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

Insurance and Takaful Industry

Acknowledgment

The development of this Guidance Document for the Insurance and Takaful Industry 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:

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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 the 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 Taskforce 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 insurance company

This Guidance Document illustrates a sustainability report for a fictional listed company within the insurance and takaful industry, Insurance Holdings 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.

Insurance Holdings Berhad is a fictional company listed on Bursa Malaysia's Main Market and is the parent company of a consolidated group (the "Group"). The Group is principally engaged in all classes of general insurance/takaful, life insurance/family takaful, and investment-linked business, with operations across Malaysia. Information about entities within the Group's reporting boundary is included in Section 3 of this Guidance Document.

The Group's structure, reporting boundary, 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.

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

- **Appendix III: 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 company, Insurance Holdings 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 legislations. 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.

Insurance Holdings 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.

Insurance Holdings 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)**	
Climate and social-related risks	**Climate-related physical risk (Section 7)** • Increased severity of extreme weather events resulting in increased claims • Increase in life and health claims driven by extreme weather events	**Climate-related transition risk (Section 7)** • Risk of market disruption to underwriting portfolio arising from transition to a lower-carbon economy • Risk of devaluation of investments in carbon-intensive sectors arising from transition to a lower-carbon economy	**Social-related risk (Section 8)** • Unclear product communication and customer misunderstandings leading to legal proceedings and fines	
Climate and social-related opportunities	**Climate and social-related opportunities (Section 9)** • Insurance/Takaful product development to support the transition to a lower-carbon economy • Opportunities for enhanced returns on investments aligned with the transition to a lower-carbon economy • Sustainability-related insurance/takaful product development to support a just transition			

Standard reference

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:

IFRS S1 App A

"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 Insurance Holdings 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 for the Insurance industry 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 Insurance Holdings 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

IFRS S1.64

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 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 S1.30(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. These reflect the varying contract durations in the insurance business (e.g., one year for general insurance products and potentially extending beyond 20 years for certain life insurance products), as well as the corresponding investment holding periods, which are typically managed in line with the Group's asset-liability profile.

IFRS S1.31

Short term
Up to 3 years

Medium term
More than 3 years to 10 years

Long term
Beyond 10 years

IFRS S2.10(d)

- **Short term**: aligns with the Group's three-year business planning cycle.
- **Medium term**: aligns with the Group's interim investment targets over a multi-year horizon beyond the short term planning cycle.
- **Long term**: captures impacts that are expected to materialise beyond the short and medium term horizons, reflecting the long-duration nature of certain insurance liabilities and investment portfolios, and aligns with the Group's Net Zero GHG emissions target by 2050.

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

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, Insurance Holdings 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.

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.

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

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 GHG emissions in the investment portfolio by 2050 (refer to Section 7.5), 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 has 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, 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".
- Permitting an entity to select an industry-classification system to disaggregate “financed emissions”. Refer to the metrics and targets under Section 7.5 climate-related metrics and targets 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, as 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 7.5 and Section 9.2.

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.

IFRS S1.E5

Transition reliefs

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. Insurance Holdings 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 Insurance Holdings 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 7.5 and Section 9.2), the comparative information required as described above has not been illustrated in this Illustrative Sustainability Report.

Insurance Holdings Berhad will need to disclose the 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.

IFRS S1.68

1.4 Events after the reporting period

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.

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 Reporting 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 issuance	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.

1.4 Events after the reporting period (continued)

Examples of adjusting and non-adjusting subsequent events (continued)

*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 general insurance business 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 operates in Malaysia, serving customers across both West Malaysia and East Malaysia, offering a suite of protection and financial security products across four major lines of business.

Lines of business

General insurance	General takaful
Life insurance	Family takaful

- **General Insurance**: Provides coverage for motor, property, financial and personal lines, as well as Small and Medium Enterprises ("SMEs") and large industrial risks.
- **Life Insurance**: Offers a range of life protection, medical and health coverage, savings, and investment-linked products that help customers safeguard their financial well-being.
- **General Takaful**: Provides Shariah-compliant coverage for individuals, SMEs and corporate customers, including motor, property, and personal accident takaful, as well as other general risk solutions.
- **Family Takaful**: Provides Shariah-compliant long-term protection and financial planning solutions, including protection, health, and investment-linked products, to support family well-being.

These products are distributed nationwide through the Group's multi-channel network, comprising of its bancassurance and bancatakaful partners, agency, franchises, partnerships, brokers, and digital platforms.

Our strategy and sustainability-related goals

The Group is committed to delivering sustainable, inclusive, and customer-focused protection solutions, underpinned by strong governance and responsible investment practices. Guided by the Group's vision to protect communities and build long-term financial resilience, the Group's overarching strategy focuses on:

- Strengthening underwriting excellence and risk management to better manage climate-related physical and transition risks.
- Enhancing protection for Malaysian families and businesses.
- Driving product innovation through accessible protection offerings.
- Supporting long-term value creation for policyholders/certificate holders and stakeholders through sustainable practices.
- Advancing responsible investment practices, including consideration of climate-related risks and opportunities.

2.1 Overview of the Group (continued)

Our strategy and sustainability related goals (continued)

IFRS S1.32

Aligned with these strategic priorities, the Group has established the following sustainability and climate-related goals under its Climate Transition Plan which is disclosed in Section 7.4 of this Illustrative Sustainability Report:

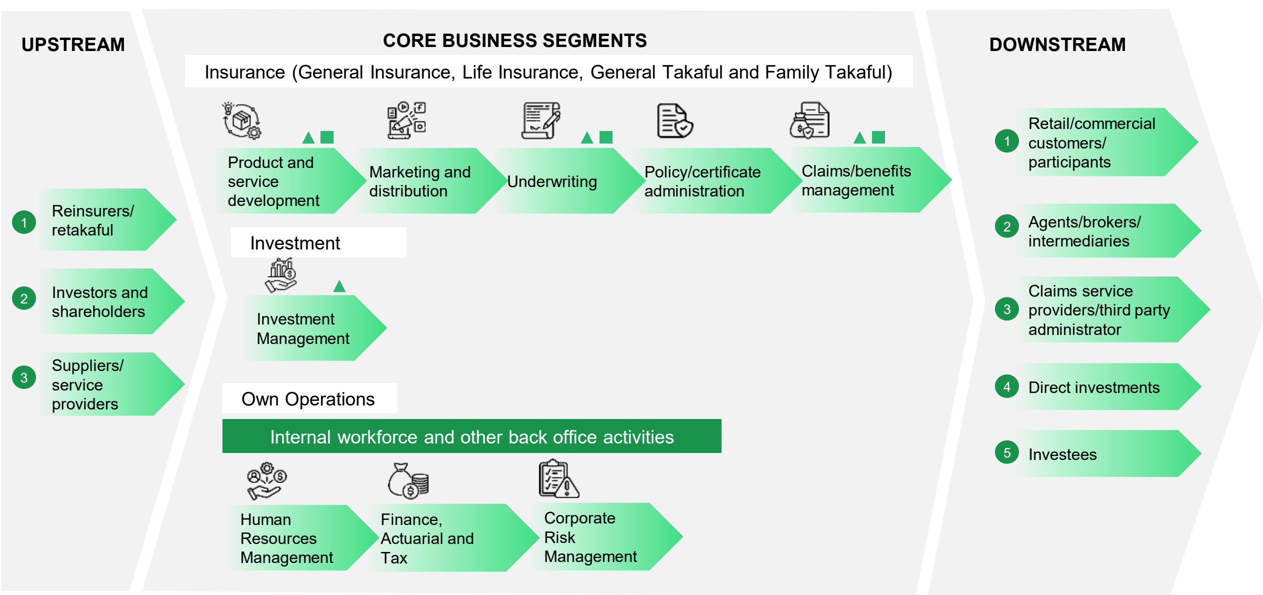
- **20% reduction in GHG emissions intensity in investment portfolio – covering listed equity and corporate bonds asset classes by 2030 from a 2023 baseline (Scope 3)**: The Group aims to reduce the emissions intensity of its investment portfolio by 20% by 2030 through applying ESG ("Environmental, Social, and Governance") and climate-risk screening in the investment portfolio and engaging investee companies.
- **Net Zero GHG emissions in investment portfolio by 2050 (Scope 3)**: The Group is targeting a Net Zero investment portfolio by 2050 by progressively decarbonising its portfolio and directing capital towards sustainable and climate solution investments.
- **Carbon neutral across operational emissions by 2030 (Scope 1 and 2)**: The Group aims to achieve carbon neutrality by 2030 by improving energy efficiency across offices through initiatives such as the adoption of energy-efficient appliances and lighting, infrastructure improvements, as well as increasing renewable energy usage through the installation of onsite solar panels and the procurement of renewable energy certificates ("RECs").

2.2 Our value chain

IFRS S1.2

The Group's operations are supported by stakeholders across the Malaysia's insurance/takaful value chain. These stakeholders support core activities such as product development, marketing and distribution, underwriting, investment management, claims/benefits management, and corporate risk management.

Overview of the value chain



Concentration of sustainability-related and/or climate-related risks and opportunities: ■ Sustainability ▲ Climate

2.2 Our value chain (continued)

IFRS S1.2

Upstream value chain

- **Reinsurers/retakaful:** Provide risk-sharing support that enhances the Group's underwriting capacity and financial resilience, while also informing pricing, product design, catastrophe modelling, and broader risk management (including climate-related risks).
- **Investors and shareholders:** Supply capital and financing that enable sustainable business growth and long-term operational stability.
- **Suppliers/service providers:** Deliver technology solutions and outsourced services essential to daily operations and customer servicing.

Core Business Segments

Insurance/Takaful

- **Product and service development:** Design and develop insurance and takaful solutions that respond to customer needs by offering accessible products with appropriate risk structures (e.g., participant risk funds, wakalah models), alignment with Shariah requirements where applicable, while delivering financial protection, guided by market trends and insights.
- **Marketing and distribution**: Market and distribute the Group's products and services through agents, bancassurance and bancatakaful partners, brokers, as well as the Group's branches and digital channels, ensuring offerings are positioned in line with both conventional and Shariah-compliant value propositions.
- **Underwriting**: Conduct risk assessment and determine pricing across all four major business lines – general insurance/takaful and life insurance/family takaful, taking into account risk-sharing structures, participant fund considerations, actuarial assumptions, and reinsurance/retakaful arrangements, where applicable.
- **Policy/certificate administration**: Manage policy issuance, renewals, customer updates, and ongoing servicing throughout the policy lifecycle.
- **Claims/benefits management:** Deliver efficient and timely claims processing, including payouts and coordination of assistance services when customers activate their policy benefits.

Investment

- **Investment management:** Manage assets on behalf of clients or policyholders/certificate owners to achieve specific financial objectives, often involving external asset managers, custodians and investment advisers.

Downstream value chain:

- **Retail/commercial customers/participants:** Individuals and businesses who purchase insurance and takaful protection to safeguard assets, lives, and operations.
- **Agents/brokers/intermediaries:** Third-party distribution channels that enable customer acquisition, product access and servicing, ranging from advisory-led intermediaries to institutional and digital platforms.
- **Claims service providers/third party administrator:** Panel workshops, adjusters, medical providers, and repair specialists who support the claims process and customer recovery.
- **Direct investments:** Capital deployed into financial markets and real assets to generate returns and strengthen the Group's financial position.
- **Investees:** Companies in which the Group holds investment stakes, contributing to portfolio diversification and long-term value creation.

3. Reporting boundary

IFRS S1.20
IFRS S1.B38

3.1 Reporting boundary (excluding GHG emissions)

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 consolidated sustainability report are summarised below:

Entities and assets in the reporting entity	Additional Information	Note in financial statements	Information considered & 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 various office buildings. 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.**
Leased assets – the Group is a lessor	The Group holds investment properties that are leased to tenants under operating leases. These investment properties continue to be recognised in the Group’s statement of financial position.	Note [XX]	100% of the sustainability information related to the leased assets.[1]

[1] *Refer to the guidance box in Section 3.2 (b) Operational boundary for further guidance on how the leased assets should be considered in reporting GHG emissions.*

IFRS S1.20
IFRS S1.B38

3.1 Reporting boundary (excluding GHG emissions) (continued)

Leased assets

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. Insurance Holdings 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.

IFRS S1.2
IFRS S1.B5

Dependencies on resources and relationships in the value chain

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.

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

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

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 Insurance Holdings 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, Insurance Holdings 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.*

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 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).

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

IFRS S2.B27

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. 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. The Group's relevant portion of other indirect emissions arising from its activities is reported as 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 asset (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.

4.1 Significant judgements

IFRS S1.74
IFRS S1.75

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 investee-specific data where available with sufficient quality. Where primary data is not available, proxy data is used to estimate the financed emissions.	Section 7.5
Climate scenario analysis	The Group has applied significant judgement in its climate scenario analysis, particularly in the selection of climate scenarios, the determination of underlying assumptions under these scenarios such as the availability of reinsurance capacity and the growth in catastrophe claim frequency and severity, and the modelling approaches used to assess the potential impacts of transition and physical risks.	Section 7.3

IFRS S1.75

4.1 Significant judgements (continued)

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 reassessments of the scope of all affected sustainability-related risks and opportunities throughout the entity's value chain (see paragraph B11)."

Refer to the guidance box in Section 7.5 on "Insurance-associated emissions" for further guidance on the use of customer data where available with sufficient quality. Where primary data is not available, proxy data is used to estimate the insurance-associated emissions.

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 7.5
Physical risks-related financial effects	The measurement of anticipated financial effects arising from climate-related physical risks is subject to significant uncertainty, which increases over longer horizons. These uncertainties arise from limitations in climate modelling, historical data, and exposure profiles, including the difficulty in predicting the frequency and severity of extreme weather events and evolving climate patterns. For the insurance and takaful industry, this is further compounded by variability in catastrophe modelling assumptions, and changes in demographic and economic exposures. As a result, estimates of expected claims costs, reinsurance/retakaful recoveries, and capital impacts related to climate-related physical risks remain uncertain and are subject to significant measurement uncertainty across the short, medium, and long term.	Section 7.1
Transition risk-related financial effects	The measurement of anticipated financial effects arising from climate-related transition risks is subject to significant uncertainty due to the unpredictability of policy developments, regulatory interventions, technology costs, and market responses to the transition to a low-carbon economy. For insurers and takaful operators, uncertainties include the potential introduction or escalation of policy mechanisms, shifts in demand for insurance and takaful products, changes in asset values for carbon-intensive sectors, and evolving customer behaviours. Limited availability of granular emissions data from investees and insured counterparties also contributes to significant uncertainty in estimation. These factors create a wide range of potential financial outcomes affecting underwriting profitability, investment returns, and future capital requirements, resulting in elevated measurement uncertainty across the short, medium, and long term.	Section 7.2

4.2 Measurement uncertainties (continued)

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."

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.

4.2 Measurement uncertainties (continued)

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 7.5 for further guidance.

IFRS S1.B11
IFRS S2.B34-35

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 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 a change in the entity structure.

5. Materiality assessment

Materiality

IFRS S1.17

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.

IFRS S1.18

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 Insurance Holdings Berhad is preparing a sustainability report in accordance with the IFRS Sustainability Disclosure Standards issued by the ISSB, in line with 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 functions across the Group and overseen by the Sustainability Committee ("SC") (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).

IFRS S1.44(a)-(b)

Materiality process

Paragraphs 44(a) and (b) of IFRS S1 require an entity to disclose the process and related policies 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 Insurance Holdings 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 judgements that should be disclosed in accordance with IFRS S1 paragraphs 74 and 75. This section also includes the details of the judgement made by Insurance Holdings 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.

IFRS S1.B2-B5

Step 1: Identification of sustainability-related risks and opportunities

The Group adopted a structured and systematic approach to identify the sustainability-related risks and opportunities. This assessment considered the Group's own activities, as well as the upstream and downstream components of its insurance and takaful value chain (refer to Section 2.2). The process is outlined below:

1.1 Understand the Group's operations, resources and relationships	Understanding the context in which the Group operates was the first step of the process. The Group considered its business activities, business relationships, and key affected stakeholders to establish the foundation for subsequent analysis across conventional insurance and takaful businesses, including the range of products and services offered, as well as the geographical, legal and regulatory landscape of the operations. In addition, the Group assessed the key resources that it depends upon and the relationships that it has along its insurance and takaful value chain. A high-level overview of the context considered as part of this assessment is outlined below: a) **Key locations**: The Group's core insurance and takaful operations are primarily based in Malaysia. b) **Regulations and Shariah Governance Requirements**: Given the high degree of regulatory oversight applicable to ITOs, the Group is subject to stringent regulatory requirements issued by relevant authorities, including Bank Negara Malaysia ("BNM"), as well as Shariah governance standards governing takaful operations. c) **Key resources:** **The Group relies on the following key resources:** • Underwriting, actuarial and Shariah governance expertise to support product design, pricing, and risk selection. • Reinsurance and retakaful arrangements to mitigate risk exposures, manage earnings volatility and support capital adequacy. • Technology infrastructure, including policy administration systems, takaful certificate management platforms, claims systems, digital customer portals, and cybersecurity capabilities. • Human capital, including employees, agents, brokers, bancassurance and bancatakaful partners, and outsourced service providers. • Financial capital, comprising insurance premiums, contributions, investment income, and access to capital markets for solvency and liquidity requirements. • Distribution and servicing ecosystem encompassing a multi-channel network including bancassurance and bancatakaful partners, agency, franchises, partnerships, brokers, and digital platforms. d) **Value Chain:** The materiality assessment considered the Group's value chain as per Section 2.2.

