowerment Programme
TCFD	Task Force on Climate-Related Financial Disclosures	VBIAF	Value-based Intermediation Financing and Investment Impact Assessment Framework

Appendix IV: Resources

The resource links below are accurate as at the date of publication of this Guidance Document. Readers should refer to the latest available versions of the relevant resources where available. No responsibility is assumed for the continued accuracy of the links or the content of external websites.

Section	Resources
About this publication – an introduction	• IFRS S1 General Requirements for Disclosure of Sustainability-related Financial Information • IFRS S2 Climate-related Disclosures • National Sustainability Reporting Framework • Task Force on Climate-related Financial Disclosures ("TCFD") Application Guide for Malaysian Financial Institutions ("FIs")
Building Trust Bank Berhad illustrative sustainability disclosures	• BNM Climate Risk Management and Scenario Analysis Policy Document • The Global Reporting Initiative ("GRI") Standards
1. Basis of preparation	• Amendments to IFRS S2 Amendments to Greenhouse Gas Emissions Disclosures • Bursa Malaysia Securities Berhad Main Market Listing Requirements • Educational material: Disclosing information about anticipated financial effects applying ISSB Standards • Educational material: The effects of climate-related matters on financial statements prepared applying the IFRS Standards • Exposure Draft: Proposed amendments to the SASB Standards and IFRS S2 Industry-based Guidance • Facilitating efficient reporting when using the GRI and ISSB Standards • GRI 102 and IFRS S2: Statement on reporting on both standards and equivalence for IFRS S2 on GHG Emissions Disclosures • IFRS Webcasts: Connectivity between the financial statements and sustainability-related financial disclosures • IFRS Webcasts: Current and anticipated financial effects • Laws of Malaysia Companies Act 2016 • Malaysian Financial Reporting Standards ("MFRS")
3. Reporting boundary	• Educational material: Greenhouse Gas Emissions Disclosure requirements applying IFRS S2 Climate-related Disclosures • Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (2004) • Greenhouse Gas Protocol: Corporate Value Chain (Scope 3) Accounting and Reporting Standard 2011 • Summary of the Transition Implementation Group on IFRS S1 and IFRS S2 ("TIG") meeting held on 13 June 2024
5. Materiality Assessment	• Educational material: Sustainability-related risks and opportunities and the disclosure of material information • Educational material: Using the SASB Standards to meet the requirements in IFRS S1 • ESRS-ISSB Standards – Interoperability Guidance • IFRS Webcast: Proportionality mechanisms in IFRS Sustainability Disclosure Standards • SASB Standards Financials Sector - Asset Management & Custody Activities • SASB Standards Financials Sector - Commercial Banks • SASB Standards Financials Sector - Consumer Finance • SASB Standards Financials Sector - Investment Banking & Brokerage • SASB Standards Financials Sector - Mortgage Finance

Section	Resources
6. Sustainability Governance	• BNM Value-based Intermediation Financing and Investment Impact Assessment Framework ("VBIAF") Guidance Document • Maqasid Al-Shariah Guidance - Islamic Capital Market Malaysia
7. Climate-related risks	• IFRS S2 Accompanying Guidance on Climate-related Disclosures • LHDN Malaysia – Malaysia Standard Industrial Classification ('MSIC") Codes • Network for Greening the Financial System ("NGFS") Climate Scenarios for central banks and supervisors - Phase V • Partnership for Carbon Accounting Financials ("PCAF") Financed Emissions Standard, Part A (Third Edition, December 2025)
8. Social-related risks	• International Labour Organization ("ILO") Declaration on Fundamental Principles and Rights at Work and its Follow-up • National Action Plan on Business and Human Rights ("NAPBHR") 2025 – 2030 • Organisation for Economic Co-operation and Development ("OECD") Guidelines for Multinational Enterprises on Responsible Business Conduct • United Nations Guiding Principles on Business and Human Rights ("UNGPs")
9. Environmental and social-related opportunities	• ASEAN Taxonomy for Sustainable Finance • BNM Climate Change and Principle-based Taxonomy ("CCPT") • ICMA Green Bond Principles • ICMA Social Bond Principles • Joint Committee on Climate Change ("JC3") Sustainable & Transition Finance Guidance • LMA Green Loan Principles • LMA Social Loan Principles
10. Additional disclosures based on the Main Market Listing Requirements	• Advisory Committee on Sustainability Reporting ("ACSR") Public Consultation Paper No.2 / 2025 Proposed Framework for Sustainability Assurance
Others	• Educational material: Applying IFRS S1 when reporting only climate-related disclosures in accordance with IFRS S2 • Frequently Asked Questions ("FAQ") on the NSRF • Illustrative Sustainability Report based on the GRI Standards and IFRS Sustainability Disclosure Standards • Illustrative Sustainability Report for the Construction Sector based on the IFRS Sustainability Disclosure Standards • Illustrative Sustainability Report for the Plantation Sector based on the IFRS Sustainability Disclosure Standards • Questions and Answers in relation to Bursa Malaysia Securities Berhad Listing Requirements