IFRS S1.2
IFRS S1.B5

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

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.

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

1.2 Identify risks and opportunities

The primary source for identifying the Group's risks and opportunities was the understanding of the Group's operations and its insurance and takaful value chain (described in Section 2.2 above). The Group assessed whether dependencies on critical resources, key relationships, and operational interdependencies expose it to sustainability-related risks or opportunities that may influence its financial resilience and long-term value creation.

IFRS S1.59
IFRS S1.58

The Group also considered other internal and external sources of information to determine whether there were any additional risks and opportunities. The sources consulted included, but were not limited to:

- existing risk management and due diligence processes performed by the Group, including the Group's Enterprise Risk Management ("ERM") framework;
- educational materials issued by the IFRS Foundation related to IFRS S1 and IFRS S2;
- disclosure topics in the SASB Standards for the Insurance Industry;
- external environment assessments, including global megatrends (macro-economic and micro-economic conditions), emerging risks and sustainability-related risks and opportunities identified by industry peers; and
- stakeholder concern gathered through existing internal and external stakeholders' engagement, as well as to potential customers, investors, lenders and other creditors.

Where necessary, the Group also consulted 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 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 target in Section 8.2 and Section 9.2 for examples of such circumstances.

IFRS S1.B22-23	**1.3 Assess whether the risks and opportunities could reasonably be expected to affect the Group's prospects**	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 disclosed in the Group's sustainability report. In performing this assessment, the Group considered a combination of: • 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 relating to uncertain future events, the Group considered a range of possible outcomes and assigned likelihoods informed by historical data and forward-looking analysis. Where similar incidents had occurred historically, a higher likelihood was attributed to comparable events. The results of the assessment were plotted on a matrix to identify those risks and opportunities that could reasonably be expected to affect the Group's prospects. Magnitude and likelihood were each assessed using a scoring scale of 1 (low) to 5 (severe) across the short, medium, and long term time horizons. An overall materiality score was calculated as the average of these scores and compared against a predefined internal materiality threshold. Risks and opportunities with scores at or above this threshold were deemed material and prioritised for disclosure.
IFRS S1.B28		As part of this process, the Group obtained the perspective of certain external stakeholders (including lenders 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 through this external input for inclusion in the report.
IFRS S1.44(a)	**1.4 Mitigation actions and plans to remediate**	The Group has taken steps to prevent and mitigate certain sustainability 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 identified sustainability-related risks and opportunities for the Group were presented to the BSC for approval. The risks and opportunities identified within the scope of sustainability reporting are summarised in the table under "Step 2" below.

Proportionality Mechanisms

IFRS Sustainability Disclosure Standards include proportionality mechanisms to support the application of IFRS S1 and 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	✓	✓

Proportionality Mechanisms (continued)

	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 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

After identifying sustainability-related risks and opportunities, the second step is to determine the material information that should be disclosed for each risk or opportunity. The Group considered whether information is material within the context of the Group's overall sustainability reporting and took both qualitative and quantitative aspects into consideration. The judgements used to identify 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 business that are material to the identified risks and opportunities. Other sustainability-related risks and opportunities may also exist for Insurance Holdings Berhad.

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

Step 2: Identification of material information (continued)

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 scenarios referenced in the table.

Climate-related risks			
Climate-related physical risk			
Risk identified	**Summary of management approach**	**Affected component of the reporting boundary**	**Section**
Increased severity of extreme weather events resulting in increased claims	• Define and calibrate pricing and underwriting risk appetite • Optimise portfolio composition and risk diversification • Enhance catastrophe modelling and climate analysis capabilities • Maintain appropriate reinsurance/retakaful arrangements	General insurance/takaful	7.1
Increase in life and health claims driven by extreme weather events	• Strengthen climate-related data analytics and research capabilities • Assess the impacts of extreme weather events on customer health outcomes • Integrate insights into product design and risk management processes	Life insurance/Family takaful	7.1

Step 2: Identification of material information (continued)

Climate-related risks			
Climate-related transition risk			
Risk identified	**Summary of management approach**	**Affected component of the reporting boundary**	**Section**
Risk of market disruption to the underwriting portfolio arising from transition to a lower-carbon economy	• Apply climate considerations to pricing and underwriting decisions • Review and refine risk assessment processes and risk appetite • Identify and pursue new business opportunities arising from the transition	General insurance/takaful	7.2
Risk of devaluation of investments in carbon-intensive sectors arising from transition to a lower-carbon economy	• Diversify asset allocation of investments to manage transition risks • Strengthen investment due diligence using climate-related considerations	Investments	7.2

Social-related risk			
Risk identified	**Summary of management approach**	**Affected component of the reporting boundary**	**Section**
Unclear product communication and customer misunderstandings leading to legal proceedings and fines	• Enhance clarity and quality of disclosure and customer communications • Strengthen distributor training and awareness programmes • Improve post-sale confirmation and customer engagement processes • Expand Voice of Customer (VoC) analytics and monitoring	General insurance/takaful and Life insurance/Family takaful	8.1

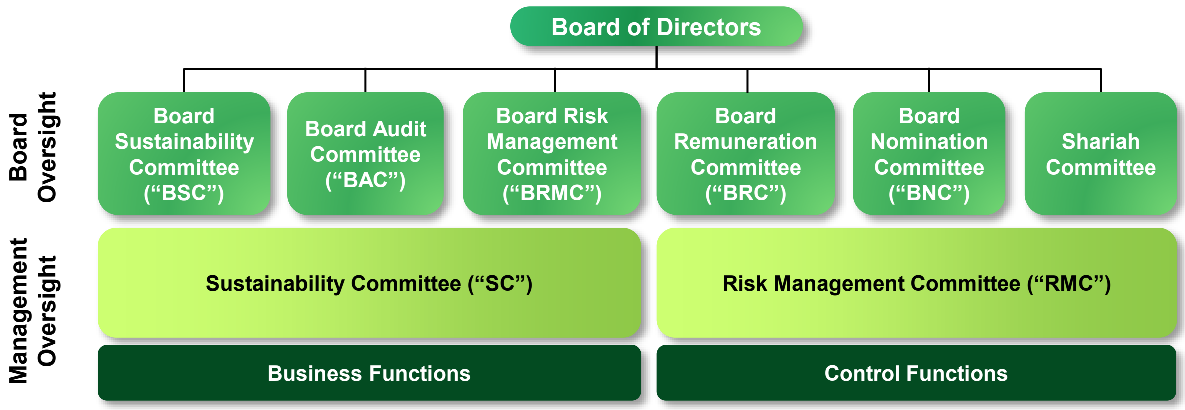
Step 2: Identification of material information (continued)

Climate-related Opportunities			
Opportunity identified	**Summary of management approach**	**Affected component of the reporting boundary**	**Section**
Insurance/Takaful product development to support the transition to a lower-carbon economy	• Broaden climate-aligned insurance/takaful offerings • Develop and enhance products linked to emerging low-carbon technologies • Deepen underwriting and risk-engineering expertise across priority sectors	General insurance/takaful	9.1
Opportunities for enhanced returns from investments aligned with the transition to a lower-carbon economy	• Increase exposure to green bonds and sustainability-themed investments • Allocate capital towards companies demonstrating strong ESG performance	Investments	9.1
Social-related Opportunity			
Sustainability-related insurance/takaful product development to support a just transition	• Develop sustainable insurance/takaful solutions to address protection gaps • Support customers through accessible and inclusive product offerings	General insurance/takaful and Life insurance/Family takaful	9.3

6. Sustainability governance

The Board of Directors has oversight of the approach to sustainability and climate matters, and it is supported by the Board Sustainability Committee and Sustainability Committee. Board-level committees such as the Audit, Risk, Remuneration, and Sustainability committees play a critical role in providing detailed oversight and expertise on key areas including financial integrity, risk management, executive compensation, and climate along with social performance.

An overview of the Group's governance structure is set out below:



The responsibilities and activities of the Board of Directors and each of the committees are described below.

6.1 Board Oversight

Board of Directors ("Board")

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

The Board has overall responsibility for the Group's strategic direction on sustainability and the oversight on sustainability and climate-related risks and opportunities, including those related to ESG matters. The Board oversees the processes, controls, and reporting needed to identify, assess, and manage material sustainability and climate-related risks and opportunities that could potentially affect the Group's financial position, financial performance, cash flows, or cost of capital over the short, medium, and long term. The Board also approves the resources required for effective management of sustainability and climate-related initiatives and the implementation of the Group's sustainability strategy.

Sustainability considerations are embedded in the Board's review of corporate strategy, performance objectives and the enterprise risk management framework. The Board evaluates how management's responses to sustainability and climate-related risks and opportunities align with the business model, long-term strategy and stated expectations, including commitments relevant to the Group. The Board receives periodic updates on regulatory developments, market changes and progress against sustainability targets; these updates inform the Board's monitoring of the effectiveness of the sustainability strategy and related risk management.

To support the oversight responsibilities, the Board has established a Board Sustainability Committee ("BSC"). The Board provides final approval for the sustainability strategy and key policies, while the BSC provides ongoing oversight of implementation, monitoring, and disclosures.

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 endorsing 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 sets out its mandate and responsibilities.

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

- The BSC is comprised of five members, with four independent members and one non-executive director. The BSC meets quarterly to review the latest sustainability developments and informs the Board on sustainability and climate-related matters.

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

- Each member brings relevant business experience and expertise in at least one sustainability topic and works closely with management to establish sustainability and climate-related targets aligned with the Group's overall strategy and risk management processes. The Committee has oversight and visibility over the Group's performance against key climate-related metrics, including greenhouse gas emissions, sustainable investment activities, and climate risk exposure.
- In carrying out its responsibilities, the BSC receives information from the RMC relating to relevant risk assessments, emerging risk insights, and financial risk implications, and considers their impact on the Group's overall sustainability strategy.

IFRS S1.27(a)(v)

- These targets and progress are reviewed at least annually, with performance updates provided quarterly through committee meetings.

Board Audit Committee ("BAC")

- The BAC is responsible for overseeing 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.
- In addition, the BAC also provides oversight of actuarial functions and solvency outputs underpinning the financial statements, including the consideration of climate-related scenario analysis in evaluating the potential impacts of physical and transition risk on insurance/takaful contract liabilities and underlying assumptions.

Board Risk Management Committee ("BRMC")

- The BRMC oversees the identification, assessment, and management of sustainability and climate-related risks for the Group. The Committee reviews climate risk assessments, scenario analyses and stress testing, and ensures that sustainability-related risks are integrated into underwriting, investment and strategic decision-making processes.

Board Remuneration Committee ("BRC")

- The BRC is responsible for the development and implementation of the remuneration policy for Board members and management, including consideration of sustainability-related performance, 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 through Value-Based Intermediation for Takaful ("VBIT") and advising management and the Board to ensure that the Group's operations, business, and activities comply with Shariah principles.

Board skills and experience matrix

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

Frequent and deliberate consideration is given to experience, qualifications, background, and skills. On an annual basis, Directors, including the Chair, conduct self-assessments of their individual skills and experience. The outcomes of these assessments inform the Board's Skills and Experience Matrix, which is overseen and maintained by the Board. The Skills and Experience Matrix identifies whether Board members either have or aim to acquire from new appointments or to develop through continued education and training. The matrix is considered in the context of the Group's strategic priorities and the external environment within which the Group operates. The matrix is considered essential to the effectiveness of the Board and its Committees and is revised annually and approved by the Board.

The Board has significant experience in oversight of strategy in response to risks and opportunities and more recent experience in understanding climate-related risks and opportunities. Many of the skills outlined in the matrix are critical for the oversight of strategies to respond to climate-related risks and opportunities. However, in 2025, the Board concluded that further skills were required to better understand the underlying factors for climate-related risks and opportunities, as well as their potential effects on the Group and its value chain. Consequently, further training and development activities were undertaken during the reporting period. In 2025, additional training involved external experts presenting to the Board twice during the year on emerging topics, which included the use of scenario analyses to assess climate-related risks and opportunities and factors to consider when setting targets on Scope 3 emissions.

Skills and experience	Examples of skill experience	Relevance to the Group
Sustainability and Climate-related matters 3 1 1 *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 climate-related risks and opportunities.	Understanding sustainability and climate-related risks and opportunities, the relevance to the business, and oversight of strategies to respond. Oversight of setting sustainability and climate-related targets, policies, and decisions over risks and opportunities.

(dark green)	Advanced knowledge, experience and qualifications in sustainability-related matters
(green)	Relevant practical experience in sustainability-related matters
(light green)	Awareness of sustainability-related matters

For a comprehensive overview of the skills and experience of our Board members, please refer to Section [XX] of our 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.

6.2 Management Oversight

Sustainability Committee

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

The Sustainability Committee provides management-level oversight of the implementation of the Group's sustainability strategy. It is responsible for overseeing the development and implementation of sustainability strategies, policies, and initiatives, and serves as the primary executive forum for sustainability-related matters prior to escalation to the Board.

The key responsibilities of the Committee include:

- overseeing the implementation of the Group's sustainability strategy across operations, investments, and underwriting;
- reviewing the outcomes of the Group's materiality assessment;
- overseeing the management of the Group's sustainability-related risks and opportunities ("SRROs") and climate-related risks and opportunities ("CRROs");
- overseeing the preparation of the Group's sustainability report; and
- overseeing the setting of sustainability targets and recommending these to the Board for approval.

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

The Committee convenes on a quarterly basis and provides regular updates to the Board on progress against targets, as well as the current and anticipated impacts of SRROs and CRROs. The Committee works with relevant functions, including Risk Management, Strategy and Operations, to support the integration of sustainability considerations into business activities and decision-making.

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

Risk Committee

The Risk Management Committee ("RMC") supports the oversight of the Group's material risks, including sustainability and climate-related risks, within the overall risk governance framework. The key responsibilities of the RMC include:

- overseeing the identification, assessment and management of material sustainability and climate-related risks within the enterprise risk management framework;
- embedding these risks into risk appetite, policies, stress testing, scenario analyses and capital planning;
- monitoring risk exposures and key risk indicators; and
- ensuring alignment between risk management practices, business strategy and regulatory expectations.

The RMC receives regular updates on sustainability and climate-related risk exposures and reports to the Board Risk Management Committee and the Board on material risks that may reasonably be expected to affect the Group's financial position, financial performance, cash flows, or capital and liquidity profiles, including the outcomes of stress testing, scenario analysis and key risk indicators, where applicable.

The RMC also works closely with the Sustainability Committee and operational risk management functions to support the integration, monitoring and escalation of sustainability and climate-related risks across business and operational activities.

6.2 Management Oversight (continued)

Business Functions

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

Business functions and units are responsible for identifying, assessing, and managing sustainability risks as part of their everyday operations. These functions support the Sustainability Committee by:

- implementing sustainability-related strategies, policies, frameworks, and initiatives across business operations;
- identifying sustainability-related issues, opportunities, and potential impacts arising from business activities for consideration in strategy development and business planning;
- supporting data collection, monitoring, and internal reporting for sustainability metrics and disclosures; and
- providing inputs to sustainability and climate-related analyses (e.g., transition planning, scenario narratives) in coordination with risk management, where applicable.

Risk assessments may be carried out during interactions with customers and business partners, through ongoing monitoring and engagement, as well as during new product or business approval processes.

Control Functions

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

In line with the enterprise-wide approach to risk management, control functions each play a distinct role. The Risk Management Division ("RMD") supports the Group by identifying, embedding, monitoring, and escalating sustainability and climate-related risks that may affect the Group's financial condition, capital, liquidity, or risk profile. These functions support the RMD by:

- identifying and assessing sustainability and climate-related risks arising from business activities, investment portfolios, and customer relationships;
- embedding sustainability-related risk considerations into day-to-day risk management processes, including underwriting assessment, portfolio monitoring, and product governance;
- implementing Group-wide risk policies, methodologies, and internal controls across business and operational units; and
- monitoring and reporting risk exposures and emerging risks, and escalating material issues through established governance and reporting lines.

The division also delivers training and development programmes in risk management, coordinates, and facilitates risk assessments across various functions, and regularly reports on significant risk matters.

6.3 Impact of Remuneration Policies

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

The Group's Board Remuneration Committee oversees the remuneration framework for Directors, senior management and Board Committees, ensuring alignment with the Group's long-term strategy, risk appetite and responsibilities as an insurer/takaful operator. In line with emerging practices across the insurance and takaful industry, the Group integrates sustainability and climate-related performance metrics into its performance management and remuneration structures to reinforce accountability for delivering the Group's sustainability objectives.

IFRS S2.29(g)

Since 2025, the Group has embedded sustainability and climate-related priorities into its overall management objectives. Key sustainability targets were set at the Group level and have been incorporated into the performance expectations of senior leadership. These targets are considered during the annual performance assessment of senior management and influence variable remuneration outcomes. The long-term incentive plan ("LTIP")'s sustainability metrics carry around 20% in total, comprising of 10% operational CO_2-equivalent ("CO_2e") emissions and 10% financed-emissions intensity. Progress against these climate outcomes influences variable remuneration and forms part of the long-term incentive plan.

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.

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

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

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

6.4 Risk Management

The Group has established processes and policies to identify, assess and manage sustainability and climate-related risks and opportunities as part of the overall enterprise risk management framework. Risk assessments incorporate both qualitative and quantitative considerations and evaluate the nature, likelihood and potential magnitude of risks, including possible financial, operational and regulatory impacts.

Sustainability-related risks are identified through structured processes such as materiality assessments, risk identification exercises or scenario analyses conducted alongside assessments of other risks across the Group. Once identified, the Group follows a process to prioritise and monitor these risks, taking into consideration the severity and likelihood of potential impacts. The BRMC oversees the identification, assessment and management of risks, which are integrated into the Group's overall risk management framework and reported to the Board for oversight. The SC considers the prioritised sustainability-related risks to ensure alignment with the Group's sustainability strategy and disclosures, prior to approval by the BSC.

With regards to opportunities, the SC is responsible for reporting and working together with the BSC to ensure prioritisation of the identified sustainability-related opportunities and coordinate their integration into business activities.

Monitoring of sustainability-related risks and opportunities are supported and tracked individually against the relevant metrics and targets established by the Group. Performance against these metrics and targets is periodically reported to the SC to ensure ongoing oversight and effective management.

IFRS S1.27(b)(i)

IFRS S1.BC99

IFRS S1.27(b)(ii)

Roles, responsibilities and oversight for sustainability-related matters

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 short, medium and long term.

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

Identifying and assessing climate-related risks

IFRS S2.25(a)

Climate-related risks are identified, assessed and prioritised as part of the Group's overall enterprise risk management framework. Climate-related risks are identified through structured processes such as materiality assessments, risk identification exercises and scenario analysis, conducted alongside other enterprise risks.

Once identified, climate-related risks are assessed based on their nature, likelihood and potential magnitude of impact and are prioritised accordingly. Climate-related risks identified through these processes are also considered as part of the financial materiality assessment to determine risks that could reasonably be expected to affect the Group's prospects, including impacts on financial position, financial performance and cash flows.

Managing and monitoring climate-related risks

IFRS S2.25(c)

Climate-related risks are managed and monitored in line with the Group's Enterprise Risk Management Framework and Risk Management Strategy. Management and monitoring are supported through established governance processes, including management oversight and regular reporting of key climate-related risk indicators.

Climate-related risks are integrated into the Group's risk management and decision-making processes, including underwriting standards, risk appetite and capital management. Ongoing monitoring supports the effectiveness of mitigation actions and enables timely escalation and oversight of climate-related risks at management and Board levels.

The Group has identified two climate-related risks:

- Climate-related physical risk:
  i. Increased severity of extreme weather events resulting in increased claims (Section 7.1)
  ii. Increase in life and health claims driven by extreme weather events (Section 7.1)
- Climate-related transition risk
  i. Risk of market disruption to underwriting portfolio arising from transition to a lower-carbon economy (Section 7.2)
  ii. Risk of devaluation of investments in carbon-intensive sectors arising from transition to a lower-carbon economy (Section 7.2)

In addition, the Group has assessed its climate resilience (Section 7.3), outlined its climate transition plan (Section 7.4) and disclosed its climate-related metrics and targets (Section 7.5).

7.1 Climate-related physical risk – Increased severity of extreme weather events resulting in increased claims

IFRS S2.10(a)
IFRS S2.10(b)
IFRS S2.10(c)
IFRS S2.13(a)
IFRS S2.13(b)
IFRS S2.14(a)
IFRS S2.14(b)

(A) General insurance/takaful			
Summary of impact to business model and value chain	Time Horizon		
	S	M	L
The Group expects climate change to increase the frequency and severity of weather-related events, which has implications for its underwriting performance, risk selection and long-term sustainability of its business model. These risks are assessed through catastrophe modelling and underwriting analyses, which inform the Group's underwriting approach and reinsurance/retakaful strategies across its value chain. The Group uses annual expected losses ("AEL"), particularly for flood exposure, to identify portfolios that may be vulnerable to changes in hazard frequency and severity. The most affected lines of business are property, engineering and motor, reflecting their exposure to weather-related risks. These exposures are concentrated in high-risk geographies, including flood-prone areas in West Malaysia and coastal regions in East Malaysia. In 2025, total AEL increased moderately, primarily driven by growth in insured exposures. In the takaful segment, higher claims volatility may place pressure on participant risk funds, which could affect contribution levels, surplus distribution and the continuity of coverage offerings. These developments impact the Group's business model by influencing underwriting decisions, pricing strategies, claims management and the availability and cost of reinsurance/retakaful capacity. As climate hazards intensify, the Group may face increasing claims costs and capital requirements, which could necessitate higher premiums/contributions and more selective underwriting. Over time, certain high-risk locations may become more difficult to insure or only insurable at elevated pricing levels. This could affect the affordability and availability of insurance and takaful protection in exposed geographies, with implications for the Group's ability to maintain sustainable and inclusive coverage solutions.	✓	✓	✓

Financial effects

Current financial effects

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

During the reporting period, the Group recorded net catastrophe claims of RM10.0 million attributable to flood events, after taking into account recoveries under reinsurance/retakaful arrangements. The flood claims were within the Group's net catastrophe reserves of RM1.0 billion. These claims and related reinsurance/retakaful recoveries were reflected in the Group's insurance/takaful contract liabilities and reinsurance/retakaful contract assets, respectively, as disclosed in Note [XX] to the financial statements.

7.1 Climate-related physical risk – Increased severity of extreme weather events resulting in increased claims (continued)

Financial effects (continued)

Anticipated financial effects

IFRS S2.15(b)
IFRS S2.16(c)-(d)
IFRS S2.17
IFRS S2.18

In the short term, the potential financial effects of climate-related physical risks are incorporated into the Group's business planning cycles, primarily through the setting of net catastrophe reserves. This allowance reflects the Group's best estimate, based on current portfolio composition and catastrophe modelling outputs and does not incorporate a specific adverse climate change scenario or stress test. Based on current portfolio composition and catastrophe modelling outputs, expected net catastrophe claims are not anticipated to be materially different over the short term and are not expected to have a material impact on the Group's financial performance. This is further supported by the Group’s strong capital position, which provides adequate capacity to absorb such impacts, resulting in a low anticipated financial effect. However, these expectations remain subject to uncertainty arising from the potential variability in the frequency and severity of extreme weather events.

Over the medium to long term, the Group expects changes in the frequency and severity of extreme weather events to result in higher underlying claims experience, particularly for flood. These impacts are expected to be progressively reflected in underwriting assumptions, pricing, reinsurance/retakaful arrangements, and risk selection. Consistent with the findings of the Group’s climate scenario analysis, the effects may also influence insurance/takaful demand in certain high-risk segments due to affordability and insurability considerations. While management actions are expected to mitigate a portion of these impacts, gradual changes to claims experience, underwriting margins and portfolio demand may arise over time.

These assessments are derived from modelled loss estimates under current assumptions and available data. However, they remain subject to inherent uncertainties, particularly in relation to the variability in the frequency and severity of extreme weather events and limitations in long-term climate projections.

Further detail on the Group's climate scenario methodology and resilience assessment are set out in Section 7.3 *Climate-related scenario analysis and resilience assessment.*

7.1 Climate-related physical risk – Increased severity of extreme weather events resulting in increased claims (continued)

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

The following table presents the Group's assessment of the current and anticipated financial effects of physical climate-related risks, specifically flood risk, on its financial position, financial performance, and cash flows over the short, medium, and long term, after considering actions taken to manage these risks within its underwriting portfolio.

In RM'mil	Current financial effects	Anticipated financial effects		
		Short (Note 1)	Medium	Long
Financial position*				
Insurance/Takaful contract liabilities - increase	15	16 to 20	Note 2	Note 2
Reinsurance/Retakaful contract assets - increase	5	8 to 10	Note 2	Note 2
Financial performance*				
Insurance/Takaful service expenses - increase	15	16 to 20	Note 2	Note 2
Net expense from reinsurance/retakaful contracts held - increase	5	8 to 10	Note 2	Note 2
Cash flows – Note 3				

IFRS S2.19(b)
IFRS S2.21(b)

1 - The anticipated financial effects represent the estimated annual financial impact over the short-term horizon.
2 - The Group has not provided quantitative information on the anticipated financial effects of physical flood risk in medium and long term because the level of measurement uncertainty is high such that the resulting data would not be decision-useful.
3 – There is no immediate cash flow impact, as the claims have been incurred but not yet paid. Cash outflows will occur when the claims are settled.
** Refer to Note [XX] of the Group's financial statements for further information.*

7.1 Climate-related physical risk – Increased severity of extreme weather events resulting in increased claims (continued)

Considerations 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 – Increased severity of extreme weather events resulting in increased claims (continued)

Responses to manage risk

IFRS S2.14(a)(i)(ii)(iii)
IFRS S2.14(b)
FN-IN-450a.3

Use of geocoding tools and geospatial physical risk data

The Group leverages geocoding tools and geospatial physical risk data to identify the locations of insured assets and risk exposures, enabling more granular underwriting, pricing differentiation, and portfolio steering in high-risk areas.

Pricing and underwriting appetite

Since most insurance/takaful policies are reviewed annually, the Group regularly adjusts its pricing assumptions and underwriting appetite in response to risks and conditions in flood-prone areas.

Portfolio optimisation

The Group conducts targeted reviews of property, engineering and motor line exposures in higher-risk locations, supported by continual refinement of policy terms and enhanced modelling capabilities. These portfolio adjustments help manage the insurability of high-risk locations while maintaining adequate coverage.

IFRS S2.22(a)(i), (a)(iii)

Catastrophe modelling and capability

The Group continues to strengthen its understanding of the potential impacts of climate change on underwriting and reserving by leveraging catastrophe modelling and climate analysis. We have further strengthened our in-house capabilities to update models, including incorporating potential climate-related impacts into loss assumptions and exposure assessments.

Scenario analysis is also applied to evaluate the potential impact of extreme weather events on future claims development and reserve requirements under different climate scenarios.

Reinsurance/Retakaful arrangements

The Group engages with reinsurance/retakaful brokers to assess its portfolio exposure to flood risk and leverages the insights to structure a comprehensive reinsurance/retakaful programme that protects businesses against adverse natural catastrophe events.

Related metrics and key indicators to measure and monitor risk

IFRS S2.37
IFRS S2.29(c)

During the current reporting period, the Group commenced the identification and monitoring of underwriting exposures vulnerable to climate-related physical risks, specifically flood risk.

- Amount of exposure (sum insured) vulnerable to climate-related physical risk: RM100 million
- Percentage of exposure (sum insured) vulnerable to climate-related physical risk: 5%
- Probable Maximum Loss of insured products from weather-related natural catastrophes

For more information, please see Section 7.3 *Climate-related scenario analysis and resilience assessment* section

7.1 Climate-related physical risk – Increase in life and health claims driven by extreme weather events

(B) Life insurance/Family takaful

Summary of impact to business model and value chain	Time Horizon S	Time Horizon M	Time Horizon L
IFRS S2.10(a) IFRS S2.10(b) IFRS S2.10(c) Chronic risks such as rising sea levels, changing temperature, air pollution, and the increasing prevalence of vector-borne diseases are expected to affect the Group's life insurance/family takaful business by influencing morbidity, mortality and longevity outcomes over time. These developments may affect the Group's business model through higher medical and protection claims, changes in policyholder/certificate holder behaviour, and shifting demand for health and protection solutions. IFRS S2.13(a) IFRS S2.13(b) Across the value chain, these impacts are expected to manifest in underwriting (through the need to reassess risk selection and assumptions), product development (through repricing and redesign of protection and health offerings), and claims management (through increased claims frequency, severity and duration). In addition, rising healthcare costs and evolving health claims patterns may increase claims inflation risk, potentially resulting in claims experience that exceeds current actuarial assumptions. Collectively, these trends place sustained pressure on underwriting assumptions, pricing adequacy, reserving practices, and long-term profitability across the value chain.			✓

Financial effects

Current and anticipated financial effects

IFRS S2.15

While the effects of climate change on human health rise, the direct implications for health insurers/takaful operators through changes in morbidity, mortality and longevity are not yet fully understood, limiting the Group's capacity to integrate these risks into our valuation models.

Responses to manage risk

IFRS S2.14(a)
IFRS S2.14(b)

The Group has established a programme focused on data analysis and research to understand how climate-related extreme weather affects customers' health. The programme is designed to offer insights that enhance our current risk management practices and support the identification of innovative solutions addressing climate and health-related risks, and, where appropriate, inform updates to the Group's valuation models and assumptions subject to the availability of reliable and decision-useful data.

7.2 Climate-related transition risk – Risk of market disruption to underwriting portfolio arising from transition to a lower-carbon economy

(A) General insurance/takaful

Summary of impact to business model and value chain	Time Horizon		
	S	M	L
IFRS S2.10(a) IFRS S2.10(b) IFRS S2.10(c) Policy, regulatory and technological developments, together with shifts in market preferences, are expected to reshape industry cost structures and alter insurance/takaful demand patterns as the economy transitions towards lower-carbon activities. These transition-related developments may affect the Group's underwriting portfolio through changes in risk profiles, premium/contribution volumes, underwriting margins and portfolio composition, particularly in sectors with higher emissions where pricing dynamics and insurability may evolve. IFRS S2.13(a) IFRS S2.13(b) IFRS S2.14(a) The Marine, Aviation and Transit ("MAT") and Engineering product classes are currently assessed as the Group's most exposed lines of business to transition risk, reflecting their concentration of exposures to carbon-intensive sectors. These lines represent approximately RM25 million, or 1.25% of the Group's total sum insured as at the reporting date.		✓	✓

Financial effects

Current financial effects

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

There were no transition-related financial effects identified in the current reporting period for the Marine, Aviation and Transit and Engineering product segment, nor for the Group's overall gross written premiums/contributions.

Anticipated financial effects

IFRS S2.15(b)
IFRS S2.16(c)-(d)
IFRS S2.17
IFRS S2.18

The Group's analysis of medium to long term transition risk is centred on business lines most exposed to transition-sensitive sectors. Due to current data constraints, it is not yet possible to quantify transition-specific effects with sufficient reliability. Efforts to strengthen sectoral mapping and data quality are ongoing and are anticipated to support more robust analysis over time. Future outcomes remain contingent on external policy, technological, and market developments.

Under different transition scenarios, particularly where decarbonisation accelerates, customers operating in transition sensitive sectors such as the mining and quarrying, power and transport sectors are expected to face increased compliance costs, greater requirements for technology investment, and in some cases, heightened risk of stranded assets. These pressures may influence premium/contribution volumes and claim experience in exposed product lines, particularly for businesses with limited transition readiness. As a result, there may be potential implications for the Group's insurance/takaful operating result and net insurance/takaful contract liabilities.

Conversely, under a delayed transition scenario, reductions in premiums/contributions are expected to be comparatively modest, reflecting the later implementation of transition policies relative to a Net Zero 2050 pathway.

7.2 Climate-related transition risk – Risk of market disruption to underwriting portfolio arising from transition to a lower-carbon economy (continued)

Responses to manage risk

IFRS S2.14(a)(i)(ii)(iii)(iv)

- **Pricing and underwriting approach**

  The Group's annual policy cycle facilitates iterative adjustments to pricing, coverage conditions, and portfolio positioning, allowing climate-related risk considerations, such as emerging transition dynamics and changes in underlying exposure profiles, to be incorporated into underwriting decisions on a regular basis.

- **Risk assessment and appetite**

  The Group's Sustainability Risk Guideline sets out the underwriting assessment approach and risk appetite on specific high-emitting sectors and includes measures to support a just transition.

- **Creating new opportunities**

  As the transition accelerates, demand is expected to grow for insurance/takaful solutions that facilitate the deployment of new technologies, infrastructure, and business models associated with a lower-carbon economy. The Group is seeking to capitalise on these opportunities through initiatives discussed in *Section 7.4 Climate Transition Plan and Section 9 Climate and social-related opportunities*, supporting both customer needs and long-term value creation.

Related metric and key indicator to measure and monitor risk

IFRS S2.29(b)

During the current reporting period, the Group commenced the identification and monitoring of underwriting exposures vulnerable to climate-related transition risks.

- Amount and percentage of exposure vulnerable to climate-related transition risk, i.e., carbon-intensive sectors (% of sum insured): RM25 million, representing 1.25% of the Group's total sum insured

IFRS S2.10(a)
IFRS S2.10(b)
IFRS S2.10(c)
IFRS S2.13(a)
IFRS S2.13(b)

7.2 Climate-related transition risk – Risk of devaluation of investments in carbon-intensive sectors arising from transition to a lower-carbon economy

(B) Investments			
Summary of impact to business model and value chain	**Time Horizon**		
	S	**M**	**L**
Policy and regulatory changes, along with shifts in technology and market preferences, may affect investment performance where it materially disrupts the business activities of investees. The Group's exposure to transition risk is primarily concentrated in carbon-intensive sectors, particularly Mining and Quarrying, Power, and Transport, which together totalled RM350 million, or 35% of total investments, as at 31 December 2025. The Group is progressively enhancing its risk assessment capabilities and is in the early stages of exploring the use of Climate Value-at-Risk ("C-VaR") metrics to better identify and quantify potential climate-related financial impact across its investment portfolio, supporting more granular analysis of sectoral vulnerabilities under different climate scenarios. Based on the current assessment, no material impacts have been identified, supported by the diversified composition of the Group's portfolio and the ongoing mitigation measures outlined below, which collectively enhances portfolio resilience.	✓	✓	✓

Financial effects

Current financial effects

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

There were no transition-related financial effects identified on the Group's investment portfolio in the current reporting period.

Anticipated financial effects

IFRS S2.15(b)
IFRS S2.16(c)-(d)
IFRS S2.17
IFRS S2.18

In the short term, the anticipated financial effects of climate-related transition risks on the Group's investment portfolio are not expected to be significant, reflecting the Group's diversified investment strategy and established investment policies. Over the medium to long term, however, the Group may be exposed to transition-related risks arising from investments in carbon-intensive sectors, such as Mining and Quarrying, Power, and Transport.

These risks may affect the Group's valuation of investments through changes in expected cash flows, asset impairments or increases in credit risk. Such impacts may arise where investees face increasing regulatory, technological or market pressures associated with the transition to a lower-carbon economy, particularly in cases where transition plans or decarbonisation strategies are not established or are not aligned with relevant transition pathways.

7.2 Climate-related transition risk – Risk of devaluation of investments in carbon-intensive sectors arising from transition to a lower-carbon economy (continued)

Responses to manage risk

IFRS S2.14(a)

- **Diversified asset allocation**

  The Group maintains a diversified investment portfolio across various asset classes and sectors, using both direct investment and collective investment schemes to help reduce exposure to carbon-intensive sectors.

- **Investment due diligence**

  The Group integrates climate-related risks into its investment decision-making process and actively engages with investee companies. This includes exercising voting rights, conducting ongoing engagement, excluding high-risk sectors such as coal, and prioritising investments in companies with credible transition plans. The Group also monitors investment exposures in line with Bank Negara Malaysia's Climate Change and Principle-based Taxonomy ("CCPT"), with a focus on progressively shifting the portfolio from higher-risk classifications (C5a/C5b) towards Climate Supporting (C1) and Transitioning (C2/C3) categories.

Related metrics and key indicators to measure and monitor risk

IFRS S2.29(b)
IFRS S2.37

During the current reporting period, the Group commenced the identification, tracking, and monitoring of investment exposures vulnerable to climate-related transition risks.

- Amount and percentage of exposure vulnerable to climate-related transition risk, i.e., carbon-intensive sectors (% of total investment): RM350 million representing 35% of the Group's total investment, is vulnerable to climate-related transition risk

The Group continued to measure, monitor and track its Scope 3 Category 15 (Investments) – financed emissions performance in 2025 using the following metrics.

- Absolute gross financed emissions, disaggregated by Scope 1, Scope 2 and Scope 3
- Gross exposure for each industry by asset class
- Percentage of gross exposure included in the financed emissions calculation

For more information, please see Section 7.5 *Climate-related metrics and targets*

7.3 Climate-related scenario analysis and resilience assessment

Climate-related scenario analysis supports the Group's assessment of climate-related risks and opportunities across the Group's underwriting and investment portfolios.

Climate scenarios are typically categorised as either "high transition risk with low physical risk" or "low transition risk with high physical risk". This reflects the inverse relationship between the intensity of emissions reduction efforts and the extent of global warming, whereby greater mitigation leads to less warming, and vice versa.

IFRS S2.22(b)(i)

The Group applied the Network for Greening the Financial System ("NGFS") climate scenarios to assess potential impacts on underwriting and investment outcomes across the short, medium, and long term. The scenarios assessed include:

- **Nationally Determined Contributions ("NDCs")**, which include all pledged targets even if not yet backed by implemented effective policies.
- **Delayed Transition**, which assumes that annual emissions do not decrease until 2030. Strong policies are needed to limit warming to below 2°C. Negative emissions are limited.
- **Net Zero 2050,** which limits global warming to 1.5°C through stringent climate policies and innovation, reaching global Net Zero CO_2 emissions around 2050.

These scenarios were selected to represent a broad range of potential climate outcomes and to evaluate the Group's resilience under both lower and higher warming pathways. The Group's analysis incorporates both quantitative and qualitative elements, depending on portfolio materiality and data availability.

The emissions pathways of the selected scenarios correspond broadly to Shared Socioeconomic Pathways ("SSP") Representative Concentration Pathway ("RCP") 1.9, 2.6 and 3.4.

7.3 Climate-related scenario analysis and resilience assessment (continued)

Overview of scenario analysis

Climate-related Physical Risk

IFRS S2.22(b)(i)

IFRS S2.22(b)(ii)

IFRS S2.22(b)(iii)

Underwriting (General insurance/takaful)	
Portfolio Coverage	Motor: Motor vehicle-related flood insurance policies/takaful certificates Non-motor: Property and engineering-related insurance policies/takaful certificates
Methodology	Bottom-up assessment at policy level
Scenarios used	The assessment was conducted for both short term and long term horizons. Short-term : 1-in-200-year flood event in Malaysia under RCP 8.5 (2050) Long-term: • Nationally Determined Contributions (“NDCs”) • Delayed Transition • Net Zero 2050
Time Horizon	2026 (Short term), 2035, 2050
Key Assumptions	• The analysis assumes static exposure over time to isolate the impact of climate change on modelled losses; accordingly, no adjustments are made for changes in population data, mitigation measures or portfolio composition. • Property price shocks were modelled at a granular geographical level based on movements in property price indices with historical flood occurrence data used as a supporting input.
Reporting period	The analysis was conducted in 2025 using current-period exposure data to reflect the Group’s portfolio. NGFS climate scenarios were applied to define short, medium, and long term climate-related physical risk pathways. Flood losses were estimated using third-party catastrophe models calibrated with historical flood data and adjusted in line with NGFS pathways. The modelling follows established practices and is reviewed annually as models, data, and scientific understanding evolve.

7.3 Climate-related scenario analysis and resilience assessment (continued)

Overview of scenario analysis (continued)

Climate-related Physical Risk (continued)

IFRS S2.22(b)(i)

IFRS S2.22(b)(ii)

IFRS S2.22(b)(iii)

Underwriting (Life insurance/Family takaful)	
Portfolio Coverage	Life protection and health practices across six critical life and health risks – extreme events, vector-borne diseases, water-borne diseases, malnutrition, heat-related illness, and reduced air quality, assessed against physical hazard drivers such as flooding and extreme heat.
Methodology	• Conducted a top-down qualitative vulnerability assessment to evaluate the potential impacts of selected health risks on mortality and morbidity rates, drawing on public health data, population data (including OS-Climate, World Health Organization ("WHO") sources), and expert judgement. • Estimated changes in Best Estimate Liabilities ("BEL") by applying physical-risk stresses to BEL assumptions.
Scenarios used	Long-term: • Nationally Determined Contributions ("NDCs") • Delayed Transition • Net Zero 2050
Time Horizon	2035, 2050
Key Assumptions	The life and health climate-related physical risk assessment models climate impacts through specific mortality shocks and medical claims adjustments, under assumptions of static exposure, unchanged policy terms, and no behavioural, adaptive, or portfolio responses. Modelled changes therefore reflect the effect of physical climate hazards only.
Reporting period	The analysis was conducted in 2025, using current life insurance / family takaful portfolio exposure.

7.3 Climate-related scenario analysis and resilience assessment (continued)

Outcome of impact from climate-related scenario analysis

A. Underwriting – General insurance/takaful

IFRS S2.22(b)(i)

Physical climate impacts may influence demand for Motor and Non-Motor insurance/takaful products through heightened risk awareness and growing protection needs. Demand impacts are expected to be most pronounced under the NDCs scenario, followed by the Delayed Transition scenario, reflecting the higher physical risk impacts associated with these pathways. In contrast, the Net Zero 2050 scenario is expected to result in comparatively more limited demand impacts due to stronger emissions mitigation and reduced long-term warming. Overall, the impact on portfolio demand in 2035 is estimated to be of low to medium materiality, with impacts expected to increase progressively over the medium to long term.

Across all three scenarios, impacts on Motor and Non-Motor portfolio loss experience are more pronounced prior to the consideration of mitigation actions. For the Motor class, this is primarily driven by increased physical losses associated with extreme weather events. For the Property class, losses are expected to increase due to higher flood-related damages, while insurance/takaful demand may be adversely affected in higher-risk areas due to affordability and insurability considerations.

B. Underwriting – Life insurance/Family takaful

IFRS S2.22(b)(i)

Estimated impacts on demand for Life insurance/Family takaful protection policies and certificates in 2035 are assessed to be of medium materiality under both the Delayed Transition and Net Zero 2050 scenarios. These impacts are primarily driven by the economic effects of the transition to a lower-carbon economy, which may affect household income and affordability in certain segments, resulting in lower projected demand for insurance/takaful coverage compared to the NDCs scenario.

Climate change-driven increases in temperature are assumed to contribute to higher claims through their effects on death and disability. Across all three scenarios, impacts on the Group’s life protection loss experience are assessed to be less material. The assessment suggests limited loss impacts by 2035, while recognising the potential for rising temperatures to increase claims associated with cardiovascular, vector-borne, and respiratory diseases.

7.3 Climate-related scenario analysis and resilience assessment (continued)

Our resilience to climate-related physical risks

IFRS S2.22(a)(iii)

The Group's underwriting strategy and business model are considered resilient to expected changes in climate-related physical risk across short, medium, and long term time horizons. This resilience is supported by adaptive measures, including adjustments to underwriting criteria, pricing, reinsurance/retakaful arrangements and risk selection, which enable the Group to respond to evolving climate hazards while maintaining sufficient capital buffers. Based on current climate-related physical risk exposures, as assessed using Probable Maximum Loss ("PML") metrics, the Group is projected to continue operating within regulatory capital requirements across the scenario analysis time horizons. However, this conclusion is subject to the assumptions and limitations of the scenario analysis.

IFRS S2.37

Gross Probable Maximum Loss (PML)

Flood Return Period (Year)	1-50	1-100	1-250
PML (RM'mil)	50	60	70

Net Probable Maximum Loss (PML)

Flood Return Period (Years)	1-50	1-100	1-250
PML (RM'mil)	10	12	14

IFRS S2.22(a)(ii)

Significant areas of uncertainty include the future availability and cost of reinsurance/retakaful, which may affect the Group's ability to transfer risk, as well as market responses to repricing, where affordability constraints could reduce insurance/takaful demand in higher-risk locations. The Group recognises that addressing insurance/takaful affordability requires coordinated engagement across both the public and private sectors to strengthen overall resilience. This approach forms part of the Group's engagement strategy, as outlined in Section 7.4 *Climate Transition Plan.*

7.3 Climate-related scenario analysis and resilience assessment (continued)

Overview of scenario analysis

Climate-related Transition Risk

	Underwriting (General insurance/takaful)	
IFRS S2.22(b)(i)	**Portfolio Coverage**	Qualitative assessments were performed on portfolios identified as highly exposed to climate-related transition risk, namely Mining and Quarrying, Marine, Aviation, and Power. Motor: Motor vehicle-related policies/takaful certificates
	Methodology	Top-down approach by leveraging sector-level transition impact projections to assess impacts under different NGFS transition scenarios.
	Scenarios used	Long-term: • Nationally Determined Contributions (“NDCs”) • Delayed Transition • Net Zero 2050
	Time Horizon	2035, 2050
IFRS S2.22(b)(ii)	**Key Assumptions**	• In evaluating the implications of these sectoral impacts for the Group’s underwriting portfolio, the analysis assumes static exposure over time to isolate the impact of climate change on modelled losses; accordingly, no adjustments were made for changes in business mix or customer transition readiness. • Further enhancements are required to improve the granularity and consistency of underwriting sectoral data and to refine the scenario inputs.
IFRS S2.22(b)(iii)	**Reporting period**	The analysis was conducted in 2025 and considered the Group’s Mining and Quarrying, Marine, Aviation and Power exposures, as well as the Motor class of business.

7.3 Climate-related scenario analysis and resilience assessment (continued)

Overview of scenario analysis (continued)

Climate-related Transition Risk (continued)

	Investments	
IFRS S2.22(b)(i)	**Portfolio Coverage**	Listed equity, corporate bonds, government bonds and collective investment scheme
	Methodology	• Bottom-up assessment at issuer level • Equity: Equity valuation is derived by discounting future revenues and costs to calculate the net present value of future cash flows under different climate scenarios. • Corporate bonds: Issuer financials are projected under different climate scenarios and translated into stressed credit ratings, which are used to estimate changes in credit spreads and calculate bond valuation impacts. • Government bonds: Macroeconomic outputs from National Institute Global Econometric Model ("NiGEM") are used to estimate changes in nominal forward interest rates and sovereign default risk under different climate scenarios.
	Scenarios used	Long-term: • Nationally Determined Contributions (NDCs) • Delayed Transition • Net Zero 2050 These represent a diverse range of plausible transition pathways, including one aligned with the latest international climate agreement, and are considered most relevant for assessing the resilience of the Group's investment strategy across varying levels of policy ambition.
	Time Horizon	2035, 2050
IFRS S2.22(b)(ii)	**Key Assumptions**	• Scenario assumptions are primarily sourced from NGFS Phase V and include projected carbon prices, sectoral emissions pathways, macroeconomic trends, energy system transition. • Issuer and investee-specified data, including financial metrics and GHG emissions, are sourced from public disclosures. • Where issuer and investee-specified data is incomplete, sector proxies and assumptions are applied to estimate financial and emissions exposures under different climate scenarios.
IFRS S2.22(b)(iii)	**Reporting period**	The analysis was conducted in 2025 and reflects the Group's current period investment exposures.

7.3 Climate-related scenario analysis and resilience assessment (continued)

Outcome of impact from climate-related scenario analysis

A. Underwriting – General insurance/takaful

IFRS S2.22(a)(i)

Impact on loss experience within the Mining and Quarrying, Power and Transport sectors is more pronounced under the Net Zero 2050 and Delayed Transition scenarios, reflecting the Group's relatively higher exposure to these sectors and their heightened vulnerability to transition-related risks. Within the Motor class, there is potential for negative impacts arising from changes in the technological mix, namely the shift from internal combustion engine ("ICE") vehicles to electric vehicles ("EVs"), which may result in higher repair and replacement costs and consequently higher loss severity.

B. Investments

Equity and Corporate Bonds

IFRS S2.22(a)(i)

Net Zero 2050

Under the Net Zero 2050 scenario, carbon-intensive sectors such as Mining and Quarrying, Marine, Aviation, and Power may experience higher modelled valuation impacts arising from climate-related transition risks, particularly during the earlier stages of the transition pathway. At the same time, the Power sector may benefit from opportunities associated with electrification and renewable energy deployment.

Delayed Transition

Similar to the Net Zero 2050 scenario, climate-related transition risk under the Delayed Transition predominantly affects carbon-intensive sectors. The Power sector may also benefit from climate-related transition opportunities associated with electrification and renewable energy deployment.

NDCs

Under the NDCs scenario, asset valuations are anticipated to experience relatively limited impacts from climate-related transition risk, reflecting a less ambitious transition pathway compared to the Net Zero 2050 scenario.

Our resilience to climate-related transition risks

IFRS S2.22(a)(iii)

Based on the results of the scenario analysis and the Group's current portfolio composition, the Group's underwriting and investment strategies are assessed to be resilient to the climate-related transition risks under Net Zero 2050, Delayed Transition and NDCs scenarios. Although certain carbon-intensive sectors are exposed to elevated transition risks, the overall impacts assessed are not expected to materially affect the Group's business model.

The Group maintains the capacity to respond and adapt to evolving climate-related transition risks through its established underwriting, pricing, portfolio management and investment processes. Further details on the Group's expected exposures and impacts are set out in Section 7.2 *Climate-related transition risk*.

IFRS S2.22(a)(ii)

Significant areas of uncertainty considered in the assessment of underwriting resilience include potential affordability constraints in carbon-intensive sectors, as well as uncertainty in claims costs arising from emerging technologies, for which limited historical loss experience is available. These factors may increase the challenges associated with risk assessment and pricing. The Group's Climate Transition Plan includes actions to help mitigate these uncertainties, including strengthening its risk assessment processes and refining its underwriting appetite to support the resilience of the portfolio.

7.3 Climate-related scenario analysis and resilience assessment (continued)

IFRS S2.22

Climate resilience and capacity to adjust to sustainability-related risks

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 scenario analysis performed, and disclosures on the approach used to carry out the scenario analysis.

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.

IFRS S2.14(a), (iv)-(v)

7.4 Climate Transition Plan

The Group has developed a Climate Transition Plan that outlines its strategic ambition, implementation framework, and key performance metrics to support the transition to a Net Zero economy across its underwriting, investment portfolios, and own operations.

Climate Ambition

Supporting the transition to Net Zero

Driving action for underwriting	Driving action for investment portfolios	Targeting carbon neutrality across operational emissions by 2030

Our implementation and engagement strategy

We seek to achieve the Group's ambition by:

	Underwriting	Investments	Operations
Supporting customers and investees in transitioning their business	**Expanding climate insurance/takaful solutions** by providing coverage that helps customers strengthen resilience and adopt lower-carbon technologies, including renewables and electric mobility.	**Expanding investment in climate solutions** by increasing exposure to green bonds/sukuks and sustainability-themed equities.	
Integrating climate-related risks and opportunities into decision-making	**Strengthening our evaluation of carbon-intensive sectors** by assessing customers' transition maturity and identifying pathways that support the gradual decarbonisation of our underwriting portfolio.	**Engaging actively** with high emitters and external asset managers.	Driving operational decarbonisation through **energy-efficiency improvements and emissions-reduction initiatives.**

Metrics and targets

Investments	Operations
• 20% reduction in GHG emissions intensity in investment portfolio – covering listed equity and corporate bonds asset classes by 2030 from a 2023 baseline (Scope 3) • Net Zero GHG emissions in investment portfolio by 2050	• Carbon neutral across operations by 2030

**For the underwriting portfolio, the Group is currently collecting insurance-associated emissions data, with targets to be established in the near term.*

7.4 Climate Transition Plan (continued)

Our Implementation and engagement strategy

Driving actions within our underwriting portfolio

IFRS S2.14(a)(iv)

As part of the Group's ongoing efforts to advance the transition to a low-carbon economy, the Group has strengthened its climate-related frameworks and deepened its understanding of climate-related risks across its portfolio. The Group has also commenced emissions analysis for selected portfolios to help inform future target setting. In developing the Climate Transition Plan, the Group reaffirmed its ambition to contribute to a lower-carbon economy, with a focus on practical actions that can support customers' transition. The scope of these actions is outlined below:

IFRS S2.14(a)(ii)

Expanding climate insurance/takaful solutions by providing coverage that helps customers strengthen resilience and adopt lower-carbon technologies, including renewables and electric mobility	
Key actions: The Group aims to support the low-carbon transition by expanding insurance/takaful solutions for renewable energy, electrification, sustainable mobility, climate-resilient technologies, while strengthening underwriting and technical capabilities to manage evolving climate-related transition risks. This includes: (i) broadening climate insurance/takaful offerings (ii) developing products for emerging low-carbon technologies, and (iii) deepening risk expertise across priority sectors.	**Dependencies and Assumptions:** The pace of market adoption of transition solutions will influence demand for our climate insurance/takaful solutions. Uptake is influenced by policy signals, cost competitiveness and the maturity of lower-carbon technologies across key sectors. The commercial and economic viability of insuring transition technologies is subject to uncertainty due to the evolving market. Continued improvements in data, modelling and technical understanding will be necessary to refine Group-wide underwriting decisions.

7.4 Climate Transition Plan (continued)

Driving actions within our underwriting portfolio (continued)

IFRS S2.14(a)(iv)

Strengthening the Group's evaluation of carbon-intensive sectors, by assessing customers' transition maturity and identifying pathways that support the gradual decarbonisation of its underwriting portfolio

IFRS S2.14(a)(ii)

Key actions:	Dependencies and Assumptions:
To strengthen how the Group manages climate-related transition risks within its underwriting portfolio, the Group is deepening its evaluation of carbon-intensive sectors and introducing a more structured approach to assessing customers' transition maturity. This includes developing a clearer view of current and future emissions intensity across selected high-emitting portfolios and using this insight to identify where customers may benefit from guidance or solutions that support their transition progress. These efforts will focus on understanding the drivers, barriers and decarbonisation levers within priority sectors, allowing us to make more informed underwriting decisions and support the gradual decarbonisation of our portfolio over time. This approach will be implemented in phases, reflecting the availability of relevant data, sector feasibility and the level of influence we can exercise. Key activities include: • undertaking deeper assessments of transition maturity and emissions trends within high-impact sectors; • identifying credible pathways that enable customers to progress toward lower-carbon operations; and • using these insights to inform underwriting decisions and portfolio-level transition planning.	The pace and direction of sector-level transition will depend on the deployment of lower-carbon technologies, as well as the ability to address cost, infrastructure and policy challenges. These factors will influence the speed at which customers can meaningfully reduce emissions. The effectiveness of the Group's transition-maturity assessments relies on access to credible data and transparent emissions information. Where data gaps exist, broader sector insights or direct customer engagement may be required to inform underwriting choices and guide transition-support actions.

7.4 Climate Transition Plan (continued)

Driving actions within our investment portfolio

IFRS S2.14(a)(iv)

Over recent years, the Group has strengthened its approach to managing climate-related risks and opportunities across its investment portfolio. The Group's investment strategy is focused on delivering resilient, long-term value while accounting for the shifting risk profiles associated with the transition to a lower-carbon economy. Rather than investing or divesting solely to reduce portfolio emissions, the Group has incorporated climate-transition considerations into its investment selection and engagement practices. This ensures that the Group's capital is allocated in a way that supports sustainable economic outcomes, aligns with its fiduciary responsibilities and complements the Group's broader transition priorities. The Climate Transition Plan sets out the following actions that will guide the evolution of the Group's investment approach:

Expanding investment in climate solutions by increasing exposure to green bonds/sukuks and sustainability-themed equities

IFRS S2.14(a)(ii)

Key actions:	Dependencies and Assumptions:
Expanding investment in climate solutions, with a focus on increasing exposure to green bonds/sukuks and sustainability-themed equities. This approach supports the Group's commitment to directing capital toward issuers and projects that contribute to long-term transition outcomes, while maintaining disciplined investment standards across risk and return.	The availability and quality of eligible climate solution investments will influence the pace at which portfolio exposure can expand. Supply depends on the continued development of green financing markets, credible sustainability-linked instruments, and transparent reporting from issuers.

Engaging actively with high emitters and external asset managers

IFRS S2.14(a)(iii)

Key actions:	Dependencies and Assumptions:
The Group actively engages with high emitters and external asset managers to strengthen dialogue on climate-related risks, emissions performance and alignment with longer-term transition expectations.	Engagement effectiveness depends on access to timely and reliable disclosures from corporate issuers, external managers and third-party data providers.

7.4 Climate Transition Plan (continued)

Driving actions within our operational portfolio

IFRS S2.14(a)(iv)

As part of the Group's ongoing efforts to reduce its operational footprint, the Group has strengthened its energy efficiency initiatives and increased its reliance on renewable energy sources across its operations. The scope of these actions is outlined below:

IFRS S2.14(a)(ii)

Driving operational decarbonisation through energy-efficiency improvements and emissions-reduction initiatives	
Key actions:	**Dependencies and Assumptions:**
The Group aims to achieve carbon neutrality by 2030 by improving energy efficiency across offices and increasing renewable energy usage. This includes: (i) adoption of energy-efficient appliances and lighting (ii) installation of onsite solar panels.	The Group's emissions reduction initiatives do not account for potential changes in business scale, geographic footprint, or operational mix; significant shifts in these factors may require a review and adjustment of the target.

Internal carbon pricing

IFRS S2.29(f)

To support the achievement of the Group’s operational emissions reduction targets, the Group has applied an internal carbon price of RM30 per metric tonne of carbon dioxide equivalent (“tCO_2e”) to Scope 1 and 2 greenhouse gas emissions within the scope of the Group’s climate-related commitments. This internal carbon price is used as a management tool to reflect the expected costs of addressing climate-related transition risks, including investment in emissions-reduction initiatives and procurement of lower-carbon energy solutions.

The internal carbon price is allocated to business divisions based on their respective operational emissions profiles to incentivise emissions reductions and inform decision-making, while supporting the funding of Group-wide environmental initiatives. The pricing mechanism is reviewed periodically and informed by projected costs required to achieve carbon neutrality across operational emissions.

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.

7.5 Climate-related metrics and targets

Climate-related metrics

(i) Summary of gross GHG emissions

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

	Metric tonnes of CO_2 equivalent (tCO_2e)	2023	2024	2025
IFRS S2.29 (a)(i)(1), (a)(iv)	**Scope 1 GHG emissions**			
	The consolidated accounting group	24	27	22*
	Other investees within the organisational boundary[1]	-	-	-
	Total Scope 1 GHG emissions	24	27	22*
IFRS S2.29 (a)(i)(2), (a)(iv)-(v) IFRS S2.B30	**Scope 2 (location-based) GHG emissions**			
	The consolidated accounting group	1,560	1,630	1,450*
	Other investees within the organisational boundary[1]	-	-	-[1]*
	Total Scope 2 (location-based) GHG emissions	1,560	1,630	1,450*
IFRS S2.B31	**Scope 2 (market-based) GHG emissions[2]**			
	The consolidated accounting group	1,560	1,630	1,150*
	Other investees within the organisational boundary[1]	-	-	-[1]*
	Total Scope 2 (market-based) GHG emissions	1,560	1,630	1,150*
IFRS S2.29 (a)(i)(3), (a)(vi)(1) IFRS S2.B23, B32-33	**Scope 3 GHG emissions**			
	Category 1: Purchased goods and services	N/A[4]	N/A[4]	6,000
	Category 2: Capital goods	N/A[4]	N/A[4]	18
	Category 3: Fuel- and energy-related activities	N/A[4]	N/A[4]	35
	Category 5: Waste generated in operations	N/A[4]	N/A[4]	30
	Category 6: Business travel	90	96	80
	Category 7: Employee commuting	555	580	550
	Category 9: Downstream transportation and distribution	N/A[4]	N/A[4]	780
	Category 15: Investments[3]	156,800	155,200	149,250
	Total Scope 3 GHG emissions	157,445	155,876	156,743

*Note: *These metrics have been subjected to a reasonable assurance by a [third-party organisation]. Refer to the independent reasonable and limited assurance report included on pages [XX] to [XX] of the Group's Annual Report.*

[1] Emissions from other investees is nil as the Group applies the 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 (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 79 for further details.

[3] Refer to Page 80 for further details on the Group's financed emissions.

[4] The Scope 3 GHG emissions calculation for Category 1 (Purchased goods and services), Category 2 (Capital goods), Category 3 (Fuel- and energy-related activities), Category 5 (Waste generated in operations), and Category 9 (Downstream transportation and distribution) commenced in 2025. Accordingly, no comparative data is available for 2023 and 2024.

7.5 Climate-related metrics and targets (continued)

Materiality assessment of Scope 3 categories

The Group has undertaken a materiality assessment of its Scope 3 greenhouse gas emissions in accordance with the GHG Protocol Corporate Value Chain (Scope 3) Standard and relevant reporting requirements. The assessment considered factors such as emissions magnitude, relevance to the Group's operations and value chain, data availability, and potential influence on the decisions of primary users of general-purpose financial reporting.

Based on the assessment, Categories 1, 2, 3, 5, 6, 7, 9 and 15 were identified as material and relevant to the Group's value chain. GHG emissions for other Scope 3 categories were assessed as not material or not applicable to the Group's value chain and have therefore not been included in the Scope 3 inventory.

Insurance-associated emissions, which are generally considered within Scope 3 Category 15, have been assessed but are currently excluded from the Group's Scope 3 inventory. This exclusion reflects prevailing industry challenges, including limited data availability and quality across insured portfolios.

Notwithstanding this exclusion, the Group remains cognisant of evolving regulatory expectations and industry developments relating to insurance-associated emissions. The Group is actively monitoring regulatory guidance and market practices and is undertaking internal preparatory work to enhance data readiness, governance, and methodological capability, with a view to enabling future disclosure when such reporting becomes mandatory or when data quality reaches an appropriate level of robustness.

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.

7.5 Climate-related metrics and targets (continued)

IFRS S1.B29-B30

Disaggregating GHG emissions by constituent greenhouse gases

IFRS S2 does not explicitly require the 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 automative industry considers that certain constituent GHG emissions might need to be separately disclosed. This is not illustrated in this Illustrative Sustainability Report.

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

Scope 3 GHG emissions categories

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.

In this example, the Group determines that disaggregating emissions under *Category 1: Purchased goods and services, Category 2: Capital goods, Category 3: Fuel- and energy-related activities, Category 5: Waste generated in operations, Category 6: Business travel, Category 7: Employee commuting, Category 9: Downstream transportation and distribution and Category 15: Investments*, is necessary to provide material information to users of general purpose financial reports.

7.5 Climate-related metrics and targets (continued)

Contractual instruments

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

The Group purchased RECs as part of the Group's strategy to reduce market-based Scope 2 GHG emissions. In 2025, the Group acquired and retired 500 MWh of RECs at a total cost of RM10,000.

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 transition plan 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.

7.5 Climate-related metrics and targets (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 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.

Scope 3 Category 15 (Investments) - Financed emissions

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

The majority of the Group's climate impact is associated with investment portfolio rather than from direct operations. Measuring financed emissions provides a portfolio-wide view of emissions hotspots, enabling us to identify where emissions are concentrated across asset classes and sectors. These insights inform our capital allocation, risk management, and stewardship activities, helping us prioritise engagement and investment decisions in areas with the greatest potential to support real-economy emissions reductions.

The Group has defined its base year as 2023 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 table below presents the Group's gross financed emissions disaggregated by Scope 1, 2 and 3 GHG emissions for each industry by asset class, attributed to investments. The Group's derivatives, classified in accordance with the IFRS Accounting Standards in its Financial Statement, are excluded from its measure of Scope 3 Category 15 (Investments) - Financed Emissions.

7.5 Climate-related metrics and targets (continued)

Scope 3 Category 15 (Investments) - Financed emissions (continued)

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

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 ("DOSM"), used to classify all economic and business activities into defined industries across entities. Refer to Page 88 for financed emissions methodology, inputs and assumptions.

IFRS S2.B63 (a)-(b)
IFRS S2.B63A (a)-(b)

	2025						
	Gross Exposure (RM'mil)	Gross Financed Emissions (tCO_2e)				Emissions intensity (tCO_2e/ RM'mil)	PCAF data quality score
		Scope 1	Scope 2	Scope 3	Total		
Mining and Quarrying							
Listed Equity and Corporate Bonds	200	8,000	3,000	20,000	31,000	155.0	2.6
Electricity, Gas, Steam and Air Conditioning Supply							
Listed Equity and Corporate Bonds	100	14,200	2,200	9,000	25,400	254.0	1.9
Transportation and Storage							
Listed Equity and Corporate Bonds	50	4,000	1,350	4,200	9,550	191.0	2.5
Public Administration And Defence, Compulsory Social Activities							
Listed Equity and Corporate Bonds	50	6,500	2,500	-	9,000	180.0	2.6
Not applicable[1]							
Sovereign Debt[2]	400	51,800	22,500	-	74,300	185.8	2.0
Total	800	84,500	31,550	33,200	149,250		

IFRS S2.B63(c)

Percentage of exposure included	For the current reporting period, 80% of the Group's gross exposure is included in the financed emissions calculation. The remaining 20% relates to exposures to counterparties with limited financial and emissions data. The Group continues to monitor developments in financial and emissions data availability to expand coverage in future reporting periods.

[1] MSIC codes generally apply to businesses/non-individual customers. Hence, sovereign debt was classified as not applicable.
[2] Excluding emissions from Land Use, Land Use Change, and Forestry ("LULUCF").

IFRS S2.B63(a)-(b)
IFRS S2.B63A (a)-(b)

7.5 Climate-related metrics and targets (continued)

Scope 3 Category 15 (Investments) - Financed emissions (continued)

	2024						
	Gross Exposure (RM'mil)	Gross Financed Emissions (tCO_2e)				Emissions intensity (tCO_2e/ RM'mil)	PCAF data quality score
		Scope 1	Scope 2	Scope 3	Total		
Mining and Quarrying							
Listed Equity and Corporate Bonds	210	9,400	2,400	14,800	26,600	126.7	2.9
Electricity, Gas, Steam and Air Conditioning Supply							
Listed Equity and Corporate Bonds	105	20,800	3,100	8,300	32,200	306.7	2.0
Transportation and Storage							
Listed Equity and Corporate Bonds	52	4,200	1,200	4,700	10,100	194.6	2.9
Not applicable[1]							
Sovereign Debt[2]	460	60,500	25,800	-	86,300	187.6	2.0
Total	827	94,900	32,500	27,800	155,200		

IFRS S2.B63(c)

Percentage of exposure included	For the 2024 reporting period, 80% of the Group's gross exposure is included in the financed emissions calculation. The remaining 20% relates to exposures to counterparties with limited financial and emissions data. The Group continues to monitor developments in financial and emissions data availability to expand coverage in future reporting periods.

[1] MSIC codes generally apply to businesses/non-individual customers. Hence, sovereign debt was classified as not applicable.
[2] Excluding emissions from Land Use, Land Use Change, and Forestry ("LULUCF").

7.5 Climate-related metrics and targets (continued)

Scope 3 Category 15 (Investments) - Financed emissions (continued)

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 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)

PCAF data quality score

While IFRS S2 does not require the 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.

IFRSS2.29(a)(iii)(1)-(2)
IFRS S2.B26(c)
IFRS S2.B29
IFRS S2.B55-56

7.5 Climate-related 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 using 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 methodology, inputs, and assumptions used for each emission scope are as follows:

Scope	Methodology and assumptions	Activity data	Emission factors ("EFs")[2]
Scope 1 GHG emissions			
Mobile Combustion	• Direct emissions from the 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 the generators owned by the Group	• Invoices from third-party vendors on the fuel and 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 the 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 electricity	• Location-based method: Uses average emission factors for the electricity grid • Market-based method: Include purchase of renewable energy certificates and contracts	• Actual energy purchased from third-party bills • REC purchase agreements	• Grid Emission Factor in Malaysia (2022), by the Malaysia Energy Commission

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

7.5 Climate-related metrics and targets (continued)

(ii) GHG Methodology, inputs and assumptions (continued)

Scope	Methodology and assumptions	Activity data	Emission factors (“EFs”)[2]
Scope 3 GHG emissions			
Category 1: Purchased goods and services **Category 2: Capital goods**	• Spend-based method: Amount spent on purchased goods or services	• Invoices issued by third-party suppliers/ vendors	• US EPA Supply Chain GHG EFs by NAICS
Category 3: Fuel- and energy-related activities	• Amount of each fuel and energy source consumed and applying upstream emission factors related to their production	• Invoices from third-party vendors on utility bills, fuel purchase records, and energy consumption reports	• UK Government GHG Conversion Factors for Company Reporting (2025) by DESNZ
Category 5: Waste generated in operations	• Amount of waste generated and applying emission factors based on the disposal method	• Invoices from third-party vendors on the waste generated on site	• UK Government GHG Conversion Factors for Company Reporting (2025) by DESNZ
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

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

7.5 Climate-related metrics and targets (continued)

(ii) GHG Methodology, inputs and assumptions (continued)

Scope	Methodology and assumptions	Activity data	Emission factors ("EFs")[2]
Scope 3 GHG emissions (continued)			
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
Category 9: Downstream transportation and Distribution	• Spend-based method using amount spent on transportation and distribution of sold products in vehicles and facilities not owned or controlled by the reporting company	• Transportation contracts, shipping invoices, distribution center energy bills, and communications with logistics providers	• UK Government GHG Conversion Factors for Company Reporting (2025) by DESNZ

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

7.5 Climate-related metrics and targets (continued)

(ii) GHG Methodology, inputs and assumptions (continued)

IFRS S2.B29-B30

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

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 2: Capital goods, Category 3: Fuel-and-energy related activities, Category 5: Waste generated in operations, Category 6: Business Travel, Category 7: Employee Commuting, Category 9: Downstream transportation and distribution, 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.

IFRS S2.B21-B22

Use of GWP values

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.

7.5 Climate-related metrics and targets (continued)

Scope 3 Category 15 (Investments) – Financed Emissions

IFRS S2.29(a)(ii)

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

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

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

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

IFRS S2.B63(d)

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

This calculation approach below applies to listed equity, unlisted equity, corporate bonds and sovereign debt asset classes. The detailed methodologies, inputs, and assumptions are described as follows:

Asset class	Methodology and assumptions	Activity data	Source
• Listed equity and corporate bonds • Unlisted equity and corporate bonds	• Attribution factor is the ratio of the outstanding amount to enterprise value including cash ("EVIC") for listed companies, and to total debt and equity for bonds to private companies and unlisted equity • For counterparty that do not have primary data, the Group uses sectoral proxy data	• Outstanding amount (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 counterparty or third-party data providers • External sectoral proxy data from third-party data providers
• 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 end of reporting date.

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 investments.

7.5 Climate-related metrics and targets (continued)

Insurance-associated emissions

The Group's Scope 3 Category 15 disclosures currently cover financed emissions. Emissions associated with underwriting activities (insurance-associated emissions) are being progressively assessed, with data collection and methodology development underway to support future disclosure.

Insurance-associated emissions

Insurance-associated emissions refer to GHG emissions linked to an insurer's underwriting activities. Unlike financed emissions, which arise from investment and lending activities, insurance-associated emissions reflect emissions linked to risks underwritten by the insurer.

Standard-setting bodies are currently undertaking consultations to clarify the classification and reporting of these emissions, including whether they should be reported separately from Category 15 to better reflect their underlying economic characteristics. At present, many insurers are in the early stages of measuring these emissions due to:

- Data availability constraints at the insured entity level
- Ongoing development of attribution methodologies
- Expanding scope across lines of business (e.g., commercial, motor, reinsurance)

Where quantitative disclosure is not yet available, entities may:

- Disclose qualitative progress on data collection and methodology development
- Define the scope of underwriting portfolios under assessment
- Provide an expected timeline or roadmap for future disclosure

7.5 Climate-related metrics and targets (continued)

Insurance-associated emissions (continued)

Calculation methodology:

$$\text{Insurance-associated emissions (Commercial lines)} = \text{Attribution factor} \times \text{Emissions of insured company}$$

$$\text{Attribution factor} = \frac{\text{Re / Insurance premium}}{\text{Customer revenue}}$$

Sample disclosure:

		Carbon inventory data for insurance product portfolio			
Types of insurance		Carbon emissions (tCO_2e)	Carbon intensity (tCO_2e/ RM'mil)	Inventory coverage[1]	Data quality score[2]
Commercial insurance	Fire insurance	XX	XX	XX	XX
	Engineering insurance	XX	XX	XX	XX
	Marine insurance	XX	XX	XX	XX
	Liability insurance	XX	XX	XX	XX
	Subtotal	XX	XX	XX	XX
Automobile insurance	Automobile	XX	XX	XX	XX
	Motorcycle	XX	XX	XX	XX
	Subtotal	XX	XX	XX	XX

[1] Inventory coverage refers to the proportion of insured amount assessed to the total insured portfolio.
[2] PCAF assigns data quality scores from 1 to 5, with 1 indicating the lowest uncertainty. We prioritise using the latest available Scope 1 and Scope 2 emissions from policyholders. When such data is unavailable, estimates are based on economic activity. As data availability improves, estimated figures will gradually be replaced by reported emissions.

7.5 Climate-related metrics and targets (continued)

Climate-related targets

The Group's climate-related targets are designed to align its investment and operational activities with a decarbonisation pathway. Our overarching objective is to reduce greenhouse gas emissions across both our investment portfolio and operational footprint, supporting long-term value creation, effective risk management, and contribution to Net Zero goals. These targets reflect the Group's commitment to climate change mitigation in line with international climate agreements and relevant jurisdictional commitments.

Investment Portfolio Target

IFRS S2.33(h)
IFRS S2.34(b)
IFRS S2.36(d)
IFRS S2.36(e)

In supporting the transition to a lower-carbon economy, the Group has set two investment portfolio targets to advance our transition journey. The near-term 2030 GHG emissions intensity target and 2050 absolute Net Zero target are informed by sectoral decarbonisation pathways aligned with the objectives of the Paris Agreement. Progress is monitored through annual financed-emissions assessments, using PCAF methodology and metrics such as financed emissions and portfolio emission intensity. The Group does not plan to rely on carbon credits to meet its investment portfolio targets, focusing instead on real-economy decarbonisation through capital allocation and stewardship. These targets are reviewed annually as part of the Group's investment governance processes, with any revisions disclosed in subsequent reporting periods.

IFRS S2.33(a)-(g)
IFRS S2.34(c)
IFRS S2.35

Targets for investment portfolio:

- **20% reduction in GHG emissions intensity in investment portfolio – covering listed equity and corporate bonds asset classes by 2030 from a 2023 baseline (Scope 3)**
- **Net Zero GHG emissions in investment portfolio by 2050 (Scope 3)**

Performance (tCO_2e/RM'mil)		
Baseline (2023)	**2024**	**2025**
200.0	187.7	186.6

Progress	In 2025, the Group has decreased its GHG emissions intensity, achieving a 6.7% reduction as compared to the 2023 baseline. This progress is largely attributed to pursuing opportunities in climate solutions. The Group is on track toward the 2030 GHG emission intensity reduction target based on annual financed emissions assessment. Progress is monitored annually and the target is reviewed as part of the Group's investment governance processes. The Group is progressing in line with its long-term decarbonisation pathway and remains on track to achieve its Net Zero financed emissions target by 2050.
GHG emissions included (IFRS S2.36(b))	Scope 1, Scope 2, Scope 3 of investee companies
Gases covered by the target (IFRS S2.36(a))	CO_2e
Part of the entity covered	Group-wide investment portfolio, with 80% coverage as of 31 December 2025

7.5 Climate-related metrics and targets (continued)

Climate-related targets (continued)

Carbon neutrality across operational emissions

For the Group's operations, the target is to achieve carbon neutrality across operational emissions by 2030, covering Scope 1 and Scope 2 (market-based) emissions. The target is measured against a 2023 baseline.

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

Targets for operational portfolio:

- **Carbon neutrality across operational emissions by 2030 (Scope 1 and 2)**

Performance (tCO_2e)		
Baseline (2023)	2024	2025
1,584	1,657	1,172

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

Progress	The Group has reduced absolute operational GHG emissions by 26.0% compared with the 2023 baseline, driven by energy efficiency improvements and increased use of renewable energy, including RECs. In 2025, the Group retired 500 MWh of RECs which contributed to an estimated reduction of 300 tCO_2e in market-based Scope 2 GHG emissions. The Group remains on track to achieve carbon neutrality, with progress monitored annually through established governance processes.
GHG emissions included	Scope 1 and Scope 2 (market-based)
Gases covered by the target	CO_2e
Part of the entity covered	Group-wide operations

7.5 Climate-related metrics and targets (continued)

Climate-related 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)

- metrics used to set the targets (IFRS S2 paragraph 33(a));

IFRS S2.34(c)

- 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.

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.

8. Social-related risk

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

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

IFRS S1.44(a)(i)

IFRS S1.44(a)(ii)

The process of identifying, assessing, prioritising, and monitoring social-related risks form part of the general process described in Section 6.4. In particular, the Group's approach is designed to support fair customer outcomes, including appropriate product suitability, fair treatment in claims handling, and clear and transparent customer communications, consistent with the requirements set out in Bank Negara Malaysia's Policy Document on Fair Treatment of Financial Consumers ("FTFC"), the Guidelines on Product Transparency and Disclosure, and the Policy Document on Introduction of New Products by Insurers and Takaful Operators.

These requirements provide an overarching framework for managing conduct and consumer-related risks, including social-related risks that arise from the Group's product design, distribution, and claims handling practices. The Group monitors adherence to these requirements through a combination of operational and outcome-based indicators, which may include complaint volumes and root-cause trends, claims disputes and turnaround times, service quality indicators, and metrics relating to vulnerable customer outcomes. These indicators support ongoing monitoring of conduct risk and inform decision-making to align with regulatory expectations on fair treatment of financial consumers.

The processes and controls supporting these outcomes are embedded within the Group's broader risk management and internal control framework, with oversight provided by the BRMC and input from the BSC. Clear roles, responsibilities, and escalation pathways are defined to support consistent implementation and the timely management of potential issues, and these processes are subject to periodic review to ensure continued alignment with evolving regulatory requirements and stakeholder expectations.

8.1 Social-related risk – Unclear product communication and customer misunderstandings leading to legal proceedings and fines

IFRS S1.30(a)-(b)
IFRS S1.32(a)-(b)

(A) General insurance/takaful and Life insurance/Family takaful			
Summary of impact to business model and value chain	Time Horizon		
	S	M	L
This risk is assessed as short to medium term as unclear product communication can rapidly result in customer complaints and legal proceedings, with related fines and remediation occurring within a relatively short to medium timeframe. The risk of unclear or insufficient product communication has a direct impact on the Group's business model and value chain, including: **Customer dissatisfaction and impact on business performance** Misunderstandings arising from unclear product information can raise complaint volumes, reduce policy persistency, and increase early cancellations. These effects may directly influence customer lifetime value. **Reputational implications and distributor oversight** Confusion arising from inadequate product explanations can affect confidence in the Group's brand and its relationships with agents and brokers. In response, distribution partners may impose additional oversight measures such as enhanced pre-sale disclosures, and mandatory advisory scripts. **Digital sales journeys and customer decision-making** For digital distribution channels, unclear product descriptions may result in customers making uninformed or unsuitable purchasing decisions, increasing the likelihood of post-sale dissatisfaction and complaints.	✓	✓	

Financial effects

Current financial effects

IFRS S1.35(a)

During the year, the Group invested in enhancing the clarity and accessibility of customer-facing information. This included improvements to digital policy documents, such as interactive features with plain-language definitions, practical examples and FAQs for key terms and exclusions.

Product communication remediation was completed through the review and redrafting of product brochures, benefit illustrations, key product summaries, digital policy documents and standardised exclusion tables, with related costs of RM0.2 million expensed.

Additional operational expenditure of RM0.5 million was incurred for post-sale confirmation calls for selected products, aimed at verifying customers' understanding of key features, limitations, and exclusions. The Group also enhanced its Voice of Customer ("VoC") programme, incorporating Net Promoter Score ("NPS") and Customer Satisfaction ("CSAT") measures at purchase and claim stages, together with expanded root-cause analytics for coverage-related complaints, at a cost of RM0.2 million. NPS and CSAT results are used to assess whether customer experience aligns with the protection communicated and understood.

8.1 Social-related risk – Unclear product communication and customer misunderstandings leading to legal proceedings and fines (continued)

Current financial effects (continued)

IFRS S1.35(a)

In addition, the Group incurred ongoing operating costs relating to complaint handling, customer servicing and quality assurance activities associated with addressing product communication issues. These costs primarily comprise staff time, call-centre operations and case management processes and were expensed as incurred.

Anticipated financial effects

IFRS S1.35(d)
IFRS S1.37(a)

Deficiencies in product information and disclosure may, if not effectively mitigated, result in financial loss for the Group, including exposure to legal and regulatory penalties, fines, litigation and reputational damage. Such impacts could arise over the short, medium, and long term and may include:

- Reduced revenue from lower policy persistency, higher early cancellations and slower new business conversion
- Increased operating costs arising from remediation activities, enhanced distributor oversight and strengthened controls
- Potential outflows relating to penalties, settlements and advisory fees

Responses to manage risk

IFRS S1.33(a)

- **Strengthened product communication governance and complaints monitoring**

  The Group manages risks related to customer misunderstanding and mis-selling by aligning its product disclosure and communication practices, including digital channels, with Bank Negara Malaysia's Policy Document on Product Transparency and Disclosure. Information provided across physical and digital touchpoints is clear, accurate, balanced, and timely, with key features, exclusions, risks, costs, and obligations presented in a manner that supports informed decision-making.

  Governance controls ensure that product disclosures, key product summaries, marketing materials, and digital content are subject to appropriate review and approval processes. The Group has also enhanced disclosure templates and exclusion tables to improve transparency and customer comprehension.

- **Enhancement of advisory and distribution oversight**

  To mitigate the risk of misinterpretation during sales interactions, the Group has expanded conduct-related requirements for tied agents and brokers, including updated advisory scripts, mandatory product-specific training modules, competency assessments, and periodic quality-assurance reviews, alongside ongoing monitoring of distributor communications and escalation pathways for suspected mis-selling.

  During the year, the Group introduced compulsory post-sale confirmation calls for selected products to confirm customers understood key features, limitations and exclusions at the point of purchase.

- **Promotion of customer financial literacy and public awareness**

  The Group undertakes ongoing public education initiatives including outreach programmes, educational campaigns and digital content to improve customer understanding of insurance and takaful concepts (e.g., repricing, coverage scope and limitations), setting appropriate customer expectations and reducing the risk of misunderstandings and complaints.

8.1 Social-related risk – Unclear product communication and customer misunderstandings leading to legal proceedings and fines (continued)

Resilience of the Group's strategy and business model in relation to social risk

The Group's processes for managing the social risk associated with unclear product communication and potential misunderstandings about the protection provided by its insurance/takaful products are well established and continuously improved over time. These processes undergo periodic review by the internal audit department as part of the Group's annual internal audit programme. Additionally, the Group works closely with its distribution partners to identify and address any indications of inconsistent or unclear product explanations. The Group maintains structured communication guidelines, supported by updated product summaries, disclosure templates, and advisory scripts designed to ensure that key features, limitations, and exclusions are presented accurately. Where gaps are identified, the Group engages with distributors to reinforce correct practices and will take additional action where necessary.

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 scenario analysis for risks other than climate. This Illustrative Sustainability Report illustrates disclosures on Insurance Holdings Berhad's resilience to other sustainability-related risks, specifically unclear product communication and customer misunderstanding risk in this section.

8.2 Social-related metrics and targets

IFRS S1.46(a)-(b)

The Group uses the following metrics to measure and monitor its social-related risk:

Description of metric	Methodology to calculate metric	2025
Total amount of monetary losses as a result of legal proceedings associated with marketing and communication of insurance/takaful product-related information to new and returning customers[1]	Total monetary losses incurred during the reporting period from legal proceedings associated with marketing and communication of insurance/takaful product-related information to customers.	Nil during the financial year
Complaints-to-claims ratio[2]	Number of confirmed consumer complaints received across all segments and regions during the reporting period, per 1,000 claims filed during the same period.	1.2
Customer retention rate	(Total number of customers at close of reporting period minus new customers added during the reporting period), divided by (total number of customers at the close of the previous reporting period minus the total number of customers involuntarily terminated[3] during the reporting period minus the attrition of customers in employer-sponsored plans[4]).	90%
Description of approach to informing customers about products	Qualitative description of how the Group informs customers about its products and services.	Refer to Page 96 for further details

Note:

[1] Scope of metric includes legal proceedings related to false advertising, transparency of small print, mis-selling products, overcharging clients.

[2] Scope of metric is limited to confirmed customer complaints, defined as complaints in which the final resolution by the respective regulator is upheld.

[3] Involuntarily terminated customers—those whose coverage the entity terminated because of non-payment, fraud or intentional misrepresentation of material facts—shall be excluded from the calculation.

[4] Attrition of customers in employer-sponsored plans (for example, life insurance plans) because of turnover (voluntary or involuntary) shall be excluded from the calculation.

These metrics were developed with reference to the SASB Insurance Standard and have been adapted for the Group's purpose.

8.2 Social-related metrics and targets (continued)

IFRS S1.50(b)
IFRS S1.50(c)

The Group has also developed an internal Transactional Net Promoter Score ("TNPS") in respect of claims resolution as a supplementary metric. The score and associated methodology have not been validated by a third party. TNPS provides more granular, real-time insight into customer satisfaction at the point of claims interaction, complementing the complaints-to-claims ratio by capturing customer sentiment at specific claims interaction points, rather than relying solely on formal complaints that have been lodged and upheld externally. In 2025, the Group surveyed 1 million customers following claims interactions, and claims TNPS improved by 1.3 points compared to 2024, reflecting continued customer satisfaction at the point of claims resolution.

Methodology for derivation of TNPS

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

TNPS is calculated based on customer feedback collected at relevant claims touchpoints throughout the customer journey. Following a relevant claims interaction, customers receive a survey asking:

i. how likely they are to recommend the Group to colleagues, friends, and family, on a scale of 0 to 10; and

ii. the key reasons for their score. Based on their response, customers are classified as Promoters (score of 9 to 10), Passives (score of 7 to 8), or Detractors (score of 0 to 6).

The TNPS score is calculated as the percentage of Promoters less the percentage of Detractors. Detractors are followed up with by the relevant service team within 48 hours to support service recovery and to identify underlying issues for continuous improvement.

IFRS S1.50

Entity-developed metrics

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 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. Climate and Social-related opportunities

Opportunities arising from sustainable solutions

The Group has identified sustainable solutions as a material opportunity. All insurance/takaful products, add-on coverages, related services, and investment activities across the Group's operations are assessed and classified in accordance with the Group's Sustainable Solutions Framework ("SSF"), which sets out the criteria that a solution must meet before its associated revenue can be recognised and reported as sustainable. Each solution is subject to an internal assessment and approval process prior to recognition. Under the SSF, sustainable solutions are classified into three categories: environmental, social, and sustainable investment.

Environmental solutions

Solutions related to technologies or activities that reduce greenhouse gas emissions, preserve or enhance biodiversity, support the responsible use of natural resources, or strengthen resilience to environmental-related risks affecting the Group's customers.

Examples include:

- Insurance/takaful coverage for electric vehicles
- Coverage supporting energy efficiency and low carbon technologies
- Risk prevention and resilience-related services that address the adverse impacts of climate change, such as flood resilience measures

Social solutions

Solutions that enhance social or financial inclusion and address the needs of vulnerable groups, including solutions that help reduce inequalities and close protection gaps, as well as solutions designed to incentivise healthy lifestyles, preventive care, and safe behaviour.

Examples include:

- Micro-insurance/takaful products for low-income households, including products offered under national inclusion initiatives (e.g., Perlindungan Tenang)
- Affordable protection solutions supported by government or industry-led voucher programmes
- Inclusive insurance/takaful offerings for micro-entrepreneurs, gig workers, and workers in the informal sector (e.g., iTEKAD)

Sustainable investment solutions

Investment products that incorporate sustainability considerations as part of their investment strategy, rather than relying only on exclusions or ESG risk management measures.

Examples include:

- Investment-linked products tailored to customers with sustainability preferences, focused on environmental and social factors (e.g., ESG funds), as well as transitional aspects

The Group has identified two broad areas of opportunities:

- Climate-related opportunities
  1. Insurance/takaful product development to support the transition to a lower-carbon economy (Section 9.1), and;
  2. Opportunities for enhanced returns from investments aligned with the transition to a lower-carbon economy (Section 9.1)
- Social-related opportunity
  1. Sustainability-related insurance/takaful product development to support a just transition (Section 9.3)

Revenue from sustainable solutions is defined to include gross written premium/contribution from non-life and life/family solutions, fees from add-on coverage and related services, and net flows from investment-linked and sustainable investment solutions.

9. Climate and Social-related opportunities

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

Processes, controls, and policies to manage climate and social-related opportunities

Identifying and assessing climate and social-related opportunities

Climate and social-related opportunities are identified, assessed, prioritised and monitored through structured processes and are integrated into the Group's strategy, underwriting innovation and investment activities. The Group identifies climate-related opportunities by considering emerging market developments, customer needs, technological progress and regulatory initiatives associated with the transition to a lower-carbon and more resilient economy.

Identified opportunities are assessed based on strategic alignment, commercial potential, feasibility and scalability. Where appropriate, analysis and quantitative and qualitative assessments are applied to support understanding of demand, revenue potential, delivery risks and resilience under different market and transition conditions. Opportunities that demonstrate strong value-creation potential and alignment with the Group's capabilities are prioritised for further development. Climate-related opportunities are monitored on an ongoing basis, with progress tracked against defined metrics and targets.

Oversight is provided by the Sustainability Committee, which is responsible for monitoring identified opportunities, coordinating their integration into business activities and reviewing performance against established objectives. Progress is periodically reported to the SC to support effective oversight and ensure opportunities contribute to long-term growth, resilience and sustainability.

9. Climate and Social-related opportunities

IFRS S2.10(a)
IFRS S2.10(b)
IFRS S2.10(c)

IFRS S2.13(a)
IFRS S2.13(b)

9.1 Climate-related opportunities – Insurance/Takaful product development to support the transition to a lower-carbon economy

(A) General insurance/takaful			
Summary of impact to business model and value chain	**Time Horizon**		
	S	**M**	**L**
The transition to a lower-carbon economy presents opportunities for the Group to expand and innovate its product suite. As customers adopt cleaner technologies, invest in climate-resilient infrastructure, and shift towards lower-emission assets, demand is increasing for insurance/takaful solutions that support these transitions. This includes lower-carbon product design and development, offering incentives that promote environmentally responsible behaviour, and providing coverage that enhances resilience to both physical and transition-related impacts. These developments create opportunities for new premium/contribution pools, improved risk selection, and strengthening of overall customer value propositions.	✓	✓	✓

Financial effects

Current financial effects

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

Climate-related opportunities arising from the market shift from Internal Combustion Engine ("ICE") vehicles to Electric Vehicle ("EV") solutions contributed RM1.0 million in additional revenue in 2025. In addition, the Group commenced offering energy efficiency and low-carbon technology products during the reporting period, generating RM0.5 million in gross written premiums/contributions from two policies issued.

IFRS S2.15(b)
IFRS S2.16(c)
IFRS S2.16(d)
IFRS S2.17
IFRS S2.18

Anticipated financial effects

The Group has begun identifying and assessing climate-related opportunities within the Malaysian market, particularly those emerging from the National Energy Transition Roadmap ("NETR"). The NETR is expected to stimulate demand for insurance/takaful products tailored to renewable energy, green technology, and climate-resilient infrastructure. The Group has not disclosed the anticipated financial effects of these opportunities, as such information is considered commercially sensitive.

9.1 Climate-related opportunities – Insurance/Takaful product development to support the transition to a lower-carbon economy (continued)

IFRS S1.B34-35

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."*

Responses to manage opportunity

IFRS S2.14(a)

The Group's Climate Transition Plan outlines targeted actions to strengthen internal capabilities and scale insurance/takaful solutions that support emerging climate-related opportunities. Further details are provided in the *Section 7.4* *Climate Transition Plan*.

9.1 Climate-related opportunities – Opportunities for enhanced returns from investments aligned with the transition to a lower-carbon economy

(B) Investments

IFRS S2.10(a)-(c)
IFRS S2.13(a)-(b)

Summary of impact to business model and value chain	Time Horizon		
	S	M	L
The Group invests in climate solutions as part of its broader investment strategy to support the transition to a lower-carbon economy and to meet its climate-related commitments. All climate solution investments are subject to the same risk appetite criteria applied across the Group's wider investment portfolio, ensuring disciplined capital allocation and maximising long-term investment returns.	✓	✓	✓

Financial effects

Current financial period

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

As at 31 December 2025, the carrying amount of the Group's climate solution investments was RM50 million, representing 5% of the Group's total investment portfolio.

Further details on its climate solution investments are provided in *Section 7.4 Climate Transition Plan* section.

Anticipated financial effects

IFRS S2.15(b)
IFRS S2.16(c)
IFRS S2.16(d)
IFRS S2.17
IFRS S2.18

The Group is exploring the establishment of a formal target for investing in climate solutions in the near future. The financial effects of these investments are expected to materialise gradually over time through investment income and shifts in the composition of investments. The Group does not expect the returns generated from climate solution investments to differ materially from those generated by the broader investment portfolio.

Responses to manage opportunity

IFRS S2.14(a)

The Group will continue to pursue opportunities in climate solution investments as part of its investment strategy, with the aim of achieving sustainable and long-term returns.

Capital deployed towards climate-related opportunities

IFRS S2.29(a)-(e)

Climate-related opportunities are integrated into the Group's business-as-usual activities and are managed through existing processes, governance arrangements and operational planning. Accordingly, these matters are resourced through the Group's existing budgets and capital allocation.

During the reporting period, other than investments made in climate solutions, the Group did not identify any material direct expenditures or operating costs that were solely attributable to the implementation of climate-related initiatives.

9.2 Metrics for climate-related opportunities

The Group uses the following internally developed metrics, as set out in Section 9.1, to monitor climate-related opportunities across its underwriting and investment portfolios. These metrics have not been validated by a third party.

IFRS S2.29(d)

Description of metric	2023	2024	2025
Gross written premiums/contributions related to energy efficiency and low carbon technology (RM'mil)	Note 1	Note 1	0.5
Number of policies or certificates issued for energy efficiency and low carbon technology	Note 1	Note 1	2

Note 1 – These metrics were newly developed by the Group in the financial year 2025. Accordingly, no comparative data is available for 2023 and 2024.

During the reporting period, the Group commenced offering products related to energy efficiency and low carbon technologies, generating RM0.5 million in gross written premiums/contributions from two policies or certificates issued.

Description of metric	2023	2024	2025	Cumulative as of 2025
Amount of climate solution investments (RM'mil)	10	20	20	50

IFRS S2.35

The Group invested RM20 million in climate solutions during the year (2024: RM20 million), bringing the cumulative amount invested since 2023 to RM50 million.

In addition, the Group uses the following metric to measure the proportion of its investment portfolio allocated to climate solution investments:

Description of metric	2023	2024	2025
Percentage of the Group's investment portfolio allocated to climate solution investments (%)	1.3	2.9	5.0

This metric is calculated as the carrying value of the Group's climate solution investments as at the reporting date, divided by the total carrying value of the Group's investment portfolio as at the reporting date.

9.3 Social-related opportunity – Sustainability-related insurance/takaful product development to support a just transition

IFRS S1.30(a)
IFRS S1.30(b)
IFRS S1.30(c)

(A) General insurance/takaful and Life insurance/Family takaful			
Summary of impact to business model and value chain	**Time Horizon**		
	S	**M**	**L**
The Group expects increased demand for affordable insurance/takaful solutions to generate growth opportunities in the short to medium term. In particular, the expansion of microinsurance/microtakaful and inclusive protection products is expected to support portfolio expansion primarily through increased policy volumes by enabling access to underserved and previously excluded customer segments, including low-income households and individuals with pre-existing health conditions. These offerings are expected to contribute to revenue growth through increased penetration, expansion of the risk pool, and generation of recurring premium/contribution income, while supporting portfolio diversification and reducing concentration risk over time. From a business model perspective, such products create value by delivering accessible and fit-for-purpose protection solutions, supported by broader distribution channels, including digital platforms and strategic partnerships. This is expected to enhance customer reach and may support long-term customer relationships. These activities also contribute to positive social outcomes by improving financial protection, resilience, and inclusion among underserved populations. To achieve these outcomes, the Group applies safeguards across product design and delivery, including maintaining affordability, ensuring clear and transparent communication, and upholding fair treatment of customers. Overall, this opportunity is expected to strengthen the Group's underwriting capacity, support revenue growth, and reinforce its role in providing inclusive and equitable financial protection, while supporting measurable financial outcomes and demonstrable social outcomes.	✓	✓	

Financial effects

Current financial effects

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

The insurance/takaful revenue included RM0.5 million generated from social and inclusive insurance/takaful solutions, including microinsurance/microtakaful offerings designed to improve protection access for low-income and underserved communities.

These early-stage solutions provide affordable coverage options such as basic hospitalisation, outpatient treatment, and life or funeral benefits suitable for customers who traditionally face barriers to obtaining insurance/takaful due to income level, employment type, or pre-existing health conditions.

IFRS S2.15(b)
IFRS S2.16(c)
IFRS S2.16(d)
IFRS S2.17
IFRS S2.18

9.3 Social-related opportunity – Sustainability-related insurance/takaful product development to support a just transition (continued)

Anticipated financial effects

The Group expects that expanding microinsurance/microtakaful and other inclusive protection products will create a long-term growth opportunity for the underwriting portfolio. As awareness and adoption increase, these solutions are anticipated to:

- Expand the Group's underwriting base through access to previously untapped low-income and underserved customer segments.
- Enhance portfolio diversification by adding high-volume, low-premium/contribution policies that broaden the risk pool and support more stable premium/contribution inflows.

Financial returns from these inclusive insurance/takaful solutions are expected to materialise gradually over time, consistent with early-stage social-impact product development. The Group does not expect financial results from these solutions to differ materially from other protection-based segments in the broader underwriting business.

IFRS S1.33(a)

Responses to manage opportunities

- **Expansion of inclusive and micro-insurance/micro-takaful product development**

  The Group is strengthening its capability to design simple, affordable insurance/takaful solutions that meet the needs of low-income and underserved communities. This includes developing micro-insurance/micro-takaful products with streamlined benefits, low premiums/contributions, and simplified claims processes to improve accessibility for customers who traditionally face barriers due to limited financial resources, informal employment, or pre-existing health conditions. Product teams are incorporating customer insights and social-impact considerations to ensure offerings are relevant, affordable, and aligned with community needs.

- **Simplified underwriting and operational enablement**

  The Group is implementing simplified underwriting processes and eligibility criteria to improve accessibility for customers with health risks or limited income documentation. Operational teams are supported with appropriate tools and guidance to assess microinsurance/microtakaful applications efficiently while maintaining sound risk management principles. These enhancements are designed to reduce friction, shorten onboarding time, and ensure inclusive solutions can scale sustainably across the underwriting portfolio.

- **Product framework and advisory practices aligned with the Base MHIT plan**

  In line with Bank Negara Malaysia's Base Medical and Health Insurance/Takaful ("MHIT") plan and related supervisory measures, the Group's inclusive and micro-insurance/micro-takaful offerings are guided by product and distribution principles aimed at enhancing affordability, fairness, and sustainability of coverage. This includes targeted protection for essential medical needs, equitable risk-rating and risk-pooling mechanisms to support sustainable claims experience, and appropriate alternative MHIT products at the same or lower premium levels for policyholders/certificate holders affected by repricing. This approach is supported by strengthened conduct and advisory practices, including needs-based assessments and targeted training for staff and intermediaries, as well as enhanced safeguards on investment-linked products, communications, and product disclosures to facilitate informed consumer decision-making.

9.4 Metrics for social-related opportunities

IFRS S1.50(b)
IFRS S1.50(d)

The Group uses the following metrics to measure and monitor its sustainability-related insurance/takaful product development opportunity, as set out in Section 9.3:

Description of metric	Methodology to calculate metric	2023	2024	2025
Revenue (gross written premiums/ contributions) from sustainable social solutions (RM'mil)	Gross written premiums/contributions recognised during the financial year in respect of new insurance and takaful products, add-on coverage, and related services that meet the Group's internal definition of sustainable social solutions	Note 1	Note 1	0.5
Number of policyholders/ participants covered	Total number of policyholders/participants covered under sustainable social solutions	Note 1	Note 1	4,500
Total claims disbursed (RM'mil)	Total claims disbursed in respect of sustainable social solutions	Note 1	Note 1	0.08
Number of beneficiaries supported	Total number of beneficiaries supported under sustainable social solutions	Note 1	Note 1	20

Note 1 – These metrics were newly developed by the Group in the financial year 2025. Accordingly, no comparative data is available for 2023 and 2024.

IFRS S1.50(c)

These metrics were internally developed by the Group and are not derived by adjusting a metric taken from an external source. These metrics have not been validated by a third party.

All metrics above are presented on the basis of activity recognised during each financial year and are not cumulative.

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	XXXX
Name of PLC	Insurance Holdings Berhad
Financial Year	31 December 2025

Insurance Holdings Berhad
IFRS S1

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FYE 31/12/2025

Sustainability Matter	Metric	Measurement Unit	2025	Target	Assurance
Social-related risk – Unclear product communication and customer misunderstandings leading to legal proceedings and fines	Total amount of monetary losses as a result of legal proceedings associated with marketing and communication of insurance/takaful product-related information to new and returning customers	Amount (RM million)	Nil	—	No assurance
Social-related risk – Unclear product communication and customer misunderstandings leading to legal proceedings and fines	Complaints-to-claims ratio	Ratio	1.2	—	No assurance
Social-related risk – Unclear product communication and customer misunderstandings leading to legal proceedings and fines	Customer retention rate	Percentage (%)	90	—	No assurance
Social-related opportunity – Sustainability-related insurance/takaful product development to support a just transition	Revenue (gross written premiums/contributions) from sustainable social solutions	Amount (RM million)	0.5	—	No assurance
Social-related opportunity – Sustainability-related insurance/takaful product development to support a just transition	Number of policyholders/partic-ipants covered	Number	4,500	—	No assurance
Social-related opportunity – Sustainability-related insurance/takaful product development to support a just transition	Total claims disbursed	Amount (RM million)	0.08	—	No assurance
Social-related opportunity – Sustainability-related insurance/takaful product development to support a just transition	Number of beneficiaries supported	Number	20	—	No assurance

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10. Additional disclosures based on the Main Market Listing Requirements (continued)

Insurance Holdings Berhad

IFRS S2

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FYE 31/12/2025

Sustainability Matter	Metric	Measurement Unit	2025	Target	Assurance
Climate-related physical risk – Increased severity of extreme weather events resulting in increased claims	Probable maximum loss of insured products from weather-related natural catastrophes (gross before reinsurance/retakaful, 1-50)	Amount (RM million)	50	—	No assurance
Climate-related physical risk – Increased severity of extreme weather events resulting in increased claims	Probable maximum loss of insured products from weather-related natural catastrophes (gross before reinsurance/retakaful, 1-100)	Amount (RM million)	60	—	No assurance
Climate-related physical risk – Increased severity of extreme weather events resulting in increased claims	Probable maximum loss of insured products from weather-related natural catastrophes (gross before reinsurance, 1-200)	Amount (RM million)	70	—	No assurance
Climate-related physical risk – Increased severity of extreme weather events resulting in increased claims	Probable maximum loss of insured products from weather-related natural catastrophes (net after reinsurance, 1-50)	Amount (RM million)	10	—	No assurance
Climate-related physical risk – Increased severity of extreme weather events resulting in increased claims	Probable maximum loss of insured products from weather-related natural catastrophes (net after reinsurance, 1-100)	Amount (RM million)	12	—	No assurance
Climate-related physical risk – Increased severity of extreme weather events resulting in increased claims	Probable maximum loss of insured products from weather-related natural catastrophes (net after reinsurance, 1-200)	Amount (RM million)	14	—	No assurance
Climate-related physical risk – Increased severity of extreme weather events resulting in increased claims	Amount of exposure vulnerable to climate-related physical risk	Amount (RM million)	100	—	No assurance
Climate-related physical risk – Increased severity of extreme weather events resulting in increased claims	Percentage of exposure vulnerable to climate-related physical risk (% of total sum insured)	Percentage (%)	5	—	No assurance

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Insurance Holdings Berhad

IFRS S2

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FYE 31/12/2025

Sustainability Matter	Metric	Measurement Unit	2025	Target	Assurance
Climate-related transition risk – Risk of market disruption to underwriting portfolio arising from transition to a lower-carbon economy	Amount of exposure vulnerable to climate-related transiton risk	Amount (RM million)	25	—	No assurance
Climate-related transition risk – Risk of market disruption to underwriting portfolio arising from transition to a lower-carbon economy	Percentage of exposure vulnerable to climate-related transition risk (% of total sum insured)	Percentage (%)	1.25	—	No assurance
Climate-related transition risk – Risk of devaluation of investments in carbon-intensive sectors arising from transition to a lower-carbon economy	Amount of exposure vulnerable to climate-related transiton risk	Amount (RM million)	350	—	No assurance
Climate-related transition risk – Risk of devaluation of investments in carbon-intensive sectors arising from transition to a lower-carbon economy	Percentage of exposure vulnerable to climate-related transition risk (% of total investment)	Percentage (%)	35	—	No assurance
GHG emissions	Internal carbon price	Amount (RM/tCO2e)	30	—	No assurance
GHG emissions	Scope 1 GHG emissions - The consolidated accounting group	tCO_2e	22	Carbon neutrality across operational emissions by 2030 (Scope 1 and 2)	External (Reasonable)
GHG emissions	Scope 1 GHG emissions - Other investee within the organisation	tCO_2e	Nil	—	External (Reasonable)
GHG emissions	Scope 1 GHG emissions - Total Scope 1 GHG emissions	tCO_2e	22	Carbon neutrality across operational emissions by 2030 (Scope 1 and 2)	External (Reasonable)
GHG emissions	Scope 2 (location-based) GHG emissions - The consolidated accounting group	tCO_2e	1,450	—	External (Reasonable)
GHG emissions	Scope 2 (location-based) GHG emissions - Other investee within the organisation	tCO_2e	Nil	—	External (Reasonable)

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Insurance Holdings Berhad

IFRS S2

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Sustainability Matter	Metric	Measurement Unit	2025	Target	Assurance
GHG emissions	Scope 2 (location-based) GHG emissions - Total Scope 2 (location-based) GHG emissions	tCO_2e	1,450	—	External (Reasonable)
GHG emissions	Scope 2 (market-based) GHG emissions - The consolidated accounting group	tCO_2e	1,150	Carbon neutrality across operational emissions by 2030 (Scope 1 and 2)	External (Reasonable)
GHG emissions	Scope 2 (market-based) GHG emissions - Other investee within the organisation	tCO_2e	Nil	—	External (Reasonable)
GHG emissions	Scope 2 (market-based) GHG emissions - Total Scope 2 (market-based) GHG emissions	tCO_2e	1,150	Carbon neutrality across operational emissions by 2030 (Scope 1 and 2)	External (Reasonable)
GHG emissions	Scope 3 GHG emissions - Category 1: Purchased goods and services	tCO_2e	6,000	—	No assurance
GHG emissions	Scope 3 GHG emissions - Category 2: Capital Goods	tCO_2e	18	—	No assurance
GHG emissions	Scope 3 GHG emissions - Category 3: Fuel- and energy-related activities (not included in Scope 1 or Scope 2)	tCO_2e	35	—	No assurance
GHG emissions	Scope 3 GHG emissions - Category 5: Waste generated in operations	tCO_2e	30	—	No assurance
GHG emissions	Scope 3 GHG emissions - Category 6: Business travel	tCO_2e	80	—	No assurance
GHG emissions	Scope 3 GHG emissions - Category 7: Employee commuting	tCO_2e	550	—	No assurance
GHG emissions	Scope 3 GHG emissions - Category 9: Downstream transportation and distribution	tCO_2e	780	—	No assurance

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Insurance Holdings Berhad

IFRS S2

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Sustainability Matter	Metric	Measurement Unit	2025	Target	Assurance
GHG emissions	Scope 3 GHG emissions - Category 15: Investments	tCO_2e	149,250	20% reduction in GHG emissions intensity in investment portfolio (listed equity and corporate bonds asset classes) by 2030 from a 2023 baseline Net Zero GHG emissions in investment portfolio by 2050	No assurance
GHG emissions	Scope 3 GHG emissions - Total Scope 3 GHG emissions	tCO_2e	156,743	—	No assurance
GHG emissions	Percentage of gross exposure included in the financed emissions calculation	Percentage (%)	80	—	No assurance
Climate-related opportunities – Insurance/takaful product development to support the transition to a lower-carbon economy	Gross written premiums/c-ontributions related to energy efficiency and low carbon technology	Amount (RM million)	0.5	—	No assurance
Climate-related opportunities – Insurance/takaful product development to support the transition to a lower-carbon economy	Number of policies or certificates issued for energy efficiency and low carbon technology	Number	2	—	No assurance
Climate-related opportunities – Opportunities for enhanced returns from investments aligned with the transition to a lower-carbon economy	New climate solution investments	Amount (RM million)	20	—	No assurance
Climate-related opportunities – Opportunities for enhanced returns from investments aligned with the transition to a lower-carbon economy	Percentage of the Group's investment portfolio allocated to climate solution investments	Percentage (%)	5	—	No assurance

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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 assurance on the metrics indicated in the performance table in Section 10.1.

The [third-party audit firm]'s Independent Reasonable 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 matter:

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 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 7.5 Climate-related metrics and targets and Section 9.2 Metrics for climate-related opportunities

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?
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

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?
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 IFRS 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.

[1]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.

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?
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 para 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.

**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.*

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?
F	Relief on disclosing on principal business segment only	No similar 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[1] – this relief is available for two (2) years (i.e., an additional year compared to IFRS S1) • Group 3 entities[1] – 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

[1]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 Insurance Holdings 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, Insurance Holdings 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 an 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: 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 by preparers in understanding the terms and acronyms referred to in this publication.

ACE	Access, Certainty, Efficiency	**ESRS**	European Sustainability Reporting Standards
ACSR	Advisory Committee on Sustainability Reporting	**EVs**	Electric Vehicles
AEL	Annual Expected Loss	**EVIC**	Enterprise Value including Cash
ATRs	Additional Transition Reliefs	**FAQ**	Frequently Asked Questions
BAC	Board Audit Committee	**FIs**	Financial Institutions
BEL	Best Estimate Liabilities	**FTFC**	Fair Treatment of Financial Consumers
BNC	Board Nomination Committee	**GAAP**	Generally Accepted Accounting Principles
BNM	Bank Negara Malaysia	**GDP**	Gross Domestic Product
Board	Board of Directors	**GHG**	Greenhouse Gas
BRC	Board Remuneration Committee	**GRI**	Global Reporting Initiative
BRMC	Board Risk Management Committee	**GSSB**	Global Sustainability Standards Board
BSC	Board Sustainability Committee	**GWP**	Global Warming Potential
CCPT	Climate Change and Principle-based Taxonomy	**IASB**	International Accounting Standards Board
CRMSA PD	Climate Risk Management and Scenario Analysis Policy Document	**IBFIM**	Islamic Banking and Finance Institute Malaysia
CO_2e	Carbon Dioxide Equivalent	**ICE**	Internal Combustion Engine
CRROs	Climate-Related Risks and Opportunities	**IFRS**	International Financial Reporting Standards
CSAT	Customer Satisfaction	**IFRS S1**	General Requirements for Disclosure of Sustainability-related Financial Information
CSI	Centralised Sustainability Intelligence	**IFRS S2**	Climate-related Disclosures
C-VaR	Climate Value-at-Risk	**IPCC**	Intergovernmental Panel on Climate Change
DESNZ	Department for Energy Security and Net Zero	**ISSA**	International Standard on Sustainability Assurance
DOSM	Department of Statistics Malaysia	**ISSB**	International Sustainability Standards Board
EACs	Energy Attribute Certificates	**iTEKAD**	Integrating Protection with Financial Empowerment Initiatives
EF	Emission Factor	**JC3**	Joint Committee on Climate Change
ERM	Enterprise Risk Management	**JC3-SC2**	Joint Committee on Climate Change Sub-Committee 2
ESG	Environmental, Social and Governance	**LTIP**	Long-Term Incentive Plan

Appendix II: Glossary of acronyms (continued)

LULUCF	Land Use, Land Use Change, and Forestry	**RCP**	Representative Concentration Pathway
MMLR	Main Market Listing Requirements	**RECs**	Renewable Energy Certificates
MAT	Marine, Aviation and Transit	**RMC**	Risk Management Committee
MD&A	Management Discussion & Analysis	**RMD**	Risk Management Division
MFRS	Malaysia Financial Reporting Standards	**RM**	Ringgit Malaysia
MHIT	Medical and Health Insurance/Takaful	**SASB**	Sustainability Accounting Standards Board
MSIC	Malaysian Standard Industrial Classification	**SC**	Sustainability Committee
NDCs	Nationally Determined Contributions	**SMEs**	Small and Medium Enterprises
NETR	National Energy Transition Roadmap	**SRROs**	Sustainability-Related Risks and Opportunities
NGFS	Network for Greening the Financial System	**SSF**	Sustainable Solutions Framework
NiGEM	National Institute Global Econometric Model	**SSP**	Shared Socioeconomic Pathways
NPS	Net Promoter Score	**TCFD**	Taskforce on Climate-Related Financial Disclosures
NSRF	National Sustainability Reporting Framework	**tCO_2e**	Tonnes of Carbon Dioxide Equivalent
PCAF	Partnership for Carbon Accounting Financials	**TIG**	Transition Implementation Group
PML	Probable Maximum Loss	**TNPS**	Transactional Net Promoter Score
PN9	Practice Note 9	**VBIT**	Value-Based Intermediation for Takaful
PPP	Purchase Power Parity	**VOC**	Voice of Customer
RAG	Red, Amber, Green	**WHO**	World Health Organisation

Appendix III: 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")
Insurance Holdings 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 - Insurance

Appendix III: Resources (continued)

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 • 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 risk	• BNM Introduction of New Products by Insurers and Takaful Operators • BNM Policy Document on Fair Treatment of Financial Consumers • BNM Policy Document on Product Transparency and Disclosure
9. Climate 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
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